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Wyong Shire

Retail Centres Strategy

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Introduction

In September 2011, Don Fox Planning (DFP) was commissioned by Wyong Shire Council to undertake a review of the Wyong Retail Centres Strategy 2007 having particular regard to recent strategic documents and policies and population forecasts undertaken by Forecast id.

The purpose of the review was to inform the preparation of the Wyong Settlement Strategy as well as draft Wyong Local Environmental Plan 2013 (WLEP 2013) and draft Wyong Development Control Plan 2013 (DCP 2013).

The review has been considered by Council and, in accordance with the recommendations of the review, and having regard to the imminent changes to the planning system as outlined in the Department of Planning and Infrastructure's White Paper, it has been decided that updating DCP 81 (being the current Retail Centres Development Control Plan) is not the most appropriate approach with respect to guiding the development of and within Wyong's retail centres.

Whilst the design provisions of the DCP are considered appropriate, it is considered that the prescriptive nature of some of the provisions, particularly in relation to the timing of expansion of some centres and the amount of floorspace by which they can expand, are unnecessarily rigid and do not take into consideration changes of circumstance and condition.

The 2011/12 Retail Centres Review advocated a more flexible approach with respect to any increase in floorspace within zoned centres in line with the principles of the draft Centres Policy.

In this regard it is considered that provisions regarding the retail hierarchy and procedures for the maintenance of that hierarchy, and objectives and functions for each of the different levels of centres within the retail hierarchy, should not be encompassed within a DCP.

Instead a policy framework such as Retail Centres Strategy which includes provisions relating to the retail network, the role and function of centres within that network and how best to encourage investment while maintaining the viability of existing centres in Wyong would be more appropriate.

Such a Strategy would build on the foundations established in the 2011/12 Retail Centres Review and include a 'toolbox' for the purposes of preparing and assessing planning proposals which consider additional retail floorspace based on the net community test principles detailed in the draft Centres Policy. The Strategy would also include principles or directions for activity centres in Wyong.

Following consideration of the 2011/12 Retail Centres Review, it was determined that a Retail Centres Strategy be prepared to provide a strategic framework for the centres and network which will allow for:

- Centres to grow and respond to the ever changing retail environment.
- Centres that have the capacity to meet the growth in demand generated by population growth.
- Centres that provide residents with the widest possible range of shopping opportunities and commercial services.
- Conveniently located and accessible centres.
- Protection of the integrity of the existing centres network and viability of existing centres to ensure that they continue to provide for the needs of the community.
- Protection and creation of employment opportunities in centres.
- Sustainable centres in terms of infrastructure provision particularly transport infrastructure.

It is important to recognise that a number of the identified issues associated with retail centres within Wyong are the result of fragmented ownership patterns, lack of investment by property owners and lack of ownership by the community. This Strategy is not a panacea to solve all issues associated with the centres. It is however part of the solution to ensuring that the centres that constitute the

Wyong retail network are viable and have the opportunities to flourish and develop as the population of the area grows.

The key to ensuring a viable centre network and encouraging investment is to have an integrated approach to centre's planning. The basis for that planning is this Strategy. Detailed centre planning through the preparation of centre specific master plans is encouraged to ensure a targeted approach to centre improvement can be implemented. Such plans would identify a desired future character for the centre and provide detailed guidance with respect to specific urban design considerations such as landscaping, signage, sustainability provisions, waste management, residential development within centres and CPTED considerations, as well as streetscape, architectural character, built form, public amenity, car parking and servicing.

Purpose of Strategy

The main purpose of this Strategy is to consider opportunities for the redevelopment and renewal of existing centres in Wyong and establish broad planning requirements for the planning and development of new centres. This Strategy will also consider the distribution, function, broad land use and urban design criteria of centres.

The Strategy will give Council, the community and the development industry direction in terms of the future planning of retail centres within Wyong. It will provide for sustainable retail and commercial centres that meet the community's needs. The Strategy will also respond to the envisaged changes to planning legislation and assist Council in drafting appropriate planning controls and guidelines.

The primary objective of the Strategy is to ensure a viable centre network is provided so that the community has equitable access to goods and services.

The secondary objectives of the Strategy are:

- To establish a hierarchy for the Wyong centres.
- To consider the scale and mix of uses within a centre and opportunities to promote activity through uses such as higher-density housing, offices and employment-generating land uses in centres.
- To identify where demand for additional retail floorspace may be required in response to population growth.
- To provide a basis for an integrated approach to centre planning throughout Wyong.

Strategic Policy Context

Since the 2007 Retail Centres Review was undertaken a number of policies have been released. Firstly, NSW Department of Planning released its draft Centres Policy in 2009 which draws on best practice approaches to planning for centres.

In addition, the Central Coast Regional Strategy (CCRS) was released in 2008. The CCRS applies to both the Gosford and Wyong LGAs, with the bulk of development occurring in Wyong. The CCRS outlines how and where future development should occur to appropriately accommodate this growth and to provide sufficient capacity to cater for more than 45,000 new jobs, reducing the need for local residents to commute outside of the region for work.

The draft Centres Policy and CCRS have been investigated in more detail as part of this Strategy.

Industry Trends

The nature of retailing is such that it must continually change to respond to the needs and wants of the customer, particularly in relation to environment, operation, convenience, and presentation.

Changes to population profiles, the way in which households spend their retail dollar, increased disposable incomes, and increases in workforce participation have led to a more dynamic retail industry which is constantly changing to respond to the needs of consumers.

One of the most influential forms of retailing in recent years has been the advent and popularity of 'on line' shopping. It is anticipated that by 2015, 10% of all retail sales in Australia will be via the internet.

This form of retailing could have a significant impact on the retail industry in the form of decreased sales in 'bricks and mortar' stores and decreased casual employment opportunities. Traditional retailers will be required to develop ways to meet the challenge of the Internet.

Population

The Wyong Shire is likely to experience a significant increase in population in the next twenty years.

According to the Central Coast Regional Strategy (CCRS) and Draft North Wyong Shire Structure Plan, in the period 2006 – 2031 the population of Wyong will increase by an additional 70,000 people who will be housed in existing urban areas and green field areas. 17,500 of the new 39,500 dwellings to be constructed in the Wyong LGA will be located within the North Wyong Structure Plan area.

This increase in population is equivalent to 4,000 persons (or just over 1% growth) per annum.

For the purposes of this Strategy, population projections up to 2031 in line with these strategic policies will be used.

Stakeholder Consultation

Retail and community stakeholders were contacted during the preparation of the initial draft of 2011/12 Retail Centres Review in order to ascertain their opinion of the state of retailing in Wyong in general, any difficulties they may have experienced operating under the current planning regime and what they would like the review to achieve.

In addition, discussions have been had with Councillors Eaton and Best and Council's Manager Economic and Property Development.

The feedback from stakeholders was mostly constructive, with the majority commending Council for undertaking the review. The feedback received from stakeholders has been useful for the purposes of designing a strategic framework in relation to planning for Wyong centres.

The Wyong Retail Network

Although the CCRS provides a centres hierarchy for the Central Coast ranging from villages up to a regional city (Gosford), it is considered that this hierarchy of centres is not necessarily reflective of the network of centres within the Wyong LGA. The CCRS classification of centres is suitable in a broader regional context, however, for the purpose of the local network, a hierarchy which is appropriate to Wyong Shire is proposed to be adopted.

The purpose of establishing a hierarchy of centres is to identify how each centre contributes to the retail network. By defining the nature and role of the various centres that make up the network, it is possible to assess the capacity of the network to absorb new or additional floorspace and ensure that the expansion of one centre (or the introduction of a new centre) does not undermine the hierarchy.

For this reason, this Strategy adopts a more refined retail centres hierarchy to that provided in the CCRS. The hierarchy was informed by the research undertaken as part of the Retail Centres Review and has had regard to the centres hierarchy as set out in the CCRS.

The Wyong retail network operates within an established hierarchy of centres which provides for the classification of centres based on:

- its size and the quantum of retail and commercial floorspace within the centre;
- the mix of uses within the centre;
- the catchment or geographic area of influence;
- the role and function of the centre; and

- its relationship to other centres.

Therefore, for the purposes of this review the Wyong retail network will comprise:

- The Tuggerah major centre.
- Town Centres at Bateau Bay, Lake Haven, The Entrance, Toukley, Wyong and the proposed centre at Warnervale.
- Local Centres at Budgewoi, Chittaway Point, Killarney Vale, San Remo, Lake Munmorah, Long Jetty, Ourimbah, East Toukley and Wadalba.
- The remainder of centres (apart from specialised centres) will be classified as neighbourhood centres.

Retail Demand Assessment

An assessment of the current situation in terms of retail floorspace supply was undertaken as part of the 2011/12 Retail Centres Review. The findings of that assessment, together with population changes and the potential development of new centres have also been factored in. The results of these investigations have assisted in determining whether the supply of retail floorspace within the Wyong LGA is currently satisfying demand and whether that quantum of floorspace could continue to satisfy demand in the future.

Centres that have been investigated are the town centres and local centres, because they are likely to best satisfy local demand (beyond Tuggerah).

The Tuggerah major centre will be considered in so much as a proportion of expenditure from Wyong households is directed to that centre.

The neighbourhood centres within the Wyong retail network fulfil a vital role for their surrounding locality. The majority of these centres are located within established neighbourhoods that are unlikely to experience significant changes to their catchment population. In addition, the potential for physical expansion of these centres is generally restricted due to the surrounding development.

A catchment area for each centre investigated has been estimated based on the role and function of the centre and services provided, together with an estimate as to the expenditure (from catchment households and other from other sources) that could be directed to the centre both now and in the future. An estimate as to the retail sales potential of the outlets within the centre (including any known/approved developments for additional retail floorspace) has also been considered for the purposes of estimating supply/demand scenarios for each of the centres investigated.

Non Retail Floorspace Provision

In order to operate effectively, most centres will contain a mixture of retail and non-retail floorspace together with some community uses. Generally, we would expect uses that would occupy non-retail floorspace would include local and regional servicing businesses such as banks, medical service providers, real estate agencies, solicitors, accountants and the like.

The quantum of non retail floorspace within a centre can vary based on a variety of circumstances including the catchment of the centre and its role and function.

Generally, we would expect around 15% of the floorspace within a neighbourhood centre would be occupied for non retail uses, however this may not always be feasible in which case flexibility of use is the preferred approach. It is important that centres do provide a variety of uses however it is considered that this is best managed by the market place.

A rule of thumb for assessing the provision of non retail/local serving commercial floorspace within a local centre and town centres (excluding Wyong town centre) would be 0.2 – 0.4m^2 of commercial/non retail floorspace per person (based on the estimated catchment of the centre).

Specialist Precincts

There are currently only two **bulky goods retail precincts** in Wyong – the Tuggerah Supa Centa and Tuggerah Straight area in Tuggerah and the Lake Haven Mega Centre adjacent to the Lake Haven shopping centre, in Lake Haven.

There are clear benefits of there being at least two bulky goods retail precincts within the LGA to service the northern and southern sectors of the shire, however opportunities to provide bulky goods precincts as part of other town centres, including Warnervale also need to be considered.

It is imperative that a balance in the provision of any additional floorspace is achieved to ensure that the opportunity for equitable access to such facilities is maintained.

In this regard, the option of a bulky goods precinct in the eastern part of the Wyong Shire also has merit. This area is underserved in terms of such a precinct with the potential for a significant amount of expenditure in this retail category being directed to facilities at Erina. There is currently land available to the south of (and immediately adjoining) the Bateau Bay Square shopping centre for the development of bulky goods floorspace. This land is zoned B5 under the draft LEP but is vacant with no short to medium plans for development.

In addition, the option of formalising the bulky goods retail provision within the Long Jetty centre is available.

Any bulky goods precinct at Bateau Bay may impact on the amount of bulky goods floorspace that might be developed in the other two precincts.

Increasing the quantum of floorspace and the range of goods and products available in these precincts could have the effect of attracting expenditure from areas beyond the Wyong LGA and in particular from the western areas of Lake Macquarie (which are also likely to experience significant population growth in the short to medium term). This expenditure will supplement that available from Wyong households and could result in the amount of floorspace that might be supportable being more than if the precincts were only relying on expenditure from Wyong households.

The option of developing these facilities within each of these precincts in stages is available and is contemplated in relation to the Lake Haven expansion proposition.

At present, it is estimated that there is a shortfall in bulky goods floorspace provision in the order of 21,000m^2. This imbalance will only increase as the population of Wyong increases.

Clearly there is an undersupply of bulky goods retail floorspace within the Wyong LGA at present. The provision of additional floorspace within the existing precincts at Tuggerah and Lake Haven, together with the potential for some bulky goods floorspace to be developed in Bateau Bay, can assist in addressing this imbalance however it will be necessary to ensure that any expansion of floorspace is distributed between and within these precincts.

Opportunities to create **a specialist medical precinct** which provides for the development of new facilities to meet the clinical needs of the Wyong population proximate to the existing health services available at Wyong Hospital have been explored. The land generally bound by Pacific Highway, Wiowera Road/Pearce Road and the William Cape Gardens retirement village is considered to be appropriately located for the establishment of such a precinct.

The clustering of such services into one precinct is considered to be beneficial for fostering healthcare, education, research, and residential accommodation for hospital workers. Selected commercial activities could also be provided within this precinct.

Improving Centres

Centres are evolving from simply being places to shop or work to becoming a destination which provide a varied mix of uses and functions. They are effectively becoming activity centre where people live, work and play.

The Strategy provides the framework for achieving centres that are vibrant, active places that also provide for the retail needs of the community.

The surveys of the various centres throughout the LGA identified that apart from the services provided, the presentation of the centre can affect how the centre operates and ultimately its success. Physical elements such as neglected buildings and run down landscaping and poor access can affect the perception of a whether a centre is unattractive or unsafe, which may in turn contribute to a pattern of declining patronage.

Addressing and rectifying the observed issues within centres can assist in improving the overall functioning and servicing of a centre.

The Hills Shire Council introduced a Local Commercial Centres Streetscape Audit in 2003 for revitalising local shopping centres. The assessment was based against a set of criteria including visual appeal, public safety, accessibility, lighting and landscape design. The centre audit highlighted a number of common issues that needed to be addressed, including disabled access - provision of accessible car parking spaces, ramps, tactile indicators, street lighting and shop awning lighting. The purpose of the audit was to reduce opportunities for vandalism, graffiti and pollution, improve safety in and around centres and foster community ownership of centres. The audit led to the development of a priority list of actions and upgrade requirements, and undertaking rectification works.

It is considered that a number of centres within Wyong would benefit from the positive actions that could result as a consequence of undertaking an audit of the centres.

Net Community Benefit Test

A framework for the consideration and assessment of planning proposals which involve expansion of and/or creation of new centres has been designed.

This framework is based on the draft Centres Policy net community benefit test which requires proponents to demonstrate that alternatives within existing centres and in edge of centre locations were not suitable or available for the proposal.

This Strategy sets out the criteria to carry out a net community benefit test.

This test is part of the process in demonstrating the need for more land to be zoned for retail and commercial purposes. It will also be necessary to demonstrate a demand for additional facilities based on a retail demand assessment and an economic impact assessment to consider whether the proposal is likely to have any impact on the existing retail network.

Although not specifically identified as matters for consideration as part of a net community benefit test within the draft Centres Policy, it is recommended that any planning proposal which considers additional retail floorspace over and above that already provided for within a centre or any new centre (other than a proposed centre already identified in the NWSSP), consider the economic impact of that proposal with the objectives of ensuring that the retail network is respected, planned growth can occur and a viable network of centres is maintained.

Where an extension of a centre is proposed, it will be necessary to consider other issues such as design, connections, transport service, public domain and pedestrian circulation to ensure that the additional development integrates with the existing centre.

Recommended Actions

As a result of this Strategy it is recommended that Council implement the following actions:

- Prepare a Commercial Centres Audit to assess the physical aspects of centres with the view to preparing action plans to address identified problems.
- Amend draft Wyong DCP to delete/modify Chapter 5.1 of the DCP to reflect the findings and conclusions of this Strategy.

- Implement a requirement for planning proposals which include new retail/commercial floorspace to undertake a net community benefit test as part of the request for the preparation of a planning proposal.

Abbreviations

The following is a summary of abbreviations which have been used throughout this report.

ABS	Australian Bureau of Statistics
ACCC	Australian Competition and Consumer Commission
ANZIC	Australia and New Zealand Industry Code
CCRS	Central Coast Regional Strategy
CCRPP	Central Coast Regional Priorities Plan
DCP	Development Control Plan
DDS	Discount Department Store
GFA	Gross Floor Area
GLA	Gross Lettable Area
HES	Household Expenditure Survey
JRPP	Joint Regional Planning Panel
LEP	Local Environmental Plan
LGA	Local Government Area
NWSSP	North Wyong Shire Structure Plan
PTA	Primary Trade Area
RDA	Regional Development Australia
RFDES	Regional Economic Development and Employment Strategy
SPD	Social Planning District
STA	Secondary Trade Area
TTA	Tertiary Trade Area
RDA	Regional Development Australia
WDCP 2013	Draft Wyong Development Control Plan 2013
WEZ	Wyong Employment Zone
WLEP 2013	Draft Wyong Local Environmental Plan 2013

1 Introduction

In September 2011, Don Fox Planning (DFP) was commissioned by Wyong Shire Council to undertake a review of the Wyong Retail Centres Strategy 2007 having particular regard to recent strategic documents and policies and population forecasts undertaken by Forecast id.

The purpose of the review was to inform the preparation of the Wyong Settlement Strategy as well as draft Wyong Local Environmental Plan 2013 (WLEP 2013) and draft Wyong Development Control Plan 2013 (DCP 2013).

The review has been considered by Council and, in accordance with the recommendations of the review, and having regard to the imminent changes to the planning system as outlined in the Department of Planning and Infrastructure's White Paper, it has been decided that updating DCP 81 (being the current Retail Centres Development Control Plan) is not the most appropriate approach with respect to guiding the development of and within Wyong's retail centres.

Whilst the design provisions of the DCP are considered appropriate, it is considered that the prescriptive nature of some of the provisions, particularly in relation to the timing of expansion of some centres and the amount of floorspace by which they can expand, are unnecessarily rigid and do not take into consideration changes of circumstance and condition.

The 2011/12 Retail Centres Review advocated a more flexible approach with respect to any increase in floorspace within zoned centres in line with the principles of the draft Centres Policy.

In this regard it is considered that provisions regarding the retail hierarchy and procedures for the maintenance of that hierarchy, and objectives and functions for each of the different levels of centres within the retail hierarchy, should not be encompassed within a DCP.

Instead a policy framework such as Retail Centres Strategy which includes provisions relating to the retail network, the role and function of centres within that network and how best to encourage investment while maintaining the viability of existing centres in Wyong would be more appropriate.

Such a Strategy would build on the foundations established in the 2011/12 Retail Centres Review and include a 'toolbox' for the purposes of preparing and assessing planning proposals which consider additional retail floorspace based on the net community test principles detailed in the draft Centres Policy. The Strategy would also include principles or directions for activity centres in Wyong.

Since the 2011/12 Retail Centres Review, the White Paper into the new planning system for NSW has been released. This envisages as new hierarchy of plans and policies comprising:

- ***NSW Planning Policies*** – which will present the government's broad planning objectives, priorities and policy directions for a range of land use and development sectors
- ***Regional Growth Plans*** – These will provide a high level vision for each region of the state and establish objectives and policies relating to housing, employment, the environment and infrastructure.
- ***Subregional Delivery Plans*** – These will provide the delivery framework for the Regional Growth Plans in appropriate locations. The subregional delivery plans will outline key policies, actions and delivery outcomes (e.g. – housing targets) for a subregion. These plans will also specify and/or rezone areas of major planning significance such as significant precincts, corridors and sites.
- ***Local Plans*** – Local plans will provide the mechanisms for the on ground delivery of the higher order plans. All statutory planning controls will be contained in the one local plan for an LGA. Part 3 of the Local Plan will be the development guides which will provide detailed standards for development such as the standards and controls currently found within LEPs and DCPs.

The White Paper advocates a major shift to evidence based, whole of government strategic planning and identifies that there will be a clear line of sight between each successive layer of planning.

It is considered that the provisions relating to centres that could be included within a DCP/design guidelines could include design principles such as building envelope controls, landscaping, signage, sustainability provisions, waste management, residential development within centres and CPTED considerations, as well as streetscape, architectural character, public amenity, car parking and servicing. Such provisions could be simply transferred to the development guides contained within Part 3 of the Local Plan when prepared.

It will be necessary, particularly if provisions to encourage mixed use developments within centres are supported, that residential amenity provisions are included. Such provisions would include solar access, acoustic amenity, visual amenity, privacy, open space, setbacks and bulk and scale and be drafted having regard to the design principles of SEPP 65 and the Residential Flat Design Code. The principles described above would be best developed by an Urban Designer, in consultation with Council's development assessment section to ensure a workable set of principles to guide proposals are developed.

The Retail Centres Strategy will inform the Subregional Delivery Plans in terms of the hierarchy of centres and the role and functions of the various centres within the Wyong LGA area of the sub region.

Following consideration of the 2011/12 Retail Centres Review, it was determined that a Retail Centres Strategy be prepared to provide a strategic framework for the centres and network which will allow for:

- Centres to grow and respond to the ever changing retail environment.
- Centres that have the capacity to meet the growth in demand generated by population growth.
- Centres that provide residents with the widest possible range of shopping opportunities and commercial services.
- Conveniently located and accessible centres.
- Protection of the integrity of the existing centres network and viability of existing centres to ensure that they continue to provide for the needs of the community.
- Protection and creation of employment opportunities in centres.
- Sustainable centres in terms of infrastructure provision particularly transport infrastructure.

It is important to recognise that a number of the identified issues associated with retail centres within Wyong are the result of fragmented ownership patterns, lack of investment by property owners and lack of ownership by the community. This Strategy is not a panacea to solve all issues associated with the centres. It is however part of the solution to ensuring that the centres that constitute the Wyong retail network are viable and have the opportunities to flourish and develop as the population of the area grows.

In addition to the issues addressed in this Strategy, it is recommended that the following elements also be considered in terms of addressing the function and presentation of retail centres in Wyong:

- Addressing public domain improvements including landscaping such as street tree planting, street furniture, upgraded paving, and removal of graffiti.
- Updating the Section 94 contributions plan as it relates to developer contributions towards town centre improvements and car parking to ensure the works programs are achievable and the contributions are reasonable.
- Consideration of planning agreements to encourage investment in centres where there is a mutual benefit to both the developer and Council.
- Transport planning – to ensure centres are accessible.

The key to ensuring a viable centre network and encouraging investment is to have an integrated approach to centre's planning. The basis for that planning is this Strategy. Detailed centre planning through the preparation of centre specific master plans is encouraged to ensure a targeted approach to centre improvement can be implemented. Such plans would identify a desired future character for the centre and provide detailed guidance with respect to specific urban design considerations such as landscaping, signage, sustainability provisions, waste management, residential development within centres and CPTED considerations, as well as streetscape, architectural character, built form, public amenity, car parking and servicing.

2 Purpose of the Strategy

The main purpose of this Strategy is to consider opportunities for the redevelopment and renewal of existing centres in Wyong and establish broad planning requirements for the planning and development of new centres. This Strategy will also consider the distribution, function, broad land use and urban design criteria of centres.

The Strategy will give Council, the community and the development industry direction in terms of the future planning of retail centres within Wyong. It will provide for sustainable retail and commercial centres that meet the community's needs. The Strategy will also respond to the envisaged changes to planning legislation and assist Council in drafting appropriate planning controls and guidelines.

There are a number of challenges facing retail and commercial centres in Wyong including:

- Ensuring there is sufficient retail floorspace available to meet future demand.
- Ensuring centres are provided in the right location at the right time to meet the needs of the community.
- Creating centres that are multifunctional activity centres.
- Revitalising ageing centres.
- Improving connectivity between and within centres and reducing reliance on private transport.
- Providing for centres which have the capacity to respond to the ever changing nature of retailing.

This Strategy will provide Council with the one of necessary tools to create attractive and sustainable centres that respond to the needs of the economy, community, and environment.

The primary objective of the Strategy is to ensure a viable centre network is provided so that the community has equitable access to goods and services.

The secondary objectives of the Strategy are:

- To establish a hierarchy for the Wyong centres.
- To consider the scale and mix of uses within a centre and opportunities to promote activity through uses such as higher-density housing, offices and employment-generating land uses in centres.
- To identify where demand for additional retail floorspace may be required in response to population growth.
- To provide a basis for an integrated approach to centre planning throughout Wyong.

The Strategy considers the role and function of centres as community focal points. They include activities such as commercial, retail, higher density housing, entertainment, tourism, civic/community, higher education, and medical services. Maintenance of a variety of functions within the centres that comprise the network is essential to ensure the community have access to a range of services and promote the vitality of centres.

Opportunities to encourage land uses that generate activity outside normal business hours (e.g. hospitality and entertainment uses and residential development to locate in centres in order to generate additional evening and weekend activity are also considered.

3 2011/12 Retail Centres Review

Wyong Shire Council commissioned Don Fox Planning Pty Ltd (DFP) to undertake a review of the Wyong Retail Centres Strategy 2007 having regard to recent strategic documents and policies and population forecasts undertaken by Forecast id.

The objectives of the review were to:

- Consider of the role and function of centres within Wyong having regard to population growth and opportunities for new development;
- Review the retail network within the Wyong shire to ensure the centres provide for the needs of the resident and tourist population;
- Consider options to limit commercial activities outside of centres where those activities could impact on the role and function of the established centres;
- Ensure that provision is made to accommodate retail growth in anticipation of an increase in resident population.
- Identify centres at risk of decline and consider development incentive options to revitalise these centres.

The aspects considered as part of the review of the 2007 Retail Centres Strategy and how those findings have informed the preparation of this Strategy are summarised below.

3.1 Strategic Policy Context

The 2011/12 Retail Centres Review considered what strategies and policies had been released since the 2007 Retail Centres Review had been undertaken.

The policies that were reviewed included:

- The 2009 draft Centres Policy by NSW Department of Planning which draws on best practice approaches to planning for centres; and
- The Central Coast Regional Strategy (CCRS) which was released in 2008. The Strategy applies to both the Gosford and Wyong LGAs, however the bulk of new development will occur in Wyong. The strategy outlines how and where future development should occur to appropriately accommodate this growth and to provide sufficient capacity to cater for more than 45,000 new jobs, reducing the need for local residents to commute outside of the region for work.

In addition to the strategic policies, other relevant studies that have been prepared by and on behalf of Council were reviewed. These included:

- The Toukley town centre study
- The Entrance Peninsula planning strategy
- Wyong-Tuggerah planning strategy
- Draft Iconic Sites DCP

Since the preparation of the 2011/12 Retail Centres Review:

- The Long Jetty streetscape improvements program has been implemented.
- Preparation of master plans for the Bateau Bay and Lake Haven town centres and Budgewoi village has commenced.

These master plans will provide direction for the future development of the centres with a view to providing centres which:

- Are attractive, accessible and active spaces.

- Promote community, sporting and recreation facilities and identify linkages between these areas and the centres.
- Identify special precincts that complement the role and function of the centres, encourage activity and connectivity and which improve the viability of the centres.
- Enhance social interaction.
- Consider the road hierarchy and traffic flow within and around the centres, including the location and operation of car parking areas, transport interchange, and vehicle loading and unloading areas.

The implementation of these master plans will be fundamental to ensuring the centres are functional, thriving, active centres that provide residents, workers and visitors to the centres with a pleasant and enjoyable experience.

3.2 Best Practice Considerations

As part of the 2011/12 Retail Centres Review, the experience of other planning jurisdictions and areas with respect to centres planning was considered.

In most instances the objectives of the reviews/studies which ultimately led to the implementation of the policies discussed in the 2011/12 Retail Centres Review were not dissimilar to those identified by Wyong Council.

Policies and strategies implemented in West Australia, Melbourne The Hills Shire, Holroyd, Shellharbour and Wagga Wagga were investigated. It is considered that implementation of components of these policies (modified as necessary to ensure relevance) are appropriate for the purposes of setting the direction for the centres network in Wyong. This Strategy has incorporated a number of policy recommendations of the plans that were reviewed.

3.3 Industry Trends

Changes in the nature of retailing and the influence those changes can have on the role, function and design of centres was also investigated as part of the 2011/12 Retail Centres Review. The nature of retailing is such that it must continually change to respond to the needs and wants of the customer, particularly in relation to environment, operation, convenience, and presentation.

Changes to population profiles, the way in which households spend their retail dollar, changes to disposable incomes, and increases in workforce participation have led to a more dynamic retail industry which is constantly changing to respond to the needs of consumers.

One of the most influential forms of retailing in recent years has been the advent and popularity of ‘on line’ shopping. It is anticipated that by 2015, 10% of all retail sales in Australia will be via the internet.

Although this form of retailing will have an impact on the retail industry particularly in relation to the way ‘bricks and mortar’ stores operate, traditional retailers are already implementing changes to respond to the challenge of the Internet.

It is anticipated that on line sales will not increase to the extent in the foreseeable future to place at risk the operation and role provided by traditional retail centres.

3.4 Wyong Retail Hierarchy

The Central Coast Regional Strategy (CCRS) considered a centres hierarchy for the Central Coast ranging from villages up to a regional city (Gosford), however it is considered that this hierarchy of centres is not necessarily reflective of the network of centres within the Wyong LGA. Whilst the CCRS classification of centres is suitable in a broader regional context, for the purpose of the local network, a hierarchy which is appropriate to Wyong Shire is proposed to be adopted.

This Strategy has been based on a retail network comprising:

- The Tuggerah major centre.
- Town Centres at Bateau Bay, Lake Haven, The Entrance, Toukley, Wyong and the proposed centre at Warnervale.
- Local Centres at Budgewoi, Chittaway Point, Killarney Vale, San Remo, Lake Munmorah, Long Jetty, Ourimbah, East Toukley and Wadalba.
- The remainder of centres (apart from specialised centres) being classified as neighbourhood centres.

A full description of the centres hierarchy is included in Section 9 of this Strategy.

3.5 Population

The Wyong Shire is likely to experience a significant increase in population in the next twenty years.

According to the CCRS and Draft North Wyong Shire Structure Plan, in the period 2006 – 2031 the population of Wyong will increase by an additional 70,000 people who will be housed in existing urban areas and green field areas. 17,500 of the new 39,500 dwellings to be constructed in the Wyong LGA will be located within the North Wyong Structure Plan area.

This increase in population is equivalent to 4,000 persons (or just over 1% growth) per annum.

The 2011/12 Retail Centres Review considered population projections up to 2031 in line with these strategic policies.

3.6 Stakeholder Consultation

Retail and community stakeholders, including Councillors and relevant officers, were consulted during the preparation of the 2011/12 Retail Centres Review in order to ascertain their opinion of the state of retailing in Wyong in general, any difficulties that they may have experienced operating under the current planning regime and what they would like the review to achieve.

The feedback from stakeholders was mostly constructive, with the majority commending Council for undertaking the review. The feedback received from stakeholders has been useful for the purposes of designing a strategic framework in relation to planning for Wyong centres.

3.7 Retail Demand Assessment

An assessment of the current situation in terms of retail demand and supply was undertaken as part of the 2011/12 Retail Centres Review. The findings of this assessment, together with population changes and the potential development of new centres have been factored into this Strategy. The results of these investigations have assisted in determining whether the supply of retail floorspace within the Wyong LGA is currently satisfying demand and whether that quantum of floorspace could continue to satisfy demand in the future.

Although the Tuggerah major centre and neighbourhood centres are important components of the Wyong retail network, the 2011/12 Retail Centres Review investigated town centres and local centres in detail, because they are the centres likely to best satisfy local demand (beyond Tuggerah).

A catchment area for each centre being investigated was estimated based on the role and function of the centre and services provided, together with an estimate as to the expenditure (from catchment households and other from other sources) that could be directed to the centre both now and in the future. An estimate as to the retail sales potential of the outlets within the centre (including any known/approved developments for additional retail floorspace) was also considered for the purposes of estimating supply/demand scenarios for each of the centres investigated.

3.8 Demand Assessment

The 2011/12 Retail Centres Review was based on an applied demand assessment as this was considered to be an appropriate technique to use at a subregional and local level in planning strategically for retail facilities. Such a technique is relevant in the local context as it is based on calculations of actual expenditure potential from local households derived from published and observed data and trends. A bland estimation of 'retail floorspace per head of population' was not adopted as that approach is not considered to be of lasting benefit, as such is unlikely to incorporate the local 'subtleties' in population, households, markets, and expenditure which are necessary to inform any demand analysis.

For these reasons, the 2011/12 Retail Centres Review adopted the above analytical approach for the purposes of calculating local and subregional household expenditure potential and 'balancing' that against the surveyed floorspace estimates in the local and subregional centres in order to establish supportable floorspace levels. As a result, the Strategy is better informed as to what network of centres might optimise net community benefit in the long term. And, that will also reflect many of the elements of 'best practice' previously investigated.

Based on those investigations, it was concluded that there are opportunities to expand the supply of retail floorspace within the Wyong retail network, particularly within the major centre at Tuggerah and the northern areas of the LGA.

At the town centre and local centre level, the 2011/12 Retail Centres Review found that the bulk of new opportunities will be available within the northern part of the LGA. The 2011/12 Retail Centres Review concluded that the provision of 21,000m^2 of retail floorspace within the Warnervale town centre, the opening of the new local centre at San Remo in late 2008 (which provides for 4,000m^2 of retail floorspace) and the approval of the Lake Munmorah local centre[1] (which provides over 5,000m^2 of retail floorspace) will assist in addressing the shortfall of retail floorspace (not including bulky goods floorspace) for residents in the North Wyong area.

As the population within the North Wyong area grows, the 2011/12 Retail Centres Review recommended that opportunities to expand the role and functions of the Warnervale town centre be investigated as this centre will be a major focus of activity for the incoming population.

The 2011/12 Retail Centres Review also considered the potential for the Wadalba centre to be expanded to include another supermarket of around 2,000m^2 together with some specialty retail floorspace and concluded that this could be warranted by 2016.

This centre could be supported by a new neighbourhood centre within the East Wadalba area post 2016, to provide additional retail opportunities in this growth area.

The draft North Wyong Shire Structure Plan includes the provision of a new centre at Gwandalan. It is likely that a neighbourhood centre to supplement the existing centres in Gwandalan and Summerland Point and the new centre at Lake Munmorah may be supportable in the future.

In the southern parts of Wyong, apart from expansion of the Tuggerah major centre, the 2011/12 Retail Centres Review found that demand for additional retail floorspace will generally be met by increasing retail floorspace provision in the Wyong and The Entrance town centres, although the potential expansion of the Ourimbah centre to include some supermarket floorspace was also considered appropriate.

The 2011/12 Retail Centres Review concluded that the existing neighbourhood centres throughout the southern part of the LGA service their immediate surrounding community and are a vital part of the network. In this regard therefore their capacity to provide these services should be maintained. The additional floorspace provision envisaged in The Entrance and Wyong is unlikely to impact on the functioning of the smaller centres as the expenditure distribution estimates did not rely on attracting that proportion of expenditure which would generally be directed to such centres.

[1] The Lake Munmorah local centre commenced operation in May 2013

In order to revitalise The Entrance, the review concluded that the provision of a hub to the centre is considered critical. This will give the centre a focal point to which its various precincts (as noted in The Entrance master plan) can relate. Opportunities to increase the residential population within the centre are also considered to be important to the functioning of this centre as a comprehensive activity centre. This aspect will be considered as part of this Strategy.

Similarly, the Wyong town centre will also benefit from the in centre population being increased. The CCRS envisages that of the 39,500 additional dwellings to be provided in the Wyong LGA, 4,000 will be located within the Tuggerah-Wyong major centre. Whilst the bulk of these are likely to be accommodated within the Tuggerah town centre as described in Section 0 of this Strategy, there are opportunities to provide residential development within the Wyong town centre.

The retail mix available within the Wyong town centres is somewhat limited and would benefit from an additional attractor such as a supermarket. The 2011/12 Retail Centres Review demonstrated that there is sufficient expenditure which is currently directed to Wyong from its catchment population to support an additional medium sized supermarket facility. The potential additional local population will also provide support from this facility. The provision of such a facility could have a synergistic effect in terms of revitalising the mix of retail services provided in this centre.

The 2011/12 Retail Centres Review concluded that with the provision of new centres at Warnervale and East Wadalba (and potentially Gwandalan) within the northern parts of the LGA together with opportunities to rationalise and redevelop parts of existing centres throughout other areas, the supply of retail floorspace within the Wyong LGA will meet demand for the period up to 2021.

The 2011/12 Retail Centres Review recommended that any additional floorspace that might be required to meet demand post 2021 should, wherever possible be provided within the existing centres. This can be achieved through more efficient use of land within existing zoned areas. Any expansion of zoned areas apart from those identified in the 2011/12 Retail Centres Review will need to be considered having regard to the net community benefit test. The same test should be rigorously applied to any out of centre rezoning proposals for new retail floorspace.

This Strategy sets up the framework for the assessment and consideration of new and/or expanded centres.

3.9 Specialist Precincts

3.9.1 Bulky Goods Retail Precincts

The 2011/12 Retail Centres Review investigated the two bulky goods retail precincts currently provided within the Wyong LGA – the Tuggerah Supa Centa and Tuggerah Straight area in Tuggerah and the Lake Haven Mega Centre adjacent to the Lake Haven shopping centre, in Lake Haven.

There are clear benefits in there being at least two bulky goods retail precincts within the LGA to service the northern and southern sectors of the shire, however the 2011/12 Retail Centres Review also considered opportunities to provide bulky goods precincts as part of other town centres, including Warnervale and Bateau Bay.

It is imperative that a balance in the provision of any additional floorspace is achieved to ensure that the opportunity for equitable access to such facilities is maintained.

In this regard, the review concluded that the option of making provision for a bulky goods precinct in the eastern part of the Wyong Shire also has merit. This area is underserved in terms of bulky goods floorspace and the provision of such a precinct has the potential to capture a significant amount of expenditure in this retail category which is currently being directed to facilities at Erina. There is currently land available to the south of (and immediately adjoining) the Bay Village shopping centre for the development of bulky goods floorspace. This land is currently zoned 3(b) Centre Support (proposed to be zoned B5 Business Development under draft Wyong Local Environmental Plan 2013 draft WLEP 2013)) but is vacant with no known short to medium plans for development.

In addition, the option of formalising the bulky goods retail provision within the Long Jetty centre is available. The proposed zoning of land within the southern part of the Long Jetty centre to B6 Enterprise Corridor will also allow for the provision of bulky goods retail premises in this area to be formalised.

Any bulky goods precinct at Bateau Bay may impact on the amount of bulky goods floorspace that might be developed in the other two precincts as there is a finite amount of such floorspace that is supportable.

The 2011/12 Retail Centres Review found that increasing the quantum of floorspace and the range of goods and products available in the established bulky goods retail precincts at Tuggerah and Lake Haven could have the effect of attracting expenditure from areas beyond the Wyong LGA and in particular from the western areas of Lake Macquarie (which are also likely to experience significant population growth in the short to medium term). This expenditure will supplement that available from Wyong households and could result in the amount of floorspace that might be supportable being more than if the precincts were only relying on expenditure from Wyong households.

The option of developing these facilities within each of these precincts in stages is available and is being contemplated in relation to the proposed expansion of the Lake Haven precinct.

The 2011/12 Retail Centres Review estimated that at present, there is a shortfall in bulky goods floorspace provision the Wyong shire in the order of 21,000m^2. This imbalance will only increase as the population of Wyong increases.

Clearly there is an undersupply of bulky goods retail floorspace within the Wyong LGA at present. The provision of additional floorspace within the existing precincts at Tuggerah and Lake Haven, together with the potential for some bulky goods floorspace to be developed in Bateau Bay, can assist in addressing this imbalance however it will be necessary to ensure that any expansion of floorspace is distributed between and within these precincts.

3.9.2 Specialist Precincts

Opportunities to create **a specialist medical precinct** which provides for the development of new facilities to meet the medical and clinical needs of the Wyong population proximate to the existing health services available at Wyong Hospital were explored as part of the 2011/12 Retail Centres Review. The land generally bound by Pacific Highway, Wiowera Road/Pearce Road and the William Cape Gardens retirement village is considered to be appropriately located for the establishment of such a precinct.

The 2011/12 Retail Centres Review concluded that the clustering of such services into one precinct would be beneficial for fostering healthcare, education, research, and residential accommodation for hospital and health workers. Selected commercial activities could also be provided within this precinct.

3.10 Draft Wyong LEP 2013

One of the objectives of the 2011/12 Retail Centres Review was to inform any changes with respect to Wyong centres that could be incorporated as part of the draft comprehensive WLEP 2013. The draft LEP, prepared in accordance with the Standard Template LEP, has been exhibited for public comment and the draft LEP has now forwarded to the Department of Planning and Infrastructure with a request that the plan be made.

As part of the preparation of draft WLEP 2013, Council reviewed the zoning provisions as they relate to the existing centres. Zonings appropriate to the role and function of those centres have been applied.

The 2011/12 Retail Centres Review made a number of recommendations regarding where and how additional retail floorspace might be accommodated. Recommendations regarding zonings for particular centres were made including the expansion of some zoned areas to encompass existing ‘fringe’ uses and sites and down-zoning of some sites.

The 2011/12 Retail Centres Review also recommended that zonings which allow for a range of uses within centres, including residential uses be implemented as a way of stimulating investment in all centres including underperforming centres. Zonings which encourage a greater diversity of uses within centres, including shop top housing, will promote the concept of these centres being more than retail/commercial centres; they will become activity centres. Furthermore, additional residents within the centres will generate additional demand for retail services which translates into greater activity.

It is evident that centres are not a stagnant entity. Development controls to be incorporated in a new local plan will need to be sufficiently flexible to accommodate changes and advances in the retail industry. However, this must be tempered so that a situation which allows the market to 'reign free' in terms of locating retail activities does not occur. The challenge is to maintain the balance of a viable network whist still providing this flexibility. This Strategy will consider principles to ensure these targets are achieved.

3.11 Net Community Benefit Test

As part of the 2011/12 Retail Centres Review, a framework for the consideration and assessment of planning proposals which involve expansion of and/or creation of new centres was considered.

The framework suggested in the review was based on the draft Centres Policy net community benefit test which requires proponents to consider alternatives within existing centres and in edge of centre locations and provide justification as to why such locations were not considered suitable for the proposal.

This Strategy builds on the 2011/12 Retail Centres Review by providing a strategic framework for the consideration of planning proposals for new commercial/retail developments in out of centre or fringe of centre locations.

3.12 Wyong DCP 2013

At present development within retail centres in Wyong is subject to the provisions of DCP 81 – Retail Centres Development Control Plan.

The provisions of DCP 81 were considered as part of the 2011/12 Retail Centres Review.

The review found that, whilst the design provisions of the DCP are considered appropriate, the prescriptive nature of some of the provisions, particularly in relation to the timing of expansion of some centres and the amount of floorspace by which they can expand, are too restrictive and do not take into consideration changes of circumstance and condition.

The 2011/12 Retail Centres Review advocated a more flexible approach with respect to any increase in floorspace within zoned centres in line with the principles of the draft Centres Policy.

The draft Wyong DCP 2013 includes a section in relation to Retail Centres (Chapter 5.1). Chapter 5.1 of draft DCP 2013 is very similar to DCP 81 in structure and content.

Many of the provisions of Chapter 5.1 of the draft DCP are strategic directions which are more appropriately considered as part of this Retail Centres Strategy. This Strategy includes provisions relating to the retail network, the role and function of centres within that network and how best to encourage investment while maintaining the viability of existing centres in Wyong.

Should this Retail Centres Strategy be adopted by Council, it is recommended that Chapter 5.1 of draft Wyong DCP 2013 be amended to include detailed design provisions only.

This Strategy builds on the foundations established in the 2011/12 Retail Centres Review and includes a 'toolbox' for the purposes of preparing and assessing planning proposals which propose new and/or additional retail floorspace based on the net community test principles detailed in the draft Centres Policy.

It is considered that the provisions relating to centres that could be appropriately included within a DCP would include design principles such as building envelope controls, landscaping, signage, sustainability provisions, waste management, residential development within centres and CPTED considerations, as well as streetscape, architectural character, public amenity, car parking and servicing – being the design issues controlled in Section 11 of the draft DCP. It will be necessary, particularly if provisions to encourage mixed use developments within centres are supported, that residential amenity provisions are included. Such provisions would include solar access, acoustic amenity, visual amenity, privacy, open space, setbacks and bulk and scale and be drafted having regard to the design principles of SEPP 65 and the Residential Flat Design Code. The principles described above would be best developed by an Urban Designer, in consultation with Council's development assessment section to ensure a workable set of principles to guide proposals are developed. Detailed provisions for each centre could be developed as part of any centre specific master plan.

4 Strategic Policy Context

4.1 Introduction

Since the 2007 Retail Centres Review was undertaken a number of policies have been released. Firstly, NSW Department of Planning released its draft Centres Policy in 2009 which draws on best practice approaches to planning for centres.

In addition, the Central Coast Regional Strategy (CCRS) was released in 2008. The CCRS applies to both the Gosford and Wyong LGAs, with the bulk of development occurring in Wyong. The CCRS outlines how and where future development should occur to appropriately accommodate this growth and to provide sufficient capacity to cater for more than 45,000 new jobs, reducing the need for local residents to commute outside of the region for work.

The draft Centres policy and CCRS have been investigated in more detail as part of this Strategy. There are also a number of other policies and strategies which are relevant to this Strategy and these are discussed below.

4.2 Regional Development Australia (RDA) Strategic Studies

4.2.1 Central Coast Regional Priorities Plan

The Central Coast Regional Priorities Plan (CCRPP) was prepared by Regional Development Australia (RDA) in 2010.

The CCRPP brings together the strategies, plans and actions of various stakeholders from economic, social, cultural, and environmental sectors.

The CCRPP considers a number of challenges facing the Central Coast region. Among these is the challenge to create local job opportunities to match the anticipated labour force growth. The Region needs to increase employment self-containment in order to reduce the need for “out-commuting”. Retailing is one of the key economic sectors in the region and one which is expected to experience growth over the next 25 years.

The increasing, and ageing, population of the region is also seen as another challenge. One of the key considerations in addressing the needs of the population will be the *implementation of a centres hierarchy that clearly identifies the roles and relationships of centres.* Developing Tuggerah – Wyong as the Region’s major centre and revitalising other town centres to attract both residential and business investment are also identified as ways of addressing the demands of the growing population.

This Strategy recommends an appropriate centre hierarchy for the Wyong Shire and identifies the relationship between centres and describe how they function with each other and within the broader regional context.

4.2.2 Central Coast Regional Plan 2011 – 2015

The Central Coast Regional Plan was developed by RDA *to present a co-ordinated representation of the Central Coast’s aspirations and priorities to partners and funders, ensuring the region’s needs are heard and addressed by way of investment and local action.*

One of the major aims of the plan is to create local job opportunities and boost the employment and economic profile of the region by:

- Improving transport connectivity.
- Encouraging early rollout of the National Broadband Network in the area.
- Creating more opportunities to address the significant youth unemployment.
- Encouraging investment in infrastructure and town centre development.

These priorities are relevant to this Strategy and form the basis of the objectives of this Strategy.

4.2.3 Regional Economic Development and Employment Strategy

One of the region's most important strategies is the Regional Economic Development and Employment Strategy (REDES).

The REDES focuses on:

- Strengthening the regional economy
- Developing future skills
- Increasing knowledge and innovation
- Infrastructure to support economic growth

Strategies identified in the REDES include:

- Attracting new businesses and supporting existing businesses
- Improving the training and skills development opportunities
- Increasing research, knowledge and innovation
- Ensuring appropriate planning processes and land supplies
- Planning for regional economic centres
- Providing new infrastructure
- Marketing the region as an attractive business location.

The strategies identified in the REDES have been considered in the preparation of this Strategy

4.3 Central Coast Regional Strategy (CCRS)

The Central Coast region of NSW comprises the local government areas of Gosford and Wyong. It occupies a strategic position between Sydney and the regional city of Newcastle.

The population of the Central Coast region is forecast to grow by 4,000 persons per year. The purpose of the CCRS is to ensure that this population growth is accommodated in a manner that preserves and enhances quality of life whilst protecting the natural environment and providing improved opportunities for employment self-containment by creating more local jobs closer to home.

Relevant to this Strategy, the following key challenges facing the region have been identified in the CCRS:

- The proportion of the population aged over 65 years is projected to increase to around 24% over the next 25 years.
- Implementing measures to stem the out-migration of 20 -29 year olds.
- Implementing a centres hierarchy that clearly identifies the roles and relationships of centres.
- Development of Tuggerah-Wyong as the Region’s major centre, and revitalising other town centres to attract both residential and business investment.

The CCRS provides a strategic framework that will guide growth within the Region over the next 25 years. By 2031 the Central Coast region will have:

- A population of over 400,000 people.
- 70% of the additional 56,000 dwellings forecast for the region will be provided within the Wyong Shire.
- Of the 39,500 additional dwellings to be provided in the Wyong LGA:
  - 4,000 will be located within the Tuggerah-Wyong major centre;
  - 14,500 will be located within other centres, including the Warnervale town centre;

  - 5,000 will be provided as in-fill development; and
  - 16,000 will be located within greenfield developments.
- The Warnervale town centre will house up to 4,200 residents, along with retail, commercial and community facilities.

The CCRS provides for a revised hierarchy of centres consistent with the hierarchy which has been adopted for the various sub regions of Sydney.

The hierarchy as set out in the CCRS is only intended to be a broad classification of centres, having regard to their size and function. The vision of this hierarchy does not always correspond to the existing or envisaged role and function of a centre. Therefore, although the CCRS treats Tuggerah-Wyong as one major centre, for the purposes of this Strategy each precinct within this 'major centre' will be considered as a separate entity. This matter is discussed in greater detail in section 10 of this review.

The 2011/12 Retail Centres Review considered when and where residential development is likely to occur having regard to the CCRS and the quantum of floorspace within existing centres (and mooted centres) to meet the retail and employment demands of the growing population. This Strategy provides a policy framework for the provision of any new retail floorspace.

4.4 North Wyong Shire Structure Plan (NWSSP)

The North Wyong Shire Structure Plan was released by the NSW Department of Planning and Infrastructure on 18 October 2012.. The Structure Plan builds on the principles set down in the CCRS which identified the North Wyong Structure Plan area as the focus for greenfield development within the region, and will inform Council's LGA-wide Settlement Strategy which is currently under preparation.

The Structure Plan area comprises more than 11,500 hectares. The existing settlement pattern of the area comprises predominantly detached one and two storey homes in a suburban setting with several smaller retail and commercial centres.

The Regional Strategy sets a housing target of 17,500 new dwellings in the Structure Plan area to 2031 (e.g. 700 new dwellings per year over that period) based on a yield of 15 dwellings per net development hectare.

In order to improve opportunities for employment closer to home for the growing population, the draft Structure Plan has considered the following initiatives:

- Strengthening existing employment at Charmhaven and Doyalson;
- Supporting new employment opportunities in the Wyong Employment Zone (WEZ), Spring Creek, Doyalson and Bushells Ridge;
- Developing new employment areas at Lake Munmorah to service new urban areas and to provide land-use buffers around the power station sites;
- Strengthening employment focus of existing magnet employment infrastructure, for example, the hospital and, over the longer term, the power station sites; and
- Supporting establishment of new centres at Warnervale, Wadalba East, Lake Munmorah, and in the longer term, at Gwandalan.

With respect to the last mentioned matter, the draft Structure Plan identified the following planned centres and recent additions to the centres network which will impact on the Structure Plan area:

- Warnervale town centre. The town centre is planned to provide for mixed use development of commercial, district level retail, residential, civic, and community activities;
- Council is currently considering the future of the existing Wadalba centre given its proximity to the proposed Warnervale and Wadalba East centres;

- Provision for a new centre at Wadalba East;
- The possible provision of a new centre at Gwandalan;
- The recent completion of a new centre in San Remo which will also service Blue Haven and Doyalson; and
- Commencement of the operation of a new retail centre at Lake Munmorah comprising a 3,800m^2 supermarket, 1,250m^2 of specialty retail floorspace and 500m^2 of medical centre.

As the majority of new population growth will occur within the North Wyong area, it is anticipated that the bulk of new and additional retail floorspace will be located in this part of the LGA. Notwithstanding because the Tuggerah major centre services the whole of the LGA, the opportunity for that centre to expand was also considered as part of the 2011/12 Retail Centres Review.

4.5 Draft Centres Policy

The draft Centres Policy was released by the Department of Planning in April 2009.

The policy seeks to provide a planning framework for the development of new and existing retail commercial centres in NSW.

The aim of the Centres Policy is *'to create a network of vital and vibrant centres that cater for the needs of business, and are places where individuals and families want to live, work and shop."*

As part of the policy, the Department of Planning has identified six key planning principles to guide future retail and commercial development.

> **Principle 1** – Retail and commercial activity should be located in centres to ensure the most efficient use of transport and other infrastructure, proximity to labour markets, and to improve the amenity and liveability of those centres.
>
> **Principle 2** – The planning system should be flexible enough to enable all centres to grow and new centres to form.
>
> **Principle 3** – The market is best placed to determine the need for retail and commercial development. The role of the planning system is to regulate the location and scale of development to accommodate market demand.
>
> **Principle 4** – The planning system should ensure that the supply of available floorspace always accommodates the market demand, to help facilitate new entrants into the market and to promote competition.
>
> **Principle 5** – The planning system should support a wide range of retail and commercial premises in all centres and should contribute to ensuring a competitive retail and commercial market.
>
> **Principle 6** – Retail and commercial development should be well designed to ensure that it contributes to the amenity, accessibility, urban context and sustainability of centres.

Having regard to these principles, the draft policy provides for a policy framework which will be used as a guide for the purposes of this Strategy.

Relevantly, the draft policy recommends the following:

- *Floorspace supply and demand assessments.*

  This Strategy will provide a detailed 'snapshot' of the nature and state of the retail floorspace supply within the Wyong LGA and will undertake an assessment of demand.

- *Consider minimum floorspace targets. The supply of available floorspace should always accommodate demand.*

  This Strategy will assess the available supply of floorspace and land available for development to accommodate additional floorspace to meet demand.

- *A **net community benefit test** should be applied as part of any new 'Gateway' process for commercial rezoning proposals.*
- *Monitoring and Review. Council's should monitor the supply of retail and commercial floorspace on a regular basis to ensure it accommodates market demand.*

This Strategy has had regard to the key principles of the draft Centres Policy. Should this Strategy be adopted by Council, the draft DCP (and in particular Chapter 5.1) will be need to be reviewed to ensure the draft DCP is consistent with the objectives of the draft Centres Policy and this Strategy.

4.6 Promoting Economic Growth and Competition through the Planning System – Review Report, April 2010

This review followed from the draft Centres Policy. The aim of the review is *to identify measures which could increase benefits for consumers across NSW by ensuring that the planning system provides a straightforward and consistent framework for new operators to enter markets, and to ensure emerging sectors are not unnecessarily inhibited by the planning system.*

The review arose as a result of the recommendations of the Australian Competition and Consumer Commission (ACCC) and the Productivity Commission in relation to the suggestions of these organisations that State and Territory Governments should assess planning and zoning laws to consider how they impact on competition and restrict retail activity.

The review recognises that land use planning is best placed to provide for a balance between social, environmental and economic considerations (including an efficient supply of public infrastructure and services) whilst still providing for the efficient operation of markets.

The review considers that, in general, the NSW planning system delivers on these objectives and that this will be further improved upon implementation of reforms under consideration. However the perception of some stakeholders consulted during the preparation of the 2011/12 Retail Centres Review is that the current system restricts competition, to the detriment of investors and consumers.

Practices and strategies which strengthen competition by ensuring that the planning process does not create barriers to entry or discourage innovative forms of development need to be developed with a view to increasing investor confidence.

Whilst the sentiments expressed in the Review Report have merit, the role of planning in ensuring a viable centre network is maintained also needs to be recognised. The balance between the two is therefore critical in ensuring these objectives are achieved. This Strategy provides the framework for guiding centres planning throughout Wyong which respects this balance. This Strategy will also be useful in informing the proposition of the sub-regional delivery plan and local plans as mooted in the White Paper dealing with the changes to the planning system.

4.7 Draft Competition SEPP

The draft Competition SEPP was prepared by the Department of Planning and exhibited for public comment from 27 July 2010 to 26 August 2010. It has not yet been published.

The draft SEPP proposes that:

- The commercial viability of a proposed development may not be taken into consideration by a consent authority, usually the local council, when determining development applications;
- The likely impact of a proposed development on the commercial viability of other individual businesses may also not be considered; except if the proposed development is likely to have an overall adverse impact on the extent and adequacy of local community services and facilities, taking into account those to be provided by the proposed development itself; and
- Any restrictions in local planning instruments on the number of a particular type of retail store in an area, or the distance between stores of the same type, will have no effect.

This Strategy considers the provisions of the draft SEPP having regard to its objectives which are:

- to promote economic growth and competition, and
- to remove anti-competitive barriers in environmental planning and assessment.

4.8 Council Policies and Master Plans

Council has been mindful of the need to stimulate development and encourage investment within the range of retail centres throughout the Shire for some time. A variety of centre specific plans and policies have been developed to guide development of various centres.

These plans and policies are useful and practical planning tools and this Strategy does not seek to counter these documents. Rather the Strategy will provide an overarching policy framework within which the network of centres can operate.

4.8.1 Key Iconic Sites draft DCP

In November 2010, Wyong Council endorsed the Iconic Development Sites concept. The identified sites have the potential to stimulate activity within centres and contribute to the economy by generating employment and/or facilitating population growth within Wyong.

Council has identified sites at The Entrance, Wyong, Long Jetty, Toukley, Kanwal, Lake Haven, and Warnervale as having potential to be a catalyst for economic growth and revitalise its town centres. The sites have been chosen on their ability to provide a significant economic benefit to the community, stimulate further development and provide a significant public domain benefit. The chosen sites have been incorporated in the draft WLEP 2013.

4.8.2 The Entrance Town Centre Master Plan

In December 2011, Council adopted The Entrance Town Centre Master Plan. The Entrance Master Plan is closely aligned to the Iconic Development Sites Project.

The Entrance Town Centre Master Plan considers the value of a permanent resident population to balance the visitors. Implementation of the recommendations of the master plan including interacting and connected precincts and the creation of a town square which will provide a ‘heart for the centre (something that is lacking at present) will assist in energizing The Entrance.

4.8.3 Toukley Planning Strategy

The Toukley Planning Strategy was adopted by Council on 27 October 2010. The Strategy sets the direction for the Toukley town centre for the next 20 years. The Strategy was developed to address some of the issues facing the Toukley area including the limited range of services and at times has high vacancy rates within the town centre, the limited housing choices proximate to the town centre and the shortage of tourist oriented services.

The overall purpose of the Toukley Strategy is to:

- Establish planning principles and objectives to underpin the longer term Strategy for the Toukley Peninsula.
- Recommend a long term direction to accommodate growth while protecting the unique sensitive environmental setting of the Toukley Peninsula.

The draft WLEP 2013 includes planning controls which address the findings and recommendations of the Strategy. However, it is considered that locality-specific master plans for the various precincts will be useful in providing more detailed planning guidance. In this regard a master plan for the Toukley Town Centre is currently being prepared.

4.8.4 Toukley Town Centre Master Plan

Council is currently preparing a master plan for the Toukley town centre, building on the principles of the planning strategy as they relate to the town centre.

The plan identifies a series of high priority projects to be implemented over the short to medium term within the framework of a longer term holistic plan for the Toukley Town Centre. Outlined are a clear set of principles, strategies and recommendations which can respond and support a variety of future development scenarios and outcomes without compromising the over-arching vision identified to promote Toukley's character and identity.[2]

As discussed in Appendix B2 of this Strategy, there is the opportunity to increase the quantum of retail floorspace within the Toukley Town Centre and this could assist in funding improvements to the public domain areas of the Town Centre.

4.8.5 Wyong Tuggerah Planning Strategy

The Strategy was adopted by Council in October 2007. The Strategy outlines Council's and the community's visions for the Wyong/Tuggerah area and recommends a range of actions to achieve these visions.

The Strategy identifies the Wyong Tuggerah area as comprising Wyong, Tuggerah Straight and Tuggerah and the fact that these are separate entities but that each component offers a distinct function which complements the services provided in the other precincts. These complementary functions contribute to the overall performance of the area.

The NSW Department of Planning is also considering a request to declare parts of the Tuggerah centre a State Significant Site under the Major Projects SEPP.

The vision for the Wyong Tuggerah area as noted in the Strategy is for the area to:

- *Function as the capital of Wyong Shire and the northern half of the Central Coast.*
- *Provide an important and attractive gateway for the Central Coast and the Shire.*
- *Provide a variety of housing, accommodation and lifestyle choices.*
- *Make a strong statement as to the community identity through its people, built form and natural topography.*
- *Perform a strong business and employment function with the following economic roles for each precinct:*
    - *Wyong as the Shire's central administrative and town-based commercial area;*
    - *Tuggerah and Tuggerah Straight as the Shire's central focus for light industrial development, centre support and bulky goods activities; and*
    - *Tuggerah Town Centre as the Shire's major retail area.*
- *Integrate a range of recreation, sporting, cultural, leisure and social activities within high quality spaces and places.*
- *Provide a focus for cultural activity in the Shire.*
- *Supply a regional transport node that integrates all transport functions.*
- *Enhance pedestrian and bicycle linkages to and within the Wyong/Tuggerah area.*

More detailed vision statements for each precinct of the Wyong Tuggerah area are also provided.

The importance of the Tuggerah precinct as a major part of the Wyong retail network is recognised in this Strategy. Opportunities to reduce the level of expenditure leakage from Wyong households to other major centres such as Erina have also been investigated.

[2] Extract from first draft Toukley Public Domain Master Plan dated November 2012 prepared for Wyong Council by TDEP & Roberts Day

4.8.6 Wyong Civic and Cultural Precinct Master Plan

The Wyong Civic and Cultural Precinct Master Plan is a long term plan intended to be implemented over the next 10 to 15 years with the intent of reinforcing the role of Wyong as a major centre.

The aims of the master plan are:

- To demonstrate the importance of Wyong as the administrative and cultural hub of Wyong Shire and the Central Coast.
- To provide guidance to Council, the community and developers seeking to develop sites within the focus area of the plan, and identify future studies and steps that should follow.

5 Industry Trends

5.1 Retail Trends

The nature of retailing is such that it must continually change to respond to the needs and wants of the customer, particularly in relation to environment, operation, convenience, and presentation. The need to respond is driven by:

- Demographics – The combination of an aging population and smaller household sizes have reduced the amount of available expenditure. This reduction in 'per household' expenditure has to a certain degree been balanced by increases in population and growth in real spending.
- The disproportionate gap between rich and poor has resulted in some households with high disposable incomes but no time to spend their money or households with very little money to spend but plenty of time. These households are generally described as cash rich/time poor and cash poor/time rich. The retail industry needs to vary its approach to meet the needs of all sectors of society.
- The increase in workforce participation, particularly part time employment and an increase in working hours have resulted in people having less time to shop. The retail industry response has been to introduce extended and more flexible trading hours to accommodate the needs of these consumers and convenience retailing.
- Distribution of the retail dollar has varied over time. Over the past 15 years, the proportion of spending in traditional retail categories such as clothing has reduced at the expense of increased spending on services like restaurants, entertainment, personal services and travel.
- Discretionary purchases v non-discretionary spending. Commitments such as housing rental payments and mortgage repayments, together the rising cost of utilities has significantly limited the discretionary spending capacity of some households.

Changes to population profiles, the way in which households spend their retail dollar, the increase in disposable incomes for some households, and increases in workforce participation have led to a more dynamic retail industry which is constantly changing to respond to the needs of consumers. Some of these changes include:

- **Extended and more flexible trading hours** to meet the needs of the "time poor" consumers;
- **Larger footprint supermarkets** which have resulted in better choice and lower prices.
- **More reliance on convenience retailing**, whether this is in the form of a convenience store (generally attached to a service station) or a small local centre;
- **A change in focus in larger centres** to incorporate entertainment within the centre as a means of attracting different demographics. For example, many large regional centres offer food courts and cinemas in addition to traditional retail services.

In addition to the population influenced trends, retailing has been influenced by distinct and separate industry related trends. These trends have resulted in changes to the way in which retailing occurs, and they continue to impact on the sector.

Over the last twenty years retailing has undergone a number of changes which have affected the role and function of the traditional shopping centre. New forms of retailing and changes in retailing include:

- internet based shopping;
- warehouse retail outlets/'big box" retailing;
- bulky goods precincts/out of centre retailing; and
- extended trading hours.

These changes have forced traditional shopping centres to evolve to keep pace with the increasingly discerning shopping habits and needs of the population. Shopping centres have been required to identify key customer groups and incorporate themes within their centres to service these groups.

This Strategy has been designed to allow flexibility in the way in which centres operate to ensure they can continue to evolve to respond to the challenges of the retail industry.

5.2 Trends in office demand

Commercial offices (as non-retail floorspace) generally comprise:

- Local-serving office space accommodating uses that provide services to the local population. This would include solicitors, engineers, medical practitioners, real estate agents, insurance agents, banks, and the like. It would also include businesses serving other local businesses.
- Offices with a regional focus, including State and Federal government offices, offices of national and multinational companies and regional headquarters of other institutions.

Industry standards suggest that the current ratio is one employee per 20 square metres of commercial floorspace, however it is likely that this will reduce to 17 square metres of floorspace in the medium-term future.

The ratio of local-serving office floorspace to population is difficult to quantify. Previous research suggests that ratios of between 0.2 and 0.4 square metres per capita is a reasonable rate of provision and this has been applied for the purposes of assessing the provision of local service office space within centres. The exception to this is the Wyong town centre as a significant proportion of floorspace in that centre is used to provide civic and government oriented services.

Although there has been a growing trend for companies, particularly those involved in ‘knowledge based’ industries, to locate out of traditional commercial areas, into office park environments such floorspace would be in addition to the local serving office floorspace.

6 Wyong's Population

6.1 Introduction

The Wyong Shire is likely to experience a significant increase in population in the next twenty years.

According to the Central Coast Regional Strategy (CCRS) and North Wyong Shire Structure Plan, in the period 2006 – 2031 the population of Wyong will increase by an additional 70,000 people who will be housed in existing urban areas and green field areas. 17,500 of the new 39,500 dwellings to be constructed in the Wyong LGA will be located within the North Wyong Structure Plan area.

This increase in population is equivalent to 4,000 persons (or just over 1% growth) per annum.

Forecast id. has undertaken population projections up to 2031 in line with the existing strategic policies. These will be used for the purposes of this Strategy.

6.2 Population Characteristics

The population statistics collated as part of the 2006 Census of Population and Housing[3]. A summary profile of the population characteristics for the Wyong Shire from the 2006 Census was undertaken as part of the 2011/12 Retail Centres Review and is presented in **Table 1**. The characteristics of the resident population of Wyong in 2006 have been compared to those of the Sydney metropolitan area.

Table 1: Extract from 2006 Basic Community Profile

	Wyong LGA		Sydney Metro	
	Persons	**%**	**Persons**	**%**
Total Persons	***139,801***		***4,119,191***	
Australian born	114,269	82%	2,486,711	60%
Overseas born: ESC	10,395	7%	294,146	7%
Overseas born: NESC	6,264	4%	1,013,270	25%
Total Overseas born	*16,659*	*12%*	*1,307,416*	*32%*
Aged 15 or more	109,966	79%	3,314,159	80%
Labour force/Total Pers.	58,662	53.3%	2010008	60.6%
Different address 5 years ago (5+yo)	52,751	37.7%	1,436,460	34.9%
Age Groups in the Population	**Persons**	**Percent**	**Persons**	**Percent**
0-14	29,834	21.3%	805,032	19.5%
15-24	16,667	11.9%	569,894	13.8%
25-54	52,269	37.4%	1,816,107	44.1%
55+	41,030	29.3%	928,159	22.5%
Total	*139,800*	*100.0%*	*4,119,192*	*100.0%*
Usual Place of Residence	**Persons**	**Percent**	**Persons**	**Percent**
Counted at home	133,560	95.54%	3981389	96.65%
Same statistical local area	1280	0.92%	26153	0.63%
Different SLA	2639	1.89%	94509	2.29%
Structure of (Occupied Private) Dwellings	**Total**	**Percent**	**Total**	**Percent**

[3] Data from the 2011 Census was not available for the purposes of undertaking the 2011/12 Retail Centres Review.

Table 1: Extract from 2006 Basic Community Profile				
	Wyong LGA		**Sydney Metro**	
Separate House	45,801	85.1%	905,635	63.6%
Semi/Row/Town/etc	4,422	8.1%	168,433	11.8%
Flat/Unit/Apartment	2,783	4.9%	339,782	23.9%
Other Dwellings	1,069	1.9%	8,646	0.6%
Not stated	20	0.0%	1,039	0.1%
Total OPD	*54,095*	*100%*	*1,423,535*	*100%*
Average Occupancy (Persons/dwelling)	***2.51***		***2.67***	
Unoccupied Private Dwellings	**8,340**		***122,210***	
Total Private Dwellings	**62,435**		***1,643,675***	
Persons usually present per household	**Households**	**%**	**Households**	**%**
1 person	13,535	25.87%	328,515	23.08%
2 persons	18,092	34.58%	444,103	31.20%
3 persons	7,876	15.05%	240,315	16.88%
4 persons	7,680	14.68%	245,033	17.21%
5 persons	3,562	6.81%	110,342	7.75%
6 or more persons	1,571	3.00%	55,227	3.88%
Total households	*52,316*		*1,423,535*	
Nature of Occupancy	**Number**	**Percent**	**Number**	**Percent**
Owned	19,103	36.5%	454,596	31.9%
Being Purchased	17,072	32.6%	471,084	33.1%
Rented:				
Real Estate Agent	8,353	16.0%	276,139	19.4%
State Housing Auth.	1,651	3.2%	68,664	4.8%
Other rented	3,546	6.8%	91,430	6.4%
Not stated	339	0.6%	9,458	0.7%
Total Rented	*13,889*	*26.5%*	*445,691*	*31.3%*
Other tenure	561	1.1%	10,484	0.7%
Not Stated	1,689	3.2%	41,684	2.9%
Total	*52,314*	*100.0%*	*1,423,539*	*100.0%*
Household Composition				
Couple with Children	15,653	41%	523,813	49%
Couple without Children	14,508	38%	352,715	33%
Single Parent	7,466	20%	166,198	16%
Other Families	408	1%	20,657	2%

Table 1: Extract from 2006 Basic Community Profile				
	Wyong LGA		Sydney Metro	
Total Families	*38,035*		*1,063,383*	
Lone Person Households	13535	26%	328515	23%
Group Households	1462	3%	59613	4%
Medians	**Value**		**Value**	
Weekly Rent	$200		$249	
Monthly Mortgage	$1,458		$1,833	
Annual Household Income	$40,040		$60,060	
Weekly Income per Household	**No. of H'holds**	**Percent**	**No. of H'holds**	**Percent**
$0 - $649	20,513	39.2%	356,880	25.1%
$650 - $1999	21,191	40.5%	578,156	40.6%
$2000 +	4,796	9.2%	327,384	23.0%
Other, including not stated		11.1%		11.3%
Motor Vehicles		**% of H'holds**		**% of H'holds**
Zero		10%		13%
One		42%		39%
Two		32%		32%
Three or more		17%		17%
No. of vehicles not stated		4%		4%
Average	*1.5*		*1.5*	
Source: ABS 2006 Census				
Note: "Households" may exceed "dwellings" in this table, but only because of Census definitions.				

The 2006 population of the Wyong shire displayed the following characteristics:

- Almost 140,000 persons living in 54,000 occupied dwellings.
- A significant proportion (over 13%) all dwellings were unoccupied private dwellings compared to only 7.4% of all dwellings in Sydney being unoccupied private dwellings. It is likely that a reasonable proportion of the unoccupied private homes in Wyong were holiday homes.
- A low proportion of persons born overseas.
- A lower workforce participation rate compared to Sydney.
- A high representation of persons aged 55+ years and (compared to Sydney) a much low proportion of persons in the 25 – 54 year age group.
- In terms of dwelling structures, 85% of dwellings were detached dwellings, with only 8.1% being medium density dwellings and 4.9% being residential flats and apartments. This compares to Sydney where the split was 63.6%, 11.8% and 23.9% respectively.
- The occupancy rate of dwellings in Wyong was only 2.5 persons per dwelling, compared to an average of 2.67 persons per Sydney household.
- The lower occupancy rate is reflected in the significantly lower median annual household income of only $40,040 (in 2006) compared to the median for Sydney households of $60,060.

- Outgoings in the form of rental payments and mortgage repayments were lower at $200 per week (for rent) and $1,458 (mortgages).
- 26.5% of households were rented in 2006 and 32.6% were being purchased. A reasonably high proportion of dwellings were owned outright – 36.5%.
- Household composition in Wyong is also different to that of the Sydney metropolitan area. Only 41% of households in Wyong comprised a couple with children (compared to 49% in Sydney) and 26% of Wyong households were lone person households (compared to 23% in Sydney). Single parent households accounted for 20% of all Wyong households. Couples without children accounted for 38% of Wyong households.
- Car ownership in Wyong was similar to that the average Sydney household – 1.5 vehicles per household.

The above characteristics suggest that, on average, the population of Wyong is older with only limited spending capacity.

The Forecast id Wyong Shire Population and Household forecast (25/02/2010) notes that:

> *The importance of Wyong Shire as a destination for families and retirees from areas further south is expected to continue over the forecast period. As a result of this there is significant pressure for residential expansion within the Shire from both existing residents and from people moving to the area.*
>
> *It is assumed that this pattern will continue into the future, driving development in the new development fronts in the Warnervale area.*

Whilst the significance of the people representing these demographics is acknowledged, in order to meet the employment targets set out in the CCRS, a key objective of the population growth will be retaining and attracting younger persons (in the 15-24 year old age group).

6.3 Population Projections

Forecast id has undertaken population projections for the Wyong Shire taking into account the strategic policies which will impact on the growth rate and ultimate composition of the Wyong population. The projections have been undertaken for the period 2006 – 2031 which coincides with the CCRS.

The Forecast id population projections envisages

> *There are also significant differences in the supply of residential property within the LGA which will also have a major influence in structuring different population and household futures within the Shire over the next five to ten years.*
>
> *Significant new 'greenfield' opportunities have been identified in Woongarrah, Hamlyn Terrace, Wadalba and Warnervale while The Entrance, Wyong and Toukley are expected to have growth in dwellings in their town centres. This will generally take the form of medium and high-rise development.*

The increase in supply in medium and high density residential development could translate to an increase in affordable housing which will be an attractor as the cost of housing within Sydney rises.

Although Forecast id has reviewed its projections, the revised projections were not included as part of the 2011/12 Retail Centres Review. The revised projections resulted in only minor differences in population growth which are inconsequential for the purposes of the review and this Strategy.

Table 2 is an extract from Forecast id’s population projections for the Wyong Shire for the period 2006 – 2031 indicating that the annual rate of change will be in the order of 1.4%.

Table 2: Wyong Shire Population Projections 2006 - 2031								
Area	**Forecast Year**							
Wyong LGA	**2006**	**2011**	**2016**	**2021**	**2026**	**2031**	**Number**	**Average Annual % change**
Persons	142,686	150,338	162,856	175,264	187,624	200,015	57,329	1.4
Households	56,378	60,502	66,513	72,359	78,265	84,267	27,889	
Occupancy Rate	2.5	2.46	2.42	2.4	2.37	2.35		
Source: Forecast id Wyong Shire Population and Housing Forecasts 2006 – 2031, 25/2/2010								

There are differences between some of the Forecast id base data for 2006 and the 2006 Census data as noted in **Table 1**. **Table 1** is a Census count of population however, Forecast id population numbers are derived using Estimated Resident Population (EPRs) from the Australian Bureau of Statistics.

According to Forecast id:

> *These (EPRs) differ from (and are usually higher than) Census counts as they factor in population missed by the Census, and population overseas on Census night. They are generally considered a more accurate measure of population size than Census counts*

There is also a difference in the number of households in Wyong in 2006 between **Table 1 and** the Forecast id estimates in **Table 2**.

The Census counts both households and dwelling numbers. The different definitions is such that the number of households will be less than the total number of dwellings in an area as the number of households will not include unoccupied private dwellings and non private dwellings.

Notwithstanding the differences between **Tables 1** and **2, Table 1** provides a useful ‘snapshot’ of the characteristics of the 2006 population in terms of household composition and income.

For the purposes of assessing the growth potential of the population, the projections undertaken by Forecast id have been used together with an allowance for some irregular use of unoccupied private dwellings.

According to the census data, there were a total of 62,435 private dwellings in the Wyong LGA in 2006. This number comprises 54,095 occupied private dwellings and 8,340 unoccupied private dwellings.

A proportion of these unoccupied private dwellings would comprise ‘weekenders’ and holiday accommodation. Even the intermittent use of these dwellings would make a contribution towards retail spending in the LGA and therefore an allowance for the unoccupied private dwellings in Wyong will be included.

6.4 Wyong Social Planning Districts

The Wyong Shire has been divided into 10 social planning districts (SPDs) – refer map at **Appendix A** to this Strategy. The Planning Districts vary in size and population, however, the boundaries of the SPDs relate to broad catchment boundaries for community access to services, the location of community facilities and the identification of local community relationships.

Forecast id has undertaken population projections for each of the 10 SPDs for the period 2006 – 2031. A summary of these projections is provided in **Table 3** below

TABLE 3 Wyong SPD Population Projections 2006 - 2031

	FORECAST YEAR							
Area Name	**2006**	**2011**	**2016**	**2021**	**2026**	**2031**	**Number**	**Ave. annual % change**
Wyong Shire	**142,686**	**150,338**	**162,856**	**175,264**	**187,624**	**200,015**	**57,329**	**1.36**
Gorokan SPD	19,049	19,765	20,629	21,809	22,875	23,422	4,373	0.83
Northern Lakes SPD	14,687	14,672	15,271	16,153	16,660	17,459	2,772	0.69
Ourimbah-Rural South SPD	4,413	4,418	4,473	4,637	4,811	4,933	520	0.45
Rural West SPD	1,796	1,801	1,827	1,883	1,942	2,010	214	0.45
San Remo-Budgewoi SPD	19,699	20,305	20,899	21,040	22,116	22,959	3,260	0.61
Southern Lakes SPD	24,980	25,237	25,307	25,566	25,916	26,313	1,333	0.21
The Entrance SPD	23,771	26,069	28,291	30,149	32,170	34,228	10,457	1.47
Toukley SPD	9,113	9,388	9,656	10,234	11,406	12,721	3,608	1.34
Warnervale-Wadalba SPD	10,910	13,620	20,783	27,164	31,517	34,627	23,717	4.73
Wyong SPD	14,268	15,063	15,720	16,629	18,211	21,343	7,075	1.62

Population numbers in forecaste.id for the 2006 base year are derived on Estimated Resident Population from the Australian Bureau of Statistics. These differ from (and are usually higher than) Census counts as they factor in population missed by the Census, and population overseas on Census night. They are generally considered a more accurate measure of population size than Census counts.

Source: Forecast id population projections derived from Estimated Resident Population figures produced by ABS

The projections in **Table 3** indicate that whilst the greatest population growth is forecast to occur in the Warnervale Wadalba SPD (being the SPD in which Precincts 2A, 2B, 3A, 3B, 5, 7 and 8 in the area subject to the draft North Wyong Shire Structure Plan), all districts in Wyong are likely to experience growth in varying degrees over the next 25 years.

This growth in population may translate to an increased demand for retail services. A retail demand assessment based on these SPDs is provided in Section 9of this Strategy.

7 Stakeholder Consultation

Details of developer, community and Council stakeholders contacted during the preparation of the 2011/12 Retail Centres Review have been discussed in the Retail Centres Review report. Not all stakeholders contacted chose to contribute to the review.

The following is a summary of the major issues raised by each of the stakeholders who responded to the initial consultation.

7.1.1 Westfield

As a result of consultation with Westfield, and as a result of the 2011/12 Retail Centres Review, it has been concluded that the floorspace cap controls in DCP 81 appear to have restricted development and investment within the Tuggerah town centre generally and within the Westfield Tuggerah retail centre specifically. The floorspace 'cap' for the Erina Fair shopping centre is in the vicinity of 275,000m^2 which would allow for that centre to effectively double its current floorspace. Because of the restrictions in the current DCP on when and by how much the Westfield centre can expand, Westfield feel they are losing their competitive edge.

There are many issues to be considered in relation to the expansion of retail activities within the regional centre including upgrading of road infrastructure (and how this should be funded), public transport, together with management of impacts on the natural and built environments. However it appears that significant expenditure could be escaping Wyong to other major centres such as Erina and expansion of the Tuggerah regional centre may assist in addressing this. In addition, expansion of the regional centre will result in the creation of jobs which will assist in addressing the significant unemployment in the area. This Strategy recommends removal of the current restrictions with respect to the quantum and timing of additional floorspace within this major centre.

7.1.2 Woolworths

Many of the issues identified by Woolworths reflected similar feedback from other stakeholders.

Whilst the principle of flexibility in planning controls appears attractive and reasonable on the surface, it has the potential to be exploited and manipulated if there is no basic framework or objectives to give structure to the network.

The objects of the Environmental Planning and Assessment Act 1979 include the provision *to encourage the promotion and co-ordination of the orderly and economic use and development of land*. This is a basic principle of land use planning and development control.

The principles of the draft Centres Policy recognise the importance of maintaining a structured and organised approach to retail planning without necessarily placing numerical limitations on centres.

These principles have been included in this Strategy. Regular review of the adopted Strategy, including an assessment as to its effectiveness in stimulating investment, preserving the network of centres and revitalising underperforming centres is considered imperative.

7.1.3 Lake Haven Mega Centre

Options regarding the most appropriate zoning provisions for centres were investigated as part of the 2011/12 Retail Centres Review and recommendations regarding that centre have been incorporated in this Strategy.

7.1.4 Lake Haven shopping centre

The issues raised by the owners of the Lake Haven shopping centre are similar to those raised by both Woolworths and Westfield, particularly with respect to flexibility of planning controls. It is considered that this Strategy responds positively to the issues raised by these stakeholders.

7.1.5 Coles Group

Discussions were held with Coles Supermarkets Retail Leasing Manager who advised that Coles major consideration was that the existing centre network be maintained. Out of centre or development on the fringes of centres should be considered having regard to the established network and the principles of the draft Centres Policy.

There was recognition that growth areas will require new centres to be established but this needs to be done having regard to demand and the existing centre network.

This Strategy recommends that the existing centre network be preserved and this is reflected in the objectives for the B5 Business Development zone which requires that development within that zone supports the viability of existing centres.

7.1.6 The Entrance Revitalisation Group

The major outcome of consultation with this group was to demonstrate that whilst visitors are very important to the local economy, a greater proportion of permanent residents could assist in activating the centre and providing for a more varied mix of businesses.

The importance of a permanent resident population to balance the visitors is recognised in The Entrance Town Centre Master Plan. Implementation of the recommendations of the master plan including interacting and connecting precincts and the creation of a town square which will provide a hub for the centre (something that is lacking at present) will assist in energizing The Entrance.

7.1.7 Meeting with Councillors Eaton and Best

The lack of interest by developers in investing in the Wyong Shire is a major concern to the Councillors.

Whilst the principle of flexibility in considering new out of centre development proposals has merit, a 'free for all' approach which ignores the objectives of orderly and economic development is not considered responsible.

Existing operators within appropriately zoned centres have made an investment in their business based on the legitimate expectation that the retail hierarchy and principles of land use planning would be maintained.

It is envisaged that implementation of this Strategy will provide some impetus to assist in addressing the current lack of new investment whilst protecting the investment made by operators who have located in established centres.

8 The Planning Approach for a Retail Network

There has been much discussion over recent years, at both state and national levels, of the relationship between the retail sector and government planning. This would seem to have arisen from the confluence of a number of factors, including:

- restructuring in retail;
- increased competition;
- new retail operators;
- globalisation of manufacturing and supply;
- changing retail models;
- maturing and changing consumer expectations;
- some consolidation of retail control;
- increasing economies of scale;
- available land supplies in centres;
- access to land and sites; and
- changes in local populations and retail spending habits.

The principal focus continues to be on the planning of and for Centres, in terms of accommodating retail (primarily) and commercial activities. However, the problem is, and always has been, that a centre is one of the prime expressions of the operation of a free market, and planning has sometimes struggled to appreciate its place in that market.

As Guy Gibson, a Queensland planner and developer, has been quoted as saying: *"Most planners have little understanding of the complex dynamics of urban development: urban development is essentially an organic and spontaneous process (in a market economy) and many situations lie outside the reach of any planning tool."*

Best practice approaches to planning for retail and centres are therefore not of the same style as approaches to traffic and noise impacts, or critiques of heritage or visual qualities. In the USA, the approach has generally been to allow the market a fairly free reign in terms of locating retail activities. By way of contrast, the UK, has sought to protect traditional centres by requiring new activities to 'prove' their economic credentials.

Retail centres planning in Australia has been traditionally influenced by the UK approach – and this has led to authorities being generally as protective of existing centres as are the (vested) property interests who control them.

However, there has been a recent move towards re-emphasising the importance of competition – promoted nationally at first by the ACCC and latterly by the Productivity Commission.

The Productivity Commission's April 2011 report on Performance Benchmarking of Australian Business Regulation: Planning, Zoning, and Development Assessments, summarises the principal issues in the following key points:

- *Planning systems vary greatly across the states and territories — but all suffer from 'objectives overload' which has been increasing.*
- *The success of local councils in delivering timely, consistent decisions depends on their resources as well as their processes. It is also influenced by the regulatory environment created by state governments — in particular the clarity of strategic city plans, the coherence of planning laws and regulations, and how well these guide the creation of local level plans and the assessment of development applications.*
- *Significant differences in state and territory planning systems include the degree of integration between planning and infrastructure plans, and how capably the states manage their relationships with and guidance for their local councils.*

- *Significant differences between jurisdictions are evident for:*
  - *business costs — such as the median time taken to assess development applications and the extent of developer charges for infrastructure*
  - *the amount of land released for urban uses*
  - *the provision made for appeals and alternative assessment mechanisms*
  - *community involvement in influencing state and city plans, in development assessment and in planning scheme amendments (such as rezoning).*
- *Competition restrictions in retail markets are evident in all states and territories. They arise: from excessive and complex zoning; through taking inappropriate account of impacts on established businesses when considering new competitor proposals; and by enabling incumbent objectors to delay the operations of new developments.*
- *Leading practices to improve planning, zoning and assessment include:*
  - *providing clear guidance and targets in strategic plans while allowing flexibility to adjust to changing circumstances and innovation (so long as good engagement, transparency and probity provisions are in place)*
  - *strong commitment to engage the community in planning city outcomes*
  - *broad and simple land use controls to: reduce red tape, enhance competition, help free up urban land for a range of uses and give a greater role to the market in determining what these uses should be*
  - *rational and transparent rules for charging infrastructure costs to businesses*
  - *risk-based and electronic development assessment*
  - *timeframes for referrals, structure planning and rezoning*
  - *transparency and accountability, including for alternative rezoning and development assessment processes as well as having limited appeal provisions for rezoning decisions*
  - *limiting anti-competitive objections and appeals, with controls on their abuse*
  - *collecting and publishing data on land supply, development assessment and appeals.*

The Productivity Commission's November 2011 report on the Economic Structure and Performance of the Australian Retail Industry, it concludes:

- *Retailers operate under several regulatory regimes that restrict their competitiveness and ability to innovate. Major restrictions which need to be addressed (include): planning and zoning regulations which are complex, excessively prescriptive, and often anticompetitive*
- *While all the leading practices (from April 2011 report) should be implemented to improve the competitiveness of the retail market, two are of particular importance – governments should broaden and simplify business zonings … and governments should not consider the viability of existing businesses …*
- *Strategic planning should actively seek to forecast and make provision for future commercial land use development. Regular and timely review of strategic plans will remove the need for governments to consider the impact of individual development applications on activity centre viability*
- *Providing sufficient land at the strategic planning stage, with sufficiently broad uses, should enable retailers to locate in areas where they judge they can best compete – planning should be able to accommodate even the newest of current business models requiring substantial floorspace.*

In NSW, there are currently two relevant draft planning documents – the draft Competition SEPP and the draft Centres Policy. The draft SEPP generally reinforces the situation which has existed in planning law for some time – that individual competition is not a planning matter. The Centres Policy extends such considerations to promote a planning system which respects the free market economy and that market's assessment of demand for retail and commercial development.

There are a number of approaches to strategic planning for retail centres. One such technique is a demand assessment model. This is considered to be a defensible and appropriate technique to use when planning strategically for retail facilities at a subregional and local level as is based on calculations of actual local retail expenditure and household expenditure potential derived from published and observed data and trends. An alternative technique which estimates 'retail floorspace per head of population' is not considered to be of lasting benefit, as it fails to apply the local 'subtleties' in population, households, markets, and expenditure which are necessary to inform any demand analysis.

The demand assessment analytical approach which calculates local and subregional household expenditure potential and 'balances' that against local and subregional retail quantities as shown by supportable floorspace levels has been used in this assessment of the Wyong retail network.

This Strategy has been based on research which applies current best practice for local area (and subregional) retail and centre planning using this analytical approach and having a firm eye on the prescriptions listed in the draft Competition SEPP and the principles outlined in the draft Centres Policy. That has allowed the Strategy to be better informed as to what network of centres might be optimal in terms of serving the needs of the Wyong community in the long term.

Section 9 of this Strategy considers each of the major centres (including the Tuggerah major centre, town centres and local centres) that comprise the Wyong centres network and assesses where there may be capacity to provide additional retail floorspace within the network, including the most appropriate locations for the expansion of centres and/or additional floorspace. A detailed assessment of the centres in terms of their catchment, functions, available support expenditure and growth potential both now and in the future is provided in **Appendix B** to this Strategy.

8.1 The White Paper – A new planning system for NSW

The White Paper was released on 16 April 2013 and therefore was not considered as part of the 2011/12 Retail Centres Review.

The White Paper has built on the transformative changes proposed in the Green Paper, with a view to moving the planning system from an overly regulated and prescriptive system to a simpler and performance based approach.

The White Paper identifies that the main purpose of the planning system is

> *To promote economic growth and development in NSW for the benefit of the entire community, while protecting the environment and enhancing people's way of life. To do this, the planning system has to facilitate development that is sustainable. Sustainable development requires the integration of economic, environmental and social considerations in decision making, having regard for present and future needs.*

The White Paper identifies the following transformative changes to the NSW Planning System:

- **Delivery Culture** – to promote cooperation and community participation, the delivery of positive outcomes and a commitment to ongoing education and innovation.
- **Community participation** in the preparation of plans and the vision for their local areas.
- **Strategic planning** – A shift to evidence based, whole of government strategic planning in the development of plans, community and stakeholder engagement and decision making. This will include a new hierarchy of plans:
    - *NSW Planning Policies* - these will present the government's planning policy framework relating to land use and development for a range of sectors.

  - *Regional Growth Plans* - these will provide a high level vision and objectives and policies for each region of the state.
  - Subregional Delivery Plans - these will provide the delivery framework for Regional Growth Plans in appropriate locations, with a focus on integrating infrastructure and providing a framework for rezoning areas of significance.
  - Local Plans - are the principal legal documents that will deliver the strategic vision for a local government area through zoning, development guides and infrastructure.
- **Development assessment** will be transformed through a performance based system so that decisions are made faster and more transparent but with no less rigour.
- **Planning for infrastructure** that supports development will occur at the same time as planning for housing and jobs.

This Strategy will provide the strategic framework for sub regional delivery plans which will in turn inform the preparation of the Local Plan for Wyong.

The Strategy will assist Council and the Sub Regional Planning Board to guide the development and growth of centres in order to achieve a balanced planning outcome.

9 The Wyong Retail Network

The Wyong retail network operates within an established hierarchy of centres which provides for the classification of centres based on:

- its size and the quantum of retail and commercial floorspace within the centre;
- the mix of uses within the centre;
- the catchment or geographic area of influence;
- the role and function of the centre; and
- its relationship to other centres.

The Central Coast Regional Strategy nominates a hierarchy of centres. That hierarchy considered characteristics such as the role of the centre, scale, built form, employment type and employment numbers for the various centre types as well as the transport and services and connections available in these centres. According to the CCRS:

- Tuggerah-Wyong is the **major centre** in the Wyong LGA. It is the Shire's principal centre for retail, business and administration. This centre will perform vital economic, employment, civic, residential, social and cultural roles for the northern half of the Central Coast and support the Gosford Regional City.
- **Town centres** will generally have concentrations of retail, health and professional services mixed with medium density residential within the centre. Town centres will also serve surrounding residential areas. The CCRS identifies the following centres as town centres - Centres that will develop as town centres over the next 25 years are Bateau Bay, The Entrance, Lake Haven, Toukley, and Warnervale (proposed).
- **Village centres** will generally be small to medium-sized concentrations of retail, health and other services integrated with medium density (town house style) residential living. Local public transport will provide connections to town centres.

  Villages will have 11 to 50 shops, a small supermarket, child care, primary school, access to small parks and access to a general practitioner plus ancillary (dentist, podiatrist) and local business services (accountant, lawyer).

  Centres within Wyong which will operate as villages over the next 25 years include Budgewoi, Chittaway Bay, Killarney Vale, Lake Munmorah, Long Jetty, Ourimbah, and Wadalba.
- Neighbourhood centres generally have local shops combined with lower density residential development. Neighbourhoods will service the daily needs of residents with services being located within walking distance of the catchment population. They will have four to ten shops with access to small parks, a primary school and child care centre. Neighbourhood centres do not usually contain health services.

The purpose of establishing a hierarchy of centres is to identify how each centre contributes to the retail network. By defining the nature and role of the various centres that make up the network, it is possible to assess the capacity of the network to absorb new or additional floorspace and ensure that the expansion of one centre (or the introduction of a new centre) does not undermine the hierarchy.

For this reason, this Strategy adopts a more refined retail centres hierarchy to that provided in the CCRS. The hierarchy was informed by the research undertaken as part of the Retail Centres Review and has had regard to the centres hierarchy as set out in the CCRS.

When considering the function of the various retail centres throughout the Wyong LGA it is important to appreciate the range of supporting uses that are often accommodated within the fringe areas of the centres and ensure that the strategy recognises the role these uses perform in terms of supporting the centre and the users of the centres.

The hierarchy of centres within the Wyong retail network is as follows:

- The Tuggerah major centre – This centre serves the whole of the LGA in terms of higher order comparison shopping and provides for range of business, retail, cultural, entertainment and recreational activities. This centre is a major employment centre.
- **Town centres** are the main shopping and business destination for a sub region. Uses within a town centre would generally include a range of retail outlets including supermarkets and specialty shops, non retail services such as banks and community service providers, local serving office space, health and professional services and housing.

  Based on this rationale, the centres within the Wyong LGA which are considered to suit classification as Town Centres are Bateau Bay, Lake Haven, The Entrance, Toukley, Wyong and the proposed centre at Warnervale.

  The functions of the Wyong town centre also include a wide range of civic and community and government services which are accessed by the most of the population of the LGA including areas beyond the LGA.
- **Local Centres** function as a destination of convenience shopping for the surrounding local community. The centres which are considered to be local centres in Wyong are San Remo, Budgewoi, Chittaway, Killarney Vale, East Toukley, Lake Munmorah (Pacific Highway), Long Jetty, Ourimbah and Wadalba (subject to be expansion).
- The remainder of centres (apart from specialised centres) will be classified as **neighbourhood centres**. Neighbourhood centres service the daily needs of residents with services being generally located within walking distance of the catchment population. There are 32 neighbourhood centres in Wyong.

  Neighbourhood centres in Wyong range in size from 100m^2 up to 2,450m^2 at Gorokan with an average size of 850m^2. The size of the centre, number of shops and range of retail services provided within these centres will vary depending on their proximity to other centres, including other neighbourhood centres and the size and characteristics of their catchment population.

The combined services provides by these centres comprise the Wyong retail network.

A plan showing the location of these centres is included at **Appendix A** to this Strategy and is also reproduced in **Figure 1** on the following page.

Appendix B to this Strategy is a detailed description of the centres which comprise the Wyong centres network (not including neighbourhood centres) including a detailed assessment of their catchment, functions, available support expenditure and growth potential both now and in the future.

This Strategy has considered whether the supply of retail floorspace within the Wyong LGA is currently satisfying demand and whether that quantum of floorspace could continue to satisfy demand in the future. In order to do this, an assessment of the current floorspace supply was undertaken as part of the 2011/12 Retail Centres Review and changes in terms of population and planned for centres were also factored in. The assumptions and methodology which informed the retail demand assessment are detailed in the 2011/12 Retail Centres Review.

The 2011/12 Retail Centres Review considered town centres and local centres in detail, because they are likely to best satisfy local demand (beyond Tuggerah). The Tuggerah major centre was considered in so much as a proportion of expenditure from Wyong households is directed to that centre.

The neighbourhood centres within the Wyong retail network fulfil a vital role for their surrounding locality. The majority of these centres are located within established neighbourhoods that are unlikely to experience significant changes to their catchment population. In addition, the potential for physical expansion of these centres is generally restricted due to the surrounding development. Therefore, these centres have not been investigated in detail. However, their position within the retail hierarchy and the contribution they make to the overall retail network is vital and the continued provision of and support for these centres needs to be contemplated when considering the function, size and role of other centres in the hierarchy.

The provision of another neighbourhood centre at Gwandalan (which is being planned as part of a new residential development to provide convenience retail services to that new population), and the centre planned for the East Wadalba area have been considered and these are discussed below.

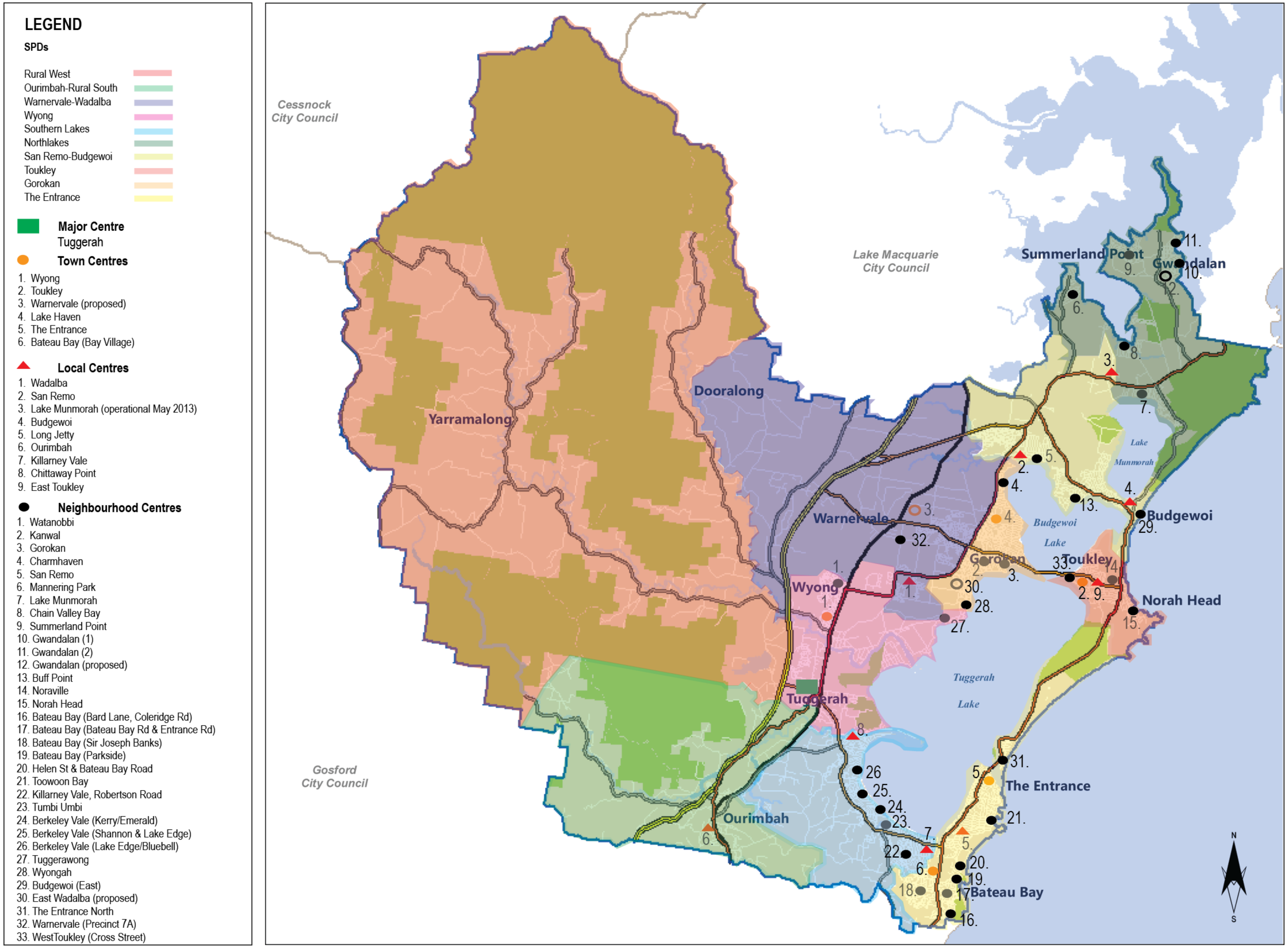


Figure 1 – The Wyong Retail Network

The following is a summary of each of the levels within the hierarchy based on the detailed considerations in **Appendix B**.

9.1 Tuggerah Major Centre

Table 4: TUGGERAH MAJOR CENTRE	
Centre Description	• Includes the Westfield development and the bulky goods retail precincts along Tuggerah Straight and in the Tuggerah Supa Centa development. • Westfield development comprises the main retail component of the Tuggerah major centre and has been the focus of this section of the Strategy • Westfield centre comprises over 87,100m^2 of floorspace, almost 79,500m^2 of which is occupied by retail outlets.
Estimated Catchment Area	• The catchment of Westfield Tuggerah is constrained by the influence of the Erina Fair shopping centre in the Gosford LGA and Charlestown Square in Lake Macquarie. • The estimated catchment for Westfield Tuggerah includes primary, secondary and tertiary trade areas: o PTA includes the Wyong SPD and parts of the Southern Lakes, Ourimbah, Rural West, Warnervale Wadalba and Gorokan SPDs. o Lake Munmorah and those areas to the east of Tuggerah Lake are within secondary trade areas (STAs) • Those parts of the Wyong Shire north of Budgewoi and Blue Haven are considered to be within the tertiary trade area north (TTA north)
Expenditure Potential	It is estimated that Wyong Shire households could contribute \$400 million towards the general retail services provided within Westfield Tuggerah in 2013.
Other sources of expenditure income	From areas beyond the Wyong LGA + workers and visitors to the centre
Expansion Capacity	Up to 30,000m^2 of additional convenience retail floorspace could be supported in the Tuggerah major centre by 2021.

Figure 2 - Aerial Photograph of Westfield Tuggerah development (Source: Six Maps, NSW LPI)

9.2 Town Centres

Table 5.1: WYONG TOWN CENTRE	
Centre Description	• Located to the north of Wyong River and west of the Pacific Highway. • Civic hub of the LGA • It is estimated that there is almost 8,000m² of retail floorspace and almost 7,500m² of non retail floorspace. The non retail floorspace does not include any of the floorspace occupied by Government organisations. In addition, there is an estimated 2,500m² of vacant floorspace within Wyong.
Estimated Catchment Area	• The extensive range of civic and community services provided within the Wyong town centre attracts residents from throughout the LGA. • Affected by its proximity to Westfield Tuggerah. • From a retail perspective, the catchment is likely to attract trade from o PTA includes the Wyong SPD and parts of the Southern Lakes, Ourimbah, Rural West, Warnervale Wadalba and Gorokan SPDs. o Lake Munmorah and those areas to the east of Tuggerah Lake are within secondary trade areas (STAs)
Expenditure Potential of Catchment Households	• $74.2 million in 2013 from catchment households. • By 2016 this could increase to $80.7 million and by 2021 there could be $92.7 million of retail expenditure available to expend across the range of retail commodity items (excluding bulky goods)
Other sources of expenditure income	Excluding those residents who work in the town centre and also live in the catchment, non resident workers could contribute around $1.25 million per annum towards retail sales in the town centre.
Sales Estimates	• $50.1 million in 2013. • $66 million in 2016 • $69 million in 2021
Expansion Capacity	The estimated surplus of available expenditure in 2021 could be $92.7m + $1.25m = $94 million, which is $25 million more than the estimated turnover. This expenditure could support a reasonable increase in retail floorspace.

Table 5.2: BATEAU BAY TOWN CENTRE	
Centre Description	• Bateau Bay town centre comprises the Bateau Bay Square shopping centre (previously Stockland Bay Village). • This centre comprises a total floorspace of 31,300m^2, almost 29,000m^2 of which is occupied by retail outlets. • Operates as a 'stand alone' retail centre
Estimated Catchment Area	• Located on The Entrance Road at Bateau Bay, towards the southern part of the Wyong LGA. • The SPDs of The Entrance and parts of the Southern Lakes SPD comprise the primary trade area • it also has the capacity to attract residents from the north eastern areas of the Gosford LGA
Expenditure Potential of Catchment Households	• $157 million in 2013 from catchment households in the Wyong LGA. • By 2016 this could increase $168 million of retail expenditure (excluding bulky goods expenditure)
Other sources of expenditure income	• Around $30 million could be directed to the Bay Village centre from Gosford households in 2013. • 5% of sales could originate from passing trade.
Sales Estimates	• $200 million in 2013. • By 2016, sales at the centre could be around $207 million
Expansion Capacity	Sales at the centre are roughly equivalent to the estimated available expenditure. Therefore no increase in convenience retail floorspace is supportable in this centre unless the available expenditure increases. Any increase in retail floorspace of this centre would need to consider the impacts on other centres in the network.

Table 5.3: THE ENTRANCE TOWN CENTRE	
Centre Description	• Currently lacks a centre or heart. • Comprises retail, residential, commercial and tourism development centred on a north-south axis around The Entrance Road • The Lakeside shopping centre in the south and the tourism/dining precinct in the north • Lakeside shopping centre is a medium sized retail development comprising a single major supermarket and a variety of small retail stores. The Lakeside shopping centre contains the only supermarket within The Entrance town centre • Significant proportion tourism oriented services. • Development of the iconic sites within and around the town centre could assist in revitalising The Entrance and assisting with it developing into a comprehensive activity centre. • The Entrance town centre functions differently to other centres within the Wyong LGA which are more conventional in terms of role and function. The Entrance includes a range of services which target the significant visitor and tourist role provided by the centre.
Estimated Catchment Area	The residential catchment serviced by The Entrance town centre includes The Entrance SPD and parts of the Southern Lakes and Toukley SPDs.
Expenditure Potential of Catchment Households	• $95 million from catchment households in 2013 • $102.6 million in 2016
Other sources of expenditure income	• The Entrance attracts a significant number of tourists – both day trippers and extended stay visitors. • High proportion of unoccupied dwellings suggesting a high proportion of non resident property owners with capacity for these dwellings to be used as ‘weekenders’ and holiday accommodation. • Assume $7.7million per annum from visitors
Sales Estimates	• Estimated sales of $96 million in 2013.
Expansion Capacity	• Approximately 1,000m^2 of additional retail floorspace is immediately supportable • Although the tourist functions of The Entrance are significant and important, it is considered that this may have been at the expense of encouraging development to attract a permanent resident population to the centre. • Need to encourage growth in a permanent resident population to supplement the expenditure directed to the centre and provide support to a broader spectrum of retail outlets. • Development of the iconic sites is vital to ensuring The Entrance functions as a ‘model’ activity centre and a focal point for the community. • Incentives, e.g. – floorspace ratio bonuses, for developers to provide permanent residential accommodation as part of any redevelopment/development of sites should be considered. • The provision of a ‘centre’ to the centre is considered to be fundamental to the revitalisation of The Entrance. • It is important that a reasonable range of retail services be provided within this centre including a full line supermarket and convenience retail services.

Table 5.4: LAKE HAVEN TOWN CENTRE	
Centre Description	• Comprises a large shopping centre surrounded by various complementary services including the Lake Haven community health centre, library and Council services, and Gorokan leisure centre. • The Lake Haven Mega Centre (bulky goods) precinct is located adjacent to the Lake Haven shopping centre. • The Lake Haven shopping centre is anchored by two major supermarkets and a discount department store. A range of mini-major and specialty retail stores are also provided. • The town centre does not provide any significant commercial or office floor area. Government, legal, medical, specialist or other services required by the Lake Haven and surrounding communities are provided in the Toukley and Wyong town centres. • This section only considers the core retail element of the town centre. The bulky goods component is discussed in Section 12.
Estimated Catchment Area	• Operates as a core retail centre with a reasonably extensive catchment area. • Highly accessible to residents on the western shores of Tuggerah Lake and Budgewoi Lake and also services areas in the northern parts of the Wyong Shire. • The PTA of the Lake Haven shopping centre comprises the Warnervale Wadalba SPD, that part of the San Remo Budgewoi SPD to the west of and including the suburb of San Remo, and that part of the Gorokan SPD north of Wallahra Rd. • The remaining areas of the San Remo Budgewoi and Gorokan SPDs, together with the Northern Lakes SPD comprise a significant secondary trade area for this centre. This centre also has the potential to draw trade from parts of the Toukley SPD. • The trade area of this centre has been affected by the commencement of the new local centre at Lake Munmorah. Once the Warnervale town centre is operational, this will also impact on the trade area of Lake Haven.
Expenditure Potential of Catchment Households	• Estimated $223 million of retail expenditure (not including bulky goods expenditure) available from households in the Lake Haven catchment area in 2013. • By 2016, due to the commencement of the Warnervale town centre, it is anticipated that the level of expenditure available could have reduced to $204.6 million. • By 2021 this could have increased again to $239.5 million.
Other sources of expenditure income	No allowance made as passing trade is also likely to be catchment area residents.
Sales Estimates	• Based on an estimated turnover $7,960/m^2 in 2016 total sales of $254 million could be expected. • Assumes 20% of sales are sourced from beyond the catchment area.
Expansion Capacity	The above suggests that in terms of general retail floorspace, the Lake Haven town centre has achieved market saturation and expansion of this centre in the short to medium term is not warranted as it may impact on the capacity of the Warnervale town centre to establish its position within the retail network.

Table 5.5: TOUKLEY TOWN CENTRE	
Centre Description	• Extends from Yaralla Street in the west to Victoria Street in the east and also includes land up to Hargraves Street (to the south of and parallel to Main Road). • Anchored by a single, stand-alone major supermarket in the south-west and the retail strip along Main Road. • A range of support services are located around the town centre including Toukley health centre, Toukley community centre, Toukley Library. • High proportion of health services professionals and a range of local serving office services
Estimated Catchment Area	• Residential catchment population comprises the Toukley SPD and the eastern sections of the Gorokan SPD. • This centre also has the potential to draw from other areas within the Wyong LGA and in particular from the Budgewoi and Buff Point areas.
Expenditure Potential of Catchment Households	• An estimated $84.1 million from catchment households in 2013. • It is estimated that by 2016 the level of retained expenditure might only be $83.5 million due to pressure exerted by the commencement of the Warnervale town centre and Lake Munmorah and lack of significant population growth in the remainder of the catchment.
Other sources of expenditure income	An estimated $3.1 million towards sales in the town centre is from visitors and workers.
Sales Estimates	• In 2013 the total turnover of all retail floorspace in the Toukley town centre could be $63.2 million. • By 2016, the estimated turnover of retail floorspace within the Toukley town centre (based on its current composition) could be $65.3 million.
Expansion Capacity	• Turnover estimates are less than the available expenditure. • The catchment of the Toukley town centre is reasonably well defined by the influence of Lake Haven to the west and The Entrance and Bateau Bay to the south. • The East Toukley local centre shares part of the catchment of the Toukley town centre and this will impact on the capacity of the town centre to support additional floorspace. • In order to function as an active centre, higher density residential development needs to be encouraged to be developed within and on the fringes of the centre. • The provision of a variety of housing opportunities within and close to the centre could activate the centre and provide an additional expenditure source to balance the potential redirection of catchment expenditure to other centres, including the proposed Warnervale town centre.

Table 5.6: WARNERVALE TOWN CENTRE (PROPOSED)	

Centre Description	• A Part 3A application for a new retail development within the Warnervale town centre has been submitted and a recommendation to approve the development has been made.
	• The application will now be determined by the PAC.
	• The development the subject of the Part 3A application comprises 33,112m^2 of floorspace including:
	  • 20,200 m^2 of retail floorspace (including a supermarket, discount department store and specialty retail floorspace).
	  • ancillary commercial uses of 3,6000m^2.
	  • bulky goods uses of 1,900m^2, and
	  • 3,740m^2 of entertainment/leisure uses.

Estimated Catchment Area	• A primary trade area of the Warnervale Wadalba SPD extending west into the Rural West SPD • The centre could also have influence over parts of Wyong, Gorokan, Toukley, Budgewoi and Doyalson.
Expenditure Potential of Catchment Households	• $130.5 million in 2013 • $150 million in 2016
Other sources of expenditure income	• Potential to attract some expenditure from workers and visitors to the WEZ.
Sales Estimates	• $144 million in 2016
Expansion Capacity	Potential for the retail floorspace in the town centre to expand in the future as the population of the town centre and catchment area grows.

9.3 Local Centres

9.3.1 The Local Centre Network

The local centres within the Wyong LGA provide for the convenience retailing needs of their surrounding population and in some instances, due to their location, experience a reasonable level of passing trade.

There are 9 centres which are considered to be local centres both in size and function. The potential for Wadalba to function as a local centre in the future has also been considered.

A detailed description of each centre is provided at Appendix B3 to this Strategy. **Table 6** below is a summary of each centre:

Table 6: Local Centres

Centre	Function and Expansion Potential
San Remo	• Developed in 2008 • Attracts trade from the San Remo Budgewoi and Northern Lakes SPDs • Possibly overtrading but since the opening of Lake Munmorah local centre this has stabilised. • Centre appears to be trading sustainably.
Budgewoi	• Comprises the west village and the east village. • Retail in the East village is mainly tourist oriented. • West village is anchored by a major supermarket retailer with a range of retail and commercial services located in independent buildings. • Catchment area has a reasonably stable population will only minimal growth potential. • By 2016 available expenditure will exceed sales potential of existing retail floorspace • Notwithstanding that a proportion of the surplus expenditure will be directed to the east village, there is capacity to support additional floorspace of around 1,500m^2. • Demand for additional supermarket floorspace is limited and such would be more appropriately located within the Toukley town centre. • Due to fragmentation of ownership of existing land parcels within the centre and a desire to activate the eastern portion of the centre, rezoning of land to the north of Tenth Avenue is warranted.
Lake Munmorah	• Commenced operation in May 2013 • Provides much needed convenience retail services to Lake Munmorah and surrounding localities including Gwandalan and Summerland Point. • Comprises a total of 5,500m^2 of floorspace, including a 3,800m^2 supermarket, 1,200m^2 of specialty retail floorspace and a 500m^2 medical centre. • Taking into account available expenditure from catchment households and the potential to attract some trade from beyond the catchment, it is estimated that the centre currently needs to attract around 35% of available retail expenditure from catchment households which is considered reasonable and unlikely impact on other existing centres in the Northern Lakes SPD. • Opportunities to expand will be restricted until there is significant population growth in the catchment.

Table 6: Local Centres

Centre	Function and Expansion Potential
Ourimbah	• The centre includes a reasonable variety of core and specialty retail services, however there appears to be a need for the village centre to expand the range of services provided. • Recommend a master plan for the centre be developed to guide development. • Serves the local Ourimbah community with potential to attract some passing trade. • There is opportunity to support additional retail floorspace within the centre. This is discussed below.
Long Jetty	• Long Jetty is characterised by its length, the variety of outlets represented, the relatively high proportion of vacant floorspace and the high percentage of non retail uses (including service industrial uses). Many of the facilities within the Long Jetty centre provide services to passing trade and to a wider area. • As of October 2011, approximately 7,200m^2 of the total estimated floorspace of 22,000m^2 was occupied by retail outlets and around 11,300m^2 was used for non retail activities. • Around 15% of floorspace was vacant as of the date of the survey. • suffers from a lack of a 'centre' within the centre • The presence of the service industry uses within the centre provides an alternative focus in terms of the function of the centre and its 'catchment' • It is estimated that there is surplus expenditure available to support additional convenience retail floorspace within the centre. • Opportunities to develop some residential accommodation within the centre should be explored.
Wadalba	• Supports the surrounding community of Wadalba, including future residential development. • Currently, the Wadalba village centre comprises only a single supermarket development of approximately 1,500m^2. • Currently functions as a neighbourhood centre. • Development of a medical centre and specialty retail floorspace has been approved. • A planning proposal for land adjoining the centre to accommodate another supermarket has recently been issued gateway approval. • Is located within a part of Wyong which is likely to experience significant and rapid population growth over the next 25 years. • Has the capacity to supplement the higher order centres at Warnervale and Lake Haven and provide convenience retail services to its local catchment population. • Support for another supermarket would depend on the timing of the development of the Warnervale town centre. If this is operational by 2016, there may not be sufficient expenditure available to support another supermarket at Wadalba until after 2016. • Expansion of Wadalba to include additional specialty retail floorspace and a second supermarket facility might be supportable after 2016. Should this occur, it is considered that classification of this centre as a local centre is justifiable.

Table 6: Local Centres

Centre	Function and Expansion Potential
East Toukley	• Located on Main Road, approximately 800 metres east of the Toukley town centre. Despite its relative proximity to the Toukley town centre • East Toukley appears to be trading well, probably due to the recent inclusion of an ALDI store as part of the centre • Shares part of the Toukley town centre catchment. • Retail sales would be roughly equivalent to the surplus expenditure available from the Toukley town centre.
Killarney Vale	• Provides for a variety of retail and non retail outlets including a Bi-Lo supermarket, pharmacy, medical practice and other uses. • Good connectivity within the centre. • Provides for the convenience retail needs of the Killarney Vale population and would also provide a service to the motorists using Wyong Road. • Needs to attract around 37% of 'uncommitted' expenditure (being expenditure other than that directed to the major centre, bulky goods outlets and town centres in the catchment) from Southern Lakes households. • The ability of this centre to attract more than 37% of available 'uncommitted' expenditure is limited, in which case any substantial increase in floorspace is not warranted. • Opportunities to provide for some minor increase by utilising underdeveloped land within the centre.
Chittaway Point	• Located at the intersection of Wyong Road and Chittaway Road, Chittaway Point. • Anchored by a Coles supermarket with 15 specialty shops (not including the hotel and service station). The total floorspace of the centre is 3,000m^2 • Located within the Southern Lakes SPD and provides for the day to day needs of the Chittaway Bay population and households in Chittaway Point. • By 2016, the retail outlets in this centre could have a total turnover of almost $22 million, which is approximately 50% of the estimated expenditure available to local and neighbourhood centres from Southern Lakes households.

9.3.2 Opportunities in Local Centres

9.3.2.1 North Wyong

The development of two new local centres in the northern parts of the LGA – at **San Remo** and **Lake Munmorah** has assisted in addressing the identified shortfall of retail floorspace within the northern growth areas of the LGA. This could be supplemented by the proposed provision of a new neighbourhood centre as part of a new residential release in the **Gwandalan** area.

And these centres will in turn be supplemented by the development of the **Warnervale** town centre.

Some expansion of the centre to accommodate additional retail floorspace within the west village of **Budgewoi** would be warranted by 2016 however this would be realistically limited to around 1,000m^2 – 1,500m^2 of specialty retail floorspace to ensure that there was not conflict with the role and function of the Toukley town centre.

In the case of **East Toukley,** no expansion of this centre is warranted. This centre appears to be functioning appropriately as a local centre based on the current supply and floorspace and factoring in the level of expenditure available to support it.

Given the population growth likely to occur in the North Wyong area in particular, expansion of the **Wadalba** centre to include additional supermarket facilities and specialty retail floorspace appears warranted but not until after 2016 to ensure this does not stymie the development of the Warnervale town centre.

The **Wadalba** centre does not rely solely on expenditure from the Wyong SPD. This centre also has the ability to attract expenditure from households in the Warnervale Wadalba SPD and also from passing trade. The Warnervale Wadalba SPD is likely to experience significant and rapid population growth in the next 5 years. According to **Table 3**, the population will grow by 7,163 persons (or 2,600 households) in the period 2011-2016. Therefore, although there may be a redirection of some expenditure from households in the Wyong SPD from the Wadalba local centre to the Wyong town centre if the retail mix in Wyong is expanded, this is unlikely to impact on the capacity of Wadalba centre to continue to trade effectively and expand in the future.

In addition, it is considered that the provision of another local centre in the area identified as **East Wadalba** will be warranted but possibly not until post 2016 (particularly if expansion of the Wadalba centre occurs in the interim).

9.3.2.2 South Wyong

The southern areas of the Wyong LGA are well serviced by an extensive network of established neighbourhood and local centres. The population of this area is relatively stable and unlikely to experience the significant and rapid growth envisaged in the North Wyong area.

Notwithstanding, there are opportunities to expand the retail offering of centres in this part of the LGA.

In particular, by 2016 there could be sufficient expenditure available within the catchment of the **Ourimbah** centre to support a medium sized supermarket facility in this centre. This is a service which is lacking in this centre and results in a leaking of expenditure from the Wyong LGA to convenience retail centres in the Gosford LGA. The provision of additional retail services in the form of a supermarket will assist in addressing this anomaly.

The **Long Jetty** centre is a mixed use centre which may be improved by increasing the population density within the centre. Opportunities to take advantage of the lake frontage with the provision of additional tourist/visitor oriented services exist. The centre currently ‘turns its back’ on its relationship with the lake with all activity centred along the road spine through the centre. The provision of a small service area appropriately located but which still relates to the centre as a whole could be provided without impacting on the tourist facilities provided in The Entrance.

Options for the inclusion of other major sites within the centre as iconic sites e.g. – the old roller skating rink, could be explored as part of a centre specific master plan for the centre.

9.3.2.3 Local Centres Conclusion

With the exception of Wadalba, Budgewoi, Long Jetty and Ourimbah, the local centres within the Wyong LGA appear to be operating appropriately having regard to their role and function as local convenience retail centres.

There are expansion opportunities available within the zoned areas in some centres such as Lang Jetty, East Toukley and Killarney Vale however it is considered that there is unlikely to be a demand for additional retail floorspace within these centres in the short to medium term.

The potential for additional retail floorspace to be supported exists in the Wadalba centre and the Budgewoi and Ourimbah centres would benefit from the provision of limited additional floorspace.

9.4 Neighbourhood Centres

The retail network within the Wyong Shire is supported by 33 neighbourhood centres ranging in size from $100m^2$ up to larger centres at Kanwal and Gorokan.

A 'snapshot' summary of the composition of these centres based on a survey undertaken by DFP in October/November 2011 as part of the 2011/12 Retail Centres Review. A summary of the findings of the surveys of these centres is provided in **Table 7** below:

Table 7: Summary of Floor Space - Neighbourhood Centres (m²)

Neighbourhood Centres	Retail Area	Non-Retail Area	Vacant Area	Total Floor Area
Bateau Bay *(Bard and Coleridge)*	77	77	153	306
Bateau Bay *(Bateau Bay and The Entrance Roads)*	234	276	0	509
Bateau Bay *(Parkside)*	290	180	0	470
Bateau Bay *(Sir Joseph Banks)*	1,726	0	0	1,726
Berkley Vale *(Kerry and Emerald)*	289	101	108	498
Bateau Bay (*Helen Street*)	100			100
Berkley Vale *(Lakedge and Bluebell)*	536	158	45	738
Berkley Vale *(Shannon and Lakedge)*	153	290	34	477
Buff Point	788	0	0	788
Chain Valley Bay	449	0	0	449
Charmhaven	687	176	0	863
East Wadalba (proposed)	*0*	*0*	*0*	*0*
Gorokan	860	1,423	169	2,451
Gwandalan *(Gamban)*	582	124	0	706
Gwandalan *(Orana)*	390	441	0	831
Gwandalan (Proposed)	*0*	*0*	*0*	*0*
Kanwal	2,202	122	54	2,378
Killarney Vale (Robertson Road)	164	132	116	412
Lake Munmorah	456	250	0	705
Mannering Park	581	209	51	841
Norah Head	542	591	176	1,308
Noraville East	86	0	23	108
San Remo	248	0	383	631
Summerland Point	825	209	39	1,074
The Entrance North	0	0	81	81
Toowoon Bay	1,232	68	183	1,483
Tuggerawong	152	0	101	253
Tumbi Umbi	479	435	27	942

Table 7: Summary of Floor Space - Neighbourhood Centres (m²)				
Neighbourhood Centres	**Retail Area**	**Non-Retail Area**	**Vacant Area**	**Total Floor Area**
Warnervale (Precinct 7A)	120	0	0	120
Watanobbi	1,062	0	123	1,185
West Toukley	424	804	26	1,254
Wyongah	138	0	0	138
Total Floor Space	**15,872**	**6363**	**1981**	**23,825**
Source: DFP survey of centres, October/November 2011				

Some of the smaller centres (less than 1,000m^2) have a very high proportion of vacant premises. For example, at the date of the survey 7 out of a total of 12 tenancies (or approximately 60% of the total floorspace of 630m^2) in the San Remo centre on Anita Avenue were vacant however it is understood that most of these vacant tenancies are now occupied.

When provided, it is likely that Wadalba East will also function as a neighbourhood centre.

As local populations become more mobile the demand for small, local convenience shopping facilities has reduced. However, these centres fulfil a vital role within the overall centre network, and in the majority of cases appear to be functioning well and should be supported and maintained.

9.5 Summary of Retail Floorspace Provision within the Wyong Retail Network

The 2011/12 Retail Centres Review demonstrated that there are significant opportunities to expand the supply of retail floorspace within the Wyong retail network, particularly within the major centre at Tuggerah and the northern areas of the LGA.

As the major centre within the Wyong LGA, it is anticipated that most new retail floorspace will be provided in or adjacent to the existing **Tuggerah** centre. It is anticipated that if the current retail centre expanded, it could result in a reasonable proportion of expenditure from Wyong households which is currently being directed to other regional centres such as Erina Fair, being retained within the Wyong LGA. This could have flow on effects to other lower order centres by reducing the number of trips beyond the LGA for retail purchases.

We estimate that there is capacity to expand the major centre at Tuggerah by up to 30,000m^2 in retail floorspace. The timing and staging of this additional floorspace will be determined, to a certain extent, by market conditions, however, it is considered that this level of floorspace is supportable and could assist in arresting the leakage of Wyong expenditure to regional centres in Gosford and (to a lesser extent) Lake Macquarie. The stemming of expenditure 'leaking' to other areas will result in greater job opportunities within the LGA, particularly for youth employment and will have a positive economic impact on the Wyong economy due to more expenditure being retained in the local area. This is known as the multiplier effect. The multiplier effect in this instance is the 'knock on' effect which an increase in spending produces such as job creation.

At the town centre and local centre level, the bulk of opportunities for new retail floorspace will be available within the northern part of the LGA. The provision of 21,000m^2 of retail floorspace within the **Warnervale** town centre, the opening of the new local centre at San Remo in late 2008 (which provides for 4,000m^2 of retail floorspace) and the Lake Munmorah local centre (which provides over 5,000m^2 of retail floorspace) have and will assist in addressing the shortfall of retail floorspace for residents in the North Wyong area.

As the population within the North Wyong area grows, it is recommended that opportunities to expand the role and functions of the Warnervale town centre be investigated as this centre will be a major focus of activity for the incoming population.

The potential for the **Wadalba** centre to be expanded has been investigated and additional retail floorspace including a supermarket of around 2,000m^2 together with some specialty retail floorspace could be warranted after 2016.

This centre could be supported by a neighbourhood centre within the **East Wadalba** area post 2016, to provide additional retail opportunities in this growth area.

The need for another centre in the Gwandalan/Summerland Point catchment is unlikely to be supportable until at least 2031. In the interim, the retail needs of these communities will be met by the new local centre at Lake Munmorah and the existing neighbourhood centres at Gwandalan and Summerland as there is some capacity for expansion within the zoned areas of these centres.

In the southern parts of Wyong, apart from expansion of the Tuggerah major centre, demand for additional retail floorspace will be met by increasing retail floorspace provision in the **Wyong** town centre. The potential for expansion of the **Ourimbah** centre to include some supermarket floorspace is also considered appropriate.

Wyong town centre will also benefit from the in-centre population being increased. The CCRS envisages that of the 39,500 additional dwellings to be provided in the Wyong LGA, 4,000 will be located within the Tuggerah-Wyong major centre. Whilst the bulk of these are likely to be accommodated within the areas identified as 'residential' on the draft concept plan for the Tuggerah town centre, there are opportunities to provide residential development within the Wyong town centre.

The retail mix available within Wyong is somewhat limited and would benefit from an additional attractor such as a supermarket. The additional local population will provide support from this facility however it has been demonstrated that there is sufficient expenditure which is currently directed to Wyong from its catchment population to support a medium sized supermarket facility. The provision of such a facility could have a synergistic effect in terms of revitalising the mix of retail services provided in the centre.

In this regard the draft LEP includes floor space ratio (FSR) incentives in certain areas of the Wyong and Toukley town centres to encourage development of iconic sites. This is considered to be a positive action by Council that will potentially translate into additional development within the centre.

In the eastern parts of the LGA, the need to consolidate and reinforce the roles of the **Toukley** and **The Entrance** town centres is vital. In order to revitalise The Entrance, the provision of a hub to the centre is considered critical. This will give the centre a focal point to which its various precincts (as noted in the master plan) can relate. Opportunities to increase the residential population within the centre are also considered to be important to the functioning of this centre as a comprehensive activity centre.

Draft Wyong LEP 2013 proposes to zone centres B1 Neighbourhood Centres and B2 Local Centre. Shop top housing is included as a permitted use within these zones. Shop top housing is defined as:

> ***shop top housing*** *means one or more dwellings located above ground floor retail premises or business premises.*

This will allow ground floor activation by the provision of shop fronts or offices with residential development above. In the case of The Entrance, the draft LEP allows for development up to 23m in height within the centre in certain circumstances. Therefore there will be significant incentive to provide mixed use commercial/residential developments within the centre which will assist in activating the centre.

Tourist and visitor accommodation is also a permissible use within the B1 and B2 zones under the draft LEP. In order to ensure that a reasonable quantum of residential floorspace is provided (rather than tourist and visitor accommodation), consideration could be given to limiting the amount of floorspace that can be occupied for tourist and visitor accommodation in the centres. For example, the maximum permissible floor space ratio (FSR) in much of The Entrance town centre is 3:1. In order to limit the amount of floorspace provided within new developments as tourist or visitor accommodation, it may be appropriate to restrict the FSR for such uses to a maximum of 1:1. This will potentially encourage more permanent residential accommodation to be provided within the centre, whilst still providing for tourist accommodation.

The fringe areas of the Toukley town centre have been zoned R3 Medium Density Residential which is likely to encourage some residential development close to the centre.

Some minor increase in retail floorspace in the west village of the **Budgewoi** local centre would be warranted in order to provide an alternative focus away from the Scenic Drive frontage to the centre.

The neighbourhood centres throughout the southern part of the LGA service their immediate surrounding community and are a vital part of the network. In this regard therefore their capacity to provide these services should be maintained. The additional floorspace provision envisaged in The Entrance and Wyong is unlikely to impact on functioning of the smaller centres as the expenditure distribution estimates did not rely on attracting that proportion of expenditure which would generally be directed to such centres.

It is considered that the new centres within the northern parts of the LGA together with opportunities to rationalise and redevelop parts of existing centres throughout other areas will ensure that the supply of retail floorspace within this part of the Wyong LGA will meet demand for the period up to 2021.

Any additional floorspace that might be required to meet demand post 2021 should, wherever possible be provided within the existing centres by utilising underdeveloped zoned land and providing for increased residential populations within the centres.

10 Non Retail Floorspace

To operate effectively, most centres will contain a mixture of retail and non-retail floorspace together with some community uses. Generally, we would expect uses that would occupy non-retail floorspace would include local and regional servicing businesses such as banks, medical service providers, real estate agencies, solicitors, accountants and the like.

The quantum of non retail floorspace within a centre can vary based on a variety of circumstances including the catchment of the centre and its role and function. For example the role of the Wyong town centre is to provide for retail, commercial, cultural, social and civic services. As a result, a significant proportion of floorspace within the Wyong town centre is occupied by government agencies and service providers. In other town and local centres however, the proportion of non retail floorspace to retail floorspace varies from 8% (in retail focussed centres such as Bay Village) up to over 50% in mixed use centres such as Long Jetty. This includes service industrial uses which are a different use category to the traditional non-retail commercial land use.

In view of the above, the quantum of non retail floorspace to be provided within a centre should not be mandated. Generally, we would expect around 15% of the floorspace within a neighbourhood centre would be occupied for non retail uses, however this may not always be feasible in which case flexibility of use is the preferred approach. It is important that centres do provide a variety of uses however it is considered that this is best managed by the market place.

A rule of thumb for assessing the provision of non retail/local serving commercial floorspace within a local centre and town centres (excluding Wyong town centre) would be 0.2 – 0.4m^2 of commercial/non retail floorspace per person (based on the estimated catchment of the centre).

11 Actions for Centres

Centres are evolving from simply being places to shop or work to becoming a destination which provide a varied mix of uses and functions. They are effectively becoming activity centres where people live, work and play.

The Strategy provides the framework for achieving centres that are vibrant, active places that also provide for the retail needs of the community.

Encouraging development within centres has many benefits including reducing the number of trips and car usage, improving the viability of public transport, fostering innovation and healthy competition between businesses, and encouraging growth and investment in centres.

However, as is evident in a number of centres within the Wyong LGA, as centres become older, they show signs of deterioration. The maintenance of buildings and infrastructure increases and landscaping often requires replacement. If there is a lack of investment by property owners and Council, the general appearance of centres can be neglected and in need of updating.

The surveys of the various centres throughout the LGA identified that apart from the services provided, the presentation of the centre can affect how the centre operates and ultimately its success. Physical elements such as neglected buildings and run down landscaping and poor access can affect the perception of a whether a centre is unattractive or unsafe, which may in turn contribute to a pattern of declining patronage.

Other negative elements which were observed during the fieldwork included: -

- Poorly located loading/unloading facilities
- Lack of appropriately located waste storage areas.
- Proliferation of inappropriate signage.
- Poorly maintained landscaping.
- Lack of, or unmaintained street furniture
- Graffiti not being removed.

Addressing and rectifying the observed issues within centres can assist in improving the overall functioning and servicing of a centre.

Wyong Council has prepared master plans for the following centres:

- Long Jetty
- The Entrance
- Toukley
- Wyong
- Bateau Bay
- Lake Haven
- Budgewoi

A number of these master plans are the result of previous centre specific strategic planning. The master plans for the most part are aimed at public domain improvements and making the centres attractive, accessible and active spaces. There is a significant emphasis on improving linkages to and within the centres, together with encouraging activities which will improve the centre's viability. The master plans have also placed significant weight on investigating traffic flows within and around centres with a view to improving access.

Whilst these master plans will assist in addressing many of the negative aspects of the centres, consideration could also be given to undertaking an audit such as the Local Commerical Centres Streetscape Audit recently implemented by The Hills Shire Council.

The purpose of the audit is to revitalize local shopping centres. Each centre assessment was based against a set of criteria including visual appeal, public safety, accessibility, lighting and landscape design. The centre audit highlighted a number of common issues that needed to be addressed, including disabled access - provision of accessible car parking spaces, ramps, tactile indicators, street lighting and shop awning lighting. The purpose of the audit was to reduce opportunities for vandalism, graffiti and pollution, improve safety in and around centres and foster community ownership of centres. The audit led to the development of a priority list of actions and upgrade requirements, and undertaking rectification works.

It is considered that a number of centres within Wyong, including those for which master plans have been prepared, would benefit from the positive actions that could result as a consequence of undertaking an audit of the centres. For those centres for which a master plan has been prepared, the audit could supplement work already undertaken and identify if any additional works are necessary in order to address identified deficiencies.

As with any program which involves embellishment works, these works required significant investment. Opportunities to fund a proportion of the works through Section 94 contributions could be investigated. Given that the improvements to the public domain areas of the centres will benefit all users, any contribution could be levied on all forms of development. Sponsorship of various precincts and areas could also be investigated as a means of funding.

12 Specialised Precincts

12.1 Bulky Goods Retailing in Wyong

There are currently only two bulky goods retail precincts in Wyong – the Tuggerah Supa Centa and Tuggerah Straight area and the Lake Haven Mega Centre.

It is estimated there is approximately 50,000m^2 of bulky goods floorspace within these two precincts (not including that part of the Supa Centa used as a factory outlet centre). This estimate does include floorspace within existing centres (such as Long Jetty) in which bulky goods type outlets are located.

Based on the expenditure estimates in **Table B1**, there could be $342.8 million in bulky goods expenditure available from all households in the Wyong LGA in 2013.

Sales at bulky goods retail outlets could be $4,680/m^2 in 2013[4]. Based on the floorspace estimate of 50,000m^2, sales in bulky goods could total $234 million in 2013. This suggests that (assuming the bulky goods facilities in Wyong do not attract expenditure from any other area), there is effectively $99 million of expenditure escaping the Wyong LGA to other areas. Therefore, in terms of bulky goods floorspace supply, Wyong is considered to be significantly undersupplied.

This level of expenditure (i.e. - $99 million) could support over 21,000m^2 of bulky goods floorspace.

By 2016, the quantum of bulky goods floorspace in Wyong could have increased by 1,600m^2 (assuming the bulky goods proposal as part of the Warnervale town centre proceeds). Factoring in this additional floorspace, sales in bulky goods could have increased to $251 million but there is likely to be over $373 million of bulky goods expenditure available from Wyong households. This difference could support an additional 25,000m^2 of bulky goods floorspace, or 4,000m^2 more than the additional floorspace supportable in 2013.

By 2021 the growth in population would be such that there could be $427 million of bulky goods expenditure available from all households in Wyong which could (in theory) support a total of 84,000m^2 of bulky goods retail floorspace (or 34,000m^2 more than is currently provided).

These estimates are based solely on expenditure from Wyong households only and do not factor in the potential for bulky goods precincts in Wyong to attract expenditure from areas beyond the LGA.

The concept plan for Tuggerah considers the the development of bulky goods floorspace within this centre. It is considered appropriate that this major centre be the focus of additional floorspace provision given the presence of the Tuggerah Supa Centa development and the other retail activities occurring in this centre.

There is sufficient space available within the Tuggerah major centre to accommodate a significant amount of bulky goods floorspace. Again, the market will dictate, to a certain extent how much bulky goods floorspace might be provided within the Tuggerah major centre, however there must be a balance in terms of the location of such floorspace.

There is an existing bulky goods retail precinct at Lake Haven, within the Lake Haven Mega Centre. Expansion of the Lake Haven Mega Centre development has been mooted. In the short term an additional 8,000m^2 of bulky goods floorspace has been identified as being supportable, with the potential for a further 15,000m^2 to be developed by 2031.

If the Lake Haven development proceeds as proposed, in the short term around 17,000m^2 of additional bulky goods floorspace could be supported within the Tuggerah major centre.

There are clear benefits of there being at least two bulky goods retail precincts within the LGA to service the northern and southern sectors of the Shire, however opportunities to provide bulky goods precincts as part of other town centres, such as Warnervale and Bateau Bay also need to be considered.

[4] Estimates of bulky goods floorspace turnover from the 2011/12 Retail Centres Review

It is imperative that a balance in the provision of any additional floorspace is achieved to ensure that the opportunity for equitable access to such facilities is maintained.

Increasing the quantum of floorspace and the range of goods and products available in these precincts could have the effect of attracting expenditure from areas beyond the Wyong LGA and in particular from the western areas of Lake Macquarie (which are also likely to experience significant population growth in the short to medium term). This expenditure will supplement that available from Wyong households and could result in the amount of floorspace that might be supportable being more than if the precincts were only relying on expenditure from Wyong households.

The option of developing these facilities within each of these precincts in stages is available and is contemplated in relation to the Lake Haven expansion proposition.

Clearly there is an undersupply of bulky goods retail floorspace within the Wyong LGA at present. The provision of additional floorspace within the existing precincts at Tuggerah and Lake Haven can assist in addressing this imbalance however it will be necessary to ensure that any expansion of floorspace is distributed between and within these precincts to allow for equitable access to the precincts from all areas of the LGA.

12.2 Land near Wyong Hospital

The Wyong District Hospital is a major public hospital which provides inpatient, outpatient and emergency services for the northern sector of the Central Coast. It is part of the Northern Sydney Central Coast Area Health Service (NSCCHS).

According to data available from NSW Department of Health, in the 2003/04 financial year, Wyong Hospital dealt with:

- Almost 40,000 emergency department cases
- 22,150 hospital admissions
- 355 births

There was an average of 206 beds occupied at any one time, with the average length of stay being 6.2 days.

As the population of the Wyong area grows, the demand for health services will incease. The ageing population will also place pressure on the health services provided by NSCCHS.

Our observations of the centres have revealed a reasonable supply of general health services – general practitioners, dentists and other allied health service providers – physiotherapists, optometrists, podiatrists and the like, but a shortage of specialists.

There is an opportunity to create a specialist precinct which provides for the development of new facilities to meet the clinical needs of the Wyong population proximate to the existing health services available at the hospital. The clustering of such services into one precinct is considered to be beneficial for fostering healthcare, education and research opportunities, and the potential to provide residential accommodation for health workers should also be explored. Selected commercial activities could also be provided within this precinct.

The land generally bound by Pacific Highway, Wiowera Road/Pearce Road and the William Cape Gardens retirement village is considered to be appropriately located for the establishment of such a precinct.

The draft Wyong LEP 2013 proposes to zone the land investigated RU6 Transition Zone[5] which is a prescribed zone for the purposes of considering the development of health service facilities on this land in accordance with Division 2 of Part 1 of the Infrastructure SEPP. A Health services facility is defined in the Standard Template LEP as follows:

***Health Services Facility** means a building or place used to provide medical or other services relating to the maintenance or improvement of the health, or the restoration to health, of persons or the prevention of disease in or treatment of injury to persons, and includes any of the following:*

(a) a medical centre,

(b) community health service facilities,

(c) health consulting rooms,

(d) patient transport facilities, including helipads and ambulance facilities,

(e) hospital.

Therefore a range of health related services could be provided on this land however the provision of any retail services would be restricted.

[5] A Planning Proposal for this precinct has been lodged with Wyong Council. The Planning Proposal is seeking to zone the land B6 Enterprise Corridor. Mandated permissible uses in the B6 zone include Business premises; Community facilities; Garden centres; Hardware and building supplies; Hotel or motel accommodation; Landscaping material supplies; Light industries; Passenger transport facilities; Plant nurseries; Warehouse or distribution centres. The objectives of the B6 zone seek to maintain the economic strength of centres by limiting retailing activity.
The B6 zone is a prescribed zone for the purposes of considering health services facilities. Therefore the rezoning of this precinct to B6 will not impact on nearby centres and will not impact on the centres hierarchy.

13 Matters for Consideration for Rezoning Proposals for new retail facilities and centres

Ensuring that planning instruments are flexible enough to accommodate innovation and new forms of retailing is one of the greatest challenges facing planning for retail centres. There is a significant variance between the Productivity Commission's "the market knows best" approach and current land use zoning controls. The Standard Instrument Local Environmental Plan business centre zones sought to address this disparity however the result has fallen short of initial expectations mainly due to the number of business zones. The authors of the White Paper were also of the opinion that there were more land use zones than required and sought to reduce this one business zone. Following consideration of submissions, the range of zones currently available under the Standard Instrument LEP has been retained.

Therefore, whilst the development industry advocates flexibility, there is a community expectation that development, including retail development, will be 'controlled'. On this basis, it is essential that a framework for addressing these competing objectives be developed.

Population growth is one of the key drivers for the provision of new retail centres and additional floorspace. Predicting the precise amount of retail floorspace that might be required in the future is difficult as this can be affected by a variety of factors including changes in the rate of population growth, changes in where population growth occurs and external influences such as the economic climate. Furthermore, the suggested location of additional floorspace, or new centres, may not be appropriate if population growth occurs differently to that forecast. It may also be that existing centres do not provide sufficient opportunities for expansion, particularly if the area serviced by that centre experiences significant, but unpredicted, population growth. The Productivity Commission approach of "let the market decide" has some merit. A similar principle is supported in the draft Centres Policy. Principle 3 of the draft Centres Policy states that:

> ***Principle 3*** *– The market is best placed to determine the need for retail and commercial development. The role of the planning system is to regulate the location and scale of development to accommodate market demand.*

However, there is a role for planning authorities to develop and administer robust policies to manage and regulate proposals for new centres and retail floorspace to ensure that access to a satisfactory range of services and facilities is maintained.

Should alternative locations for the provision of a new centre be put forward, it is recommended that the protocols established in the draft Centres Policy be adopted. The principles in relation to rezoning of land for commercial activities suggest that a net community benefit test be applied to consider any edge-of-centre or out-of-centre proposals.

The need for a rezoning would need to demonstrate that alternatives within existing centres and in edge of centre locations were not suitable or available for the proposal. Any proposal would also need to demonstrate that the provision of a new centre would not impact on the services and facilities currently available. This approach is not dissimilar to the 'sequential test' applied to new retail developments in the UK.

As demonstrated in the USA, the 'free for all' approach (which resulted in a number of satellite centres being developed), whilst initially embraced, has failed to deliver centres which provide the services and functions sought by the population for which the centres were developed and there has been a trend back towards a more traditional hierarchy of centres.

In this regard therefore, opportunities to provide for the expansion of existing centres by applying a mixed use zone to land on the fringe of some local or town centres could alleviate the pressure to consider proposals for out of centre developments and also provide a degree of flexibility of use.

However, in the first instance, where there is underutilised or underdeveloped zoned land within an existing centre which serves a similar catchment to an out-of-centre site, locating a new retail development within an existing centre should be investigated thoroughly and in consultation with

Council officers with a view to consideration of some flexibility in development standards to encourage this development.

Generally, an out-of-centre location would only be supported if it can be demonstrated that neither of the above options is suitable for the proposals and a robust assessment of impacts has been provided. That assessment would need to consider the range of services provided within the affected centre(s) and how the proposed development/centre would 'make good' any change in circumstances for the catchment population of the affected centre. Particular regard should be had for 'anchor' tenants/facilities within the affected centre(s) and the potential 'knock on' effect of any loss of trade for those major facilities that might affect their ability to continue to trade or function effectively. Anchor tenants or facilities could include supermarkets or grocery stores, government and non government services, community facilities and any major floorspace user.As part of this Strategy, a framework for the consideration and assessment of planning proposals which involve expansion of and/or creation of new centres has been designed.

This framework is based on the draft Centres Policy net community benefit test which requires proponents to demonstrate that alternatives within existing centres and in edge of centre locations are not suitable or available for the proposal.

A net community benefit test considers the sum of all the benefits of a development proposal against the sum of the costs of that development. Changes in population, market conditions and industry trends can mean that sometimes planning controls have not kept pace.

A net community benefit test should consider, inter alia:

- Whether the proposal is consistent/compatible with agreed State and regional strategic directions.
- Whether the proposal is likely to create a precedent.
- What the cumulative effects of the proposal might be.
- Whether it is likely to facilitate employment opportunities.
- Whether it will impact on the supply of residentially zoned land.
- Whether there is sufficient infrastructure in place or planned for to service the development.
- Whether it is sustainable.
- Whether it is in the public interest.
- Whether the proposal will impact on the availability of retail and commercial services in the area. If there is an impact, the extent of that impact and whether the proposed development will 'make good' any change of circumstance arising as a result of that impact. Specifically, the assessment of impact will need to consider any impacts on 'anchor' tenants/facilities within the affected centre(s) and the potential 'knock on' effect of any loss of trade for those major facilities which might affect their ability to continue to trade or function effectively. Anchor tenants or facilities could include supermarkets or grocery stores, government and non government services, community facilities and any major floorspace user.
- Whether the proposal (if a single entity commercial development) has the capacity to develop into a centre in the future and if so, what the impacts of that might be.

This test is part of the process in demonstrating the need for more land to be zoned for retail and commercial purposes. It will also be necessary to demonstrate a demand for additional facilities based on a retail demand assessment and an economic impact assessment to consider whether the proposal is likely to have any impact on the existing retail network.

Although not specifically identified as matters for consideration as part of a net community benefit test within the draft Centres Policy, it is recommended that any planning proposal which considers additional retail floorspace over and above that already provided for within a centre, consider the economic impact of that proposal with the objectives of ensuring that the retail network is respected, planned growth can occur and a viable network of centres is maintained.

Where an extension of a centre is proposed, it will be necessary to consider other issues such as design, connections, transport service, public domain and pedestrian circulation to ensure that the additional development integrates with the existing centre.

14 Recommended Actions

Draft Wyong LEP 2013 includes a number of provisions to incentivise development within centres. These provisions formalise the incentive controls initially envisaged as part of the Iconic Sites DCP. The provisions include:

- Allowing shop top housing within the B1 and B2 zones which will apply to all centres (but making residential accommodation per se prohibited). This will ensure there is activation on the ground floor levels of the development whilst optimising residential accommodation above.
- Providing FSR bonuses in the Wyong and Toukley town centres in particular areas to encourage development. These areas are identified on the FSR maps accompanying the draft LEP.
- Allowing development up to 26m in certain circumstances in The Entrance town centre to encourage development. The areas in which the additional height provisions apply are identified on the Height of Building maps accompanying the draft LEP.

In addition to these provisions, consideration to restricting the FSR of tourist and visitor accommodation within The Entrance town centre might also be appropriate. In that way, only a proportion of a new development will be able to be used for that form of development with the remainder being developed as residential accommodation (assuming developers take up the FSR allowance permitted on the site).

In addition to the above, and as a result of this Strategy, it is recommended that Council implement the following actions:

- If it is considered that the centre specific master plans do not provide sufficient incentive to address the decline of some centres, prepare a Commercial Centres Audit to assess the physical aspects of centres.
- Continue preparation of centre specific master plans to identify plans of action for centres including addressing the relevant findings of the Commercial Centre Audit. Detailed centre planning through the preparation of centre specific master plans is encouraged to ensure a targeted approach to centre improvement can be implemented. The master plans could inform the preparation of the design guidelines to be incorporated into the DCP.
- Amend draft Wyong DCP to delete/modify Chapter 5.1 of the DCP to reflect the findings and conclusions of this Strategy.
- Consider applying a mixed use zoning to the fringe of some centres to allow for a degree of flexibility of use.

  Should amendment to Chapter 5.1 be contemplated, the provisions relating to centres that could be included within the DCP/design guidelines could include generic design principles such as building envelope controls, landscaping, signage, sustainability provisions, waste management standards, CPTED considerations, as well as streetscape, architectural character, public amenity, car parking and servicing. Such provisions could be simply transferred to the development guides contained within Part 3 of the Local Plan when prepared.

  It will be necessary for the purposes of encouraging and guiding mixed use developments within centre to ensure residential amenity provisions are included. Such provisions would include solar access, acoustic amenity, visual amenity, privacy, open space, setbacks and bulk and scale and be drafted having regard to the design principles of SEPP 65 and the Residential Flat Design Code.

  The principles described above would be best developed by an Urban Designer, in consultation with Council’s development assessment section to ensure a workable set of principles to guide proposals are developed.
- Implement a requirement for planning proposals which include new retail/commercial floorspace to undertake a net community benefit test as part of the request for the preparation of a planning proposal.

APPENDIX A – LOCATION PLAN, WYONG RETAIL CENTRES

LEGEND

SPDs

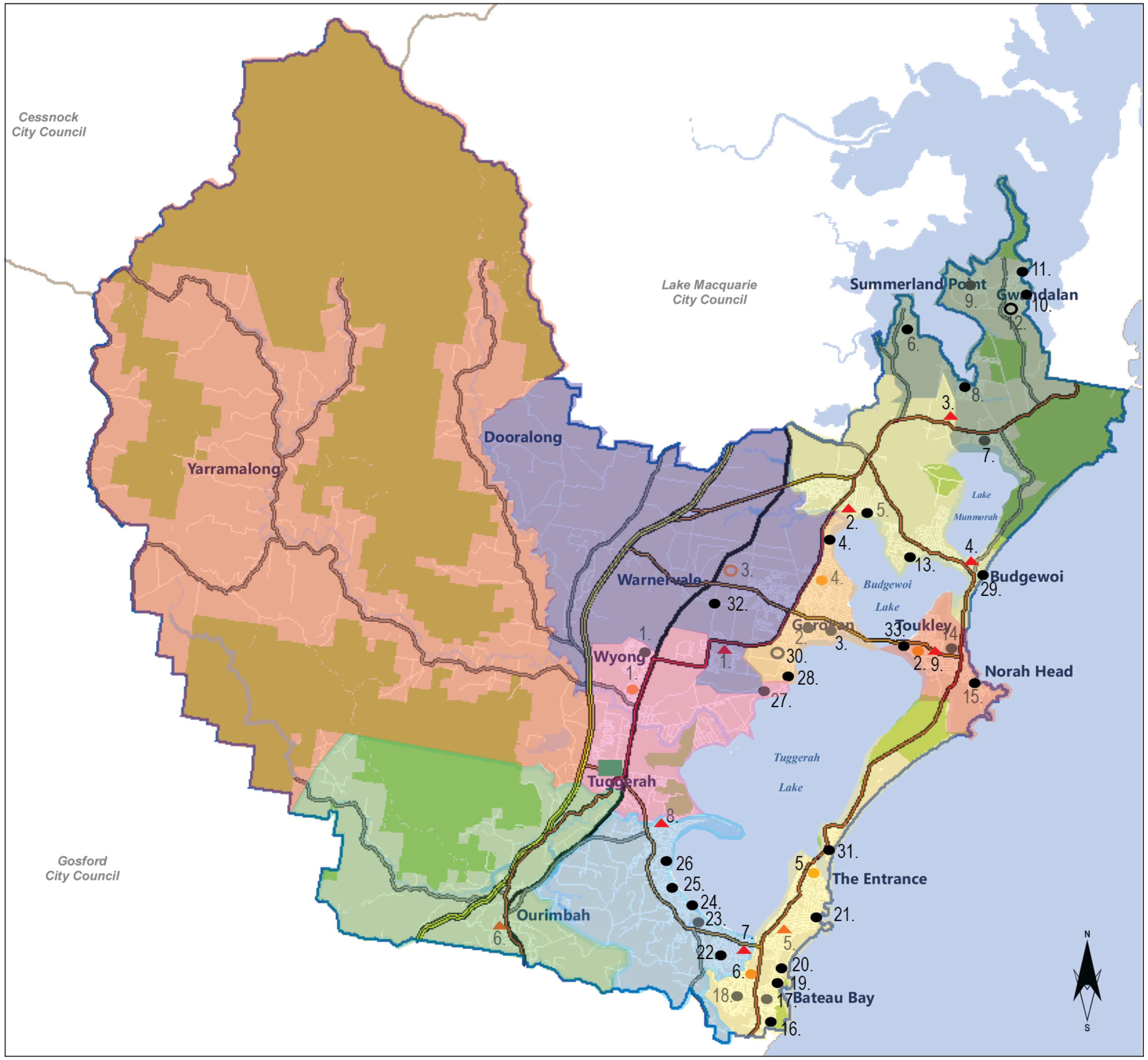
- Rural West
- Ourimbah-Rural South
- Warnervale-Wadalba
- Wyong
- Southern Lakes
- Northlakes
- San Remo-Budgewoi
- Toukley
- Gorokan
- The Entrance

Major Centre
Tuggerah

Town Centres
1. Wyong
2. Toukley
3. Warnervale (proposed)
4. Lake Haven
5. The Entrance
6. Bateau Bay (Bay Village)

Local Centres
1. Wadalba
2. San Remo
3. Lake Munmorah (operational May 2013)
4. Budgewoi
5. Long Jetty
6. Ourimbah
7. Killarney Vale
8. Chittaway Point
9. East Toukley

Neighbourhood Centres
1. Watanobbi
2. Kanwal
3. Gorokan
4. Charmhaven
5. San Remo
6. Mannering Park
7. Lake Munmorah
8. Chain Valley Bay
9. Summerland Point
10. Gwandalan (1)
11. Gwandalan (2)
12. Gwandalan (proposed)
13. Buff Point
14. Noraville
15. Norah Head
16. Bateau Bay (Bard Lane, Coleridge Rd)
17. Bateau Bay (Bateau Bay Rd & Entrance Rd)
18. Bateau Bay (Sir Joseph Banks)
19. Bateau Bay (Parkside)
20. Helen St & Bateau Bay Road
21. Toowoon Bay
22. Killarney Vale, Robertson Road
23. Tumbi Umbi
24. Berkeley Vale (Kerry/Emerald)
25. Berkeley Vale (Shannon & Lake Edge)
26. Berkeley Vale (Lake Edge/Bluebell)
27. Tuggerawong
28. Wyongah
29. Budgewoi (East)
30. East Wadalba (proposed)
31. The Entrance North
32. Warnervale (Precinct 7A)
33. WestToukley (Cross Street)



APPENDIX B – WYONG RETAIL CENTRES

Appendix B1 – Tuggerah Major Centre

The Tuggerah major centre includes the Westfield development and the bulky goods retail precincts along Tuggerah Straight and in the Tuggerah Supa Centa development. The Westfield development comprises the main retail component of the Tuggerah major centre. This component of the Tuggerah major centres has been considered for the purposes of estimating the catchment area and expenditure potential of that catchment. The bulky goods precinct is discussed in detail in Section 12.1 of this Strategy.

Figure B1.1 - Aerial Photograph of Westfield Tuggerah development (Source: Six Maps, NSW LPI)

Westfield Tuggerah

The Westfield centre comprises over 87,100m^2 of floorspace of which almost 79,500m^2 is occupied by retail outlets. Non retail uses, including cinemas, a medical centre and a child care centre occupy some 7,650m^2 of floorspace within the centre.

Westfield Tuggerah is located on the southern side of Wyong Road, west of the intersection of Wyong Road and Pacific Highway.

The current centre is located between Gavenlock Road and Tonkiss Street, however the Westfield land holdings extend to the west beyond the existing retail centre.

Catchment Area

The estimated catchment for Westfield Tuggerah includes primary, secondary and tertiary trade areas and extends from Morisset and Cooranbong in the south eastern part of the Lake Macquarie LGA, south to Gosford and Point Clare in the western areas of the Gosford LGA.

The catchment of Westfield Tuggerah is constrained by the influence of the Erina Fair shopping centre in the Gosford LGA and Charlestown Square in Lake Macquarie. Both of these centres exert significant influence over the eastern areas of the Wyong Shire respectively. However, due to the location of these centres within the eastern parts of their respective LGAs, Westfield Tuggerah does attract trade from the western areas of both Gosford and Lake Macquarie LGAs.

The primary trade area (PTA) of Westfield Tuggerah includes the Wyong SPD and parts of the Southern Lakes, Ourimbah, Rural West, Warnervale Wadalba and Gorokan SPDs.

Those parts of the Wyong Shire north of Budgewoi and Blue Haven are considered to be within the tertiary trade area north (TTA north) whilst Lake Munmorah and those areas to the east of Tuggerah Lake are within secondary trade areas (STAs).

Therefore, whilst all areas within the Wyong LGA are within the catchment of Westfield Tuggerah, the proportions of expenditure from each area will differ. Households within the PTA could use retail services provided within Westfield Tuggerah on a regular basis and for a variety of reasons, but residents in the STAs and TTA would potentially only visit this centre for the purposes of comparison shopping for higher order goods and services.

Expenditure Potential

Table B1 below is an estimate of the retail expenditure capacity of all Wyong households for the period 2013 – 2021.

Table B1: Estimated Annual Retail Expenditure per Wyong LGA Household and in Total, 2011-2021

Retail Commodity Group	$ per Household in 2011	Total all households 2013 ($mil)	Total all households 2016 ($mil)	Total all households 2021 ($mil)	Sydney Av. $ per Household
Food for Home	$7,494.9	$480.3	$523.7	$598.3	$8,454.7
Clothing	$2,116.2	$135.6	$147.9	$168.9	$2,774.3
Small Household Goods	$4,817.7	$308.7	$336.6	$384.6	$5,649.8
Large Household Goods	$6,509.5	$417.2	$454.8	$519.6	$8,072.7
Personal Services	$2,213.1	$141.8	$154.6	$176.7	$2,747.2
Food Restaurants	$1,524.6	$97.7	$106.5	$121.7	$2,065.3
Take Away Food	$1,477.5	$94.7	$103.2	$117.9	$1,867.3
TOTAL ($)	**$26,153.5**	**$1,676.0**	**$1,827.4**	**$2,087.6**	**$31,631.3**
Supermarket Expenditure	**$8,654.3**	**$554.6**	**$604.7**	**$690.8**	**$9,782.1**
Bulky Goods Expenditure	**$5,349.1**	**$342.8**	**$373.8**	**$427.0**	**$6,244.9**

Source: ABS: Basic Community Profile, Household Income Data.
ABS: Household Expenditure Survey, 2009/10
Detailed Expenditure Items, Cat. No. 6535.0
Base Data: ABS Consumer Price Index, December 2011
Totals: Annual Growth Rate of 1.0% factored in

Based on the estimates in **Table B1**, each Wyong household had a total annual expenditure capacity of $26,150 in 2011. Excluding bulky goods retail expenditure, each Wyong household expended $20,804 across the remaining retail commodity groups in 2011.

By 2013, the total expenditure capacity of all Wyong households could be $1,676 million and this could increase to $1,827.4 million by 2016.

Again, excluding expenditure which would generally be directed to bulky goods retail precincts, in 2013 the total expenditure potential of all Wyong households is estimated to be $1,333 million, increasing to $1,453.6 million in 2016.

We would generally expect at least 30% of total retail expenditure would be directed to the major regional centre. Although households in the PTA are likely to direct more than 30% of their expenditure on general retail items to this centre, we would expect households in the secondary and tertiary trade areas to use this centre on a less frequent basis and direct a smaller proportion of their retail expenditure to Westfield Tuggerah.

On average, therefore it is estimated that Wyong Shire households could contribute $400 million towards the general retail services provided within Westfield Tuggerah in 2013.

The estimated turnover of this centre in 2010/11 was $477 million [6]. Factoring in an annual average growth rate in sales of 1%, by 2013 sales of $487 million could be experienced.

We estimate that the level of support expenditure from areas beyond the Wyong LGA will exceed the 'shortfall' of $87 million. In particular, Westfield Tuggerah is more accessible to residents within the western areas of Lake Macquarie than Charlestown Square.

Therefore, it is likely that the level of expenditure available actually exceeds that required to support the existing floorspace provision.

Other Sources of Expenditure

Tuggerah Westfield is located in an area of significant employment generation within the Wyong LGA. Not only is the centre itself a significant employer, the Tuggerah Straight also offers a variety of employment opportunities as does the Tuggerah Business Park which is located to the east of the main northern railway line.

According to 2006 Journey to Work data, of the 6,000 persons employed in the greater Tuggerah area in 2006, 67% were residents of the Wyong LGA. 22% lived in the Gosford LGA and almost 7% were Lake Macquarie residents. It is considered that given the proximity of these employment precincts to the Westfield centre, that centre could attract a proportion of expenditure from workers.

For the purposes of assessing the degree of additional support for retail services that might be provided by workers, Wyong residents will be discounted. Approximately 33% of workers within the Tuggerah centre were non-Wyong residents.

We estimate that, on average, remaining workers each could expend up to $20 per week in retail outlets in Westfield. This equates to support of approximately $2 million per year.

Tuggerah Expansion Capacity

As the major centre within the Wyong Shire, we would expect this centre to attract a proportion of retail expenditure available from Wyong households. Whilst this is the case, there is also a reasonable proportion of expenditure being directed to regional centres outside Wyong. Erina Fair in particular attracts expenditure from households in The Entrance SPD, the southern areas of the Ourimbah SPD and the eastern part of the Southern Lakes SPD.

In order to reduce the amount of expenditure that would generally be expected to be directed to the major centre escaping the Wyong LGA, the range of services provided within Westfield Tuggerah would need to be increased. As the current retail centre is fully developed and occupied, expansion of the existing centre is the only reasonable option.

Expansion of the centre was considered as part of the 2007 Retail Centres Review however that assessment also recommended caps on the quantum of floorspace to be developed and time restrictions on when the expansions could occur.

These subjective limitations have not allowed the major centre to 'keep pace' with market demands.

It is estimated that on average between 15% - 20% of expenditure from Wyong households could be directed to Erina Fair. This equates to $251 to $335.2 million in 2013 and in 2016 there could be up to $365 million of retail expenditure escaping the Wyong LGA.

Expansion of retail services and facilities, including bulky goods floorspace within the Tuggerah major centre will assist in retaining a significant proportion of this escape expenditure.

Based on an average turnover of $8,000/m^2 of retail floorspace (excluding bulky goods floorspace) in 2021, it is estimated that up to 30,000m^2 of additional convenience retail floorspace could be supported in the Tuggerah major centre.

[6] Shopping Centre News Vol. 29, Number 1, 2011

The approval was issued around the time of Global Financial Crisis and at that time Westfield was unable to commit to the $200 million investment that the expansion required. Westfield has agreements with Myer (12,000m^2 over two levels) and Kmart (6,500m^2) and is committed to commencing this project as soon as the centre is trading at a level that will justify the redevelopment.

Westfield is currently considering an expansion of its retail centre at Tuggerah to provide an additional 12,600m^2 of floorspace. This proposal replaces a previous (now lapsed) approval for an additional 17,500m^2 of floorspace. The approval for the additional 17,500m^2 was issued around the time of Global Financial Crisis and at that time Westfield was unable to commit to the $200 million investment that the expansion required.

The additional 30,000m^2 of floorspace includes the proposed 12,600m^2.

It is imperative that any expansion of the retail centre consider the Tuggerah major centre as whole. Piecemeal or ad hoc developments could have significant and adverse impacts on other precincts within the centre, particularly with respect to infrastructure provision. It is advocated that the Tuggerah centre be considered as a whole to ensure that all stakeholders within the centre are provided with an opportunity to consider how their position within the centre might best contribute to a centre capable of fulfilling its role as envisaged under the CCRS.

Appendix B2 – Town Centres

Wyong Town Centre

Description of Centre

The Wyong town centre is located to the north of Wyong River and west of the Pacific Highway.

Wyong is the civic hub of the LGA. Government organisations represented in Wyong town centre include police and local court house, Australian Electoral Commission, Mine Subsidence Board, Centrelink, and Wyong Council offices.

Non government organisations are also well represented including a number of organisations providing employment services.

Within that part of the town centre bound by Pacific Highway, River Road, Margaret Street and North Road it is estimated that there is almost 8,000m^2 of retail floorspace and almost 7,500m^2 of non retail floorspace. The non retail floorspace does not include any of the floorspace occupied by Government organisations. In addition, there is an estimated 2,500m^2 of vacant floorspace within Wyong. **Figure B2.1** below is a breakdown of floorspace in the Wyong town centre in percentage terms (but does not include the non retail floorspace occupied by Government organisations and agencies.

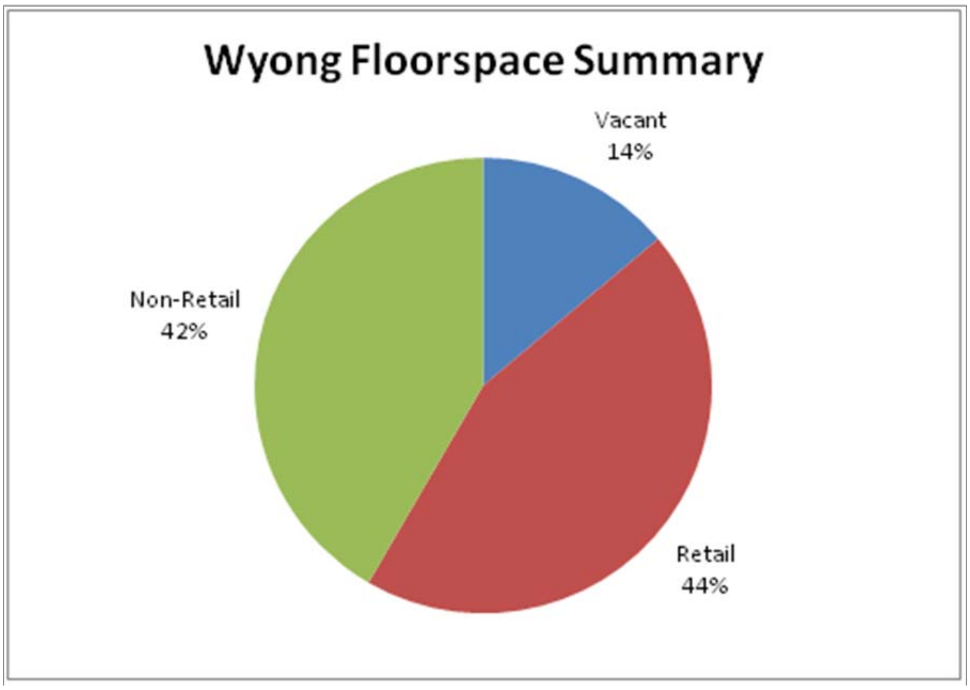


Figure B2.1 – Wyong Floorspace Summary

The retail role of Wyong has been eroded somewhat by its proximity to the regional shopping facility at Tuggerah (less than 3km). The focus of Wyong has therefore shifted to be more service delivery oriented. Therefore it is not surprising that almost half of the occupied floorspace within the centre is occupied by non retail uses.

We consider that the retail role of Wyong has some potential to be improved. This is likely to be achieved through the development of some of the identified iconic sites within the centre particularly if these developments include a substantial residential component. The following sites have been identified by Council as iconic sites in the Wyong town centre:

- ALDI Wyong – DA approved.
- Southern Gateway site.

- Chapman Building – heritage item.
- Grand Hotel – heritage item.
- Active river foreshore precinct – a concept proposal for this site has been developed and the proponent has had discussions with Council.
- Anzac Avenue Community Facility.

In addition, it is considered that the supermarket facilities within Wyong are inadequate and the opportunity to provide for additional supermarket floorspace exists.

The Wyong Civic & Cultural Centre Master Plan was prepared by Wyong Council in October 2011. This master plan aims to demonstrate the importance of Wyong as the administration and cultural hub of the Wyong Shire. **Figure B2.2** is an extract form the Wyong Civic and Cultural Centre Master Plan showing the proposal for the Anzac Avenue Cultural Precinct.

Figure B2.2 – Extract from Wyong Civic and Cultural Master Plan, October 2011

Catchment Area

The extensive range of civic and community services provided within the Wyong town centre attracts residents from throughout the LGA (and from areas beyond), however from a retail perspective, the catchment is more constrained.

We estimate the main catchment for the retail component of the Wyong town centre comprises the SPDs of Wyong and Rural West. The centre also has the capacity to attract trade from the Ourimbah and Warnervale-Wadalba SPDs and parts of the Southern Lakes SPD.

The retail catchment is influenced significantly by the proximity of the Wyong town centre to Westfield Tuggerah.

Notwithstanding the influence exerted by Tuggerah in particular and to a lesser degree Wadalba and Lake Haven, in our opinion, there is potential for the retail functions within the Wyong town centre to be enhanced, particularly if the resident and worker populations of the town centre itself increases.

Expenditure Potential

Based on the detailed expenditure estimates undertaken as part of the 2011/12 Retail Centres Review, it is estimated that:

- In 2013 there could be a total of $74.2 million of expenditure directed to the Wyong town centre from households within the estimated catchment area.
- By 2016 this could increase to $80.7 million and by 2021 there could be $92.7 million of retail expenditure available to expend across the range of retail commodity items (excluding bulky goods)

Additional Sources of Expenditure

As with Tuggerah, the Wyong town centre is an employment precinct.

In 2006, 65% of the workers within the Wyong town centre were residents of the LGA. However, only 377 of the 1,576 Wyong workers[7] also lived in the estimated catchment area for the Wyong town centre.

Expenditure by the 1,200 non residents (being non Wyong residents and Wyong residents living beyond the catchment) can be taken into account as an additional source of expenditure to support the retail floorspace within the town centre.

Excluding those residents who work in the town centre and also live in the catchment, non resident workers could contribute around $1.25 million per annum towards retail sales in the town centre (based on each worker spending an average of $20/week).

Although the town centre is located adjacent to the Pacific Highway it is not considered that the centre would attract a significant amount of expenditure from passing trade from non residents.

Sales Estimates

Based on estimates of retail floorspace turnover as noted in the 2011/12 Retail Centres Review and having regard to the existing supply of retail floorspace, in 2013 the existing retail floorspace provision within Wyong town centre could experience sales of $50.1 million which is significantly less than the estimated available expenditure potential of $76.2 million in 2013 ($74.2 million from catchment households and $1.25 million from workers) and suggests that the retail floorspace within the Wyong town centre is trading well above what would be considered average.

By 2016 (factoring in the development of the ALDI store), the estimated turnover of floorspace within the town centre could be $66 million which is some $16 million less than the estimated support expenditure of $80.7 million.

And by 2021 sales could have increased to $69 million assuming the quantum of retail floorspace remains constant as per the 2016 supply (compared to $92.7 million of available expenditure). The estimated surplus of available expenditure in 2021 could be $92.7m + $1.25m = $94 million, which is $25 million more than the estimated turn over. This expenditure could support a reasonable increase in retail floorspace.

Options for redevelopment of sites within the town centre have been considered as part of the Iconic Sites DCP, including land known as the Active River Foreshore Precinct. A development proposal being considered for this site includes retail and non retail development together with over 200 residential apartments. The inclusion of residential development can provide support for the proposed and existing retail floorspace within the town centre and can also assist in activating the centre, which is consistent with the identified principles for centres.

In order to retain the existing level of expenditure from the catchment population (and to attract a reasonable proportion of expenditure from the 'new' population), the variety, supply and quality of retail mix within the centre needs to be addressed.

[7] Based on 2006 Journey to Work data

Currently there is only one medium sized (approximately 2800m^2) supermarket within the Wyong town centre. It is considered that any increase in retail floorspace within the Wyong town centre should ideally incorporate a supermarket facility.

If the ALDI development proceeds this will clearly assist in supplementing the retail mix in the town centre.

The provision of a supermarket based shopping centre within the Wyong town centre will result in some of the expenditure which is currently being directed to supermarkets in the major centre at Tuggerah being retained by the town centre (with minimal impact on the trading capacity of Tuggerah).

The provision of a full line supermarket in the Wyong town centre will make the centre more appealing from a retail offering perspective and could result in the proportion of catchment area expenditure being directed to this centre being increased.

Should this occur it may impact on the Wadalba centre, however it is considered that given the population growth which will occur around that centre in the near future, Wadalba will be able to absorb the impact, particularly if it also expands its retail offering and its ability to arrest expenditure currently being diverted to other centres.

The Wyong town centre has the ability to expand its role in a measured way to provide a greater variety of retail outlets to balance the non retail and civic functions available. It is considered that this can be achieved without impacting adversely on the ability of other existing centres to trade effectively and without putting at risk the provision of any proposed or already planned centres.

Bateau Bay Town Centre

Centre Description

The Bateau Bay town centre comprises the Bateau Bay Square shopping centre (previously Stockland Bay Village) which is flanked by a variety of supporting developments including The Entrance Leagues Club, the Tuggerah Lakes Community Centre and fast food chain restaurants all of which add to its functions as a vibrant town centre.

Bateau Bay Square provides a wide variety of retail stores, including three (3) major supermarkets, a discount department store (Kmart), mini majors and a major liquor retailer. There are 116 outlets within the Bay Village centre. This centre now comprises a total floorspace of 31,300m^2, almost 29,000m^2 of which is occupied by retail outlets.

The Bateau Bay town centre operates as a ‘stand alone’ retail centre. Notwithstanding, the centre and surrounding uses are generally active and support a wide retail catchment.

To the south of the centre is some vacant land which is zoned B5 under the draft WLEP 2013. Options for the development of this for bulky goods retailing have been investigated in the past however no firm proposals have been developed.

Figure B2.3 is an aerial photograph of the main retail centre and surrounding development.

Catchment Area

The Bateau Bay Square shopping centre and surrounding land uses function as the Bateau Bay town centre. This centre is located on The Entrance Road at Bateau Bay, towards the southern part of the Wyong LGA. Its location is such that it has the capacity to attract residents from the north eastern areas of the Gosford LGA (from areas including Forresters Beach and Wamberal).

Those parts of the Gosford LGA which are within the estimated catchment area of the Bateau Bay town centre are unlikely to experience any significant population growth in the medium term. However, the expenditure potential of the Wyong component of the Bateau Bay catchment could increase due to population growth, albeit minimal.

The SPDs of The Entrance and parts of the Southern Lakes SPD comprise the primary trade area of the centre’s catchment however, given its location on the main eastern north-south route between Gosford and Lake Macquarie, it also has the ability to attract some trade (albeit passing trade) from SPDs in the northern part of Wyong including Toukley, Budgewoi and Northern Lakes.

Expenditure Potential

Based on the estimates of available expenditure as detailed in the 2011/12 Retail Centres Review, it is estimated that in 2013 there could be $157 million directed to this centre from households in its PTA.

By 2016, the level of support expenditure available from these households could have increased to over $168 million.

Other Sources of Expenditure

As previously noted, this centre could attract residents from parts of the Gosford LGA. It is estimated that based on the number of households and the characteristics of those households, around $30 million could be directed to the Bay Village centre from Gosford households in 2013.

Further the potential for this centre to attract a proportion of its sales from passing trade is considered reasonable and probable. It is assumed that 5% of sales could originate from passing trade.

Sales Estimates

In 2010, the Bateau Bay Square shopping centre reported a turnover of $194.8 million[8]. In 2013 this could have increased to approximately $200 million.

It is estimated that there is around $187 million from catchment area households that could be directed to this centre (including expenditure from households in the Gosford LGA). If a further 5% of sales at the centre are contributed by passing trade (comprising expenditure from areas beyond the estimated catchment), the sales would be roughly equivalent to the estimated available expenditure.

By 2016, sales at the centre could be around $207 million. If catchment households contribute $199 million towards centre sales and passing trade a further $10 million, total support expenditure could be approximately $209 million which is equivalent to the estimated sales and suggests that no increase in retail floorspace is supportable in this centre.

Figure B2.3 – Aerial photograph of Bateau Bay Square shopping centre and surrounding development

[8] Shopping Centre News, Volume 28, Number 5, 2010

The Entrance Town Centre

Centre Description

The Entrance town centre comprises retail, residential, commercial and tourism development centred on a north-south axis around The Entrance Road. The town centre is anchored by the Lakeside shopping centre in the south and the tourism/dining precinct in the north, which is formed around the ocean inlet to Tuggerah Lakes.

The Lakeside shopping centre is a medium sized retail development comprising a single major supermarket and a variety of small retail stores. The Lakeside shopping centre contains the only supermarket within The Entrance town centre and therefore experiences a high level of activity.

The tourism/dining precinct around the waterfront contains a variety of retail, residential, and commercial uses adjoining public open space. Key uses include hotels (and other holiday accommodation), entertainment venues (night clubs), and fast food, dine-in, and take away restaurants.

The remainder of the town centre comprises a variety of retail, residential and commercial development including government services, a hotel/pub, movie theatre, offices (e.g. legal, real estate and accounting), banks, and a variety of retail operations. The town centre is also surrounded by a range of supporting developments including The Entrance Bowling Club to the south and The Entrance Boat House boat hire venue to the north.

Figure B2.4 is a breakdown of the different retail floorspace uses within The Entrance town centre. This demonstrates that a significant proportion of the centre's floorspace provides tourism oriented services.

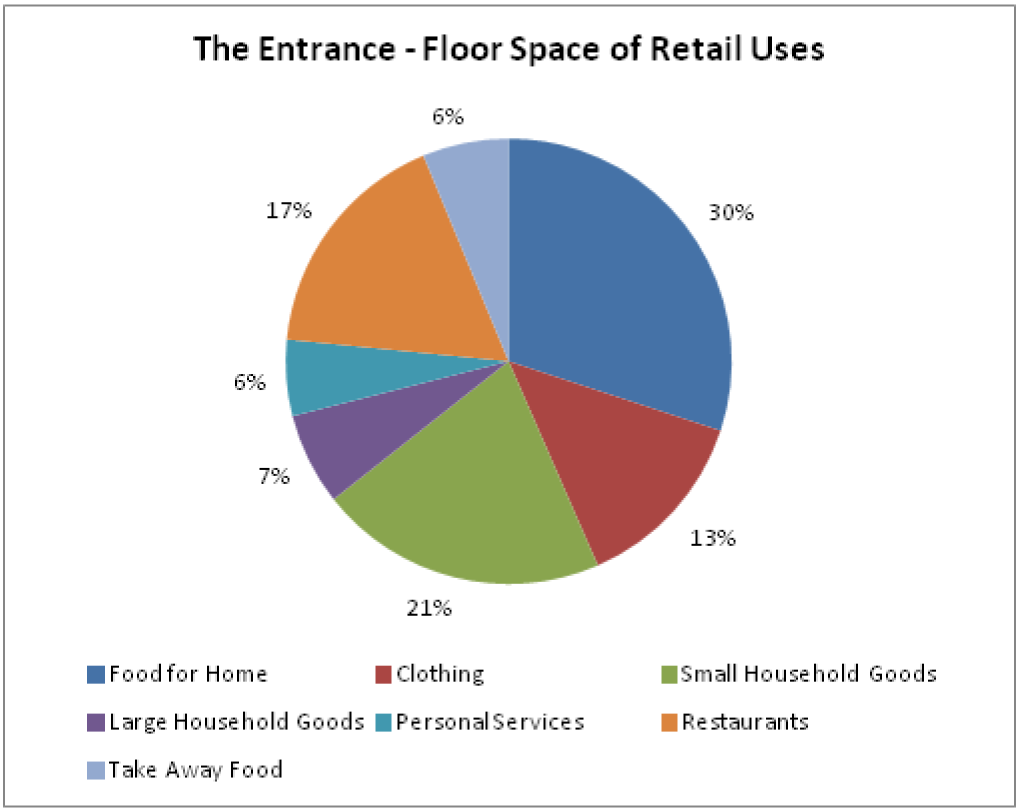


Figure B2.4 - Breakdown of retail floorspace usage in The Entrance

This focus may be somewhat detrimental to the longevity of the centre in that convenience retailing (servicing the permanent resident population) appears to have been 'sacrificed' at the expense of catering for the tourists and visitors.

The 2011/12 Retail Centres Review[9] estimated that approximately 20% of the floor space within the town centre was vacant. The bulk of this vacant floorspace was located in the many arcade style developments. These are strata titled. The fragmentation of ownership within these areas makes it difficult to secure a developable site.

Development of the iconic sites within and around the town centre could assist in revitalising The Entrance and assisting with it developing into a comprehensive activity centre. Several proposals are currently being developed with two applications for iconic sites under consideration by Council.

The Entrance town centre functions differently to other centres within the Wyong LGA which are more conventional in terms of role and function. The Entrance includes a range of services which target the significant visitor and tourist role provided by the centre.

Whilst this role is important to the centre, it also services a significant permanent residential population which has the capacity to grow. In addition, the classification of The Entrance as a town centre in the CCRS is an indication that strategies to encourage development offering employment opportunities will be implemented.

Catchment Area

The residential catchment serviced by The Entrance town centre is considered to include The Entrance SPD and parts of the Southern Lakes and Toukley SPDs.

Expenditure Potential

In terms of distribution of expenditure from these households, it is estimated that $95 million of general retail expenditure could reasonably be expected to be directed to this centre from catchment households in 2013.

By 2016 a slight growth in the level of support expenditure might be expected. In 2016 there could be around $102.6 million available.

Other Sources of Expenditure

As previously discussed, The Entrance attracts a significant number of tourists – both day trippers and extended stay visitors. These visitors are a valuable source of income for many of the retail outlets within the centre, including the significant number of cafes.

Details regarding the number of tourists visiting The Entrance are not readily available however it is fair to assume that these visitors would make a significant contribution towards retail sales particularly during the Christmas and Easter holiday periods.

A review of the 2006 Census has revealed that 37% dwellings (or 2718 out of a total of 7,394 catchment dwellings) were identified as unoccupied private dwellings. It is not unreasonable to assume that a proportion of these dwellings are occupied on an irregular basis as either weekenders (by their owners) or as holiday rental accommodation.

As part of the 2011/12 Retail Centres Review it was assumed that 75% of these dwellings (2,038 dwellings) are occupied for a total of 10 weeks per year.

Assuming that the expenditure potential of these intermittent 'residents' is similar to that of the permanent residential population, in 2013 these visitors could contribute $7.7 million towards sales in the centre however this expenditure is only likely to be directed to a limited range of retail outlets within the centre.

[9] Field Survey November 2011

Visitors to the centre are a significant and valuable source of sales revenue and the potential for the centre to attract tourist expenditure could increase if the availability of tourist accommodation increases.

Sales Estimates

Based on the current supply of retail floorspace within The Entrance, estimated sales of $96 million could be experienced in 2013.

The available expenditure exceeds these sales estimates and suggests that additional retail floorspace in the vicinity of 1,000m^2 is immediately supportable.

There are a number of sites within The Entrance town centre with redevelopment potential. These are identified as iconic sites.

For example, a proposal to redevelop the Lakeside Plaza shopping centre to include 9,000m^2 of retail floorspace and a 250 room hotel is currently under preparation. Currently this centre only provides for around 5,000m^2 of retail floorspace.

Should this development proceed by 2016 (and assuming the retail component includes a supermarket facility), sales in the town centre could increase to $133 million in 2016 which is significantly more than the estimated available expenditure of $102 million from catchment households and $8 million (allowing for a growth in visitor expenditure). The development of a hotel component as part of the redevelopment of the Lakeside shopping centre could result in an increase in visitor spending but this is unlikely so significant as to make up the estimated $20 million deficit.

By 2021 we anticipate that development of many of the iconic site within The Entrance town centre would have proceeded. Many of these will include accommodation for visitors, however in order to provide certainty of sales income, the proportion of permanent residents within the centre and its catchment needs to increase as these residents represent a stable and continual source of sales revenue, unlike tourist expenditure which is somewhat seasonal.

Options of increasing the resident population of The Entrance are contemplated in both the draft DCP for the Iconic Sites and The Entrance town centre master plan. These are discussed later in this Strategy.

Growth Potential

Significant development opportunities have been identified within The Entrance town centre. These opportunities include retail development, residential apartments and tourist facilities including accommodation.

The multi faceted functions of The Entrance town centre present both opportunities and constraints to its development potential and achieving the correct balance.

Although the tourist functions of The Entrance are significant and important, it is considered that this may have been at the expense of encouraging development to attract a permanent resident population to the centre.

A permanent resident population, unlike a visitor population, will provide activation to the centre throughout the year, not just during the holiday season. Activation of the centre is seen as one way of addressing the perceptions that the centre is an unsafe area at night. A permanent in-centre population will foster an environment of safety and security with opportunities for anti social behaviour being reduced through casual surveillance and territorial enforcement.

An increase in the permanent resident population will also supplement the expenditure directed to the centre and provide support to a broader spectrum of retail outlets; rather than a concentration of activities with a tourist focus.

Development of the iconic sites within The Entrance is seen as vital to its continued growth. Incentives, e.g. – floorspace ratio bonuses, for developers to provide permanent residential accommodation as part of any redevelopment/development of sites could also be considered to be essential to ensure The Entrance continues to function as a ‘model’ activity centre and a focal point for the community.

The provision of a ‘centre’ to the centre is considered to be fundamental to the revitalisation of The Entrance and, should the redevelopment of the Lakeside Plaza site proceed, this may be achieved.

It is important that a reasonable range of retail services be provided within this centre including a full line supermarket and convenience retail services.

It has been demonstrated that there is currently sufficient expenditure available to the centre to support increased retail activities. Any increase in activities to provide for additional accommodation, both permanent and visitor, will result in there being a constant and increasing stream of revenue available to support the centre.

Lake Haven Town Centre

Centre Description

The Lake Haven town centre is located adjacent to the Pacific Highway and comprises a large shopping centre surrounded by various complementary services including the Lake Haven community health centre, library and Council services, and Gorokan leisure centre. A bulky goods retail complex is located adjacent to the Lake Haven shopping centre complex, which further contributes to the attraction and activity of the Lake Haven town centre.

The Lake Haven shopping centre is anchored by two major supermarkets and a discount department store. A range of mini-major and specialty retail stores are located both inside and outside the shopping centre. The Lake Haven town centre also provides a range of stand-alone fast food restaurants which are located in the southern end of the car parking area.

The Lake Haven town centre contains only a minor commercial/non retail component within the south-eastern buildings, separate to the primary shopping centre complex. With the exception of a gym, dental surgery and accounting firm, the town centre does not provide any significant commercial or office floor area. Government, legal, medical, specialist or other services required by the Lake Haven and surrounding communities are provided in the Toukley town centre to the east and within the Wyong town centre to the southwest.

The Lake Haven town centre therefore operates as a core retail centre with a reasonably extensive catchment area. This catchment will likely be reduced upon the development of the Warnervale town centre and the recent opening of the Lake Munmorah local centre on the Pacific Highway. The development of these centres could result in a reduction in trading capacity of the centre and this may delay any expansion plans for the convenience retail floorspace of the centre.

The Lake Haven Mega Centre is a bulky goods development immediately adjacent to the town centre site. The Mega Centre contributes to the activity within the town centre. It has also been identified as an iconic site with the objective of promoting safety, accessibility and improved pedestrian connections between the site to the adjoining Lake Haven Shopping Centre. These objectives form the basis of the Lake Haven master plan which was recently prepared by Council.

Catchment Area

The Lake Haven town centre comprises the Lake Haven shopping centre and the Lake Haven Mega Centre. This section of the Strategy only considers the shopping centre component of the Lake Haven town centre. The Mega Centre is also considered in Section 12.1 of this Strategy.

The shopping centre is located on the eastern side of the Pacific Highway north of the intersection of the Highway with Sparks Road and Wallarha Road. The centre is highly accessible to residents on the western shores of Tuggerah Lake and Budgewoi Lake and also services areas in the northern parts of the Wyong Shire.

At present the catchment area of the Lake Haven shopping centre is fairly extensive however upon development of the Warnervale town centre the catchment area will reduce. The commencement of operation of the Lake Munmorah local centre has also contracted the catchment area from the north.

The primary trade area of the Lake Haven shopping centre comprises the Warnervale Wadalba SPD, that part of the San Remo Budgewoi SPD to the west of and including the suburb of San Remo, and that part of the Gorokan SPD north of Wallahra Road.

The remaining areas of the San Remo Budgewoi and Gorokan SPDs, together with the Northern Lakes SPD comprise a significant secondary trade area for this centre. This centre also has the potential to draw trade from parts of the Toukley SPD.

Expenditure Potential

Based on the expenditure estimate undertaken as part of the 2011/12 Retail Centres Review, it is estimated that there could be $223 million of retail expenditure (not including bulky goods expenditure) available from households in the Lake Haven catchment area in 2013.

By 2016, due to the commencement of the Warnervale town centre, it is anticipated that the level of expenditure available to support general retail outlets within the Lake Haven town centre could have reduced to $204.6 million.

By 2021 this could have increased again to $239.5 million due to population growth.

Other sources of Expenditure

Although the Lake Haven town centre is located proximate to the Charmhaven industrial area, journey to work data for 2006 indicates that of the 927 workers in that area in 2006, 726 (or 78%) of those workers were also Wyong residents. And of these, only 50 workers were residents who live outside the catchment area. Therefore, it is considered that any contribution by these workers towards retail sales at the Lake Haven shopping centre is likely to be only negligible.

Access to the site from the Pacific Highway is provided by a traffic signal controlled intersection with Lake Haven Drive. In this respect therefore it has the potential to attract passing trade. It is likely that most passing trade would be residents already accounted for as part of the catchment and therefore, no additional allowance for expenditure from this source has been made.

The Lake Haven shopping centre is located immediately adjacent to a bulky goods retail precinct known as Lake Haven Mega Centre. This precinct has the capacity to attract expenditure from areas beyond the estimated catchment area for the Lake Haven shopping centre. There is likely to be a synergistic effect due to the proximity of these two facilities with expenditure from beyond the estimated catchment area being directed to the Lake Haven shopping centre. It is likely that the greater proportion of expenditure from beyond the estimated trade area, which is directed to the greater Lake Haven shopping precinct (comprising the shopping centre and the Mega Centre) originates from the western areas of the Lake Macquarie LGA. Lake Haven represents the closest bulky goods precincts to these residents who would need to travel to Hillsborough Road in Warners Bay or to Kotara in Newcastle to access other bulky goods precincts (as there is only a limited supply of bulky goods retail floorspace within the Morisset industrial area).

Sales Estimates

The Lake Haven shopping centre reported a turnover of almost $257 million in 2010[10]. Our estimate of available expenditure from the catchment areas located within the Wyong LGA ($223 million) suggests that around 13% of its sales originate from areas beyond the estimated catchment area. Whilst this is considered to be high, it is not exceptionally so.

In 2010, this centre was trading at an average of just over $8,000/m^2. In our opinion, this is well above what would generally be considered to be reasonable for a centre of this size and composition and suggests an element of overtrading due to lack of competition. Overtrading is the term applied to retail centres or facilities which are trading well above what would generally be considered acceptable or reasonable. It is an indication of a shortage of retail floorspace supply in an area.

We would have expected this centre to trade at around $7,500/m^2 in 2010 (which was the reported turnover of the then Stockland Bay Village centre).

If a turnover of $7,500/m^2 in 2010 is considered as acceptable, by 2016 this could have increased to $7,960/m^2 (based on an average annual growth rate of 1%) which would equate to total sales of $254 million. It is also likely that due to competition from the Warnervale town centre and Lake Munmorah local centre, a growth rate of 1% per annum in the period 2010 – 2016 may not be achieved. If this does occur, the centre would need to attract almost 20% of its sales from areas beyond the estimated catchment area.

Again, although 20% is a significant proportion of sales, it is not an unreasonable expectation.

By 2021, with the significant growth in the catchment population (particularly in the Warnervale Wadalba SPD which will be serviced by both the Warnervale town centre and Lake Haven town

[10] Shopping Centre News , Vo 28, Number 5, 2010

centre and other local and neighbourhood centres), the proportion of sales from beyond the trade area would have reduced to approximately 10% of sales at the centre.

The above suggests that in terms of general retail floorspace, the Lake Haven town centre has achieved market saturation and expansion of this centre in the short to medium term is not warranted as it may impact on the capacity of the Warnervale town centre to establish its position within the retail network.

Toukley Town Centre

Centre Description

The Toukley town centre is located along both sides of Main Road, Toukley and extends from Yaralla Street in the west to Victoria Street in the east and also includes land up to Hargraves Street (to the south of and parallel to Main Road).

Figure B2-5 - Aerial Photograph of Toukley Town Centre (Source: Six maps)

The Toukley town centre provides a variety of retail and commercial services centred on Main Road to the north and Hargraves Street to the south (including connecting streets). The Toukley town centre is anchored by a single, stand-alone major supermarket in the south-west and the retail strip along Main Road. A range of support services are located around the town centre including Toukley health centre, Toukley community centre, Toukley Library.

Figure B2 - 6 - Main Street Toukley (Source: Toukley Planning Strategy)

While the Toukley town centre does not contain many government services, there is a high proportion of health services professionals and a range of local serving office services including a legal and accounting precinct to the southeast of the town centre. The town centre also provides for a reasonably high number of charitable organisations on and around Canton Beach Road.

As a result of the growth of the town centre around the road network and the need to connect to multiple frontages, the use of arcade-style developments has become prevalent. This style of development has resulted in mixed outcomes, as the majority of vacant retail floor space within the town centre is located within the arcades. Arcade-style developments around the southern end of Victoria Avenue and Canton Beach Road generally contain commercial and professional services and as a result experience a lower rate of vacancy.

The high proportion of non retail floorspace uses within the Toukley town centre is somewhat atypical of a centre of its size and function. This may be a legacy of the extensive range of convenience retail offering in Lake Haven and Budgewoi.

Several iconic sites have been nominated in the Toukley town centre. These include:

- Toukley RSL site – which is located between the Toukley town centre and East Toukley local centre.
- Council car park and senior citizens centre. The objective for this site is to facilitate development that will assist in revitalising the Town Centre.

Catchment Area

The location of the centre along Main Road, which is the main arterial connection between the Central Coast Highway/Wilfred Barrett Drive (which runs in a north/south direction between Doyalson and Bateau Bay (and beyond)) and the Pacific Highway, means that this centre benefits from a reasonable level of passing trade however the bulk of that passing trade would be residents from other parts of the Wyong LGA.

Its residential catchment population comprises the Toukley SPD and the eastern sections of the Gorokan SPD. For the purposes of this review it is estimated that approximately one third of the population of the Gorokan SPD could use the Toukley town centre as their destination retail centre. The majority of residents in this SPD would direct their 'town centre' expenditure to the Lake Haven town centre.

As with Wyong, this centre also has the potential to draw from other areas within the Wyong LGA and in particular from the Budgewoi and Buff Point areas, and to a lesser extent from households further north in Gwandalan, Summerland Point and Doyalson as there are community services provided in Toukley which are not available in the local centres serving these areas.

Expenditure Potential

The following estimates are based on the expenditure estimates undertaken as part of the 2011/12 Retail Centres Review. Expenditure that would generally be expected to be directed to bulky goods precincts has been excluded.

- In 2013 it is estimated that there could be $81.1 million of total retail expenditure available from all households in the Toukley SPD and $55.1 million available from that part of the Gorokan SPD which may be expected to patronise facilities within the Toukley town centre. The total amount of retail expenditure from these households is estimated to be $136.2 million.

  Of this total available expenditure, approximately $54.5 million could be directed to the Toukley town centre. When this is combined with the expenditure from households in the Budgewoi and Northern Lakes SPDs that could reasonably be expected to be directed to Toukley, it is estimated that there could be a total of $84.1 million available to support retail services in the Toukley town centre from catchment households.

These estimates are based on the Toukley town centre retaining 35% of expenditure from its primary catchment area (i.e. – Toukley SPD and the western section of the Gorokan SPD) and lesser proportions from households in the Budgewoi and Northern Lakes SPDs.

- However, it is anticipated that upon development of the Warnervale town centre the proportion of expenditure from those Gorokan SPD households which previously patronised the Toukley town centre will reduce. Therefore, the amount of support expenditure available in 2016 is likely to be less than that currently directed to the Toukley town centre.

  In addition, by 2016 the local centre at Lake Munmorah should have consolidated in place in the retail hierarchy and as a result the proportion of expenditure from Northern Lakes SPD households that might currently be directed to the Toukley town centre would be 'lost' to the new Lake Munmorah centre.

  It is estimated that by 2016 the level of retained expenditure could be $83.5 million.

Other Source of Expenditure

There were over 1,500 workers employed in the Toukley town centre in 2006. More than 80% of these workers were also Wyong residents but only approximately one third of these workers were also residents of the catchment area.

Therefore, the level of expenditure by non resident workers could account towards around $1.1 million per annum of retail expenditure in the town centre, based on these workers spending an average of $20 per week in the centre.

In addition to expenditure by non resident workers, there is also a proportion of tourist expenditure which could be directed towards retail outlets in the Toukley town centre.

According to the 2006 Census, there were around 300 unoccupied private dwellings in Toukley. These dwellings were logged as 'unoccupied' for a variety of reasons. A reasonable number of these dwellings would be homes only occupied on an irregular basis either by their owners (as 'weekenders') or as holiday rental accommodation. In any event, expenditure by these visitors will need to be considered. For the purposes of this review it will be assumed that 200 of the 300 unoccupied private dwellings will be taken into account.

Conservatively, it will be assumed that the expenditure potential of these households is similar to that of resident households in the catchment.

Assuming these 'unoccupied' households are occupied for a total of 10 weeks per year, these households could contribute around $900,000 per annum in 2011 towards retail sales in the Toukley town centre. Taking into account expenditure by other tourists (e.g. – visitors to caravan parks), we estimate that expenditure by tourists and visitors could contribute approximately $2 million towards retail sales in the Toukley town centre.

Therefore these other sources of expenditure could contribute around $3.1 million towards sales in the town centre.

Sales Estimates

Assuming the supply of retail floorspace remains constant, in 2013 the total turnover of all retail floorspace in the Toukley town centre could be $63.2 million. This is significantly less than the estimated level of available expenditure from households in the catchment area (estimated to be $84.1 million in 2013). There is also expenditure available from other sources (e.g. – workers and tourists) which is in addition to expenditure from resident households and could potentially support additional floorspace.

By 2016, the estimated turnover of the existing floorspace provision within the Toukley town centre (based on its current composition) could be $65.3 million, which is also less than the estimated available support expenditure of around $86.6 million in 2016. Notwithstanding the apparent surplus of support expenditure available to the Toukley town centre, the proximity of the East Toukley local centre to Toukley needs to be considered in terms of distribution of expenditure as the retail floorspace in that centre would effectively account for the notional surplus of available expenditure.

Toukley Demand Potential

The catchment of the Toukley town centre is reasonably well defined by the influence of Lake Haven to the west and The Entrance and Bateau Bay to the south. The East Toukley local centre shares part of the catchment of the Toukley town centre and this will impact on the capacity of the town centre to support additional floorspace. Further, development of the new local centre at Lake Munmorah has restricted the potential of Toukley to attract expenditure from households in the Northern Lakes SPD.

As can be seen from the population projections in **Table 3**, the areas from which the Toukley town centre draws trade are unlikely to experience significant population growth over the next 15 years.

However there is the potential for redevelopment to occur within the centre. Iconic sites within the Toukley town centre which have been identified as being appropriate for redevelopment include:

- Coles, Council car park & Toukley senior citizens centre
- Old service station site and adjoining car park on the corner of Main Road and Yaralla Street

The objectives for the redevelopment of these sites relate to encouraging development which will revitalise the town centre. This is also an objective of the Toukley master plan.

It would appear that the centre functions mainly as a retail centre which provides for some community and civic services. It does not currently operate as an active centre.

In order to function as an active centre, higher density residential development needs to be encouraged to be developed within and on the fringes of the centre. Opportunities to provide seniors housing and affordable housing (with appropriate incentives for the provision of such housing types) could also be explored.

Without the injection of ‘new blood’ into the Toukley town centre there is the possibility that this centre will languish as a town centre. The provision of a variety of housing opportunities within and close to the centre could activate the centre and provide an additional expenditure source to balance the potential redirection of catchment expenditure to other centres, including the proposed Warnervale town centre.

Consideration of a small business area oriented towards visitors is warranted in the Canton Beach area. There are currently some businesses located along the lake frontage, however these need to be formalised and additional opportunities created to service the area which is sufficiently removed from the main Toukley centre to generate a demand for limited convenience retail services without impacting on the operation of the main centre.

Warnervale Town Centre

There has been significant investigation with respect to the likely support for a comprehensive town centre development as part of the land release in the Warnervale area.

A proposal for 33,112m^2 of floorspace comprising:

- 20,200 m^2 of retail floorspace (including a supermarket, discount department store and specialty retail floorspace).
- ancillary commercial uses of 3,608m^2.
- bulky goods uses of 1,892m^2, and
- 3,742m^2 of entertainment/leisure uses.

Support for the Warnervale town centre was assessed as part of the Environmental Assessment Report (EA) submitted with the Part 3A application for the centre as comprising a primary trade area of the Warnervale Wadalba SPD extending west into the Rural West SPD, secondary trade areas referred to as Secondary Wyong, Secondary Wadalba, Secondary Gorokan, Secondary Toukley, Secondary Budgewoi and Secondary Doyalson and tertiary trade areas identified as Tertiary Lake Munmorah and Tertiary Morisset.

Whilst we do not necessarily agree that the influence of the Warnervale town centre will extend to include some of the areas identified in the Sales Assessment report submitted with the EA as secondary and tertiary trade areas, it is likely that this centre will impact on the trading catchments of other established centres, particularly the Lake Haven shopping centre and, to a lesser degree, the Wyong town centre.

Notwithstanding, the Warnervale town centre will be ideally located in terms of servicing the population growth which will occur in the Warnervale Wadalba SPD. According to **Table 3** the population of this SPD will grow by an average of 4.73% per annum in the period 2006 – 2031 and between 2011 and 2016 the population will increase by 7,163 persons to 20,783 persons in 2016.

For the purposes of this review, the catchment area for the proposed Warnervale town centre is considered to comprise the Warnervale Wadalba SPD, together with parts of the San Remo Budgewoi and Gorokan SPDs. The capacity to attract some expenditure from areas beyond these including the Toukley and Northern Lakes SPDs is acknowledged but it is considered that this is only likely to be minimal, particularly in the early stages.

Expenditure Potential

It is estimated that in 2013 there could be approximately $130.5 million available from households in the estimated catchment area for the Warnervale town centre. By 2016, the amount of available expenditure could have increased to $150 million.

Other Sources of Expenditure

It is anticipated that around 1,200 jobs could be created within the Warnervale town centre. In addition, the Wyong Employment Zone (WEZ) is located approximately 1 km to the west of the town centre.

There is the potential for retail services within the town centre to attract workers from both the town centre and the WEZ. Whilst some of these workers will also be residents of the catchment area, as occurs in other employment areas within Wyong, a reasonable proportion of workers will reside in areas beyond the catchment of the centre in which case any contribution they make towards retail sales at the centre is considered to be an additional source of expenditure.

Sales Estimates

If all retail floorspace in the Warnervale town centre is occupied in 2013 the estimated turnover of the centre could be $145 million (based on estimates provided in the Pitney Bowes Assessment of Market Potential, June 2010, adjusted to reflect that ALDI is no longer proposed), which is $15 million more than the estimated available expenditure from catchment households. Given that construction of the centre has not yet commenced, this is not a possibility.

It is assumed that the centre will not be operational until 2016 by which time it is anticipated that the centre could experience sales of $144 million. This turnover factors in a reduction in sales reflecting a proposal by Woolworths to establish a supermarket within the Wadalba local centre. The estimated expenditure available from catchment households in 2016 will support this level of floorspace.

Appendix B3 – Local Centres

San Remo

The need for a supermarket based centre to service the northern areas of the Wyong LGA was identified in the 2006 Leyshon Retail Centres Review.

This centre was developed in 2008 and attracts a significant amount of trade from the San Remo Budgewoi and Northern Lakes SPDs. It also has the potential to attract some trade from households in the Gorokan SPD and from passing trade.

In the recent past, due to a lack of significant competition, this centre was overtrading. However, development of a new centre at Lake Munmorah has addressed this imbalance to an extent by 'arresting' expenditure from households in the Northern Lakes SPD which was previously directed to the San Remo centre.

It is estimated that sales at this centre could be $41 million in 2013. The level of expenditure directed to the centre prior to the commencement of operation of the Lake Munmorah centre was estimated to exceed $60 million, supporting the opinion that the centre is currently overtrading.

The commencement of trading of the development at Lake Munmorah has reduced the level of expenditure directed to the San Remo centre however the estimated available support expenditure is still sufficient to allow the centre to trade sustainably.

Budgewoi

The Budgewoi local centre comprises two villages. The western village is located to the west of Budgewoi Creek. This centre provides a wide range of retail and commercial services. This centre is located off the Scenic Drive (Central Coast Highway) and is highly accessible.

There is a smaller centre (to the east of Budgewoi Creek), which, supports a mixture of retail, dining and entertainment services, including a large pub and take away food stores.

The Budgewoi local centre is generally contained by the Central Coast Highway to the south, Noela Place to the west, Tenth Avenue to the north, and Alawai Ave to the east. This centre is anchored by a major supermarket retailer with a range of retail and commercial services located in independent buildings.

The Budgewoi local centre provides a range of retail and commercial services to a medium catchment area around Budgewoi. Core commercial and government services not provided in Budgewoi are located in the Toukley and The Entrance town centres to the south.

Growth Potential

Budgewoi is a comprehensive local centre offering a wide variety of goods and services to its catchment. The centre also has the ability to attract sales from passing trade given its location on Scenic Drive (also known as the Central Coast Highway) which is part of the main north-south coastal link between the Pacific Highway at Doyalson and Bateau Bay and areas beyond.

The catchment for this centre includes the San Remo Budgewoi SPD and parts of the Toukley SPD. This centre also attracts expenditure from households in the Northern Lakes SPD.

It is estimated that retail sales in the centre could be $42.7 million in 2013. Assuming the quantum of retail floorspace remains constant, sales in 2016 could be $44.1 million.

Based on the expenditure estimates undertaken as part of 2011/12 Retail Centres Review, it is estimated that $59 million could be directed to the Budgewoi local centre from its catchment households in 2013.

With the Lake Munmorah local centre commencing operation, the proportion of expenditure from Northern Lakes households may reduce. In 2016 the level of available expenditure might only be $56.5 million.

Notwithstanding this slight reduction in available expenditure in 2016, these estimates suggest that there is a reasonable proportion of surplus expenditure available to support additional retail floorspace within the Budgewoi local centre, however, it must be appreciated that, like Toukley, a proportion of this expenditure is also likely to be directed to the Budgewoi East centre.

The Budgewoi master plan (which includes both the east and west villages) envisages activation of that part of the west village away from Scenic Drive. This part of the centre is currently experiencing low activity levels and consequent vacant premises, poor amenity and security issues. In order to ensure there is an attractor to this part of the centre options to rezone land to the north of Tenth Avenue to provide additional floorspace have been considered. The provision of additional zoned land to support additional retail floorspace is supported and encouraged to revitalise this centre.

Lake Munmorah

A new shopping centre comprising a supermarket, specialty shops and a medical centre on the intersection of Pacific Highway and Tall Timbers Road has recently commenced operation (May 2013).

The centre provides much needed convenience retail services to Lake Munmorah and surrounding localities. As the nearest supermarket based shopping centre is at San Remo, it is considered that the approved shopping centre will feature as a key local retail centre throughout the north of Wyong Shire LGA and into the south of Lake Macquarie LGA.

The site of the approved shopping centre development in Lake Munmorah is capable of further expansion to include the provision of a wider range of services and facilities which will service the potential future population expansion of the northern part of Wyong Shire.

Growth Potential

The development comprises a total of 5,500m^2 of floorspace, including a 3,800m^2 supermarket, 1,200m^2 of specialty retail floorspace and a 500m^2 medical centre.

This centre will primarily service the residents of the Northern Lakes SPD. As with the San Remo centre, the need for this centre was also identified in the 2006 Retail Centres Review.

In 2013 households in the Northern Lakes SPD will expend an estimated $127.4 million across the range of retail commodity groups – not including bulky goods retail expenditure. Prior to centre being available, this expenditure was directed to a number of different centres within the Wyong LGA (with a proportion also being directed to centres in Lake Macquarie) including the San Remo and Budgewoi local centres and the Lake Haven and Toukley town centres. A proportion was also directed to Wyong town centre and the Tuggerah major centre but this is likely to continue to be the case.

It is estimated that sales at the new centre at Lake Munmorah will be approximately $48.5 million in 2013. Given its location (Pacific Highway frontage with access via a signalised intersection) it is reasonable to factor in the capacity for the centre to attract a proportion of its sales from passing trade. As with Bateau Bay town centre, it is assumed that 5% of total sales (or $5 million) could be attributed to passing trade.

Therefore, taking this into consideration, the centre will need to attract around 35% of available expenditure from Northern Lakes households in order to trade effectively. The potential for this proportion of expenditure to be directed to the centre is not considered unreasonable and will ensure that there is sufficient 'uncommitted' expenditure to support other centres in the area including the neighbourhood centres.

Although neighbourhood centres within the catchment have likely experienced of downturn in sales since the opening of the Munmorah centre, it is considered that there is sufficient expenditure available from households within the Northern Lakes SPD to continue to support these neighbourhood centres.

Ourimbah

The Ourimbah village centre comprises a small retail strip-shop complex on the corner of the Pacific Highway and Glen Road, with complementary retail and commercial services located north and south along the Pacific Highway. The wider local centre area is generally located along the Pacific Highway between Walmsley Road in the south and Station Street in the north.

While the centre includes a reasonable variety of core and specialty retail services, there appears to be a need for the village centre to expand the range of services provided. The demand for additional services and areas in which they could be accommodated was investigated as part of 2011/12 Retail Centres Review.

It is understood that a master plan which will provide detailed guidelines for future development in the Ourimbah local centre will shortly be prepared by Council.

Growth Potential

The Ourimbah local centre serves the local Ourimbah community. Its location on the Pacific Highway, on that part of the highway which links Gosford to the F3 Freeway suggests that is also has the potential to attract expenditure from passing trade.

Presently this centre has only a limited supply and range of retail outlets and no supermarket facility. Residents within the Ourimbah SPD are required to travel to centres beyond their local area in order to access a broader range of convenience retail facilities, including supermarket facilities.

A proportion of expenditure from Ourimbah households would be directed to centres at Lisarow and Wyoming (in the Gosford LGA). These are the closest supermarket based centres to the Ourimbah local centre (Tuggerah being 9.5km by road from Ourimbah).

It is estimated that around $12.5 million of expenditure from households in the Ourimbah SPD could be directed to the Ourimbah local centre in 2013. This is significantly more than the retail sales at the centre for the equivalent period (estimated to be around $4 million in 2013).

In addition to expenditure from residents, the potential to attract some expenditure from passing trade exists.

It is estimated that by 2016 there could be approximately $18.5 million available to support retail shops in the Ourimbah town centre. The option of providing additional retail facilities within the centre to retain this expenditure is discussed in Section 9.3.2.2 of this Strategy.

Long Jetty

The Long Jetty commercial centre extends along both sides of The Entrance Road from McLachlan Avenue in the south beyond Toowoon Bay Road in the north.

The centre comprises a mix of uses including a number of service industrial type uses. Many of the facilities within the Long Jetty centre provide services to passing trade and to a wider area.

As at October 2011, approximately 7,200m^2 of the total estimated floorspace of 22,000m^2 was occupied by retail outlets and around 11,300m^2 was used for non retail activities. Over 3,400m^2 (or 15%) of the total floorspace within the centre was vacant at the time of the survey. Since that time it is understood that some of the vacant floorspace has been occupied.

As with The Entrance, Long Jetty suffers from a lack of a ‘centre’ within the centre. There is only a negligible amount of shop top housing development within the centre and a significant amount of building stock which appears to be nearing the end of its economic life. The development of permanent residential accommodation within the centre could be an appropriate response to the perception of decline of this centre.

The iconic site within the Long Jetty local centre is a block bound by Thompson Street, Tuggerah Street, Pacific Street and The Entrance Road. This block is located towards the northern end of the centre. The objective for the development of this site to accommodate mixed use development focussing on local convenience and speciality retail plus commercial and community services, with residential attached to those uses.

Growth Potential

As previously described, the Long Jetty centre is a lineal centre comprising a variety of retail, commercial and service/light industrial uses. It is characterised by its length, the variety of outlets represented, the relatively high proportion of vacant floorspace and the high percentage of non retail uses (including service industrial uses). Therefore, unlike most other centres in Wyong in which retail outlets are the dominate floorspace user (with the exception of the Wyong town centre), Long Jetty does not appear to be relying solely on attracting retail expenditure in order to support the centre. This eclectic mix of uses within the centre suggests it might be more appropriately referred to as a business centre, rather than a local retail centre.

The presence of the service industry uses within the centre provides an alternative focus in terms of the function of the centre and its 'catchment'. These uses are likely to attract custom from a much wider area than the retail component of the centre.

The Long Jetty centre is located on the Central Coast Highway north of its intersection with Wyong Road. It is proximate to the residential areas of Long Jetty, Blue Bay, Toowoon Bay and Bateau Bay and within an area which is well serviced by a variety of retail centres as evidenced in the centres locality plan at **Appendix A**.

Although, some of the retail outlets within the Long Jetty centre would service residents in the immediate area surrounding the centre, it is likely that the bulk of sales at this centre originate from passing trade. In this regard a significant proportion of the retail floorspace in this centre targets passing trade.

It is estimated that the floorspace which functions as convenience retailing for the surrounding residential community would need to attract approximately $23 million in 2013 to trade at an acceptable level. This estimate is based on estimated turnover of those stores considered to be local serving as opposed that those retail outlets which specifically target passing trade (such as a proportion of the take away food outlets (there are 6 take away food stores in the centre), specialised facilities such as hardware and building supply stores, tattoo parlours, trailer sales, aquarium sales, accessibility products store, bait and tackle stores and used furniture stores.

Based on our estimates of available expenditure and distribution of that expenditure it is considered that the centre is probably attracting in excess of that amount from its local catchment households. This suggests that there would be sufficient support if some additional convenience retail floorspace was included as part of the retail mix of the centre.

Sales of all retail floorspace within the Long Jetty centre are estimated to be $40 million in 2013. However, a reasonable proportion of the floorspace in the Long Jetty centre is occupied by outlets which are generally classified as bulky goods' retail outlets. Although this is not considered to be a precinct per se, 35% of the floorspace is occupied by bulky goods stores. If this floorspace is excluded from the general retail area in terms of sales, sales of general retail goods could be $28 million in 2013.

In 2001[11] almost 29,500 vehicles travelled along The Entrance Road north of its intersection with Wyong Road/Shelley Beach Road (i.e. – in the vicinity of the Long Jetty business area). This volume was an increase of approximately 3,500 vehicles from the 1990 vehicle count.

Assuming the growth the vehicular traffic has been consistent, in 2011 33,000 vehicles could have travelled along The Entrance Road through the Long Jetty centre.

If 5% of these vehicles stopped at retail outlets in the centre and made purchases totalling $10 per day on average, passing trade could contribute almost $6 million annually to sales at particular

[11] RTA Traffic Volume Data for the Hunter Region 2001. This is the most recently published traffic volume data for the area.

outlets in the centre. Therefore, the expenditure attracted from passing trade could make up the difference in the sales in the centre.

Wadalba

The Wadalba village centre is a developing area of land located on Figtree Boulevard that supports the surrounding community of Wadalba, including future residential development. Currently, the Wadalba village centre comprises only a single supermarket development of approximately 1,500m^2. At the time of writing, expansion of a local shopping centre including a medical centre, shops, ancillary parking and other works (approved by Council on 17 October 2011) is yet to be commenced.

Woolworths is also seeking to develop a supermarket and specialty retail floorspace in Wadalba (on land adjacent to the Coles development) however the current draft planning controls as they relate to this centre do not permit this. Woolworths has sought to have the land rezoned to permit their development but this has not yet proceeded.

Although this centre currently functions as a neighbourhood centre, the residential development potential of the Wadalba locality and surrounds is such that the option of elevating this centre to the status of a local centre is considered reasonable.

Issues to consider in relation to a possible expansion of this centre include appropriate zonings, demand and impacts on the delivery of a centre at East Wadalba and the Warnervale town centre.

Growth Potential

Wadalba is something of an anomaly as a local centre based on the services currently provided in this centre. There is currently only a Coles supermarket within the centre however approval for a medical centre and specialty shops has been issued by Council.

In addition, Woolworths has made a number of representations to Council with a view to establishing a supermarket on land adjacent to the existing Coles supermarket. A proposal comprising a 3,200m^2 supermarket and 80m^2 of specialty shops, together with a service station and associated convenience storehas been put forward for consideration. This proposal is much larger than that originally considered as part of the 2011/12 Retail Centres Review. At that stage the proposal comprised a 2,000m^2 supermarket and around 800m^2 of specialty retail floorspace.

As a separate project, the Economic Impact Assessment (EIA)for the Wadalba Woolworths development has been independently assessed and the findings of that peer review have been provided to Council.

Essentially, the EIA was based on the assumption that the retail component of the Warnervale town centre development would not commence trading until 2017/18. In addition, the EIA made an number of other unsupported assumptions which have resulted in skewed conclusions in favour of the development.

Should these additional services be provided, it is considered that Wadalba will indeed be able to function as a local centre, notwithstanding that the range of services provided, particularly in the short to medium term may be somewhat limited.

It is true that this centre is located within a part of Wyong which is likely to experience significant population growth over the next 25 years however the rate at which the population will grow will be a significant factor in the determining the demand for additional retail services. In the period 2006-2011 the population of the estimated catchment of the Wadalba centre grew much slower than the rate predicted in the CCRS and NWSSP. It is recognised that growth during this period was stymied somewhat by the Global Financial Crisis however given that the base from which the demand has been assessed is lower than previously expected it is likely that demand for additional retail floorspace will be similarly affected.

There is a risk that the provision of this additional retail floorspace at Wadalba and the commencement of operation of the Warnervale town centre shopping centre will result in an oversupply of retail floorspace. Alternatively, that approval of the Wadalba development will result in the delivery of the Warnervale town centre being delayed.

Whilst the provision of a local centre at Wadalba is likely to be warranted in the future, it is critical that expansion of the retail facilities at Wadalba do not stymie or delay the approved development within the Warnervale town centre.

Therefore it is considered that supplementary information is required so that the impacts of additional retail floorspace at Wadalba can be fully appreciated .

East Toukley

The East Toukley local centre is located on Main Road, approximately 800 metres east of the Toukley town centre. Despite its relative proximity to the Toukley town centre, East Toukley appears to be trading well, probably due to the recent inclusion of an ALDI store as part of the centre.

The East Toukley centre comprises almost 6,500m^2 of floorspace (not including residences within the centre), 3,200m^2 of which is occupied for retail purposes. Approximately 50% of the centre is occupied for non-retail uses including service industrial type activities. Notwithstanding, the outlets within the centre provide a reasonable range of services, both retail and non retail, to the surrounding local community.

East Toukley is a reasonably compact centre with street parking and good exposure to the Main Road. The Toukley Primary School is located on the eastern fringe of the centre and this serves to strengthen its role as a hub for the local community.

Growth Potential

East Toukley functions as local centre within the Wyong retail centres network and shares part of the Toukley town centre catchment, particularly since the introduction of the ALDI store into the retail mix of the East Toukley centre.

This store is the only ALDI servicing the northern parts of the Wyong LGA. Other ALDIs in Wyong are currently located at Tuggerah and Bateau Bay.[12] Therefore it has the capacity to draw trade from a similar area to the Toukley town centre.

We previously estimated that the expenditure potential for the catchment of the Toukley town centre could be $84.1 million available from catchment households in 2013 and this reduces to $83.5 million in 2016. Expenditure from catchment households could be supplemented with an estimated $2.7 million in expenditure from non resident workers and tourists.

The turnover of retail outlets in the East Toukley is estimated to be $23.6 million, increasing to almost $24 million in 2016.

These sales will account for the theoretical ‘surplus’ expenditure of around $20 million from the Toukley town centre.

Killarney Vale

The Killarney Vale commercial area provides for a variety of retail and non retail outlets including a Bi-Lo supermarket, pharmacy, medical practice and other uses. The Killarney Vale centre stretches along a section of frontage to Wyong Road between South Street and Shortland Avenue.

There is good connectivity within the centre.

There are some vacant/undeveloped sites on the land that are capable of development in the future. The Killarney Vale local centre is serviced by two bus stops in the length of the commercial area, and a number of crossings along Wyong Road, which provide pedestrian access to the centre from the residential areas on the northern side of Wyong Road.

Growth Potential

[12] There is an approved ALDI in the Wyong town centre but this has not yet been built.

The Killarney Vale centre is a well located local centre on Wyong Road. It provides for the convenience retail needs of the Killarney Vale population and would also provide a service to the motorists using Wyong Road.

It is estimated that the sales likely to be generated by the retail floorspace within the Killarney Vale local centre could be $15.4 million in 2013 with the potential to increase to $16 million in 2016 assuming the quantum of retail floorspace within the centre remains unchanged.

Killarney Vale is located within the Southern Lakes SPD. Expenditure from households in this area is distributed to a number of higher order centres including Tuggerah, Bateau Bay, Wyong and The Entrance. Notwithstanding, it is estimated that in 2013 there could be $41 million of expenditure from Southern Lakes households that could be directed to other centres, including Killarney Vale. $15.4 million of turnover represents approximately 37% of the ‘uncommitted’ retail expenditure from Southern Lakes households.

Chittaway Point

The Chittaway Point local centre is located at the intersection of Wyong Road and Chittaway Road, Chittaway Point.

There is ample at grade car parking located to the north of the centre.

The centre is anchored by a Coles supermarket with 15 specialty shops. The total floorspace of the centre is 3,000m^2 (not including the hotel and service station which are located adjacent to the centre).

The centre is well located to attract residents entering the suburb of Chittaway Point from Wyong Road. It is experiencing good retail ‘health’ with no vacancies as at the date of survey.

Growth Potential

This centre is also within the Southern Lakes SPD and provides for the day to day needs of the Chittaway Bay population and to a lesser extent, households in Chittaway Point.

Its location at the intersection of Wyong Road and Chittaway Road suggests that it could also attract trade from passing traffic. Furthermore, it is the centre most proximate to the Berkeley industrial area and has the potential to attract some trade from workers and visitors to that area.

In 2013 it is estimated that the Chittaway shopping centre could experience a turnover of $21.2 million, which represents just over 50% of the estimated ‘uncommitted’ available expenditure from Southern Lakes households in 2013.

By 2016, the retail outlets in this centre could have a total turnover of almost $22 million, which again is approximately 50% of the estimated expenditure available to local and neighbourhood centres from Southern Lakes households.