

# WOLLONGONG RETAIL CENTRE STUDY

Prepared for  
Wollongong City Council

September 2004

SYDNEY CANBERRA

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# 1. EXECUTIVE SUMMARY

## 1.1 The Context

In the process of identifying the current and possible future retail centres hierarchy for the Wollongong Local Government Area (WLGA), it is to be recognised that there will continue to be significant change in the retail industry.

The impacts of demographic change on retail demand, coupled with significant advances in retailing technology (such as the internet), product designs and technologies, and social and lifestyle dynamics are giving rise to new retail concepts, strategies, formats and experiences.

The key trends and issues relevant to the present exercise are diverse and complex. They include extended hours for shopping, larger supermarkets, the emergence of smaller supermarket operators, the development of out-of-centre retailing complexes, the development of discount department stores, a diversification in the retail experience, and the development of convenience retail facilities.

## 1.2 Population Growth and Demographic Change

Wollongong is the principal centre in the Illawarra Region (Wollongong, Shellharbour, Kiama Local Government Areas), accounting for nearly 70% of the region's population (259,511).

This region is experiencing significant population growth. Over the period 1986 to 2001 the population of Wollongong grew by approximately 14,000, from 167,863 to 181,612. This equates to an 8.2% increase. In Shellharbour, the population grew by 13,000, or 30% over the same period. And in Kiama, the population grew by 5,400, or 40%.

The NSW Department of Planning, Infrastructure and Natural Resources (DIPNR) forecast that the population in Wollongong will rise by a further 23,100 (12.6%), to 206,600 by 2026 (DIPNR; 2003). In Shellharbour and Kiama, the population has been forecast to rise more dramatically. Respectively the population of these areas are forecast to rise by 25,700 (47.8%) and 6,400 (35.0%). In a recent study commissioned by DIPNR, (MacroPlan, "Housing demand and supply study", 2004), it was found that these forecasts did not fully acknowledge the impacts which would arise from overspill in the Sydney Region and were therefore conservative. The study concluded that the population in the Illawarra Region would increase to approximately 344,000 by 2028, 14,000 more than if the population grew at historic rates.

In Wollongong, it is in the areas to the south of the city that population and household growth both over the immediate and short term future is forecast to be greatest. The principal focus of this growth will be the urban release area at West Dapto, where the population has been forecast to grow by up to 45,000 people.

Although Wollongong is forecast to experience a lower rate of population growth than the wider region (12.6%), the absolute increase of 23,100 represents a substantial proportion of growth in the wider region. This will serve to reinforce the dominance of the city and consolidate demand for services.

Amongst the various demographic changes evident, those of particular relevance include an aging of the population (the median age has risen from 32 years in 1991 to 36 years in 2001), household size has fallen (the average household size has fallen from 2.9 in 1986 to 2.1 in 2001), and an increase in the number of



females in the workforce (from 45.8% in 1981 to 61.3% in 2001), and there has been a notable shift toward a more skilled and adaptable workforce.

### 1.3 Residential Growth

DIPNR has also forecast (2002 Housing Forecast Forums) that housing supply or net dwelling increase for the Illawarra over the five years from 2002/03 to 2006/07, will be approximately 7,540 dwellings, with an annual average supply for the region of around 1,700 dwellings.

The principal focus for the supply of new greenfield residential land in the Illawarra is Shellharbour, with Wollongong and Kiama accounting for just 20% and 10% of the supply respectively. The forecasts by DIPNR, indicate that Shellharbour will supply an annual average of 470 new residential allotments over the five year period from 2002/03 – 2006/7.

In Wollongong, redevelopment opportunities in established urban areas are estimated to produce an average of approximately 630 new dwellings per annum and result in some 3,100 new dwellings over the five year period from 2002/03. In Shellharbour and Kiama, this potential is seen to be considerably less, at an average of around 100 and 90 dwellings per annum respectively. This would equate to a total of around 520 new houses in Shellharbour and 440 in Kiama over the five year period from 2002/03.

In the recent “Housing demand and supply study” (2004) by MacroPlan, designated infill areas in the region were forecast to yield between 383 and 482 dwellings per annum in Wollongong, 131 in Shellharbour and 41 in Kiama.

Greenfield areas in Wollongong are being released in the northern areas at Edgewood and Sandon Point, and in the southern area around Horsley. These areas have a remaining capacity of 640 residential allotments, the vast proportion of which are concentrated in the northern areas and are expected to be absorbed over the next 5 years. At Horsley in the southern area of the LGA, the supply is almost exhausted.

Beyond these areas, DIPNR has identified that there is a long term potential supply of approximately 10,000 – 15,000 dwellings at West Dapto. This area however, is currently subject of investigations to determine infrastructure requirements, staging and urban form, and therefore it is unlikely that land for residential development will become available over the next five years.

### 1.4 The Planning Framework

In Wollongong, the development of retail land use is essentially controlled by the provisions of the City of Wollongong Local Environmental Plan 1990 (WLEP) with additional guidance provided by the Wollongong Development Control Plan (WDCP) No. 6 (1992).

Under the WLEP, retail development is, subject to planning consent, permitted in four zones. These include:

- Zone 3(a) - General Business Zone
- Zone 3(b) - Neighbourhood Business Zone
- Zone 3(c) - Regional Business Zone
- Zone 3(d) - Commercial Services Zone

At a broad regional level the key provisions of most relevance are embodied in the “Illawarra Regional Environmental Plan No 1” and the “Draft State Environmental Planning Policy 66 (SEPP 66) – Integration of Land Use and Transport”. The former, seeks to ensure that commercial centres are developed in a manner which suits the convenience of consumers, promotes shopping and pedestrian amenity and optimises private and public investment. Especially relevant are provisions which require that in a Draft LEP which proposes new retail floor space, DIPNR must be satisfied that it will not have a detrimental impact on the existing or potential function of land contained within a sub-regional or regional commercial centre – that is the City Centre and Warrawong. Also of special relevance is the reinforcement given to the status of the Wollongong City Centre as the “major regional commercial centre”.

The Draft SEPP 66 seeks to achieve an improved integration of land uses in support of centres and the transport systems that serve them.

A review of the framework suggests that there is considerable flexibility in where retail development can occur. Apart from what would seem to be an excessive number of zones, there are provisions which allow for specific forms of retail activity in zones other than those designated for such purposes. Furthermore, although the WLEP seeks to focus bulky goods retail development in the “3(d) – Commercial Services Zone”, this form of development can also be permitted, subject to planning consent, in the “3(a) - General Business Zone”, “3(b) - Neighbourhood Business Zone”, and the “4(a) – Light Industrial Zone”.

There is also potential for a fragmentation in the patterns of land use and in turn potential for a lack of cohesion in built form and functional characteristics, particularly in those centres where the zones in which retail development can be accommodated cover extensive areas such as in the City Centre. In the “3(a) General Business”, “3(b) Neighbourhood Business”, “3(c) Regional Business” and “3(c) Commercial Services” zone, there are provisions which allow for the development of a range of land uses other than retail, if it is considered that the primary objective of the zone is not jeopardised.

## 1.5 The Retail Centres Hierarchy in Wollongong

The following table provides a summary of retail floor space in all centres, with the exception of Small Local Centres (which generally comprise floor areas of less than 2,000).

**Table 1 - Wollongong Retail Centres Hierarchy: Summary**

Centre	Hierarchy Rank	Floor Space (m2)	Planning Zone/s
Wollongong City Centre	Regional	90,000	3(d) Regional Business 3(a) General Business 3(d) Commercial Services
Warrawong	Sub - Regional	56,475	3(a) General Business
Corrimal	District Centre	28,500	3(a) General Business 3(d) Commercial Services
Figtree	District Centre	25,200	3(a) General Business 3(b) Neighbourhood Business
Dapto	District Centre	23,000	3(a) General Business 3(d) Commercial Services
Woonona	Neighbourhood Centre	8,260	3(a) General Business 3(d) Commercial Services
Fairy Meadow	Neighbourhood Centre	9,000	3(a) General Business
Thirroul	Neighbourhood Centre	12,500 (bulky goods) 11,200	3(d) Commercial Services 3(a) General Business
Unanderra	Neighbourhood Centre	8,600	3(a) General Business 3(d) Commercial Services

Port Kembla	Neighbourhood Centre	9,600	3(a) General Business 3(d) Commercial Services
Helensburgh	Neighbourhood Centre	7,100	3(a) General Business
Bulli	Local Centre	3,600	3(b) Neighbourhood Business
Balgownie	Local Centre	2,600	3(b) Neighbourhood Business
Berkeley	Local Centre	2,500	3(a) General Business
Windang	Local Centre	2,750	3(b) Neighbourhood Business
Kemblawarra	Peripheral Sales	57,800	3(d) Commercial Services
Gwynneville	Peripheral Sales	7,800	3(d) Commercial Services

## 1.6 Future Retail Floor Space Demand

Using data generated by DIPNR on population and dwelling growth, the Hill PDA survey of retail floor space in the Wollongong Local Government Area, the MacroPlan “Housing Supply and Demand Study” (2004) and the Australian Bureau of Statistics (Retail Survey and Household Expenditure patterns), a forecast has been derived of demand for retail floor space (food and groceries). A summary is provided below. It is to be noted that this forecast does not reflect the growth which has been forecast to occur in West Dapto. This is unlikely to have a significant impact on the growth scenario until after 2010.

**Table 2 - Forecast Demand for Food and Grocery Retail Floor Space 2004-10**

Centre	Supermarket Floor Space (m <sup>2</sup> )	Specialty Food Floor Space (m <sup>2</sup> )
Wollongong	1,283	801
Warrawong	784	468
Figtree	250	165
Corrimal	370	226
Dapto	839	534
Fairy Meadow	350	219
Thirroul	267	174
Woonona	848	547
Unanderra	187	117
Helensburgh	154	101
Total	5,332	3,352

Looking at this data, it is important to note that the actual distribution of expanded space is most likely to vary as a result of the uneven pattern of population growth and resulting expenditure across trade areas. Thus, it is realistic to expect that the primary focuses of pressure for increased floor space are most likely to be felt in and surrounding the City Centre, where the Edgewood and Sandon Point release areas are located in the north and where the West Dapto release area is located.

It can be observed that the future demand for retail floor space is forecast to be comparatively modest across all the principal centres. In total, approximately 5,300 m<sup>2</sup> of supermarket floor space and 3,300 m<sup>2</sup> of specialty food floor space will be required over the period 2004 - 2010.

**Table 3 - Forecast Growth in Demand for Retail Floor Space 2004-10**

Store Type	2004-2010 (m <sup>2</sup> )	2010-2015 (m <sup>2</sup> )
Department Stores	3,809	3,397
Supermarkets	5,332	4,864
Specialty Foods	3,350	3,047
Clothing	1,770	1,575
Bulky Goods	6,476	5,764
Specialty Non-Food	2,889	2,578
Restaurants and Personal Services	3,769	3,419

<b>Total</b>	<b>27,394</b>	<b>24,644</b>
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Over the period 2004 – 2010 total retail floor space across the Local Government Area is forecast to grow at an average annual rate of approximately 5,000 m<sup>2</sup>. In other words, the region will support a further 27,400 m<sup>2</sup> by 2010 and 24,600m<sup>2</sup> by 2015.

To provide guidance on precisely where this floor space will be located is difficult. It is important to acknowledge that there are many influences which will determine its distribution. Retail centres function in a highly competitive environment, which inevitably results in overlapping and changing trade areas. Floor space demand is influenced by the evolving nature of retailing itself. It is influenced by the availability and location of suitable land. It is influenced by changing population and demographic patterns (eg expenditure characteristics). It is influenced by levels of accessibility and mobility.

Of the growth forecast for the Wollongong Local Government Area, it is realistic to anticipate that the demand for department store floor space will be concentrated in the City Centre and other centres of a regional and sub-regional status (Warrawong, Shellharbour), essentially because they are orientated towards meeting demand for comparative shopping needs and hence generally operate with large trade areas. With supermarket floor space, demand is generally derived from smaller trade areas (approximately 10,000 - 20,000 people) and is focussed on meeting needs for convenience shopping.

In line with national trends, the growth of supermarket floor space is forecast to be the most significant. This should be required to locate within the existing hierarchy. Only in exceptional circumstances, should consideration be given to its development elsewhere.

A further significant facet of growth is forecast to be in peripheral sales (bulky goods) floor space. This can be expected to be relatively significant as a result of the anticipated growth in new residential development. Given that this form of development has specific location/site criteria which are not easily met in or adjoining existing centre, it will be important to ensure that it occurs in specific locations where use of existing infrastructure can be optimised and traffic impacts are minimised.

## 1.7 Recommendations

On the basis of the analysis undertaken, the following recommendations are made.

- **Support the retail hierarchy**

Future retail development should support and complement the existing hierarchy of shopping centres as identified, the exceptions being where new communities are being planned (West Dapto) or are being established, or where areas are being redeveloped with higher residential densities, which may require new retail facilities to support local demand.

- **Locate major food shopping at higher order centres**

On-going retail trends indicate that supermarket development accounts for a large share of new food floor space. In circumstances where demand is demonstrated adequately, these types of facilities should be encouraged to locate in the regional (City Centre), sub-regional Centre (Warrawong) and District level centres (Corrimal, Figtree, and Dapto) in the retail hierarchy, except where residential development requires new facilities to support local demand.

- **Encourage peripheral sales (bulky goods) retailing in specific locations**

The study has established that peripheral sales activity will be a primary focus of retail floor space development in the region. This activity has specific location and site criteria which cannot be easily met

in or adjoining existing centres. This criterion includes such factors as large site area, good levels of visual exposure, good accessibility typically from a large surrounding catchment and low development costs.

▪ **Non food retailing to support the roles of higher order centres**

Other types of non-food shopping should be encouraged to locate in the regional and sub-regional centres in order to support their primary role. Where this form of retailing is proposed elsewhere it should be encouraged to locate within existing centres.

These recommendations are intended to assist in guiding the development of retail facilities across the Local Government Area. Given the inherent uncertainty in forecasting retail floor space growth, it is our view that retail floor space allocations should not be adopted as a means of controlling retail development. Instead, the retail strategy should emphasise the processes by which proposals are presented and considered by Council.

Fundamental should be the requirement that proposals for the development of new retail floor space should be accompanied by sufficient evidence that there is an established market demand for the type of retail floor space proposed and demonstrates that it will contribute to net community benefit for Wollongong residents.

## 1.8 Future Strategy

On the basis of the research and analysis undertaken by Hill PDA, the salient issues and potential approaches toward the future planning of the key centres are summarised in the following table.

**Table 4 - Summary of Issues and Recommendations**

Centre	Role	Issue/s	Approach
Wollongong City Centre	Regional	Suburbanisation of retail floor space Growth of peripheral sale outside core Confused systems of access and movement Restructuring economy	Coordinated planning framework Rationalise planning zones Strategy to contain and consolidate Guidance to create nodes for peripheral sales
Warrawong	Sub - Regional	Ability to maintain market share Increased competition from City Centre Removed from focuses of future growth	Strategy to contain and consolidate Contain bulky goods in 3(d) Commercial Services zone
Corrimal	District	Linear spread of centre Loss of agglomeration economies	Strategy to contain and consolidate Restrict bulky goods in 3(d) Commercial Services zone
Figtree	District	Ability to maintain market share Increased competition from City Centre Physical constraints on location	Strategy to contain and consolidate Emphasise improved cohesion in retail land use Restrict bulky goods in 3(d) Commercial Services zone
Dapto	District	Location in area of future growth Lack of cohesion in land use Mix of planning zones	Strategy for orderly and balanced expansion Foster land use mix for employment opportunities Strategy to seek greater land use cohesion
Helensburgh	District	Ability to maintain market share Loss of trade to City and Sydney Limited potential for growth of trade area	Strengthen ability to maintain market share Competition from Woonona and Thirroul Limited potential for growth of trade area
Woonona	Neighbourhood	Ability to maintain market share Limited potential to expand trade area Competition from Thirroul and Corrimal	Strategy to contain and consolidate Emphasise improved cohesion in retail land use Restrict bulky goods in 3(d) Commercial Services zone
Fairy Meadow	Neighbourhood	Ability to maintain market share Loss of trade to City Centre Potential to draw market from City Centre	Strategy to contain and consolidate Emphasise improved cohesion in retail land use Restrict bulky goods in 3(d) Commercial Services zone
Thirroul	Neighbourhood	Ability to maintain market share Competition from Corrimal to south	Strategy to contain and consolidate Emphasise improved cohesion in retail land use

		Limited potential to expand trade area	Reinforce centre identity and convenience
Unanderra	Neighbourhood	Ability to maintain market share Competition from Dapto and Figtree Limited potential to expand trade area	Strategy to contain and consolidate Emphasise improved cohesion in retail land use Restrict bulky goods in 3(d) Commercial Services zone
Port Kembla	Neighbourhood (Local)	Severe loss of trade to Warrawong Need to identify and establish new role Fragmentation of centre	Strategy to contain and consolidate Rationalise planning zones Identify new role and functional character
Bulli	Neighbourhood	Ability to maintain market share Loss of trade to Woonona and Thirroul Limited potential for growth of trade area	Strengthen ability to maintain market share Competition from Woonona and Thirroul Limited potential for growth of trade area
Balgownie	Neighbourhood	Ability to maintain market share Loss of trade to Fairy Meadow and City Limited potential for growth of trade area	Strategy to contain and consolidate Reinforce centre identity and convenience
Berkeley	Neighbourhood	Ability to maintain market share Loss of trade to Warrawong Limited potential for growth of trade area	Strategy to contain and consolidate Reinforce centre identity and convenience
Windang	Neighbourhood	Ability to maintain market share Loss of trade to Warrawong Limited potential for growth of trade area	Strategy to contain and consolidate Reinforce centre identity and convenience
Kemblawarra	Bulky Goods	Dislocation from focuses of future growth Potential to expand beyond current area Dislocated from nearby Warrawong Centre	Comprehensive land use strategy required for wider area Need to consolidate as a discrete precinct Need for improved physical cohesion with Warrawong
Gwynneville	Bulky Goods	Visual and functional exposure Adjacent to residential area High level of accessibility	Comprehensive land use strategy required for wider area Strategy to consolidate as a regional node Seek to enhance land use cohesion

## 2. INTRODUCTION

### 2.1 Background

Wollongong is the ninth largest city in Australia, the principal City in the Illawarra Region and one of the four primary centres in metropolitan Sydney (the others being Sydney City, Parramatta and Newcastle). Its status is derived from the significant and diverse range of services and activities it performs – a range which embraces health, educational, retail, commercial, administration and government, cultural and recreational activities.

Wollongong however, is at a critical point in its evolution. Historically the economy of Wollongong has been centred on coal, steel, engineering and clothing. In the past two decades activity in these sectors has declined and other sectors have expanded to provide employment and keep the economy growing. Health, education, hospitality, retailing property, information technology and business services have emerged as important new growth sectors in the local economy. This process of restructuring has had dramatic impacts on the structure and function of the City.

It is in this context that the Wollongong City Council has sought to prepare an overarching strategy for land use in the Local Government Area - an initiative generally referred to as the “Wollongong Futures 2022 Vision Project”. In this project, the major issues identified have centred on the potential for revitalising the City Centre, the relationship between town centres; and building on the strengths of areas surrounding West Dapto, the University of Wollongong and Warrawong.

To date, the investigations undertaken to form the foundation for the revitalisation of the City Centre have been substantial and wide ranging. In the economic analysis undertaken by Hill PDA, (“Wollongong City Structure Plan: Economic Analysis”, August 2000) and the research by Leyshon Consulting (“Wollongong CBD Retail Study”, November 1997; “Retail Overview Report – Wollongong City Centre”, 2002) one of the key observations was the emerging threat of competition for retailing activity in the City Centre. It is now apparent that the trade area of the centre is contracting and that its future sustainability as a traditional focus is in need of careful planning and management.

In order to address this challenge it has been recognised by the Wollongong City Council that there is a need to conduct an examination of the City’s existing and emerging retail centres hierarchy and establish a logical and practical framework to guide its future development.

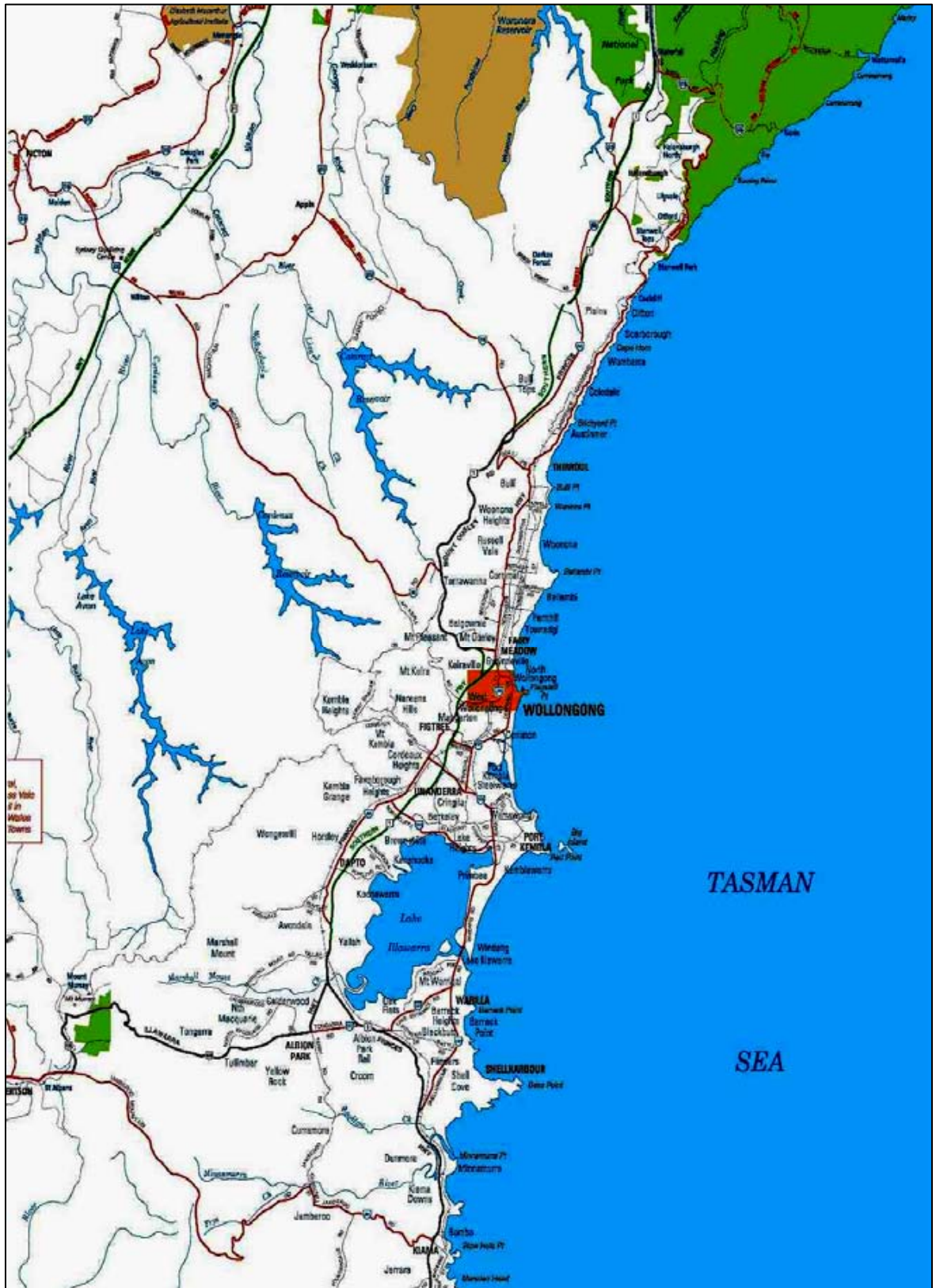
### 2.2 Scope and purpose

This report has been commissioned by Wollongong City Council to provide a basis upon which a strategy can be prepared for the future planning and management of retail development in the Wollongong Local Government Area. In order for this to be derived there is a need to develop a clear understanding of the role being played by the centres, their physical and functional characteristics and the issues and challenges confronting their future development.

### 2.3 Study area

The spatial focus of the study is the Wollongong Local Government Area. This area, along with the Local Government Areas of Shellharbour and Kiama, which are located to the south, forms what is defined by the NSW Department of Infrastructure Planning and Natural Resources as the Illawarra region.

Figure 1 - The Wollongong Region



Source: City Link 2002.



The Wollongong Local Government Area is the principal focus of population, and the dominant centre of administrative, retail, corporate, industrial and cultural activity in the Illawarra Region and beyond, towards the south. With a population of 181,612, which represents approximately 70% of the Illawarra Region, Wollongong is the ninth largest city in Australia (B. Salt, "The Big Shift, 2001).

## 2.4 Why have a Strategy?

- A strategy to guide retail development is important for several reasons:
- Retailing is a major sector of the local and regional economy: The retail sector (which includes accommodation, restaurants and cafes) provides employment for an estimated 14,232 persons or around 19.5% of all employment in the WLGA. It also represents a significant focus of development and investment and basis for flows of expenditure.
- Retailing is a crucial element in the life of the community. Particular care is required to ensure that retail activity evolves in a form which meets sound planning principles and can reflect industry dynamics and consumer preferences and needs.
- Population growth generates retail growth. It is important to acknowledge that retail floor space provision responds to population growth and decline. A retail strategy must therefore accommodate a flexibility to ensure an effective response to demographic change.
- The retail sector is dynamic in form and function. Demographic change and social and lifestyle dynamics, coupled with significant advances in retailing technology (such as the internet), product designs and technologies, are giving rise to new retail concepts, strategies, formats and experiences.
- Consumer preferences and behaviour are changing. This can be seen in a contraction in demand for products sold in traditional retail precincts, and a growth in demand for products which are more suited to large retail formats, (such as electrical appliances, home improvement merchandise).

## 3. STUDY METHODOLOGY

### 3.1 Introduction

The purpose of this section is to provide a brief overview of the approach which has been adopted in the present study. This is canvassed on the basis of the contextual influences which are influencing the development of retailing activity today and the research and analysis conducted. The section then concludes with a summary of the report structure.

### 3.2 Establishing the context

In order to establish a basis for a retail centres strategy, it is important to establish an understanding of the contextual influences on retailing activity today. To this end a broad discussion is presented of how the key “drivers of change” (eg population and household growth and demographic changes) are being manifested in both the form and function of retail activity. It draws on the findings of previous research by Hill PDA and more general commentary on issues and trends in retailing activity (M. Levy, “Retailing Management”, 1992; AIUS, “Traditional Shopping Centres – Giving them a Future”, undated; C. Paumier, “Creating a Vibrant Urban Centre”, 2004; “Shopping Centre News”, various editions).

A broad overview of the population and housing trends and demographic characteristics is also important. It is this which provides an insight into the drivers of demand for goods and services; and in turn retail floor space. This has been undertaken primarily on the basis of data derived from the Australian Bureau of Statistics and the NSW Department of Infrastructure Planning and Natural Resources. Supplementary data has also been derived from a recent study undertaken by MacroPlan on housing supply and demand in the Illawarra region.

A further dimension of the context in which the centres must be considered is the traditional retail hierarchy. This provides a more generic framework in which the centres in the Wollongong Local Government Area can be considered and in particular a broad measure of the how the current pattern is structured. This has been defined on the basis of information derived from previous research by Hill PDA and the Property Council of Australia.

### 3.3 Research and analysis

This study has drawn from a broad base of information. Of this, the principal sources of secondary data have included:

- Australian Bureau of Statistics, Population and Housing Census, 1996 and 2001
- Australian Bureau of Statistics, “Household Expenditure Survey” 1998 – 99
- Australian Bureau of Statistics, “Retail Survey”, 1998 – 99 (Cat No 8622.0 and 8624.0)
- Macquarie Research; “Population and Dwelling Forecasts for the Wollongong District”, 1996
- NSW Department of Infrastructure, Planning and Natural Resources; “Metropolitan Development Program”, 2003.
- IRIS Research; “The Illawarra Region”, 2003
- MacroPlan Australia; “Housing supply and demand study, Illawarra Region”, 2004

The study has also derived substantial data from field survey. This, it is to be noted, has been focussed on only those retail centres of significance in the Wollongong Local Government Area. In other words, small

local centres with retail floor areas of less than approximately 2,000 m<sup>2</sup> (which usually contain less than 15 shops) have not been the focus of detailed investigation other than to determine their approximate floor area.

For each centre, the following information has been derived:

- general character, including the main features;
- estimated area of retail floor space;
- structural character of retail activity;
- principal occupants in the centre; and
- main non-retail activities in the centre.

In this study, retail floor space has been identified as:

- ground level retail floor space in the strip or core retail centre;
- all commercial (office) uses on the ground floor in the retail core (including for example banks and real estate agents);
- vacancies that would normally be used for retail purposes;
- all lettable spaces in indoor shopping centres that would be used for retail purposes; and
- all bulky goods retailers on the fringe of core retail areas where the nature of the business appears to be predominantly retail (eg hardware store or bedding shop).

The estimate of floor space excludes:

- all commercial (office space) above ground floor; and
- all entertainment space such as cinemas, clubs, etc.

Once the data and background information was derived, an analysis of each centre was undertaken with the objective of establishing a profile of:

- The location;
- Role and function;
- Structural character;
- Retail infrastructure;
- Planning framework;
- Performance (strengths weaknesses, opportunities and threats);
- Key issues; and
- Implications and future planning

Future demand for retail floor space was derived from:

- A forecast of household growth between 2004 and 2010, based on forecasts by the NSW Department of Infrastructure, Planning and Natural Resources and MacroPlan Australia.
- Against this forecast, household expenditure patterns were estimated - using data derived from the Australian Bureau of Statistics Household Expenditure Survey 1998 – 99.
- The growth in household expenditure was then converted retail floor space demand, using industry benchmarks (derived from Australian Bureau of Statistics Retail Survey 1998 – 99, JHD Industry Averages and other sources).

### **3.4 Report structure**

The study is reported with:

- A review of the key drivers of change and trends in the nature and form of retailing activity
- An appraisal of population and demographic change in Wollongong and the wider Illawarra,
- A review of residential growth in Wollongong and the wider Illawarra over the past decade and an examination of where future population and residential growth is forecast
- A review of the current planning framework which guides the development of retail activity
- An analysis of current expenditure patterns and a forecast of future floor space needs.
- A detailed examination of the key centres of retail activity (centres larger than 2,000 m<sup>2</sup>) to determine their salient characteristics, and the issues and challenges confronting their future
- A synthesis of findings and the identification of key issues and approaches for the key centres.

## 4. BACKGROUND RESEARCH

### 4.1 Overview

A significant number of studies have been undertaken over the past decade on various aspects of the local and regional economy. While these all, at differing levels, have relevance to the present study, there has been little investigation however to establish a strategic picture of the role and function of the commercial centres within the Local Government Area. For the most part, existing background research has had a wide span, extending from reviews of the wider structural characteristics and performance of the economy (eg Illawarra Regional Information Service; various publications), to specific area wide or specific site planning exercises (eg Hassell; “Wollongong Industrial Sector Analysis”, 2002). Few studies exist which provide an understanding of retailing activity across the region or Local Government Area, other than centre specific examinations, such as the studies undertaken by Leyshon Consulting on the City Centre (see below). Those studies which have been identified to be of direct relevance to the present study include:

- Leyshon Consulting, “Wollongong CBD Retail Study”, November 1997
- Leyshon Consulting, “Retail Overview Report – Wollongong City Centre”, 2002
- IRIS Research, “Wollongong CBD Land Use Survey – Final Report”, November 2000
- Hill PDA, “Wollongong City Structure Plan: Economic Analysis”, August 2003
- Buchan Consulting, “Wollongong Economic Development Road Map”, November 2003
- Hill PDA, Illawarra and South Coast Centres Study”, February 2004
- SGS Economics and Planning, “Illawarra and South Coast Employment Lands Audit” (Draft) 2004
- MacroPlan, “Housing demand and supply study – Illawarra Region”, February 2004

### 4.2 “Wollongong CBD Retail Study”

This study was undertaken in 1997. It provides a broad assessment of the retail, commercial and services infrastructure in the Wollongong CBD.

The key strengths of the CBD were seen to lie in its role as the dominant centre in the region for commercial, retail, cultural and administrative activity and as the focus for public transport access in the region. In retailing, these strengths are distinguished by the existence of two department stores and two large enclosed shopping centres.

As for weaknesses, the centre was seen to be distant from the main focuses of new population growth in the region and dependent on the northern and central area of the LGA for the majority of its trade where the population is aging and has only limited potential for substantial growth. The centre was also weakened by not having a Discount Department Store, only one supermarket, a physical character which is fragmented and highly variable in quality and a relatively inefficient system for traffic circulation.

Opportunities open to the CBD were seen to include the capturing of trade in the northern areas of the LGA with a Discount Department Store, increasing and expanding entertainment venues in the centre, encouraging medium density residential development in and around the CBD; and adopting a more integrated approach to the planning and management of the centre.

The threats to the CBD were considered to arise from the potential for additional competitive retailing on the northern suburbs, a continued consolidation of retail activity in the centres of Shellharbour and Warrawong, the emergence of urban blight in Crown Street West, and the loss of one or more of the department stores in the CBD.

It was recommended that there be a review of the planning strategy for the Wollongong CBD, with the view to establishing a “blueprint” which can serve as a guide to public and private investment, and that greater attention is required in the planning and promotion of the CBD as a whole rather than the traditional focus on the mall area. Of specific importance in the context of the present study, was recognition of the need to develop a point-of-difference between the CBD and the suburban centres and foster the development of the CBD as an attractive and interesting retail alternative to the suburban centres.

### **4.3 “Retail Overview Report – Wollongong City Centre”**

In 2002 Leyshon Consulting undertook a further review of retailing in the Wollongong City Centre and the Crown Street Mall. In this review, the primary focus was on performance, rather than an assessment of the retail infrastructure.

The review reinforced the conclusion of the earlier study, that the centre dominates retailing activity in the region; however this status is increasingly being threatened by the development of several suburban centres. Although the centre has the distinction of having two substantial department stores (David Jones and Myer formerly Grace Bros) and a retail offer not found in other centres, it continues to lack a Discount Department Store and a modern multiplex cinema.

The review estimated that the City Centre contains approximately 78,219 square metres of retail floor space and that total retail sales in the City Centre were \$342.1 million per annum, of which some \$279.8 million per annum (81.8%) were generated in the Crown Street Mall. Further the total volume of sales in the City Centre (\$342.1 million) was more than twice that of the nearest competitive centre – Shellharbour Square.

The combined primary and secondary trade area of the City Centre was seen to extend from Stanwell Park in the north to Albion Park and Lake Heights in the south. It was observed that the average age profile was older than that of the Sydney Region, population had a lower proportion of persons borne in non-English speaking countries than that of the Sydney region and an above average proportion of persons employed in professional occupations in the trade areas.

The current population of the trade area is estimated at 194,876 persons. By 2006 the trade area population was projected to rise to 199,968, up 5,092 persons. Total available spending generated in the trade area was estimated to be \$1,422.9 million (\$2001). This was forecast to rise to \$1,510.0 million – up \$88.1 million.

After deducting retail sales likely to originate outside the area, the City Centre’s overall market share was estimated at 21.6% of available resident spending. This was compared to an estimated 33% in 1975 and 25.9% in 1991 – 92. It was also indicated that if food sales in the City Centre were deducted, the current market share of the City Centre in non-food categories would rise to almost 40% of non-food expenditure in the trade area in 2001.

The review concluded that the long term outlook for the City Centre was reasonably positive. Indeed the centre was becoming increasingly integrated with the nearby Sydney region. This strengthening was

considered to receive impetus from an intensification of medium and high density residential development in and around the centre.

#### **4.4 “Wollongong CBD Land Use Survey – Final Report”**

In 2000, IRIS Research was commissioned by the Wollongong City Council to undertake a comprehensive land use survey of the Wollongong CBD. The purpose of the survey was to determine “the land uses operating within the CBD and the floor space occupied by each land use type”.

Although the primary focus of the survey was the commercial and retail corridor formed by Crown Street corridor between Corrimal Street and the railway, the area surveyed broadly encompassed an area which extended north to Campbell Street, east to Corrimal Street, south to Kenny Street and west to Dudley Street, just beyond the Hospital.

The survey found that approximately 600,000 square metres of “land use facilities” were located in the city centre, of which almost 390,000 square metres of occupied space was dedicated to retail and commercial activity, with a further 35,000 square metres of vacant space in existing buildings in the CBD. Retail floor space was found to cover a total of some 110,653 square metres.

In the core area some 212,300 square metres of floor space was identified which represented approximately 48% of the total. Of this there was around 71,150 square metres of retail floor space.

#### **4.5 “Wollongong City Structure Plan: Economic Analysis”**

In 2003, Hill PDA undertook an evaluation of the economic sustainability of the structural framework of the City Centre.

While this study confirmed many of the findings of the investigations by Leyshon Consulting, it found that Wollongong’s core retail precinct had become increasingly exposed to competition from several comparatively large centres located nearby, notably Warrawong and Figtree. It also noted that the physical character of the precinct had become more dispersed, particularly with the development of lower density commercial activity towards the south, and this has led to a decline in the economies of agglomeration.

A key finding of the study was that over the past five years property development and investment activity in the City has largely been concentrated on the residential sector, with little or no activity in either retail or commercial floor space. This has resulted in a focussing of interest on opportunities for residential development in core area locations which would otherwise be better suited to commercial/retail activity, and has in turn given rise to the potential for a further fragmentation of the core.

#### **4.6 “Illawarra and South Coast Centres Study”**

In 2003 Hill PDA was commissioned by the NSW Department of Infrastructure Planning and Natural Resources to undertake a study of the commercial centres in the Illawarra and South Coast Region – the purpose being to provide a basis for future strategic planning and management.

The study found that there are inconsistencies in the planning frameworks which are applied at a local level, and in the implementation of State and regional policies and guidelines, there is a lack of control in what and where retail infrastructure is developed with resulting impacts on existing centres; and there is

potential for retail development initiatives to have adverse impacts on existing retail infrastructure in adjoining local government areas.

It was evident that a new planning framework is necessary to provide a strategic context, ensure a greater level of consistency and cohesion in the planning of commercial centres; and provide a more effective basis upon which existing retail infrastructure can be protected.

The Illawarra and South Coast Region was found to have some 750,000 square metres of retail floor space distributed amongst some 60 – 70 centres of differing sizes. In the Wollongong Local Government Area, the retail hierarchy is dominated by the Wollongong City Centre and Warrawong, which were identified as “Regional Centre” and “Sub-Regional Centre” respectively. The centres of Figtree and Corrimal were identified as “District Centres”; and the centres of Thirroul, Bulli, Woonona, Balgownie, Fairy Meadow, North Wollongong, West Wollongong, Unanderra, Port Kembla, Windang, Berkeley, Brownsville and Koonawarra were identified as “Neighbourhood Centres”.

In the planning of the commercial centres in the Illawarra and South Coast Region, the study identified several issues. There is a need for a retail strategy to guide the planning and development of retail facilities and which is adhered to. There is some escape expenditure from the region to Sydney and Canberra, but this is countered by considerable capture of tourism expenditure. In Wollongong a process of suburbanisation in the pattern of shopping is having a significant impact on the City Centre and several smaller centres in the area. Many centres were seen to warrant close attention to issues relating to urban design, access, and car parking, if the growth of competition is to be effectively addressed. Tourism potential is not fully capitalised upon. And peripheral sales (eg bulky goods) are becoming an increasingly significant facet of retailing activity with consequential implications for the structure of town centres.

## 4.7 “Wollongong Economic Development Road Map”

In 2003 Buchan Consulting was commissioned by the Wollongong City Council to develop an economic development “Road Map” for Wollongong and in particular “the Wollongong Futures Project” which is being undertaken by the Wollongong City Council.

While the focus of the Road Map is the City Centre, its position on the wider region is also canvassed. Of particular relevance to the present study are the observations drawn from an analysis of the regional economy.

Wollongong has for the past two decades experienced substantial economic restructuring. This can be seen in a major contraction in traditional mining and manufacturing employment, and growth in service (retail, health and community services and business services) and knowledge based employment. Significantly there has been a decline in total employment opportunities, resulting in an increase in the numbers of commuters to Sydney, an increase in higher skill level jobs and a fall in lower skill entry jobs.

The challenge for the Road Map is seen to lie in achieving jobs growth by “...diversifying the regional economy to broaden its base; ensuring metals and engineering companies can develop broader markets; consolidating the CBD as a centre for higher order services – retail, entertainment and arts, and attracting new business to the region.” (Buchan Consulting; 2003). In order to gauge the magnitude of this challenge, Buchan Consulting estimates that there will be a need for between 7,414 and 12,080 additional jobs by 2016.

While it is recognised that jobs growth will come from a variety of areas, the one considered having the greatest capacity to deliver growth is centred on the services sector, which includes business services (including Information Communications and Technology), retail, and hospitality, health and community



services. This sector currently accounts for some 28,460 jobs (43%) in the region's workforce. Importantly employment in this sector is largely concentrated in the City Centre, and hence future growth will to a large extent, be contingent on redevelopment and the extent to which retailing and entertainment can be consolidated.

#### **4.8 "Illawarra and South Coast Employment Lands Audit"**

SGS Economics and Planning was commissioned by the NSW Department of Infrastructure Planning and Natural Resources to undertake the "Illawarra and South Coast Employment Lands Audit" in 2004.

The Audit established that the Illawarra and South Coast Region has some 5,235 hectares of zoned employment land. Of this, some 2,252 hectares (43%), which is accommodated in around 3,730 land parcels, are located in Wollongong Local Government Area.

The majority (85.2%) of the 3,730 land parcels in Wollongong are occupied and developed. The Manufacturing sector is the most significant activity in the area, accounting for 63% of all the employment land. Retail Trade activities occupy almost 10% of the total employment land, while Business activities account for only a small proportion. Based on the number of land parcels occupied, the Retail Trade sector is the most prominent sector in Wollongong, accounting for just over a quarter (27%) of the total number of employment land parcels, followed by the Manufacturing sector (11%).

The remaining area of employment land is vacant, and of this approximately 450 hectares are undeveloped, with the balance developed but unoccupied. This vacant land is accounted for in 552 land parcels. The Audit identified some 83.5% of this area as having "medium" potential for development and a further 16.4% as having "high" development potential. While not accounting for a significant proportion of the overall vacant area, there are nevertheless a high number of land parcels with "high" development potential (55.3%). The principal concentrations of this land are located on the south western periphery of the City Centre, in small parcels along the transport corridor between the City Centre and Thirroul and at Kembla Grange.

#### **4.9 "Housing Demand and Supply Study - Illawarra Region"**

MacroPlan Australia was commissioned by the NSW Department of Infrastructure Planning and Natural Resources to undertake the "Housing demand and supply study – Illawarra Region", in 2004.

The study concluded that the future housing market in the Wollongong Statistical Region will be significantly driven by the overspill from the expansion of the Sydney population and forecasts that Wollongong Statistical Division will grow to 344,000 people by 2028, 14,000 more than if the population grew at historical rates.

In all scenarios examined, it was found that there will be a housing undersupply from 2005/06 to 2010/11. This it was considered would need to be addressed by the immediate release of a bulk lot supply. This should involve identifying various areas that will collectively cater for this demand either on the urban fringe or in infill areas.

Developers and other relevant bodies in the regional housing market would need to gear themselves towards providing higher density housing options by 2004/05. These options would need to be implemented through a more interventionist (rather than market driven) approach to urban renewal.

These areas of higher density development would need to be limited to pre-determined areas which have ready access to established infrastructure, in order to reduce the risk of jeopardising the amenity values associated with low density and non-metropolitan areas that have traditionally attracted the home buyers into the region.

## 5. RETAILING ACTIVITY: A CONTEXT FOR FUTURE PLANNING

### 5.1 Introduction

In the process of identifying the current and possible future retail centres hierarchy for the WLGA, it is to be recognised that there will continue to be significant change in the retail industry. In this section an overview is provided of the key drivers of this change. How these changes are manifested in both the form and function of retailing activity is then discussed – the intention being to establish awareness of the increasing complexities and in particular, the potential spatial pressures.

### 5.2 Drivers of change

In the 1980s, Australian retail floor space totalled approximately 1.8 square metres per person (excluding commercial space and automotive retailing), which was roughly divided equally amongst regional, district and neighbourhood/local centres. The dynamic nature of the retail industry is driven largely by the need to anticipate and effectively respond to consumer behaviour, needs and desires. Changing demographics and lifestyles demand that retailers and shopping centres constantly monitor the often subtle shifts and respond accordingly by repositioning their retail offer, presentation and mode of operation.

Some of the key drivers of change in the nature and form of retailing activity include:

- Population and household growth
- Declining average household size
- An aging population
- Increasing part time employment
- Longer working hours
- Increasing workforce participation

These drivers are stimulating a rapid increase in the quantum of retail floor space the adoption. They are being reflected in the adoption of new retailing technologies, product designs and more creative retail concepts, strategies, formats and experiences.

The physical manifestations of these changes are having significant impacts on the form and function of urban environments and on the way communities evolve. On a broad canvass, in urban environments throughout Australia and in particular the Sydney metropolitan region and Illawarra, several key characteristics in the form and function of the retail industry have become apparent:

- Regional centres have increased in size with stronger elements of leisure/entertainment activity. Already the evidence is widespread. Super regional centres of 85,000 to over 100,000 square metres (NLA) are now appearing in most major metropolitan areas.
- The suburbanisation of office space has and is expected to continue in major metropolitan regions. This pattern is reflected in the development of office parks with significant retail centres, such as the Norwest Business Park on the north-western periphery of Sydney.

- There has been a rapid development of bulky goods retailing - a concept centred on a consolidation of display and storage areas in one (large) site location and meeting a particular requirement for relatively low cost land in order to operate on low margins.
- Supermarkets have and are expected to continue to expand their floor areas, increase the variety of merchandise sold, extend their trading hours, and adopt new retail technologies in pursuit of greater market share of food and beverage household expenditure.
- With the pressure to increase floor areas and introduce new educational and entertainment experiences, so there will be increased demand develop in more cost effective locations, locations removed from traditional centres.
- Locations beyond traditional centres of retail activity have become increasingly sought after for development as pressures to expand supermarket floor areas, and meet the demand for new retail formats (eg bulky goods) increase.
- There has been a rapid growth in new retail formats. Consumers can now purchase the same merchandise from a wider variety of retailers. The initial category specialists in toys, consumer electronics and home improvement have been joined by a range of new specialists – for example home furnishings, pet supplies.
- While the number of different retail formats has grown, there has been a decline in the number of competitors within each format. Today only a few national retailers dominate most retail formats (eg Coles Myer, David Jones, Woolworths).
- A rapid increase in the use of new technologies, in particular E-commerce and those employed in logistics and distribution, will drive the development of new retail concepts, strategies, formats and experience.

## 5.3 Key trends and issues

The key trends and issues relevant to the present exercise are diverse and complex. Broadly they include a deregulation in the hours of shopping, the development of larger supermarkets and the emergence of smaller supermarket operators, the development of out of centre retailing complexes, and the development of discount department stores, a diversification in the retail experience and the emergence of electronic retailing.

### 5.3.1 Deregulation of shopping hours

While most forms of retail activity now operate with extended hours, the most significant impact of deregulated shopping hours has been on the trading patterns of supermarkets. Late night trading seven days a week and in some cases twenty four hour trading in supermarkets, has largely been a response to the growth in food expenditure captured by convenience stores operating on a twenty four hour basis (Seven Eleven etc). There has also been a blurring of the hierarchical distinction in function between centres, as supermarkets which trade with extended hours in district or neighbourhood centres compete more directly with more traditional local convenience stores. The physical location of centres is therefore critical in ensuring that the higher order centres do not monopolise the market and a role is maintained for easily accessible small local centres or convenience stores. The broader spread of shopping hours also appears to be significantly flattening the peaks in trading patterns and may allow for some relaxation in car parking requirements at neighbourhood or convenience centres.

### 5.3.2 Larger supermarkets

Paralleling the deregulation of trading hours has been a trend towards the development of larger supermarkets. While in most cases the impacts can be seen in lower prices and increased product ranges, this trend has placed considerable pressure on the ability of smaller local centres to compete, with

consequential impacts often being reflected in a decline in their long term sustainability. Planning policies therefore need to be framed to ensure that supermarkets remain competitive in neighbourhood centres as well as district centre to maintain an acceptable level of access for regular food shopping.

A spin-off of the trend towards larger main line supermarkets is an increase in the number of smaller supermarket operators. It is these supermarkets which form the core of modern neighbourhood centres, further reinforcing the need for planning policies to balance district and neighbourhood level food shopping.

### **5.3.3 Out of centre retailing**

A prominent trend to emerge over the past two decades has been the development of out of town centres. These are most often characterised by activities which have a primary orientation to bulky goods retailing, activities which require larger floor areas and lower rent structures than those found in traditional centres. Although furnishings, lighting and other home related merchandise have and continue to remain the primary focus of retailing, the range of activities has become more diversified. Increasingly they are embracing several category specialists, or ‘category killers’, which provide an extensive range and depth of competitively priced merchandise within a single market segment (eg IKEA, Officeworks and Harvey Norman, Freedom Furniture and Bunnings), and factory outlets and clearance centres, which integrate warehousing with retail space are also recent occupants of space in these out of town centres (eg DFO Homebush). Increasingly they are becoming destination shopping venues, offering a substantial range of merchandise at more competitive prices than can be offered by traditional department, discount department and specialty stores, with resulting impacts on the overall sustainability of traditional centres.

Out of centre retailing has and continues to have significant impacts on the structure and dynamics of urban systems. In particular, these are being felt by traditional nodes of retail activity, which are now experiencing a loss in trade.

### **5.3.4 Increased diversification**

Traditionally retailing has followed a hierarchy from regional through district to small neighbourhood centres. With the introduction of the discount department store in the mid 1960s, however a wave of new centre development and expansion was spawned. Since then, ever larger indoor shopping centres have and continue to be developed. Today, centres covering in excess of 70,000 m<sup>2</sup> of floor space are commonplace. Increasingly they are diversifying the retail experience with the incorporation food courts, in-centre cinemas, family entertainment centres and larger supermarkets, department stores (David Jones, Myer), and other major tenants. Some are incorporating community facilities such as libraries, child care centres, “market squares” and community meeting rooms. Examples include the shopping centres at Parramatta, Hornsby, Castle Hill, Miranda, Warringah and Bondi Junction, all of which exceed 100,000m<sup>2</sup> in floor area. These larger centres are emerging as significant destinations for large populations of people and have trade areas which are increasingly expanding into those of the smaller centres.

### **5.3.5 Convenience shopping**

A recently emerging trend in retailing has been the development of convenience shopping facilities. These are centred on the concept of quick, convenient shopping, meeting the needs of workers travelling home by car and consumers who prefer to spend less time shopping for food and grocery shopping and other weekly needs.

One dimension of this trend is a focus on a “convenience community centres”, which is usually dominated by a supermarket to meet daily and weekly shopping needs, and supported by a range of specialty shops

such as butcher, fruit shop, liquor shop, take-away food, video rental and petrol station. These centres are distinguished by a dependence on commuters making their way home and hence located to enable convenient access and parking (eg Woolworths Marketplace).

Another dimension has been the emergence of 'convenience service centres', often centred on petrol stations adjacent to main highways. These offer a range of groceries and fast foods which typically occupy a floor area of around 100-300 square metres and rather than being a primary destination for food and grocery shopping; they seek to meet the needs of "just-in-time", impulse shoppers. Often they collocate with operators such as McDonalds Family Restaurant, Burger King, KFC, Quix, BP Shop, etc).

### 5.3.6 Electronic retailing

Electronic retailing (also called e-tailing and Internet retailing) is a retail format in which the retailer and customer communicate with each other through an interactive electronic network. Currently, electronic retailing represents less than 1% of retail sales in the US and even smaller percentage of retail sales in Europe and Asia. However the annual growth of US electronic retail sales is over 100%. If this growth continues, electronic retailing is expected to have a major impact on the retail industry, significantly decreasing retail sales in stores (N. Byrnes, "Retailing: Confronting the Challenges That Face Bricks and Mortar Stores", Harvard Business Review, July 1999).

Electronic retailing is thus generally considered to have substantial growth potential. But this will be dependent on whether or not it can and is perceived to provide superior benefits over existing retail formats. The critical benefit that electronic retailers can offer is the opportunity for consumers to search across a broad range of alternatives, develop a smaller set of alternatives based on their needs, and get specific information about alternatives they want.

The type of merchandise sold by electronic retailers depends on delivery costs, the consumers need for immediacy; and the degree to which electronic retailers can provide purchase information that helps customers determine whether they will be satisfied with the purchase. It is in this respect that the influence of electronic retailing on the nature and form of retailing should be considered. Significantly it is giving rise to increased pressure on "bricks and mortar" retailing activity to seek and adopt new concepts, strategies, formats and experiences. It is also increasing pressure to develop new supply chain networks which enable rapid and efficient movement of goods. This is now evident in the development of large new warehouse distribution centres adjacent to major transport infrastructure.

## 5.4 The implications

The trends described above are polarising the retail hierarchy. The larger regional centres are positioning themselves for a more dominant role in the provision of entertainment and customer services matched with increased retail floor space. The more successful smaller centres have moved towards the concept of convenience centres with greater emphasis on food retailing, just-in-time shopping, fast foods, local services and petrol. Examples include the Woolworths Market Place concept. And new out of centre complexes are emerging which offer an extensive range and depth of competitively priced merchandise within a single market segment.

Significant shifts in trade have and continue to occur. In competing for consumer patronage, some centres are succeeding, and some are losing. Regional and super-regional centres are expanding and absorbing trade from district centres and even some neighbourhood centres. Convenience centres located adjacent to major roads are drawing trade from the traditional neighbourhood centres, centres that are often a focus for public transport. Out of centre complexes centres are strengthening their presence – between 1991 and 1998 the proportion of turnover in department stores represented by bulky goods commodities

fell from 40% to 25% by 1998 (ABS Retail Surveys 1991, 1998). The emergence of electronic retailing is generating a new form of competition.

## 6. POPULATION AND DEMOGRAPHIC CHANGE

### 6.1 Introduction

Perhaps the most significant influence on the evolution of retail centres is population growth and change. The purpose of this section of the study is to examine these two aspects. It does so by reviewing the trends which have occurred not just in the Wollongong Local Government Area, but also the wider Illawarra, which includes the Shellharbour and Kiama Local Government Areas. This perspective is of particular relevance to the present study, for it is in the southern area of Wollongong extending into the northern parts of Shellharbour, that there has and continues to be substantial urban development.

### 6.2 Population growth

Wollongong is the principal centre in the Illawarra Region (Wollongong, Shellharbour, Kiama Local Government Areas), accounting for nearly approximately 70% of the region's population (259,511).

This region is experiencing significant population growth. Over the period 1986 to 2001 the population of Wollongong grew by 14,000, from 167,863 to 181,612. This equates to an 8.2% change. In Shellharbour, the population grew by 13,000, or 30%. And in Kiama, the population grew by 5,400, or 40%. While the growth in Wollongong is substantially less than that of Shellharbour and Kiama, its growth is off a significantly higher base.

**Table 5 - Population Change 1986 - 2001**

LGA	1986	1991	1996	2001	% 1986-01	%1996-01
Wollongong	167,863	173,764	177,009	180,358	8.2	2.6
Shellharbour	43,870	46,234	52,080	57,071	30.1	9.6
Kiama	13,442	15,908	17,706	18,827	40.1	6.3
<b>Total Illawarra</b>	<b>227,161</b>	<b>237,897</b>	<b>248,791</b>	<b>259,511</b>	<b>14.2</b>	<b>4.3</b>
NSW	5,401,881	5,731,906	6,038,696	6,371,745	18.0	5.5

Source: Australian Bureau of Statistics; 2001 Census

Looking to the future, the NSW Department of Infrastructure Planning and Natural Resources (DIPNR), formerly Planning NSW has developed 25 year population projections to the year 2026. These projections indicate that the population in Wollongong will rise by a further 23,100 (12.6%), to 206,600 by 2026 (DIPNR; 2003). In Shellharbour and Kiama, the population has been forecast to rise more dramatically. Respectively, the population of these areas are forecast to rise by 25,700 (47.8%) and 6,400 (35.0%).

**Table 6 - Population Growth Projection 2001 - 2026**

LGA	2001	2006	2011	2016	2021	2026	% Dist'n - 2026	Change 1996 - 26	%Change 1996 - 26
Wollongong	191,000	195,400	198,600	201,500	204,300	206,600	66.4	23,100	12.6
Shellharbour	60,100	64,600	69,100	73,200	76,600	79,600	25.6	25,700	47.8
Kiama	20,000	21,200	22,200	23,100	24,000	24,800	8.0	6,400	35.0
<b>Illawarra</b>	<b>271,100</b>	<b>281,200</b>	<b>289,900</b>	<b>297,800</b>	<b>304,900</b>	<b>311,000</b>	<b>100.0</b>	<b>55,200</b>	<b>21.6</b>
Total SD	4,154,700	4,361,400	4,549,700	472,500	4,893,400	5,156,300		1,175,200	40.4
NSW	6,609,400	6,904,600	7,171,700	7,421,900	7,653,200	7,860,800		1,656,400	26.7



Source: NSW Department of Infrastructure Planning and Natural Resources

Although it can be seen that Wollongong is forecast to experience a lower rate of population growth than the wider region (12.6%), the absolute increase of 23,100 represents a substantial proportion of growth in the wider region, and as such will serve to reinforce the dominance of the city and consolidate demand for services.

In other research which has been undertaken by MacroPlan to support DIPNR in the development of a regional strategy for the Illawarra, the Wollongong Statistical Division (Wollongong, Kiama, and Shellharbour Local Government Areas) has been forecast to grow to 344,000 by 2028, approximately 14,000 more than if the population continued to grow at historic rates. It is to be noted that this forecast is broadly comparable with that of DIPNR, for the decade 2001 – 2010. Thereafter the population is forecast to rise at a significantly higher rate, a trend which is attributed to overspill from the Sydney region.

**Table 7 - MacroPlan Population Forecast: 2003/04 – 2027/28**

	2003/04	2007/08	2012/13	2017/18	2022/23	2027/28
Trend	260,618	274,457	291,071	305,908	318,914	330,000
Forecast	260,925	276,264	295,772	313,643	329,830	344,250

Source: MacroPlan Australia, "Housing Supply and Demand Study: Illawarra Region", Feb 2004

## 6.3 Demographic Change

### 6.3.1 Current Characteristics

The following data has been derived from the 2001 Census undertaken by the Australian Bureau of Statistics.

**Table 8 - Demographic Profile: 2001**

	Wollongong	Shellharbour	Kiama	Total Illawarra SD	Sydney SD	NSW
<b>Population</b>						
Total	180,358	56,967	18,773	380,036	3,948,015	6,311,168
<b>Dwellings</b>						
Occupied. Private (%)	93.7	94.9	84.1	87.3	93.0	91.1
Unoccupied Private (%)	6.3	5.1	15.9	12.7	7.0	8.9
Total	73,465	20,994	8,264	165,265	1,546,691	2,571,540
Ave Household Size	2.5	2.7	2.3	2.3	2.3	2.5
<b>Age</b>						
0 – 14 (%)	20.2	24.2	21.9	21.6	20.2	20.8
15 – 29 (%)	21.3	20.2	16.1	18.9	21.9	20.5
30 – 44 (%)	21.8	23.2	20.4	21.3	23.8	22.7
45 – 59 (%)	17.9	17.7	19.6	18.4	18.4	18.6
60 – 74 (%)	12.4	10.7	13.5	13.4	10.1	11.3
75 + (%)	6.3	4.0	8.5	6.5	5.6	6.1
Median Age	36.0	33.5	39.9	37.1	34.9	35.8
<b>Weekly Household Income</b>						
\$0 – \$299 (%)	14.7	11.5	11.2	14.1	10.2	12.2
\$300 - \$599 (%)	22.5	23.3	21.4	24.7	16.8	20.6
\$600 - \$999 (%)	17.9	20.2	19.3	19.2	17.6	18.8
\$1,000 - \$1,499 (%)	16.2	18.9	17.1	15.6	16.7	15.7
\$1,500 – 1,999 (%)	10.1	9.5	10.3	8.9	13.3	10.9
\$2,000 + (%)	7.4	5.6	9.3	6.2	13.8	10.2
Partial Income Stated (%)	7.2	7.4	8.1	7.4	8.4	8.0
All Incomes not Stated (%)	3.9	3.7	3.2	3.9	3.3	3.5

Median Weekly Income (\$)	739	779	825	689	990	829
<b>Home Ownership</b>						
Owned/Being Purchased (%)	65.1	69.6	74.4	68.3	62.7	64.4
Rented	28.1	25.1	18.0	24.9	29.0	27.5
Other	2.5	1.9	4.3	2.6	2.4	2.8
Not Stated	4.4	3.5	3.3	4.3	6.0	5.3
<b>Household Structure</b>						
Family Households (%)	71.9	80.4	77.2	73.8	73.3	72.8
Lone Person Households (%)	24.5	17.6	21.4	23.3	22.4	23.4
Group Households (%)	3.6	1.9	1.4	2.8	4.3	3.8
<b>Labour Force</b>						
Managers + Administration (%)	5.7	4.3	8.5	6.3	9.0	9.4
Professionals (%)	19.4	11.0	23.6	17.3	21.2	19.1
Assoc. Professionals (%)	11.2	10.3	13.1	11.6	11.8	11.6
Tradespersons + related (%)	14.1	16.6	13.8	14.9	11.1	11.9
Adv. Clerical, Sales + Service (%)	3.4	3.1	3.6	3.5	4.5	4.2
Int. Clerical, Sales + Service (%)	16.5	17.0	14.4	15.9	17.2	16.5
Int. Production + Transport (%)	9.3	13.2	6.0	9.3	7.4	7.9
Elem. Clerical, Sales + Service (%)	10.2	12.4	8.7	10.4	9.1	9.3
Labourers + related (%)	8.2	10.0	6.4	8.7	6.6	8.0
Inadequately described (%)	0.9	1.0	0.9	0.8	0.9	0.8
Not Stated (%)	1.2	1.1	1.2	1.2	1.2	1.2
Total (No)	73,153	22,798	7,875	148,402	1,816,225	2,748,396
Unemployment Rate (%)	8.2	8.8	5.5	8.1	5.5	6.4

Source: Australian Bureau of Statistics, 2001 Census

Note: Total Illawarra SD includes Wollongong, Shellharbour, Kiama, Shoalhaven, and Wingecarribee LGAs

The current (2001 Census) salient characteristics can be broadly summarised as follows:

- At the 2001 Census the population of Wollongong Local Government area was 180,358, and represented around 70.0% of the population in Wollongong, Shellharbour and Kiama combined.
- The median age of the population was 36 years. This was higher than that of the population in Shellharbour to the south (33.5 years) and Sydney (34.9 years).
- The median weekly individual income for people aged 15 year and over in 2001 was \$739. This was substantially lower than Sydney (\$990) and NSW (\$829).
- Compared to Shellharbour and Kiama, there is a lower proportion of the population who own their home, and a higher proportion who rent.
- Wollongong and the wider Illawarra have higher proportions of unskilled and semi skilled workers and lower proportions of people with professional and managerial skills.

In order to determine an idea of the potential demand for goods, services and housing products in the Illawarra and more particularly Wollongong, it is important to establish an understanding of key demographic changes which have occurred over the past decade. Although past trends are not necessarily a guide to the future, they nonetheless provide valuable insights into what, where and how retail activity might evolve and in turn, a guide for future planning. There are several dimensions of the demographic profile which are of particular relevance. These include:

### 6.3.2 Population and Household Growth

A key determinant in the location nature and form of retail activity is population and household growth. Where there is population growth so there will be demand for retail floor space, and conversely in locations where there is a declining population, there will be a reduced capacity to sustain retail floor space. In Wollongong, it is in the areas to the south of the city that population and household growth both over the immediate and short term future is forecast to be greatest. The principal focus of this growth will

be the urban release area at West Dapto, where the population has been forecast to grow by up to 45,000 people.

### **6.3.3 Age Structure**

The age structure of Wollongong's population has over the past decade been aging. In 1991 the median age was 32 years. By 1996 it had increased to 34 years, and by 2001, it had risen to 36 years. This trend is being experienced across much of NSW, most especially in the coastal regions and elsewhere throughout Australia. Lower fertility rates, improved health and life expectancy have been the principal influences.

Over the period 1996 – 2001, this change has been reflected in a decline in numbers within the 0-4 age cohort – indeed, this was higher than the decline recorded for NSW as a whole. Significantly a decline in numbers was also evident in the 20 – 24 and the 30 – 34 age cohorts, which are key components of the labour force. In contrast, numbers in the older age cohorts, particularly the 70 year and over age cohort, registered a significant increase above the average for NSW. Research by IRIS has forecast the current trends are likely to continue.

A key driver of this trend has been seen to lie in the rapid development of new and more diverse housing and lifestyle opportunities for those in more mature age groups. It has also been seen to reflect the need for significant numbers in the labour force to migrate out of the region in search of employment as the local economy restructures from an industrial past. For retailing activity, an aging population is generating new and differing parameters of economic security and leisure time, generally in contrast with those of younger age cohorts, and creating new market segments with consequential implications for the location, extent and nature of retail floor space. This is being reflected in increasing demand for shopping opportunities which combine a wider range of complementary services, such as community facilities (eg libraries), professional services (eg medical services), and environmental and social amenity.

### **6.3.4 Increase in Part Time Employment**

One of the most significant demographic changes to have occurred over the past decade has been the growth in the number of people working on a part time basis. Since 1981 the proportion of the NSW workforce employed part time rose from 15.65% to 32.23%. In the Illawarra and South Coast Region, the proportion of males and females in the workforce working on a part time basis in 2001 was 22.25% and 53.95% respectively (IRIS, 2003). This pattern, along with the increasing numbers of women in the workforce, has and continues to influence shopping behaviour with resulting pressures to introduce more flexible trading hours.

### **6.3.5 Longer Working Hours**

Apart from the growth in part time employment, working hours have become longer. This has generated pressure for retailers and centre owners to introduce new formats and more flexible operating times in order to satisfy changing shopper needs. Data derived from the Australian Bureau of Statistics, indicates that the average number of hours worked per week by full-time workers has risen by 1.4 hours, from 39.1 hours in 1986 to 40.5 hours in 1996. When considered in the context of the time required to undertake essential shopping during a working week, this is comparatively significant.

### **6.3.6 Workforce Participation**

A further significant influence on retailing activity has been the increase in the number of women in the workforce. In 1981, the proportion of females (aged 15+) working at least part of the year was 37.15%. By 2001 the proportion had risen to 44.69%. Over the same period the proportion of males in the workforce fell from 62.85% to 55.31%. In the Illawarra and South Coast Region the relative proportions

are similar, with the proportions females and males aged 15 years and over in the regional work force, being 45.8% and 61.3% respectively (IRIS, 2003).

### 6.3.7 Household Structure

One of the most significant demographic trends has been a decline in the average household size. Across NSW, this has fallen from 3.7 in 1986 to 2.9 in 2001. In the Illawarra and South Coast Region, average household size has decreased even further from 2.9 in 1986 to 2.1 in 2001 (IRIS, 2003). The declining occupancy rate is being reflected in higher numbers of single parent families; couples postponing the raising of children; couples choosing to have fewer children or no children; aged person households and people living alone; and single parent households. When data derived from the 1986 Census is compared with that of the 2001 census, it can be seen that the number of people living alone is on the increase. Over this period the proportion has risen from 7.6% of all households to 17.8% of all households. In contrast the proportion of two parent families has fallen from 55.9% to 47.1%.

**Table 9 - Household Structure: Wollongong**

	1986		1991		1996		2001	
	No	%	No	%	No	%	No	%
One parent	3,613	7.8	6,128	13.2	7,210	15.2	7,684	15.8
Couple only	14,251	30.7	14,306	30.8	15,755	33.2	17,262	35.5
Two parent	25,959	55.9	24,885	53.6	23,424	49.3	22,902	47.1
Other families	2,601	5.6	1,136	2.4	1,124	2.4	743	1.5
Total	46,424		46,455		47,513		48,591	

Source: Australian Bureau of Statistics 1986, 1991, 1996, 2001 Census.

### 6.3.8 Occupational characteristics

In comparison to NSW, Wollongong's labour force has traditionally comprised high numbers of unskilled and semi skilled workers and less people with professional and managerial skills. Recently however, there had been a noticeable shift towards a more skilled and adaptable labour force.

Professionals and associate professionals which together accounted for 22% of occupations in 1986 increased their representation to 31% in 2001, while managers increased from 3.3% to 5.8%. And clerical, sales and service workers rose from 10.4% to 16.8% of the labour force.

Over the same period (1986 – 2001) there were corresponding declines in the numbers of tradespersons, production and transport workers and labourers. Together, their representation fell from approximately 47% of the labour force in 1986 to 32% in 2001.

### 6.3.9 Income and Expenditure

In 2001, the median weekly individual income for people in Wollongong aged 15 years and over was \$739. This was substantially lower than Sydney (\$990) and NSW (\$829) and marginally lower than Shellharbour (\$779) and Kiama (\$825).

According to a national survey by the Australian Bureau of Statistics in 1998, people living in Wollongong spend on average approximately \$612.00/week, compared with the average expenditure across NSW of 674.00/week. Wollongong residents also spend slightly less on all other categories. The only exception to this pattern was expenditure on fuel and power, alcoholic beverages and tobacco – in these categories Wollongong residents had a slightly higher expenditure than across NSW. Significantly, current housing costs absorb some \$20.00/week less than the average for NSW.

**Table 10 - Average Household Weekly Expenditure - 1998**

Category	Wollongong (\$)	NSW (\$)
Current Housing Costs	81.25	104.57
Fuel and Power	16.30	15.85
Food and Non-Alcoholic Beverages	119.49	128.73
Alcoholic Beverages	20.76	20.04
Tobacco	13.03	12.68
Clothing and Footwear	32.78	35.86
Household Furnishings and Equipment	38.75	43.18
Household Services and Operations	32.74	34.42
Medical Care and Health Expenses	30.41	33.68
Transport	93.4	98.75
Recreation	79.88	86.53
Personal Care	13.36	13.73
Misc. Commodities and Services	47.40	39.55
	612.29	674.32

Source: Australian Bureau of Statistics, Regional Profile, Wollongong Local Government Area, 1998

## 6.4 Settlement and land use patterns

The Wollongong Local Government Area encompasses a comparatively narrow strip of coastal plain, which is bounded by the steep rise of the Illawarra Escarpment to the west and the Pacific Ocean to the east. With these physical constraints, the Local Government Area has a long lineal form, stretching some 40 kilometres in a narrow virtually unbroken line from the small township of Helensburgh in the north to the northern edge of Lake Illawarra and Windang in the south.

The largest concentration and most densely developed area of urban development is centred on the Wollongong City Centre. This is located at the base of Mount Keira and the Illawarra Escarpment, approximately 20 kilometres south of the northern boundary of the Local Government Area. It is here that the principal corporate, administrative, retail, education and cultural functions of the region and higher density residential development are focussed. This area is broadly bounded to the north by Bourke Street, to the east by the City Beach and Pacific Ocean, to the south by Swan Street and Coniston and to the west by the Railway and Wollongong Hospital.

To the north of the City Centre, urban development is essentially confined to a corridor centred on the Princes Highway and the Sydney railway, and contained by the Illawarra Escarpment to the west and the Pacific Ocean to the east. Along this corridor, commercial and retail land uses are concentrated in several small centres. From the City Centre towards the north, these include Fairy Meadow, Woonona, Thirroul, Corrimal and Helensburgh. Beyond these centres the land use pattern is predominantly low density residential development, interspersed with several small local centres, serving their immediate neighbourhood. The exceptions to this broad land use pattern are areas of light industrial and bulky goods retail development; and the Illawarra Institute of Technology and University of Wollongong, which are largely concentrated between the northern periphery of the City Centre and Fairy Meadow.

To the south of the City Centre, beyond Coniston, lies the industrial heart of Wollongong and the wider Illawarra. It is here that the Port Kembla steelworks, various associated manufacturing activities and the infrastructure of Port Kembla Harbour cover several hundred hectares of land which extend from the coast to a short distance east of the F6 Freeway and north of Lake Illawarra.

In the areas further to the south extending to the edge of Lake Illawarra, much of the land use is low density residential development. The exceptions are several town centres, the largest of which is sub regional centre of Warrawong and the nearby cluster of bulky goods retailing activity at Kemblawarra. Other town centres which contain a comparatively small amount of retail activity include Windang, Berkeley and Port Kembla.

South west of the Wollongong City Centre, in a corridor centred on the Princes Highway and the F6 Freeway, land use again comprises a mix of activity. Low density residential development extends from the periphery of the City Centre south west to Farmborough Heights, west to the Illawarra Escarpment and south to Berkeley and Unanderra. Large residential suburbs have and are continuing to develop in areas surrounding Dapto and Horsley. A substantial pocket of industrial land use is concentrated at Unanderra immediately to the east and west of the F6 Freeway. And substantial areas are undeveloped and used primarily for agricultural purposes, have been developed for recreational purposes (The Grange Golf Course, Kembla Grange Racecourse) or are low lying open space.

Significantly, it is in the south west corridor that much of the future potential for new residential and employment growth is concentrated. This is essentially centred on the area to the west of the Princes Highway at West Dapto and Kembla Grange.

One of the most significant features of the land use and settlement pattern in Wollongong is its physical containment. Beyond the northern boundary of the Local Government Area, is the Royal National Park – a large area of natural habitat which extends to the southern periphery of the Sydney metropolitan region. This represents an effective barrier to any urban expansion northward. To the west beyond the Illawarra Escarpment, lie the Southern Highlands. Throughout this area there are large tracts of natural habitat, much of which forms parkland and catchment areas for the metropolitan water supply, and which allows only limited opportunities for east west access. To the south, the coastal plain continues and it is in this direction that much of the existing and future pressure for urban expansion is being felt, most particularly in the areas immediately surrounding Shellharbour and Albion Park.

## 6.5 Regional development and prospects

Over the past two decades Wollongong has experienced a dramatic change in its employment and workforce patterns. Over this time a significant contraction in the manufacturing sector has been countered with growth in the knowledge based and services sectors – the sectors embracing retail, education, health and community services; and property and business services.

In parallel there has been a decline in total employment, with a consequential increase in the number commuting to Sydney for employment, and an increase in higher skill level jobs and a contraction in lower skill entry level jobs.

**Table 11 - Wollongong Employment by Industry Cluster**

	1996	2001	Difference	Share 1996 (%)	Share 2001 (%)
<b>Goods Producing</b>					
Agric. Forestry + Fishing	195	264	69	0.3	0.4
Mining	1,177	699	-478	1.8	1.1
Manufacturing	13,511	12,388	-1,123	20.3	18.7

Elect. Gas Water supply	724	567	-157	1.1	0.9
Construction	4,445	3,573	-872	6.7	5.4
	<b>20,052</b>	<b>17,491</b>	<b>-2,561</b>	<b>30.1</b>	<b>26.3</b>
<b>Goods Related Services</b>					
Wholesale Trade	2,746	2,603	-143	4.1	3.9
Transport + Storage	2,485	2,407	-78	3.7	3.6
	<b>5,230</b>	<b>5,010</b>	<b>-221</b>	<b>7.9</b>	<b>7.5</b>
<b>Business + Knowledge Based</b>					
Communications Services	1,087	1,088	1	1.6	1.6
Finance and Insurance	1,,950	2,217	267	2.9	3.3
Property + Business Services	6,538	6,574	36	9.8	9.9
Post Secondary Education	1,787	2,412	625	2.7	3.6
	<b>11,362</b>	<b>12,291</b>	<b>929</b>	<b>17.1</b>	<b>18.5</b>
<b>Government + Defence</b>					
Govt. Admin. + Defence	2,235	2,672	437	3.4	4.0
	<b>2,235</b>	<b>2,672</b>	<b>437</b>	<b>3.4</b>	<b>4.0</b>
<b>In Person Service Industries</b>					
Accom. Cafes, Restaurants	4,028	3,434	-594	6.0	5.2
Retail Trade	9,165	9,957	792	13.8	15.0
Primary + Secondary Educ.	3,621	3,834	213	5.4	5.8
Health + Community Services	6,841	7,595	754	10.3	11.4
Cultural + Recreational Services	1,073	1,290	217	106	1.9
Personal +Other Services	2,220	2,349	129	3.3	3.5
	<b>26,948</b>	<b>28,459</b>	<b>1,511</b>	<b>40.5</b>	<b>42.9</b>
Non classifiable	754	487	-267	1.1	0.7
<b>Total Employment</b>	<b>66,582</b>	<b>66,410</b>	<b>-172</b>	<b>100.0</b>	<b>100.0</b>

Source: Buchan and Associates "Wollongong Economic Road Map" 2004

This restructuring in the regional economy has significant implications for the future of Wollongong. In the "Economic Development Road Map", prepared for the Wollongong City Council by Buchan and Associates in 2004, there is an emerging imperative to generate substantially higher jobs growth over the near future. It will need to transform itself as a location for value added manufacturing, a regional services centre and a centre for knowledge based activities" (B Buchan and Associates, "Economic Development Road Map" 2004).

In meeting the challenges presented by this economic restructuring a range of significant strategic initiatives have been identified

In the development of the City Centre Structure Plan there has been a broad recognition of the need to foster the development of a "living centre" with land use diversification with dense residential development, reinforce the function of the core as a focus of retail and office based activity and build on the access to existing physical, services, and transport infrastructure. There is now much evidence of these objectives being realised with a significant increase in medium – high density residential development in and around the City Centre.

The University of Wollongong has initiated the development of the "Innovation Campus" on the northern periphery of the City Centre immediately to the east of Fairy Meadow – this has been forecast to attract up to 3,000 persons over a 15 – 20 year period. Port Kembla is to accommodate a new container terminal, which is estimated to generate up to 1,500 new jobs in port related functions, in expanded local manufacturing and in new businesses. In health services several hundred jobs are anticipated through the expansion of the Hospital and other associated services.

The target sectors for future growth are therefore seen to be the "goods producing industries (26% of employment) and goods related industries (8% of employment) especially in value added manufacturing, knowledge and business services (18.5% of employment), service industries (43% of employment) and "experience industries" (7% of employment) (B Buchan and Associates, "Economic Development Road Map" 2004).

In a spatial context, the focuses of future employment growth are broadly seen to be the City Centre and the supporting centres of retailing activity and commerce, areas offering the potential for the development of new manufacturing and employment activity, the Innovation Campus and to a lesser extent the areas of traditional industrial activity, such as the Port Kembla area. With respect to new employment areas, investigations to date (eg Hassell, “Wollongong Industrial Sector Analysis”, 2002) suggest that these will include areas located at Kembla Grange and West Dapto.

In terms of population and household growth, it has already been reported that this has and is expected to be significant. It has been forecast that the population in the Illawarra Region will rise from 271,000 in 2001 to 311,000 by 2026 (DIPNR; 2003). More recent research indicates however that these projections are conservative (Macro Plan Australia, “Housing Supply and Demand Study: Illawarra Region”, 2004). This indicates that the population in the region will rise to between 330,000 and 344,250.

To meet the resulting demands for residential development, it has been concluded that future growth will be accommodated through a process of infill development, especially in and around the principal centres, and green field development. With respect to the latter the target areas identified include West Dapto in the Wollongong Local Government Area, the Calderwood Valley in the Shellharbour Local Government Area and West Kiama and South Gerringong in the Kiama Local Government Area.



## 7. RESIDENTIAL GROWTH

### 7.1 Introduction

Current and future residential development and consequential population will be a significant influence on the demand for goods, services and housing products. In this section an insight is provided of the changes which have occurred in the dwelling stock and the growth forecast for Wollongong and the wider Illawarra.

### 7.2 Residential Stock Change

Over the decade (1991 – 2001), there has been a comparatively dramatic increase in the proportion of residential development at a higher density – that which is generally more suitable to the needs of smaller household units. In 1991 approximately 22.3% of the housing in Wollongong was medium - high density. By 2001 the proportion had risen to 26.5%. The most significant increase was in the development of semi - detached dwellings. In Wollongong these increased at an average rate of 6.7%/annum. For the pattern of retail activity, this trend towards higher residential development densities will inevitably result in denser trade areas and higher levels of sustainability.

**Table 12 - Residential Stock 1991 - 2001**

	Wollongong			Illawarra (1)		
	1991	2001	% Change pa	1991	2001	% Change pa
Detached	48,626	52,215	0.7	68,127	76,338	1.1
Semi -detached	3,202	6,107	6.7	4,206	8,546	7.3
Flat, Unit/Apartment.	11,300	13,344	1.7	12,840	15,405	1.8
Other	1,169	1,256	0.7	1,588	1,682	0.6
Not Stated	525	544	0.4	630	755	1.8
Total	64,822	73,466	1.3	87,391	102,726	1.8

Source: Australian Bureau of Statistics, 2001

Note: Illawarra includes Wollongong, Shellharbour; Kiama Local Government Areas (i.e. excludes Wingecarribee and Shoalhaven)

Although the housing structure in Wollongong is dominated by detached dwellings, most of which are owned or being purchased (65.0%), there is a significant proportion of rented public housing. This accounts for approximately 8.9% of all housing and almost twice the proportion for NSW as a whole.

### 7.3 Dwelling and Lot Supply Forecasts

As has been previously indicated, DIPNR has forecast that the population in Wollongong will rise by a further 23,100 (12.6%), to 206,600 by 2026 (DIPNR; 2003). In Shellharbour and Kiama, the population has been forecast to rise more dramatically. Respectively the population of these areas are forecast to rise by 25,700 (47.8%) and 6,400 (35.0%). In total, the Illawarra is forecast to grow by 55,200 people, which broadly translates into a demand for an additional 22,100 dwellings, or 1,380 per dwellings annum.

The DIPNR has also forecast (2002 Housing Forecast Forums) that housing supply or net dwelling increase for the Illawarra over the five years from 2002/03 to 2006/07, will be approximately 7,540 dwellings, with an annual average supply for the region of around 1,700 dwellings.

**Table 13 - Housing Supply in Illawarra: 2001/02 - 2006/07**

	Historical		Forecast							Total
	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	
Wollongong	949	1,157	967	1,030	940	930	765	675	610	3,920
Shellharbour	468	491	558	615	490	490	640	630	620	2,870
Kiama	133	115	104	117	140	175	155	145	135	750
Illawarra Tot.	1,550	1,763	1,629	1,762	1,570	1,595	1,560	1,450	1,365	7,540

Source: DIPNR; 2002 Regional Consultations (MDP and MUDP)

Dwelling production declined from a peak of 1,790 in 1993/94 to 1,390 in 1997/98 as the development of greenfield sites in Kiama and Wollongong approached completion. This was followed by the pre-GST rise in development activity, which saw the production of new dwellings rise to 1,762 in 1999/2000. And since that time, the growth in dwelling stock has been estimated to be at an average level of approximately 1,500 dwellings per annum.

The principal focus for the supply of new greenfield residential land in the Illawarra is Shellharbour, with Wollongong and Kiama accounting for just 20% and 10% of the supply respectively. The forecasts by DIPNR, indicate that Shellharbour will supply an average of around 470 new residential allotments over the five year period from 2002/03

### 7.3.1 Established Areas

- Wollongong**  
 The redevelopment opportunities in the existing urban areas are mostly concentrated in Wollongong. Here, it has been estimated residential site production will average approximately 630 new dwellings per annum and result in some 3,100 new dwellings over the five year period from 2002/03.

**Table 14 - Housing Supply - Wollongong**

	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	5 Yr Total
<b>Wollongong</b>										
<b>Established Areas</b>										
Hacking River										
Helensburgh	36	23	21	9	0	55	0	10	0	65
Hinterland	0	2	2	0	0	5	0	0	0	5
North Suburbs										
Urban	228	372	210	124	140	140	140	140	140	700
Stanwell Park	4	12	5	1	5	5	5	5	0	20
Hinterland	0	0	0	0	0	0	0	0	0	0
Wollongong Centre										
South	55	53	104	20	150	150	150	150	150	750
North	43	73	107	52	100	100	50	50	50	350
Wollongong South	181	161	136	146	50	50	100	150	100	450
Wollongong West	23	65	63	32	30	30	30	30	30	150
Lake Illawarra North										
Urban	135	191	116	174	150	200	150	80	80	660
Hinterland	0	0	0	0	0	0	0	0	0	0
<b>Subtotal</b>	<b>705</b>	<b>952</b>	<b>764</b>	<b>668</b>	<b>625</b>	<b>735</b>	<b>625</b>	<b>615</b>	<b>550</b>	<b>3,150</b>
<b>Greenfield Areas</b>										
Northern Suburbs										
Edgewood	0	0	19	147	100	100	50	0	0	250
Sandon Point	0	0	0	0	115	95	90	60	60	420
Lake Illawarra North										
Horsley 1+ 2	244	205	184	215	100	0	0	0	0	100
West Dapto	0	0	0	0	0	0	0	0	0	0
<b>Subtotal</b>	<b>244</b>	<b>205</b>	<b>203</b>	<b>362</b>	<b>315</b>	<b>195</b>	<b>140</b>	<b>60</b>	<b>60</b>	<b>770</b>
<b>Total</b>	<b>949</b>	<b>1,157</b>	<b>967</b>	<b>1,030</b>	<b>940</b>	<b>930</b>	<b>765</b>	<b>675</b>	<b>610</b>	<b>3,920</b>

Source: NSW Department of Infrastructure Planning and Natural Resources, 2002 Regional Consultations

- Shellharbour and Kiama

In Shellharbour and Kiama, this potential is seen to be considerably less, at an average of around 100 and 90 dwellings per annum respectively. This would equate to a total of around 520 new houses in Shellharbour and 440 in Kiama over the five year period from 2002/03.

**Table 15 - Housing Supply - Shellharbour**

	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	5 Yr Total
<b>Shellharbour</b>										
<b>Established Areas</b>										
Lake Illawarra S. - Albion Park	11	29	25	8	20	20	20	30	30	120
Lake Illawarra S – Hinterland	29	20	28	19	20	20	30	40	50	160
Warilla	39	63	35	29	30	30	60	60	60	240
Shellharbour - Hinterland	0	0	0	0	0	0	0	0	0	0
Subtotal	69	112	88	56	70	70	110	130	140	520
<b>Greenfield Areas</b>										
Lake Illawarra S.										
Albion Park South	101	97	174	252	150	100	100	0	0	350
Albion Park West 1	0	0	0	0	0	0	0	0	0	0
Albion Park West 2	0	0	0	0	0	0	0	0	0	0
Calderwood	0	0	0	0	0	0	0	0	0	0
Shellharbour Centre	30	0	0	0	0	0	30	50	80	160
Tullimbah Village	0	0	0	0	0	50	100	150	150	450
Dunmore	0	0	0	0	0	0	0	0	0	0
Lakeview	158	175	158	164	120	120	150	150	100	640
Shellcove	110	107	137	143	150	150	150	150	150	750
Subtotal	399	379	470	559	420	420	530	500	480	2,350
<b>Total</b>	<b>468</b>	<b>491</b>	<b>558</b>	<b>615</b>	<b>490</b>	<b>490</b>	<b>640</b>	<b>630</b>	<b>620</b>	<b>2,870</b>

Source: NSW Department of Infrastructure Planning and Natural Resources, 2002 Regional Consultations

**Table 16 - Housing Supply - Kiama**

	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	5 Yr Total
<b>Kiama</b>										
<b>Established Areas</b>										
North Kiama	25	23	23	17	20	10	10	10	10	60
Kiama										
Urban	50	43	65	87	40	50	40	40	40	210
Hinterland	2	4	0	0	5	5	5	5	5	25
Gerriongong	52	42	10	8	5	20	20	20	20	85
Jamberoo	4	3	3	5	0	0	0	0	10	10
Gerroa	0	0	3	0	10	10	10	10	10	50
Subtotal	133	115	104	117	80	95	85	85	95	440
<b>Greenfield Areas</b>										
West Kiama	0	0	0	0	30	30	30	20	20	130
South Gerriongong	0	0	0	0	30	50	40	40	20	180
Subtotal	0	0	0	0	60	80	70	60	40	310
<b>Total</b>	<b>133</b>	<b>115</b>	<b>105</b>	<b>117</b>	<b>140</b>	<b>175</b>	<b>155</b>	<b>145</b>	<b>135</b>	<b>750</b>

Source: NSW Department of Infrastructure Planning and Natural Resources, 2002 Regional Consultations

### 7.3.2 Greenfield Residential Land

- Wollongong

In Wollongong, new greenfield residential land is being released in the northern areas of Wollongong at Edgewood and Sandon Point, and in the Lake Illawarra area of Horsley. These areas have a remaining capacity of 640 residential allotments, the vast proportion of which are

concentrated in the northern areas and are expected to be absorbed over the next 5 years. At Horsley in the southern area of the LGA, the supply is almost exhausted.

Beyond these areas, there is a long term potential supply of approximately 17,000 allotments at West Dapto. This area however, is currently subject of investigations to determine infrastructure requirements, staging and urban form, and therefore it is unlikely that land for residential development will become available over the next five years.

- Shellharbour

Within the Illawarra, population and dwelling growth over the next five years has been forecast to be particularly high in Shellharbour, directly to the south of Wollongong. Here there are several major urban release areas which are currently being developed (Shellcove, Lakeview, Albion Park South and Tullimbah Village) and are estimated to have a capacity to provide an average of approximately 350 – 400 allotments per annum over the next five years.

Long term potential is also expected to be derived from urban release areas at Albion Park West, Lakeview, Shellharbour City Centre, Shellcove, Calderwood, and Dunmore. These release areas have a total capacity of 15,060 residential allotments, of which approximately 2,380 allotments are expected to be supplied over the five year period to 2006/07.

- Kiama

In Kiama there are two urban release areas: West Kiama and South Gerringong. These have a total capacity of 680 residential allotments, of which approximately 340 remain. This remaining capacity is forecast to be absorbed over the next five years at an average rate of approximately 70 allotments per annum. Longer term development potential has been identified in South Gerringong; however this is dependent on the commissioning of a new sewerage treatment plant.

**Table 17 - Land Potential in Greenfield Areas**

	Total Potential	Consumption next 5 Years	Remaining Potential
<b>Wollongong</b>			
Edgewood	150	150	0
Sandon Point	390	390	0
Horsley 1+ 2	100	100	0
West Dapto	17,000	0	17,000
<b>Total Wollongong</b>	<b>17,640</b>	<b>640</b>	<b>17,000</b>
<b>Shellharbour</b>			
Albion Park South	350	350	0
Albion Park West 1	500	0	500
Albion Park West 2	500	0	500
Calderwood	8,700	0	8,700
Shellharbour City Centre	150	150	0
Tullimbah Village	1,700	450	1,250
Dunmore	200	40	160
Lakeview	850	640	210
Shellcove	2,110	750	1,360
<b>Total Shellharbour</b>	<b>15,060</b>	<b>2,380</b>	<b>12,680</b>
<b>Kiama</b>			
West Kiama	130	130	0
South Gerringong	550	210	340
<b>Total Kiama</b>	<b>680</b>	<b>340</b>	<b>340</b>
<b>Total Illawarra</b>	<b>33,380</b>	<b>3,360</b>	<b>30,020</b>

Source: NSW Department of Infrastructure Planning and Natural Resources, 2002 Regional Consultations.

## 7.4 Recent research

Recent research of particular relevance is that of MacroPlan Australia, which has been briefly canvassed in an earlier section (Section 3.8).

This research was focussed on developing an understanding of housing supply and demand in the Illawarra region (Wollongong, Shellharbour, and Kiama Local Government Areas). It looked at potential lot and dwelling yields from existing zoned Greenfield sites, it identified areas offering infill opportunities and estimated their potential lot and dwelling yields, it estimated servicing capacities of major utilities and infrastructure networks, it estimated housing demand within the region; and it estimated the affects of the population spill/leakage from the Sydney Metropolitan Region.

With respect to housing demand, two growth scenarios were derived. One, which was based on historic rates of growth, forecast that the population of the Illawarra region would rise to 330,000 by 2028. This assumed that annual in migration from Sydney would rise from 1.3% per annum (of total Sydney movers) to 2.1% per annum by 2028. The other scenario forecast that the population would rise to 344,250, which reflected an accelerated rate of growth in response to increased in migration from Sydney. In this scenario annual in migration was assumed to rise from 1.3%per annum (of total Sydney movers) to reach 2.1% per annum by 2018 and 2.3% per annum by 2028.

Estimates of housing supply were based on infill and greenfield opportunities to 2028, identified through consultation with councils, state agencies, and development representatives. Several scenarios of supply were generated, which reflected planning policy mixes and infrastructure capacity. In all scenarios, It was concluded that the future housing market in the Wollongong Region would be significantly driven by the overspill from Sydney population expansion.

To meet the resulting demand from both natural growth and in migration, the principal sources identified for greenfield supply were at West Dapto in the Wollongong Local Government Area, and Calderwood Valley and Tullimbah Village in the Shellharbour Local Government Area. (Other areas identified in the Metropolitan Development Program were not considered in the forecasts).

The study also concluded that infill (medium density) development would also be crucial in meeting future housing supply. And with this in mind, the study estimated potential residential development yields in the key centres of the region. These are presented below.

**Table 18 - MacroPlan Infill Density Forecast**

LGA	Key Centre	Lots (p.a.)		Dwelling Yield	Dwellings (p.a.)	
		Low	High		Low	High
Wollongong	Thirroul	20		1.15	23	23
	Bellambi	30		1.20	36	36
	Corrimal	30		1.25	38	38
	Fairy Meadow	40		1.20	48	48
	Wollongong	60	100	1.25	75	125
	Fig Tree	40	60	1.25	50	75
	Unanderra	40	60	1.20	48	72
	Dapto	35		1.15	40	40
	Warrawong	20		1.25	25	25
	<b>Total</b>		<b>315</b>			<b>383</b>
Shellharbour	Warilla	35		1.25	44	44
	Shellharbour	20		1.25	25	25
	Oak Flats	35		1.25	44	44

	Albion Park	15	1.20	18	18
	<b>Total</b>	<b>105</b>		<b>131</b>	<b>131</b>
<b>Kiama</b>	Kiama TC	15	1.15	17	17
	Gerringong	20	1.20	24	24
	<b>Total</b>	<b>35</b>		<b>41</b>	<b>41</b>

Source: MacroPlan, "Housing Supply and Demand Study: Illawarra Region", 2004,

The Wollongong Local Government Area is clearly the predominant source of both greenfield and infill housing supply in the medium and long term. A review of data derived in this study (page 33) suggests that over the period 2004 – 2015, the growth in the number of dwellings will be in the order of 0.9% per annum.

## 8. THE PLANNING FRAMEWORK

### 8.1 Introduction

This section seeks to provide an overview of the existing planning framework within which retail activity in Wollongong is managed. It includes the policy and statutory provisions at the State, regional and local levels, and background research on various aspects relevant to town centre development in Wollongong.

### 8.2 Overview

In New South Wales the legal framework for the regulation of land use is broadly defined under the Environmental Planning and Assessment (EPA) Act, (1979) the Heritage Act, (1977) and various legislation relating to the control of pollution. Under the EPA Act, to gain a complete picture of the possibilities and constraints of a particular site it is necessary to consult a wide range of sources. These include:

- Local Environmental Plans;
- deemed environmental planning instruments;
- development control plans;
- council codes/policies;
- regional environmental plans,
- State Environmental Planning Policies,
- Directions under sections 117 (2) and 71 of the EPA Act,
- departmental circulars,
- model provisions; and
- management plans

For the present study a brief outline is presented below of the key planning policies which are relevant to the planning and development of retail activity in the Wollongong Local Government Area.

### 8.3 State and regional planning instruments.

#### 8.3.1 Regional Environmental Plans

##### **Illawarra Regional Environmental Plan**

The “Illawarra Regional Environmental Plan No 1” has a broad application, covering the Local Government Areas of Wollongong, Shellharbour, Kiama, Shoalhaven (apart from the area covered by the Jervis Bay REP 1996) and Wingecarribee. Its purpose is to provide a broad strategic guidance for planning and decision making on the optimum use of land resources.

For commercial centres (Part A), the plan seeks to ensure that development occurs in a manner which suits the convenience of consumers, promotes shopping and pedestrian amenity and optimises private and public investment. To support this objective, there are several provisions which are of specific relevance.

One relates to circumstances where a draft local environmental plan provides for an increase in the supply of retail floor space. Here the DIPNR must be satisfied that it will not have a detrimental impact on the

existing or potential function of land contained within a sub-regional or regional commercial centre, which in Wollongong, includes the City Centre and Warrawong.

One recognises and reinforces the status of the Wollongong City Centre as the “major regional commercial centre”. This is to be achieved by encouraging a wide range of office, retail and entertainment facilities and establishments providing high quality goods and services as well as convenience shopping.

### **8.3.2 State Environmental Planning Policies**

#### **State Environmental Planning Policy No 11 – Traffic Generating Development**

This SEPP was prepared in 1985 (as amended) and provides the rationale for consultation required in relation to traffic generating developments. The Roads and Traffic Authority is established as the sole traffic management authority to be consulted during the development assessment stage. This requirement for consultation is triggered on the basis of the scale and type of development proposed. The RTA is provided with the opportunity to make a representation on a development application before a council decides whether to approve a proposal.

#### **State Environmental Planning Policy No 22 – Shops and Commercial Premises**

This SEPP provides controls to permit changes of use from one kind of shop to another or one kind of commercial premises to another within a business zone. This change of use is still considered to be permissible, even if the proposed use is prohibited under an environmental planning instrument. Despite these provisions however, the consent authority must be satisfied that the change of use will have no or only minor environmental impact before development consent is granted.

#### **State Environmental Planning Policy No 66 (Draft) – Integration of Land Use and Transport**

This Draft SEPP identifies several planning objectives that are essential to ensuring that urban structure, building forms; land use locations, development designs, and subdivision and street layouts will be achieved.

In essence the policy seeks to achieve an improved integration of land uses in support of centres and the transport systems that serve them. To this end it has a particular focus in the preparation of local environmental plans, development control plans, master plans and development applications, on developments that generate many trips from employees, customers or visitors; developments such as retailing activity. The principle being to encourage the development of a sustainable network of vibrant and accessible mixed use centres

#### **Directions under Section 117 (2) and 71 of the EPA Act.**

Section 117 Directions can include those which are applicable to all local government areas, and those which apply to a specific area. These provide guidance to Council in the preparation of draft Local Environmental Plans in accordance with the principles set out in the direction. Under the EPA Act, the Directions which are not applicable to the Wollongong Local Government Area are those specified as G1 – G18. Of the remaining Directions (G19 – G28), those of relevance to the planning and development of retail activity include Direction G25 Flood liable land and G27 Planning for bus services.



Determinations under Section 71 of the EPA Act, are intended to simplify and enhance the flexibility of Local Environmental Plans, by reducing the number of local environmental plans and the number of zones within each local environmental plan and limiting the range of development standards over and above those contained in the Model Provisions. In circumstances where a local environmental plan is prepared for a commercial purpose, there is a determination that the development standards include floor space ratio, in addition to those specified in the Model Provisions.

### 8.3.3 Local Planning Policy

#### Wollongong Local Environmental Plan 1990

In Wollongong, the development of retail land use is essentially controlled by the provisions of the City of Wollongong Local Environmental Plan 1990 (WLEP) with additional guidance provided by the Wollongong Development Control Plan (WDCCP) No. 6 (1992).

Under the WLEP, retail development is, subject to planning consent, permitted in four primary zones. These include:

- Zone 3(a) - General Business Zone  
The primary objective of this zone is "... to focus and consolidate retail and business development in accessible locations..."
- Zone 3(b) - Neighbourhood Business Zone  
The primary objective of this zone is "... to allow for business and neighbourhood activities which serve the local community and are limited in scale..."
- Zone 3(c) - Regional Business Zone  
The primary objective of this zone is "... to promote the growth of Wollongong Central Business District as the regional centre..."
- Zone 3(d) - Commercial Services Zone  
The primary objective of this zone is "...to allow for large scale sale rooms or showrooms trading in bulky goods and small scale services, which are not establishments, normally found in a business area, to locate close to business areas ...".

Beyond these primary zones, retail development is however possible (subject to Development Consent) in several other zones specified in the WLEP, 1990. For example, **shops are a permitted use, subject to development consent, in the recently designated "3(e) – Research and Development Zone (Wollongong Innovation Campus)"**. It is understood however that these are envisaged to form part of the necessary support services and facilities. In other words the provisions are not intended to enable the development of a centre which might compete with other nearby established retail infrastructure, such as Fairy Meadow.

Elsewhere, there is considerable flexibility. In zones not specifically designated for retailing activity, specific provisions "...allow development for other purposes..." or "allow some diversity of activities..." which do not prejudice the primary objective of the zone from being achieved or "...significantly detracts from the character of the locality or the operation of any existing or proposed development nearby".

Special provisions also allow for specific forms of retail activity (eg "local service for the immediate area", "an urgent community need", "tourist related development") (WLEP, 1990; Clause 11), to be permitted in exceptional circumstances (eg "no more appropriately zoned sites or accommodation is available in reasonable proximity to the proposal", "there will be minimal interference with the amenity of the area",

“there is a clear need for the service in the local area”), in zones other than those designated for such purposes.

Furthermore, although the WLEP, 1990, seeks to focus bulky goods retail development in the “3(d) – Commercial Services Zone”, this form of development can also be permitted, subject to planning consent, in the “3(a) - General Business Zone”, “3(b) - Neighbourhood Business Zone”, and the “4(a) – Light Industrial Zone”. It is also proposed that it be permitted in a new “3(f) – Business Park Zone”, which has been identified for land located immediately to the east of Shellharbour Road, Kemblawarra.

### **Wollongong Development Control Plan No 6 – Commercial and Industrial Development (1985)**

WDCP No 6 establishes the Wollongong City Council’s standards and guidelines affecting commercial and industrial development in Wollongong. For retailing activity, the strategy is to ensure “...that commercial centres are located and developed to a scale and standard which will suit the convenience of consumers, help to optimise public and private investment, and provide a variety of employment opportunities readily accessible to the whole community”. (WDCP No. 6, p.52).

“The strategy is:

- To reinforce Wollongong City Centre as the regional centre;
- To consolidate existing major centres and upgrade their environments. Apart from Dapto and Woonona, significant expansion of centres shall not take place unless it is justified by trade patterns and consumer demand. The adverse impact on competing centres and particularly on overall changes in retail employment levels should be minimal;
- To assist the establishment of land intensive, low value retail activities in Commercial Services zones adjacent to shopping centres. Such activities would not be appropriate in shopping centres but relate predominantly to commodities of a bulky and/or semi-industrial nature. These should not take place in industrial zones.
- To provide for convenience goods shopping at neighbourhood centres strategically placed in accessible locations with residential areas. Activities should generally serve the immediate community and not cater for a wider district scale population;
- To allow for shops and other commercial uses to service major tourism developments and which are built and integrated with them;
- To allow small general stores (say 50 square metres) or sole professional practices in appropriate locations within residential areas remote from or immediately adjoining local commercial centres. These should usually be in association with a house , but may be tied to a service station if appropriate;
- To allow home employment ...; and
- To restrict retail or commercial activities in other locations and seek a reduction of at least 10% in any change of non-conforming use for these purposes.” (WDCP No 6, p. 52 - 53)

## **8.4 Key Observations**

A review of the planning framework has led to the observation that there is considerable flexibility in the process of determining what, where and how retail development can occur.

Apart from what would appear to be an excessive number of zones which can accommodate retail development, flexibility also arises from a potential for it to occur in other zones, including those

designated for residential purposes. Similarly there is considerable flexibility in where bulky goods retail activity can be developed, beyond the “3(d) – Commercial Services Zone”.

There is also potential for a fragmentation in the patterns of land use and in turn potential for a lack of cohesion in built form and functional characteristics, particularly in those centres where the zones in which retail development can be accommodated cover extensive areas such as in the City Centre. In the “3(a) General Business”, “3(b) Neighbourhood Business”, “3(c) Regional Business” and “3(d) Commercial Services” zone, there are provisions which allow for the development of a range of land uses other than retail, if it is considered that the primary objective of the zone is not jeopardised. While this might appear to be logical, it is to be noted that market context of retail activity is highly susceptible to change and that its spatial requirements may not always be the same over time.

For example, in recent investigations undertaken by Hill PDA in the preparation of the Wollongong City Centre Revitalisation Strategy it was established that property investment and development activity over the past five years has been largely focussed on the residential sector, particularly medium density development. In parallel with this however has been little or no development of investment activity in retail floor space. As a result there has been a focussing of interest on opportunities for residential development in core area locations; locations which would otherwise be better suited to retail or commercial office uses. The potential has therefore emerged unless carefully managed, for the core area to become fragmented with residential development and a resulting decline in the benefits derived from the clustering of retail activity.

Another example can be seen with the emergence of convenience retailing. For these newer forms of retailing it is a location offering high visual exposure and efficient customer access, which is important. Given this changing environment, it would seem that there is potential to effectively argue that retailing should be permitted in a zone designated for other uses, because for example, there is “no more appropriately zoned site ...” (WLEP; 1990).

The flexibility inherent in the planning framework also creates potential for retail development to occur in a manner which conflicts with strategic policy. For example, the core objective of the “Draft State Environmental Planning Policy 66 (SEPP 66) – Integration of Land Use and Transport” to achieve an improved integration of land uses in support of centres and the transport systems that serve them, is often difficult to achieve, given that there are extensive areas in which retail development can occur.

In this context, greater control would seem to be required in seeking a consolidation of retail floor space in centres which are well served by public transport, such as the Wollongong City and Dapto town centre and a containment of retail development in those centres which are almost wholly dependent on private car access, such as Warrawong. Another example can be seen in the processes adopted for the management of the impacts which cross local government area boundaries. This is a particular problem in the Illawarra region, where there is substantial urban growth. Here a proposal might be approved which can have significant impacts on existing centres within the adjoining local government area.

## 9. THE WOLLONGONG RETAIL HIERARCHY

### 9.1 Introduction

In this section an overview is presented of the principal retail centres in the Wollongong Local Government Area. The objective has been to establish a framework within which judgements can be made on the future role and capacity of each centre. This is achieved within the context of the traditional hierarchy, which is described in broad terms at the outset. It is to be noted that this review has canvassed in detail only those centres with a total retail floor area in excess of 2,000 m<sup>2</sup>.

### 9.2 The Traditional Hierarchy

In a traditional context, retailing activity has been categorised on the basis of the following hierarchy:

#### 9.2.1 Regional Centres

Regional Centres typically comprise in excess of 70,000 m<sup>2</sup> of retail floor space and generally serve a population of over 200,000 people. Broadly, they are characterised by a Department Store (eg David Jones, Myer) Discount Department Store (Target, Kmart), a high representation of national brand specialty shops, supermarkets, health and entertainment facilities and higher order civic, community and business functions. In their role in the retail hierarchy, these centres have a trading influence which extends throughout and beyond the region in which they are located.

#### 9.2.2 Sub-Regional Centres

Sub-Regional Centres comprise in the order of 40,000 – 80,000 m<sup>2</sup> of retail floor space and serve populations of up to 100,000 people. They typically centre on a Discount Department Store (eg K Mart, Target) one or more major supermarkets, and also provide a range of other shops, mainly with a focus on lower order specialty merchandise and retail services. These centres are often the location of a range non-retail activities, including office, medical, civic and community services.

#### 9.2.3 District Centres

District Centres generally comprise between 20,000 and 40,000 m<sup>2</sup> of retail floor space and serve a population of up to 50,000 people. These centres are based around one or more supermarkets but also have a range of specialty shops and non retail services such as banks, community services and professional services.

#### 9.2.4 Neighbourhood Centres

Neighbourhood Centres typically comprise in the order of 5,000 – 20,000 m<sup>2</sup> of retail floor space and serve a trade area population of around 10,000 – 20,000 people, although they can vary considerably in size and function, depending on the surrounding retail environment. Generally these centres have a primary emphasis on the provision of convenience goods and services for day to day shopping and weekly shopping, although they can have a range of non-food and retail service outlets as part of their retail mix.

#### 9.2.5 Local Centres

Local centres generally comprise up to around 5,000 m<sup>2</sup> of retail floor space. Many have a small supermarket, and a small number of specialty shops usually relying on a small local catchment, shops such

as milk bars, hairdressers, and takeaway food. Smaller centres generally comprise a convenience store, which is increasingly being co-located with a petrol filling station.

### 9.2.6 Peripheral Sales Centres

Peripheral sales centres generally comprise up to 3,000 – 4,000 m<sup>2</sup> of retail floor space, but can have a small number of destination shopping outlets with areas of as much as 10,000 m<sup>2</sup>. Their catchment size can be large, with custom drawn from a wide regional population. New types of centres are being developed which have different site requirements compared to traditional store, and generally involve large scale formats that are located outside traditional retail activity.

## 9.3 The Wollongong Hierarchy

This investigation has canvassed in detail only those retail centres of significance in the Wollongong Local Government Area. A summary of retail floor space identified by field survey is provided below.

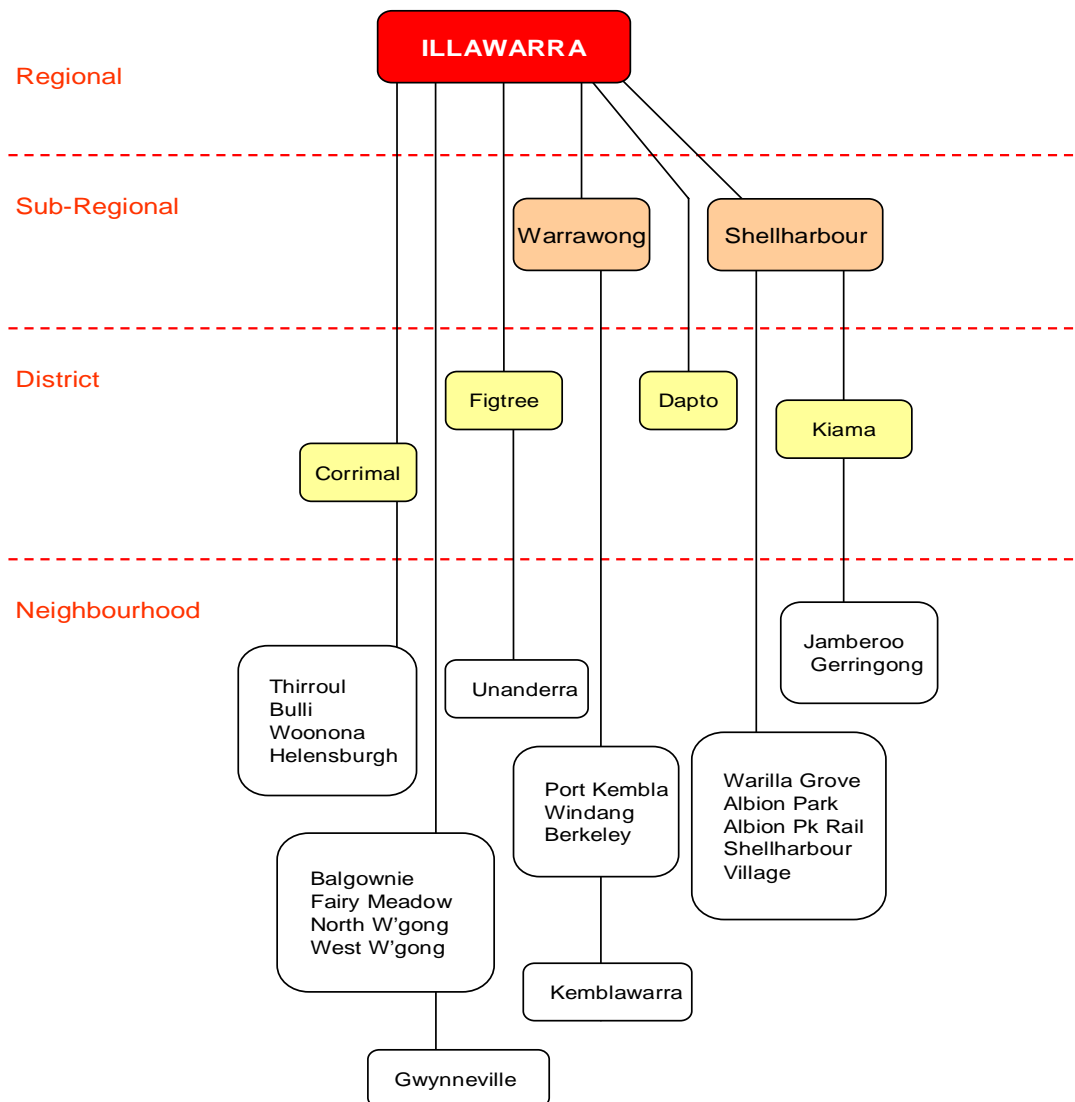
It is to be noted that this does not include retail floor space contained in the numerous Small Local Centres (which generally comprise floor areas of less than 2,000 square metres) which are located throughout the Local Government Area.

**Table 19 - Wollongong Retail Centres Hierarchy**

Centre	Hierarchy Rank	Floor Space (m <sup>2</sup> )	Planning Zone/s
Wollongong Centre	Regional	90,000	3(d) Regional Business 3(a) General Business 3(d) Commercial Services
Warrawong	Sub - Regional	56,475	3(a) General Business
Corrimal	District Centre	28,500	3(a) General Business 3(d) Commercial Services
Figtree	District Centre	25,200	3(a) General Business 3(b) Neighbourhood Business
Dapto	District Centre	23,000	3(a) General Business 3(d) Commercial Services
Woonona	Neighbourhood Centre	8,260	3(a) General Business 3(d) Commercial Services
Fairy Meadow	Neighbourhood Centre	9,000	3(a) General Business 3(d) Commercial Services
Thirroul	Neighbourhood Centre	11,200	3(a) General Business
Unanderra	Neighbourhood Centre	8,600	3(a) General Business 3(d) Commercial Services
Port Kembla	Neighbourhood Centre	9,600	3(a) General Business 3(d) Commercial Services
Helensburgh	Neighbourhood Centre	7,100	3(a) General Business
Bulli	Local Centre	3,600	3(b) Neighbourhood Business
Balgownie	Local Centre	2,600	3(b) Neighbourhood Business
Berkeley	Local Centre	2,500	3(a) General Business
Windang	Local Centre	2,750	3(b) Neighbourhood Business
Kemblawarra	Peripheral Sales	57,800	3(d) Commercial Services
Gwynneville	Peripheral Sales	7,800	3(d) Commercial Services

Source: Hill PDA floor space survey, 2004; Wollongong Local Environmental Plan.

**Figure 2 - The Illawarra Retail Centre Hierarchy**



## 9.4 Implications

In the planning of retail development throughout the Wollongong Local Government Area, it would appear that past decision making has occurred without a complete understanding of the resulting implications for the regional hierarchy and patterns of urban development. The overall result has been the emergence of several relatively new retail nodes (eg Warrawong, Figtree, Kemblawarra) and a somewhat haphazard expansion of established centres with newer forms of retail activity (eg Fairy Meadow, Corrimal). At the same time, this has eroded the performance of more traditional centres, particularly the City Centre and several lower order centres.

# 10. RETAIL FLOOR SPACE DEMAND ANALYSIS

## 10.1 Introduction

In this section the findings of an analysis of potential retail floor space demand is presented. The intention is to provide broad guidance for determining what and where retail floor space will be required. It is to be observed that the analysis relies on several assumptions, notably that the Wollongong Local Government Area is a closed economy. While no such economy exists in the real world, the assumption nonetheless provides a useful basis upon which decisions can be made on the overall distribution of retail floor space.

## 10.2 Household Expenditure

Demand for retail space is essentially generated by household expenditure, which in turn is influenced by the characteristics of the households – particularly income levels. In order to establish an understanding of demand in the Wollongong Local Government Area, a basis for analysis has been formed with data obtained from the Australia Bureau of Statistics 1998 – 99 Household Expenditure Survey. From this survey, the national average household expenditure by commodity type by household income quintile has been derived.

**Table 20 - Household Expenditure in Australia: 1998-99 (\$m)**

Cat 1		1st	2nd	3rd	4th	5th	All Hseholds.	NSW
<b>Food &amp; Beverages</b>								
CC								
0301	Bakery Products, flour & other cereals	8.92	12.83	14.82	17.97	21.21	15.14	15.21
0302 - 0303	Meat Seafood	11.82	16.70	18.16	21.54	25.43	18.73	18.57
0304 - 0306	Dairy Products, eggs edible oils and fats	8.11	11.28	12.95	14.68	16.40	12.69	12.17
0307 - 0308	Fruit Nuts and vegetables	10.70	14.61	15.56	18.56	23.28	16.54	17.54
0309	Miscellaneous Foods	8.31	12.03	15.51	18.29	21.28	15.08	14.98
0310	Non Alcoholic Beverages	6.43	9.18	12.82	15.68	19.09	12.63	13.81
0399	Other food and non-alcoholic beverages	0.12	0.13	0.24	0.18	0.14	0.16	0.12
04010101	Beer off licensed premises	2.05	3.50	5.38	6.83	8.32	5.21	5.70
04010201	Wine off licensed premises	1.66	2.30	2.78	4.42	10.83	4.40	4.54
04010301	Spirits off licensed premises	0.73	0.13	2.33	2.76	3.80	2.18	1.79
04010401	Alcoholic beverages n.e.c. off licensed premises	0.12	0.18	0.22	0.37	0.34	0.25	0.24
4010400	Alcoholic beverages undefined	0.36	0.92	1.29	2.71	4.14	1.88	2.80
05	Tabacco	6.59	10.61	11.41	12.30	12.81	10.74	10.51
08010102-5 +	Non-Food Groceries	4.04	5.68	6.43	8.03	9.11	6.67	5.87
11040102	Animal Food	2.31	2.82	3.29	3.74	4.42	3.32	2.89
	<b>TOTAL</b>	<b>72.27</b>	<b>102.90</b>	<b>123.19</b>	<b>148.06</b>	<b>180.60</b>	<b>125.62</b>	<b>126.74</b>
<b>Cat2</b>								
<b>Clothing &amp; Footwear</b>								
060100	Clothing not further defined	2.29	2.75	4.15	6.96	12.26	5.68	8.95
060101	Mens Clothing	1.35	2.98	3.94	5.93	9.94	4.82	4.39
060102	Womens Clothing	4.01	5.53	5.92	10.80	18.25	8.90	8.23
060103-5	Children and infants clothing	1.28	2.07	3.14	5.15	5.00	3.33	3.31
060199	Headwear, hosiery & accessories	1.55	1.74	2.38	3.24	5.03	2.79	3.00
060201	Footwear	1.87	2.85	4.28	6.55	11.08	5.32	5.42
	<b>TOTAL</b>	<b>12.35</b>	<b>17.92</b>	<b>23.81</b>	<b>38.63</b>	<b>61.56</b>	<b>30.84</b>	<b>33.30</b>
<b>Cat 3</b>								
<b>Recreation, Households Furnishings &amp; Equipment</b>								
0701	Furniture and Floor Coverings	7.88	11.07	15.38	18.50	27.62	16.08	17.80
0702	Household linen & soft furnishing	3.25	4.28	5.10	8.70	16.06	7.48	8.72
0703	Domestic Appliances	6.46	9.12	10.38	10.55	16.28	10.55	11.31
0704	Glassware, tableware & household utensils	1.39	1.61	2.47	3.02	5.66	2.83	2.46
0705	Tools and other household durables	2.75	3.79	4.94	6.71	8.23	5.28	5.56
08010101	Household non-durables (hardware)	0.16	0.17	0.13	0.20	0.25	0.18	0.22
08010108	Swimming Pool Chemicals	0.17	0.12	0.14	0.32	0.47	0.24	0.39
08010106-7	Plants and Gardening Products	2.18	2.52	2.58	3.11	4.43	2.96	3.06
Various	Household non-durables (non-food groceries)	3.62	5.09	5.64	7.18	8.16	5.95	6.38
080101 balan	Other Household non-durables	1.38	1.93	2.11	2.63	2.99	2.20	2.34
0903	Medicines, pharmacy, etc	5.69	7.87	7.44	9.55	9.91	8.09	9.09
110101-2	Audiovisual Equipment + Home Computers	4.10	7.05	10.81	12.96	17.50	10.48	10.12
110103	Videos & pre-recorded music	1.33	2.17	4.08	4.20	8.40	3.96	4.10
110104	Books, Newspapers, Magazines etc	4.10	6.37	6.62	8.74	11.95	7.55	7.79
11010501-2	Photographic equipment and film	0.44	0.68	0.83	1.34	1.81	1.02	0.94
11010503	Sunglasses	0.06	0.20	0.23	0.46	1.37	0.46	0.48
11010506	Musical instruments and accessories	0.07	0.15	0.21	0.31	0.50	0.25	0.23
11010507	Purchase of boats, parts and accessories	0.39	0.83	1.19	1.74	2.80	1.39	1.29
11010509	Toys	0.96	1.71	2.18	2.54	2.56	1.99	2.10
11010510	Camping Equipment	0.09	0.20	0.28	0.41	0.66	0.33	0.31
11010511	Sports Equipment n.e.c.	0.31	0.94	1.74	2.15	4.61	1.95	1.71
11010599	Recreational Equipment n.e.c.	0.48	1.02	1.23	2.37	3.55	1.73	1.77
11040101	Animal Purchases	0.23	0.30	0.37	0.59	0.57	0.41	0.34
12010101-19	Toiletries, cosmetics and toiletry equipment	3.91	5.96	7.46	10.66	15.64	8.72	9.33
1301	Miscellaneous Commodities	4.43	5.90	9.08	12.62	21.00	10.60	10.92
	<b>TOTAL</b>	<b>55.83</b>	<b>81.04</b>	<b>102.62</b>	<b>131.55</b>	<b>192.97</b>	<b>112.67</b>	<b>118.75</b>

Source: ABS Household Expenditure Survey 1998-99

This data has then been adjusted to reflect the patterns of expenditure in New South Wales by each commodity type and household income quintile.

Presented below is the distribution of households by household income quintile in the Wollongong Local Government Area. This data has been derived from the Australian Bureau of Statistics Census 2001.

**Table 21 - Wollongong LGA Households by Household Income Levels**

Income Level	No. of Households
Negative/Nil income	477
\$1-\$199	3,603
\$200-\$299	6,056
\$300-\$399	7,045
\$400-\$499	5,301
\$500-\$599	3,141
\$600-\$699	3,852
\$700-\$799	2,808
\$800-\$999	5,689
\$1,000-\$1,199	5,456
\$1,200-\$1,499	5,703
\$1,500-\$1,999	6,916
\$2,000 or more	5,106
Partial income stated(b)	4,966
All incomes not stated(c)	2,684
<b>Total</b>	<b>68,803</b>

Source: ABS Census 2001 (Table adjusted to enable total to match occupied private dwellings)

The above data is used to forecast total household expenditure in the Wollongong Local Government Area. In this forecast, it is to be noted that the conclusions of the analysis undertaken by MacroPlan (“Housing Supply and Demand Study”, 2004), have been used. Of specific relevance, are those which relate to the forecasts on fringe dwelling supply and infill dwelling supply in the Wollongong Local Government Area. These suggest that the population will increase over the period 2003/04 – 2012/13 at an average annual rate of approximately 0.9%.

**Table 22 - Household Expenditure in Wollongong LGA (\$m 2004 dollars)**

Expenditure by Commodity Type	Year 2004	Year 2010	Year 2015
Food and Groceries	511.7	566.4	616.4
Take-Away Foods	85.5	94.6	103.0
Liquor	63.9	68.7	72.9
Clothing	141.6	152.1	161.5
Linen & Soft furnishings	36.6	39.3	41.7
Furniture & Floor Coverings	74.6	80.2	85.1
Household Appliances	47.7	51.2	54.4
Television and Audio Visual Equipment	42.2	45.3	48.1
Houseware and Hardware	49.3	53.0	56.3
Videos & Recorded Music	17.3	18.6	19.8
Newspapers, Books & Stationery	32.8	35.3	37.4
Camping, Sporting & Recreational Goods	29.8	32.0	34.0
Other Recreation & Household Goods	141.6	152.1	161.5
Meals and drinks in restaurants, pubs & clubs	106.5	117.9	128.3
Selected Personal Services	44.9	48.2	51.2
<b>Total</b>	<b>1,426.0</b>	<b>1,555.0</b>	<b>1,671.6</b>

It has also been assumed in the forecast that expenditure on “food and groceries”; and other commodities will increase over the period 2003/04 – 2012/13 at an annual average rate of 1.0% and 0.5%



respectively. These assumptions are consistent with Australian Bureau of Statistics data on NSW Retail Sales since 1991.

### 10.3 Retail Turnover

Using the expenditure profile developed above, turnover by retail store type has been determined. This has drawn on data derived from the ABS Retail Industry 1998-99 (Cat Nos 8622.0 and 8624.0) which provides a cross tabulation of commodity type by store type in terms of expenditure. The results are provided below.

**Table 23 - Retail Turnover in Wollongong LGA, 2004 (\$million/annum)**

<b>Expenditure by Retail Store Type*</b>	<b>Year 2004</b>	<b>Year 2010</b>	<b>Year 2015</b>
Supermarkets & Grocery Stores	447.0	492.9	534.7
Take Away Stores	123.9	136.6	148.2
Other Specialty Food Stores	96.9	106.0	114.2
Department Stores	139.9	150.6	160.1
Clothing Stores	95.1	102.2	108.5
Fabric and Soft Goods Stores	18.7	20.1	21.3
Furniture & Floor Coverings Retailers	70.3	75.6	80.2
Domestic Hardware and Houseware Retailing	48.9	52.6	55.8
Domestic Appliance Retailing	93.9	100.8	107.1
Recorded Music Retailers	9.2	9.9	10.5
Sport and Camping Goods Stores	29.1	31.3	33.2
Recreational Goods Retailers	43.0	46.4	49.4
Other Personal & Household Goods Retailing	72.0	77.5	82.4
Household Equipment & Repairs	7.6	8.1	8.6
Cafés and Restaurants	74.5	82.5	89.8
Selected Personal Services	44.9	48.2	51.2
<b>TOTAL Retailing</b>	<b>1,415.0</b>	<b>1,541.2</b>	<b>1,655.2</b>

Source: Hill PDA Estimates from above sources

\* As defined by ANZIC code

It can be seen from the above that retail turnover in the Wollongong Local Government Area is \$1.41 million. This is forecast to rise to \$1.54million by 2010 and \$1.65 million by 2015. It is to be noted that data on retail floor space turnover and household expenditure does not necessarily equate. Some expenditure is captured by “non-shopfront-retailers” (such as clubs, automotive retailers and internet) and some turnover is not household expenditure related (such as hire of equipment, and wholesaling).

Demand for retail floor space within a trade area can be measured by dividing expenditure by industry benchmark turnover levels. These can be compared with known retail floor space to estimate over or undersupply, as well as providing an indication of expenditure into or out of an area.

**Table 24 - Retail Turnover per Square Metre in Wollongong LGA, 2004**

	\$m	Floor Space (m <sup>2</sup> )	\$/m <sup>2</sup>
Supermarkets & Grocery Stores	447.4	51,839	8,631
Specialty Food Stores	221.0	43,153	5,121
Department Stores	140.0	31,509	4,445
Clothing Stores	95.2	21,643	4,400
Bulky Goods	270.3	91,590	2,952
Specialty non-food Stores	122.7	53,243	2,305
Cafés & Restaurants	63.9	19,703	3,245
Other Selected Personal Services	44.9	21,039	2,135
<b>TOTAL</b>	<b>1405.6</b>	<b>333,719</b>	<b>4,212</b>

Source: Hill PDA Estimates from Hill PDA Floor Space Survey in May, 2004, Property Council of Australia, Australian Bureau of Statistics; Household Expenditure Survey 1998-99, Australian Bureau of Statistics; Census 2001 and ABS Retail Survey 1998-99 (Cat No 8622.0 and 8624.0).

The above table shows that supermarkets would be trading at \$8,631/square metres, which is similar to the national average (\$8,600/square metres). Department stores would be trading at \$4,445/square metre, which is high in comparison to the national average of \$2,800/square metre. Clothing stores and bulk goods stores are trading similar to the national averages.

Discrepancies can be explained by local variations against national averages. For example, the Wollongong Local Government Area has a high proportion of bulky goods retail floor space and a low proportion of department store floor space. Hence it is most likely that a higher proportion of bulky goods expenditure is being captured by bulky goods retailers, to the expense of department stores. It is to be further noted that the analysis assumes a closed economy, where expenditure is neither escaping or being captured from outside the Local Government Area. In reality this is unrealistic, however when the physical characteristics of the region are considered (refer section 5.4), it is likely that only a small proportion of household expenditure is lost to Sydney, and this in turn is likely to be countered by expenditure captured from Shellharbour and Kiama.

## 10.4 Food and Grocery Trade Areas

To derive an estimate of demand for food and grocery retail floor space an analysis of expenditure patterns has been undertaken on the basis of the primary trade areas within the Local Government Area. These trade areas were defined by the presence of a supermarket with a floor area in excess of 1,000m<sup>2</sup>. Such supermarkets are generally not located in “local centres”. A total of 10 trade areas were identified:

**Table 25 - Trade Areas**

Main Centre	Trade Area	
	Post Code	Suburb/s
Wollongong	2500	Mt Keira, Keiraville, Gwynneville, Wollongong,
Warrawong	2528, 2502, 2505, 2506	Port Kembla, Berkeley, Lake Heights, Warrawong, Kemblawarra, Primbee, Windang
Corrimal	2518	Corrimal, Tarrawanna, Bellambi, Towradgi
Figtree	2525	Figtree,
Dapto	2530	Kanahooka, Dapto, Horsley, Avondale, Yallah, Koonawarra
Woonona	2516, 2517	Woonona, Russell Vale, Woonona Heights, Bulli
Fairy Meadow	2519	Fernhill, Balgownie, Fairy Meadow, West Wollongong, Mangerton, Coniston,
Thirroul	2515	Thirroul, Austinmer, Coledale, Wombarra, Scarborough, Clifton
Unanderra	2526	Unanderra, Farmborough Heights, Cordeaux Heights, Mt Kembla, Nareena Hills
Helensburgh	2508	Maddens Plains, Coalcliff, Stanwell Park, Otford, Helensburgh, Stanwell Tops

The table below provides an estimate of demand (expenditure in the trade area) and supply (retail floor space by trade area), based on the assumption that each trade area is a closed economy (i.e. no expenditure is captured by other retail centres beyond trade area boundaries).

It is to be noted that the floor space estimates are for all floor areas within each food and grocery trade area. Some trade areas have more than one retail centre. Small retail centres (in some cases anchored by a small mini-mart) do not have primary trade areas in the sense that they do not capture the majority of food and grocery expenditure in their immediate local area. Hence they fall within a broader trade area which is usually anchored by a larger supermarket in the main neighbourhood centre.

Turnovers in the table below do not reflect actual or estimated turnover by the supermarkets and specialty food stores. Rather, it is a simple measure of demand and supply within each trade area. It can be observed that the retail floor space turnover (\$/m<sup>2</sup>) in the Woonona, Helensburgh and Thirroul trade areas are clearly not being achieved, however it is known that the reported floor space turnover in the centres of Corrimal and Figtree are far in excess of the findings presented above. This discrepancy implies that there is considerable expenditure “escaping” the local trade area to the larger centres.

**Table 26 - Retail Trade Generated by Household Expenditure**

Trade Area	Supermarkets			Specialty Food		
	Expenditure \$m	Floor Space m <sup>2</sup>	\$/m <sup>2</sup>	Expenditure \$m	Floor Space m <sup>2</sup>	\$/m <sup>2</sup>
Wollongong	\$90.57	7,889	\$11,480	\$44.07	10,186	\$4,326
Warrawong	\$108.02	8,518	\$12,682	\$51.31	9,078	\$5,652
Corrimal	\$43.87	8,613	\$5,093	\$21.17	3,026	\$6,998
Figtree	\$23.55	5,542	\$4,250	\$12.19	2,763	\$4,411
Dapto	\$61.77	8,785	\$7,032	\$30.68	4,557	\$6,731
Woonona	\$40.00	1,363	\$29,353	\$19.97	2,000	\$9,983
Fairy Meadow	\$39.07	4,500	\$8,683	\$19.28	6,390	\$3,018
Thirroul	\$25.63	1,740	\$14,733	\$13.14	2,053	\$6,400
Unanderra	\$35.16	3,538	\$9,938	\$17.88	1,600	\$11,177
Helensburgh	\$18.48	1,352	\$13,669	\$9.68	1,500	\$6,454
Total	\$486.12	51,839	\$9,378	\$239.37	43,153	\$5,547

## 10.5 Forecast Growth

The methodology employed for forecasting the future growth in demand for retail floor space has been described in section 2.3.

It is a reasonable expectation that expenditure will grow with population growth and increases in standard of living. Based on the assumption that the population will continue to grow at a rate of 0.7% per annum, and that expenditure on food and groceries; and non-food items will grow by 1.0% per annum and 0.5% per annum respectively, it has been forecast that between 2004 and 2010 expenditure in the Wollongong Local Government Area will increase by \$160 million (refer Table 9.8 below). This growth in expenditure however, will not be evenly distributed. Much of the forecast growth within the Local Government Area is expected to be concentrated in the trade areas of the Wollongong City Centre (where there has and is likely to be further residential consolidation), Woonona (where the Edgewood and Sandon Point release areas are located) and Dapto (where the West Dapto release area is located).

A more complete perspective of the forecast growth of \$160 million in expenditure is presented in the table below. This indicates growth in expenditure by food and grocery trade areas, by retail store type:

**Table 27 - Expenditure Growth (\$ million)**

	W'wong	H'burgh	Thirroul	W'nona	Corrimal	F'Mead.	W'gong	Figtree	U'derra	Dapto	Total
Dept.Stores	\$1.67	\$0.40	\$0.73	\$2.53	\$0.86	\$0.86	\$3.48	\$0.69	\$0.37	\$2.30	<b>\$13.90</b>
Supermarkets	\$8.45	\$1.66	\$2.87	\$9.14	\$3.99	\$3.78	\$13.83	\$2.70	\$2.01	\$9.04	<b>\$57.47</b>
Specialty Food	\$3.82	\$0.83	\$1.42	\$4.47	\$1.84	\$1.79	\$6.55	\$1.35	\$0.95	\$4.36	<b>\$27.39</b>
Clothing	\$1.59	\$0.41	\$0.74	\$2.56	\$0.83	\$0.85	\$3.44	\$0.71	\$0.36	\$2.29	<b>\$13.77</b>
Bulky Goods	\$2.86	\$0.66	\$1.21	\$4.31	\$1.47	\$1.46	\$5.98	\$1.15	\$0.59	\$3.92	<b>\$23.61</b>
Spec Non-Food	\$1.32	\$0.29	\$0.53	\$1.87	\$0.67	\$0.65	\$2.65	\$0.50	\$0.27	\$1.72	<b>\$10.47</b>
Rest. & Café	\$1.84	\$0.11	\$0.31	\$1.31	\$0.74	\$0.58	\$2.22	\$0.27	\$0.19	\$1.34	<b>\$8.93</b>
Pers. Service	\$0.52	\$0.12	\$0.23	\$0.80	\$0.27	\$0.27	\$1.10	\$0.22	\$0.11	\$0.73	<b>\$4.37</b>
<b>Total</b>	<b>\$22.08</b>	<b>\$4.48</b>	<b>\$8.03</b>	<b>\$27.00</b>	<b>\$10.67</b>	<b>\$10.24</b>	<b>\$39.25</b>	<b>\$7.58</b>	<b>\$4.86</b>	<b>\$25.70</b>	<b>\$159.90</b>

Using this data total additional floor space required for the Wollongong Local Government Area is forecast as follows.

**Table 28 - Food and Grocery Retail Floor Space Demand 2004-10**

Centre	Supermarket Floor Space (m2)	Specialty Food Floor Space (m2)
Wollongong	1,283	801
Warrawong	784	468
Figtree	250	165
Corrimal	370	226
Dapto	839	534
Fairy Meadow	350	219
Thirroul	267	174
Woonona	848	547
Unanderra	187	117
Helensburgh	154	101
<b>Total</b>	<b>5,332</b>	<b>3,352</b>

This forecast, which reflects the conclusions of the MacroPlan Study, also bears a close correlation with the forecast in housing supply derived by the Department of Infrastructure Planning and Natural Resources (DIPNR) for both the established areas and greenfield areas of the Wollongong Local Government Area.

Looking at this data, it is important to note that the actual distribution of expanded space may vary as a result of the nature of expenditure across trade areas. For example, Corrimal could further expand, and take-up much of the growth in the Woonona trade area as it further seeks to dominate the smaller centres around it.

It can be observed that the future demand for retail floor space is forecast to be comparatively modest across all the principal centres. In total, approximately 5,300 m2 of supermarket floor space and 3,300 m2 of specialty food floor space will be required over the period 2004 - 2010.

**Table 29 - Forecast Demand for Retail Floor Space 2004-10 (m2)**

<b>Store Type</b>	<b>2004-2010 (m2)</b>	<b>2010-2015 (m2)</b>
Department Stores	3,809	3,397
Supermarkets	5,332	4,864
Specialty Foods	3,350	3,047
Clothing	1,770	1,575
Bulky Goods	6,476	5,764
Specialty Non-Food	2,889	2,578
Restaurants and Personal Services	3,769	3,419
<b>Total</b>	<b>27,394</b>	<b>24,644</b>

Over the period 2004 – 2010 total retail floor space across the Local Government Area is forecast to grow at an average annual rate of approximately 5,000 m2. In other words, the region will support a further 27,400 m2 by 2010 and 24,600m2 by 2015.

To provide guidance on precisely where this floor space will be located is difficult. It is important to acknowledge that there are many influences which will determine its distribution. Retail centres function in a highly competitive environment, which inevitably results in overlapping and changing trade areas. Floor space demand is influenced by the evolving nature of retailing itself. It is influenced by the availability and location of suitable land. It is influenced by changing population and demographic patterns (eg expenditure characteristics). It is influenced by levels of accessibility and mobility.

Of the growth forecast for the Wollongong Local Government Area, it is realistic to anticipate that the demand for department store floor space will be concentrated in the City Centre and other centres of a regional and sub-regional status (Warrawong, Shellharbour), essentially because they are orientated towards meeting demand for comparative shopping needs and hence generally operate with large trade areas. With supermarket floor space, demand is generally derived from smaller trade areas (approximately 10,000 - 20,000 people) and is focussed on meeting needs for convenience shopping.

In line with national trends, the growth of supermarket floor space is forecast to be the most significant. This should be required to locate within the existing hierarchy. Only in exceptional circumstances, should consideration be given to its development elsewhere, such as at Dapto where the West Dapto release area is located.

Also of note, is the forecast growth in peripheral sales (bulky goods). This can be expected to be relatively significant as a result of the anticipated growth in new residential development. Given that this form of development has specific location/site criteria which are not easily met in or adjoining existing centre, it will be important to ensure that it occurs in specific locations where use of existing infrastructure can be optimised and traffic impacts are minimised.

## **10.6 Market Share**

It is difficult to arrive at an estimate of the market shares held by the key centres of the Local Government Area, given the lack of information on the expenditure patterns by customer type and customer origin. Were this data to be available the relative market share could be determined with some accuracy. Drawing on data maintained by the Property Council of Australia and that which has been generated by Hill PDA, the following pattern of retail (as defined by ANZIC, which excludes commercial) turnover by centre has been derived.

**Table 30 - Key Centre Turnovers (estimated)**

Centre	Role	Total (m2)	Turnover (\$m/yr)	Turnover (% of Total)
Wollongong	Regional	90,000	340	24.2
Warrawong	Sub-Regional	56,475	230	16.4
Corrimal	District	28,500	125	8.9
Figtree	District	25,200	135	9.9
Dapto	District	23,000	115	8.2
Woonona	Neighbourhood	8,260	30	2.1
Fairy Meadow	Neighbourhood	9,000	120	8.5
Thirroul	Neighbourhood	11,200	45	3.2
Unanderra	Neighbourhood	8,600	40	2.8
Kemblawarra	Peripheral Sales	58,000	115	8.2
Remainder			105	7.5
<b>Total</b>			<b>1,400</b>	<b>100.0</b>

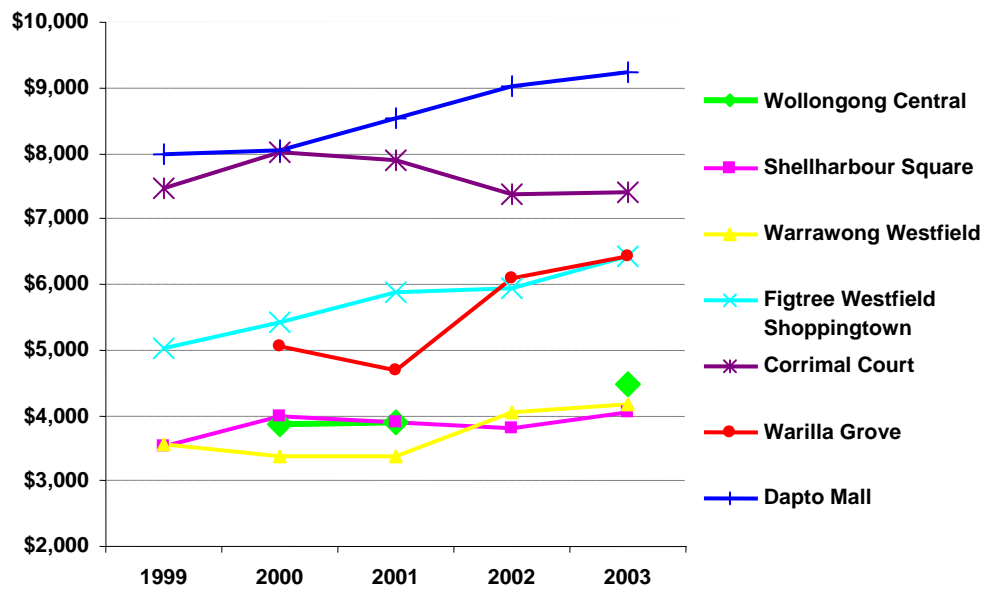
It will be observed that the City Centre has an overall market share of approximately 24.2% of available resident expenditure, and is therefore the largest retail entity in the Wollongong region. This estimate is broadly consistent with the findings of previous research by Leyshon Consulting (“Retail Overview Report: Wollongong City Centre”, 2002). This found that the City Centre’s market share was 21.6%.

**Table 31 - Annual Turnover and Visitation of Key Centres**

	1999	2000	2001	2002	2003
<b>Wollongong Central</b>					
Ann Turnover (\$m)	9.3	11.4	11.4	10.8	11.2
Ann Visitation (No)	113	130	148	150	151
<b>Warrawong</b>					
Ann Turnover (\$m)	147.0	140.0	141.8	169.4	175.6
Ann Visitation (No)	6.2	6.0	5.7	5.5	5.4
<b>Shellharbour Square</b>					
Ann Turnover (\$m)	138.6	155.4	155.0	152.0	162.6
Ann Visitation (No)	4.7	5.4	5.4	5.6	5.6
<b>Westfield Figtree</b>					
Ann Turnover (\$m)	102.0	110.0	119.4	121.0	129.4
Ann Visitation (No)	4.2	4.3			
<b>Corrimal Court</b>					
Ann Turnover (\$m)	73.4	77.6	77.6	72.6	73.0
Ann Visitation (No)	3.1	3.2	3.2	3.3	3.4
<b>Warilla Grove</b>					
Ann Turnover (\$m)		55.0	55.0	72.0	76.0
Ann Visitation (No)	3.2	3.4	3.4	3.4	3.1
<b>Dapto Mall</b>					
Ann Turnover (\$m)	47.3	48.3	51.1	54.0	55.4
Ann Visitation (No)	2.2	2.2	2.2	2.3	2.2

Source: Property Council of Australia

**Figure 3 - Centre Turnover/square metres**



Source: Property Council of Australia

Looking at the relative performance of the key centres within the Local Government Area and immediately beyond to the south, it can be seen that there has been substantial restructuring in the region's centres hierarchy.

A significant pattern has been the turnover growth in the centres located either within or on the periphery of the areas experiencing population growth. This is particularly so with Dapto Mall where the turnover has grown from \$47.0 million in 1999 to 55.4 million in 2003. This growth has been paralleled by the Figtree Westfield Shopping Centre, which has seen its turnover rise from \$102 million in 1999 to \$129.4 million in 2003. The other centre to experience a dramatic increase in trade is that of Warilla Grove, which is located in the northern area of the Shellharbour Local Government Area, a short distance to the south of Warrawong.

# 11. CENTRES APPRAISAL

## 11.1 Introduction

In this section, a broad appraisal of each commercial centre in the Wollongong Local Government Area is presented. Each appraisal describes the centre’s location, its role and function, its structural character, the planning framework governing the development of retail activity. Its trade area and performance, and an outline of the approach recommended for the future development.

## 11.2 The Regional Centre

### 11.2.1 Wollongong City

#### Location

The Wollongong City Centre is located approximately 80 kilometres south of the Sydney Central Business District. Centred on a comparatively narrow strip of coastal plain, bounded by the Illawarra escarpment to the west and the Pacific Ocean to the east and extending some 30 kilometres from Helensburgh in the north to Lake Illawarra in the south, it forms the primary and dominant focus commerce, retailing and governance in the regional economy.

#### Role and function

Wollongong City Centre is the regional shopping centre serving the Illawarra region and beyond. With some 32% of all retail floor space in the Wollongong LGA, it represents the principal concentration of retail activity in the Illawarra at large.

As a regional centre, Wollongong City Centre is the focus for a wide range of local, state, and Commonwealth Government related activity, civic and community functions, commercial office based activity, the Wollongong Hospital, the Illawarra TAFE and, a short distance to the north, the University of Wollongong; and several significant focuses of entertainment (Greater Union Cinema, Wollongong Library, Illawarra Performing Arts Centre).

**Table 32 - Retail Infrastructure: Wollongong**

<b>Indoor Centres</b>			
Wollongong Central	Major Tenants:	David Jones (part)	1,844 m2
		Myer	12,150 m2
		Franklins	1,882 m2
		Rebel Sport	1,500 m2
		Best and Less	1,079 m2
	Specialty Shops:	150	13,800 m2
		<b>Total Retail Floor Space:</b>	<b>32,256 m2</b>
	Other (entertainment etc)	Fitness First	2,570 m2
		Library	
		Car parking spaces	1,400
<b>Other (Strip) Retail</b>			
	Major Retailers:	Woolworths	4,000 m2
		Aldi Stores	1,500 m2
		David Jones (part)	2,000 m2
	<b>Approx. Total</b>		<b>55,000 m2</b>
<b>Approx. Vacancy of Total</b>		<b>10%</b>	<b>9 – 10,000 m2</b>
<b>Total Retail</b>		<b>450</b>	<b>90,000 m2</b>

Source: IRIS 2000, Leyshon Consulting 2002, Hill PDA 2003)



### **Structural character**

The business heart of the City is generally concentrated along the corridor formed by Crown Street, in the area extending from Corrimal Street, which lies on the eastern periphery, to the Railway in the west. Commercial and retail activity is also found along Market and Burelli Streets, which are located parallel with Crown Street, to the north and south respectively. Beyond this core area commercial activity becomes increasingly mixed and diluted with residential uses.

Historically the retail precinct in the City Centre has dominated the wider region. Its primary focus is centred on the Crown Street Mall between Keira Street and Kembla Street, where the Wollongong Central Shopping Centre is located.

Beyond this core area, retailing activity has developed, albeit in a highly fragmented and mixed form, towards the north, most especially along Keira Street and Flinders Street, and south to Swan Street between Corrimal Street to the east and Auburn Street to the west. In the area to the north of the City, retail activity is very broadly characterised by motor vehicle sales premises and associated enterprises, while to the south of the City Centre, the retail land use character is more diverse, embracing activities associated with office based enterprise, bulky goods, motor repairs and service related activities interspersed with residential development and areas of open space.

It has been estimated (IRIS; 2000) that the city centre comprises approximately 487,600 m<sup>2</sup> of built floor space. Of this around 110,653 m<sup>2</sup> are used for retail activity and 122,368 m<sup>2</sup> are used for office based activity. The remaining floor area is used for a range of purposes such as residential, recreation and hospital related. In more recent research (Leyshon Consulting; 2002) the retail floor area in the core area has been estimated to be in the region of 78,000, but this was focussed on the core area of the city centre and excluded vacant floor space and commercial office floor space. Despite this disparity it has been determined for the purposes of the present study that the total retail floor area in the city centre is in the region of 90,000 m<sup>2</sup>.

Of all the retail floor space in the city centre, the primary concentrations are found in the Crown Street Mall area (57,889 m<sup>2</sup>). The principal anchors are located in the indoor shopping centre – Wollongong Central – which covers some 34,450 m<sup>2</sup> of retail floor space. This centre includes two national department stores, David Jones and Myer, a Franklins Supermarket and some 150 specialty shops.

Beyond Wollongong Central, it has been estimated that there is an additional 55,000 m<sup>2</sup> of retail floor space, accommodating some 300 retail premises, the largest occupants being a Woolworths Supermarket and an ALDI Store. This floor space is primarily concentrated in the corridor formed by Crown Street, between the railway Station in the North and Corrimal Street in the south, with smaller concentrations along Burelli Street, Church Street and Keira Street.

In earlier research undertaken by Hill PDA and others (Leyshon Consulting, 2002) it has been concluded that if the City Centre is to effectively compete, there is a need to limit the extent to which retail activity in the centre has dispersed, especially towards the north along Keira Street and south towards Swan Street. It has also been established that the City Centre lacks a Discount Department Store (eg Target, Big W, K Mart) and a multi screen cinema complex – both of which are generally seen to be essential components of a Regional Centre.

### **Planning Framework**

Retail activity in the City Centre is accommodated in three zones: “3(d) Regional Business” zone, which essentially covers the core area centred on Crown Street; “3(a) General Business zone, which covers areas

immediately beyond the core area to the north and south; and “3(d) Commercial Services” zone, which covers North Wollongong and Gwynneville in the north and Coniston to the south.

**Table 33 - Trade Area Demographic Characteristics (Part A)**

Item	Fairy Meadow	Wollongong	Figtree	Unanderra	Dapto	Total Illawarra SD	Wollongong LGA
<b>Population</b>							
Total	16,054	30,013	13,082	15,489	26,803	380,036	180,358
<b>Dwellings</b>							
Occupied, Private	94.9%	91.8%	93.8%	95.8%	96.0%	87.3%	93.7%
Unoccupied Private	5.1%	8.2%	6.2%	4.2%	4.0%	12.7%	6.3%
Total	6,490	14,468	5,120	5,403	9,870	165,265	73,465
Ave Household Size	2.5	2.1	2.6	2.9	2.7	2.3	2.5
<b>Age</b>							
0 – 14	20.6%	14.3%	19.1%	25.3%	23.1%	21.6%	20.2%
15 – 29	19.9%	28.3%	22.4%	20.0%	20.5%	18.9%	21.3%
30 – 44	21.5%	20.5%	20.3%	23.8%	22.1%	21.3%	21.8%
45 – 59	16.8%	16.1%	20.3%	17.9%	19.3%	18.4%	17.9%
60 – 74	12.9%	12.6%	12.1%	8.6%	11.1%	13.4%	12.4%
75 +	8.2%	8.2%	5.8%	4.3%	4.0%	6.5%	6.3%
Median Age	37.3	35.3	36.5	33.3	34.5	37.4	36.0
<b>Weekly Household Income</b>							
\$0 – \$299	15.0%	19.1%	11.3%	10.7%	10.6%	14.1%	14.7%
\$300 - \$599	24.3%	22.6%	18.4%	18.9%	21.8%	24.7%	22.5%
\$600 - \$999	16.5%	18.5%	17.1%	16.4%	20.6%	19.2%	17.9%
\$1,000 - \$1,499	15.1%	14.0%	18.4%	19.3%	19.6%	15.6%	16.2%
\$1,500 – 1,999	9.9%	8.6%	13.2%	13.1%	10.5%	8.9%	10.1%
\$2,000 +	8.6%	6.7%	11.2%	10.6%	6.0%	6.2%	7.4%
Partial Income Stated	7.0%	6.1%	7.8%	8.1%	7.5%	7.4%	7.2%
All Incomes not Stated	3.6%	4.4%	2.6%	2.9%	3.4%	3.9%	3.9%
Median Weekly Income	\$697	\$651	\$950	\$964	\$824	\$689	\$739
<b>Home Ownership</b>							
Owned/Being Purchased	67.9%	50.8%	72.7%	72.6%	75.1%	68.3%	65.1%
Rented	26.0%	40.7%	21.2%	21.3%	19.7%	24.9%	28.1%
Other	2.1%	2.6%	2.3%	2.8%	2.0%	2.6%	2.5%
Not Stated	4.0%	5.9%	3.8%	3.3%	3.1%	4.3%	4.4%
<b>Household Structure</b>							
Family Households	73.6%	55.9%	74.3%	83.1%	81.8%	73.8%	71.9%
Lone Person Households	23.3%	35.2%	21.4%	15.6%	17.0%	23.3%	24.5%
Group Households	3.2%	8.8%	4.4%	1.3%	1.3%	2.8%	3.6%
<b>Labour Force</b>							
White Collar	63.9%	66.2%	69.1%	62.9%	54.4%	59.2%	60.4%
Blue Collar	25.4%	21.3%	23.0%	28.5%	35.3%	30.0%	28.7%
Inadequately Described/Not Stated	1.6%	1.6%	1.5%	1.5%	2.3%	1.9%	1.9%
Unemployed	9.1%	10.9%	6.5%	7.1%	8.1%	8.9%	9.1%

Source: ABS Census Population and Housing 2001

**Table 34 - Trade Area Demographic Characteristics (Part B)**

Item	Warrawong	Helensburgh	Thirroul	Woonona	Corrimal	Total Illawarra SD	Wollongong LGA
<b>Population</b>							
Total	36,371	8,125	12,549	13,627	17,853	380,036	180,358
<b>Dwellings</b>							
Occupied, Private	93.4%	93.5%	91.1%	93.7%	93.8%	87.3%	93.7%
Unoccupied Private	6.6%	6.5%	8.9%	6.3%	6.2%	12.7%	6.3%
Total	14,715	2,708	5,187	5,483	7,700	165,265	73,465
Ave Household Size	2.5	3.0	2.4	2.5	2.3	2.3	2.5
<b>Age</b>							
0 – 14	19.7%	26.7%	21.0%	21.7%	20.6%	21.6%	20.2%
15 – 29	19.5%	19.9%	18.2%	18.8%	19.9%	18.9%	21.3%
30 – 44	20.6%	26.5%	23.7%	22.7%	21.5%	21.3%	21.8%
45 – 59	18.2%	16.5%	20.0%	18.0%	16.8%	18.4%	17.9%
60 – 74	16.0%	6.2%	10.5%	11.6%	12.9%	13.4%	12.4%
75 +	6.1%	4.2%	6.5%	7.3%	8.2%	6.5%	6.3%
Median Age	39.5	32.0	37.5	36.7	36.8	37.4	36.0
<b>Weekly Household Income</b>							
\$0 – \$299	17.9%	6.3%	10.6%	13.7%	17.3%	14.1%	14.7%
\$300 - \$599	28.2%	12.2%	18.9%	21.2%	25.1%	24.7%	22.5%
\$600 - \$999	18.3%	17.4%	16.5%	17.2%	18.4%	19.2%	17.9%
\$1,000 - \$1,499	13.7%	22.1%	16.7%	17.2%	14.6%	15.6%	16.2%
\$1,500 – 1,999	6.2%	16.3%	14.0%	10.9%	8.4%	8.9%	10.1%
\$2,000 +	3.5%	14.1%	11.9%	8.6%	4.6%	6.2%	7.4%
Partial Income Stated	7.2%	9.5%	8.5%	7.1%	6.8%	7.4%	7.2%
All Incomes not Stated	4.9%	2.2%	2.8%	4.1%	4.7%	3.9%	3.9%
Median Weekly Income	\$558	\$1,163	\$950	\$800	\$631	\$689	\$739
<b>Home Ownership</b>							
Owned/Being Purchased	62.6%	79.3%	71.0%	68.2%	56.7%	68.3%	65.1%
Rented	30.6%	14.5%	22.3%	26.4%	35.2%	24.9%	28.1%
Other	2.0%	2.5%	2.3%	2.3%	3.3%	2.6%	2.5%
Not Stated	4.9%	3.6%	4.4%	3.2%	4.8%	4.3%	4.4%
<b>Household Structure</b>							
Family Households	73.4%	83.6%	75.6%	74.3%	68.1%	73.8%	71.9%
Lone Person Households	24.5%	14.4%	20.9%	23.5%	28.9%	23.3%	24.5%
Group Households	2.1%	2.0%	3.6%	2.2%	2.9%	2.8%	3.6%
<b>Labour Force</b>							
White Collar	43.0%	66.4%	70.3%	63.5%	56.8%	59.2%	60.4%
Blue Collar	39.6%	28.2%	22.3%	27.5%	30.6%	30.0%	28.7%
Inadequately Described/Not Stated	2.5%	1.6%	1.3%	2.0%	1.9%	1.9%	1.9%
Unemployed	14.9%	3.7%	6.0%	7.0%	10.8%	8.9%	9.1%

Source: ABS Census Population and Housing 2001

### Trade Area

For the Wollongong City Centre, in performing its role as the regional centre in the Illawarra, the trade area extends across the entire Wollongong Local Government Area and beyond to include substantial parts of the surrounding local Government Areas of Shellharbour, and Kiama. Within this broader region is a population well in excess of 200,000. Much of this is concentrated in a large elongated urban area bounded by the Illawarra Escarpment to the west and the Pacific Ocean to the east, and extending a distance of some 30 kilometres from Helensburgh in the north to Warrawong and Dapto in the south. In the areas beyond, the primary concentrations of population are centred on the townships of Shellharbour and Kiama.

Like all regional centres, the Wollongong City Centre has a primary trade area which covers a substantially smaller area than that described above. This is considered to embrace an area which extends north to Fairy Meadow, west to embrace the suburbs of Balgownie, Keiraville, Figtree and Coniston. This has a population of around 30,000. The potential of this trade area to support and generate growth in retail floor space is and will continue to be influenced by a number of interrelated factors.

First the trade area is characterised by well defined physical boundaries which constrain the extent to which urban development can expand. Two, the trade area is the focus of significant population growth (Total Illawarra: 4.3% p.a.), however much of this has and continues to occur in the southern areas of the LGA (Horsley, Dapto) and the adjoining Local Government Area of Shellharbour (Albion Park, Shellcove). Three, the City Centre and its immediate surrounds is increasingly experiencing population growth through medium density residential development. Four, population growth in the northern areas of the trade area has been forecast to occur at a declining rate as opportunities for residential development become increasingly limited. Five, the retail activity in the City Centre has become highly dispersed and fragmented with a consequential decline in the benefits which can be derived from agglomeration.

### Performance

Based on observations drawn from the field survey and the findings of previous research (Hill PDA, 2003; Leyshon Consulting, 1997, 2002), it is apparent that retail activity the City Centre has and continues to experience some difficulty. One measure of a centre's performance is the amount of vacant retail floor space. This is broadly estimated to be approximately 10% (9,000 – 10,000 m<sup>2</sup>) of the total area of retail floor space. Much of this vacant floor space is concentrated in West Crown Street between Keira Street and Gladstone Avenue) and in several areas located on the periphery of the Crown Street corridor.

Looking at the performance of the indoor centre - Wollongong Central – available data (Property Council of Australia, 2003), suggests that this is mixed, with a reported turnover of \$170m/annum. This equates to around \$4,800/m<sup>2</sup>, which when compared with several other centres in the Illawarra, namely Stocklands Corrimal, Westfield Figtree, Dapto Mall), can be considered to be comparatively low. It is understood the owner of the Wollongong Central shopping centre, General Property Trust, is currently investigating the feasibility of undertaking a major upgrade of the centre. Should this occur, a substantial increase in the overall quality and quantity of floor space will result.

In order to evaluate the performance prospects of the City Centre the following brief evaluation of strengths, weaknesses, opportunities and threats is presented.

#### Strengths

- Dominant retail centre in region
- Contains two Department Stores
- Comprises a large indoor shopping centre
- Point of difference created by Mall
- Large concentration of tertiary activity
- Regional focus of government
- Focus of public (bus/train) transport
- Focus of cultural infrastructure

#### Weaknesses

- Removed from focus of population growth
- Ageing of population in primary trade area
- Discount Department Store not present
- Modern multiplex cinema not present
- Fragmented and dispersed retail floor space
- Competing development and use pressures
- Complex vehicular movement parking systems
- Lack of strategic direction in land use
- Suburbanisation of retail development

#### Opportunities

- Capture DDS trade in northern areas
- Increase entertainment opportunities
- Encourage city centre residential development
- Strengthen creative industries (cultural incubator)
- Adopt a strategic planning framework

#### Threats

- Fragmentation and dispersal of retail activity
- Additional retail expansion (esp. northern areas)
- Growth of peripheral sales outside centres
- Loss of one or more Department Store/s
- Existence of urban blight in Crown Street West

- Foster partnerships in redevelopment activity
- Develop integrated marketing strategy
- Adopt more cohesive movement/parking system
- Reinforce city centre identity
- Lack of overall strategic planning
- Complex vehicular movement systems

### **Recommended Approach**

It is essential that a coordinated strategic and statutory framework which reinforces the City Centre's status as the regional centre of the Illawarra, especially in higher order retail and services, be implemented.

Of particular importance will be the need to improve the viability of the City Centre as a location for retail activity through mechanisms which foster a process of consolidation and in turn generate economies of agglomeration.

With a continued dispersal and fragmentation of the core as a location for retail activity, so the benefits of agglomeration will be lost.

It is recommended that there be:

- A rationalisation of the planning zones applicable to retail activity in the City Centre, coupled with specific guidance on achieving a consolidation of retailing activity in the core precinct.
- More specific guidance on the location of peripheral sales (bulky goods retailing) in order to achieve greater concentration and in turn viability and sustainability.

## **11.3 Sub-Regional Centres**

### **11.3.1 Warrawong**

#### **Location**

The Warrawong centre is located approximately 7 kilometres to the south of Wollongong City Centre. Retail activity is centred on King Street, between Cowper Street to the north and Northcliffe Drive to the south. To the east, the centre extends to First Street while to the west, it extends to Shellharbour Road.

#### **Role and function**

Warrawong is a sub-regional centre, which comprises some 55,000 m<sup>2</sup> of retail floor space.

The retail strength of the centre is essentially derived from the combination of two discount department stores (Big W and K Mart), two supermarkets (Coles and Woolworths), and a cinema complex, housed in a fully integrated indoor centre. This mix is substantially greater than a typical sub regional centre, which generally comprises one full line discount department store, a major supermarket and around 40 specialty shops. Additional strength is derived from a significant concentration of specialty shops nearby.

**Table 35 - Retail infrastructure: Warrawong**

<b>Indoor Centres</b>			
Westfield Shoppingtown	Major Tenants:	Big W	8,283 m2
		K Mart	8,031 m2
	Coles Supermarket	4,395 m2	
	Woolworths	2,179 m2	
	Best and Less	1,115 m2	
	Sportsman's Warehouse	1,027 m2	
	Specialty Shops:	119	13,354 m2
	<b>Total Retail Floor Space:</b>		<b>36,975 m2</b>
	Other (entertainment etc)	Hoyts Cinema (6 screens)	2,440 m2
		Library	700 m2
		Warrawong Health Clinic	185 m2
Office Tenancies		1,156 m2	
Car parking spaces		1,689	
<b>Other (Strip) Retail</b>			
Major Retailers:	Bunnings	8,500 m2	
	McDonalds Restaurant	400 m2	
	Theo's Liquor	800 m2	
Specialty Shops (Approx)	60	8,000 m2	
<b>Approx. Total</b>		<b>17,700 m2</b>	
<b>Approx. Vacancy of Total</b>			-
<b>Total Retail Floor Space</b>			<b>54,675 m2</b>

Source: Hill PDA Floor Space Survey, 2004; Property Council of Australia, 2003

### Structural character

Retail floor space in Warrawong is concentrated in a traditional strip along Cowper and King Streets and in a large indoor shopping centre – Westfield Shoppingtown, which comprises some 37,000 m2 of retail floor space and car parking space for 1,700 vehicles. This shopping centre was constructed in 1960, and has since been refurbished and extended several times, the most recent of which was in 1996.

In the area beyond the shopping centre, retail floor space covers a total area of some 17,700 m2, of which approximately 8,500 m2 is accounted for by a Bunnings Hardwarehouse. Also located in the strip area is a McDonalds Restaurant, Theos Liquor Store along with some 60 specialty shops; and recreational and entertainment facilities (Hoyts Cinema, Gala Twin Cinemas, AMF Ten-Pin Bowling and Kings Tavern.

Approximately 500 metres to the south is the comparatively large Kemblawarra bulky goods retail precinct (refer Section 10.7.1). While this is separated from Warrawong by a small area of open space (Darcy Wentworth Park and Kully Bay Park), it nevertheless represents a significant attractor to the locality and undoubtedly reinforces the trading strength of the centre.

One of the distinguishing features of the centre is its reliance on road transport, with public transport access only possible by bus. Thus, principal access to the centre and more particularly King Street is achieved from the north by way of Five Islands Road, from the south by way of Windang Road; and from the west by way of Northcliffe Drive. Public transport access is only possible by bus.

### Planning framework

The Warrawong centre is contained within a “3(a) General Business” zone.

### Trade area

The trade area of the Warrawong centre is difficult to define. The complexity arises from the existence of the comparatively large bulky goods retail precinct at Kemblawarra, which is located approximately 500 metres to the south.

As a sub – regional centre, it is estimated that the primary trade area of Warrawong extends north to the southern periphery of the Wollongong City Centre, east to the Pacific Ocean embracing Port Kembla and Kemblawarra, south to Lake Illawarra and Windang and west to include the suburbs of Berkeley and Lake Heights and Warrawong. In this area the population is estimated to be around 36,000. Given the existence of a relatively efficient road connection to the west along Northcliffe Drive, its wider secondary and tertiary trade areas are however considered to encompass Kembla Grange, Horsley, and Dapto. With this wider area, the trade area is broadly estimated to have a resident population in excess of 100,000. Importantly, it embraces the principal area in which significant growth is forecast – Dapto.

In defining this trade area however, it is important to acknowledge that demand for floor space in Warrawong is most likely to be affected not just by the forecast population growth in the areas to the west and the consequential development of supporting retail infrastructure, but also the synergies derived from the nearby Kemblawarra bulky goods retail precinct, which could be expected to have a similar trade area.

### Performance

Approximately 70% of the retail floor space in Warrawong is concentrated in the “Westfield Shoppingtown”. The retail turnover of this centre reported to be \$417m, which equates to around \$4,700/m<sup>2</sup>. When compared with other centres, such as Corrimal Court and Wollongong Central, this is competitive and is sufficient to maintain its position in the overall retail hierarchy. Furthermore, it would appear that the centre has established a large region-wide trade area which extends well into those of the Wollongong City Centre and other neighbouring sub-regional and district centres.

The key issues confronting Warrawong, centre on its ability to maintain its existing market share in the face of the potential consolidation (and expansion) of the role played by the Wollongong City Centre, in particular the possible redevelopment of the Wollongong Central Shopping Centre, and the potential growth in the residential population to the south, at West Dapto.

Other issues include the emerging physical fragmentation of retail activity in the centre. This is most evident with the development of bulky goods retailing along King Street approximately 500 metres to the south of the Westfield Shoppingtown and the adjoining retail precinct. The functioning of the centre is also heavily dependent on private vehicle access. The resulting impacts can be seen in a high level of demand for car access and parking, and in turn a comparatively poor level of environmental amenity.

The strengths, weaknesses, opportunities and threats to the future performance of Warrawong are presented below.

#### Strengths

- Dominated by large indoor centre
- Contains two discount department stores
- Contains two full line supermarkets
- Focus of entertainment (cinema complex)
- Integrated car parking space

#### Weaknesses

- Removed from focus of population growth
- Fragmented pattern of land use
- Constrained network for access
- Heavily dependent on private vehicle access
- Trade area limited by Lake Illawarra/Port
- Poor level of environmental amenity
- Lack of physical cohesion

#### Opportunities

#### Threats

- Synergies with Kemblawarra precinct
- Develop a more cohesive framework
- Enhancement of environmental amenity
- Continued fragmentation of land use in centre
- Emergence of competing centres (Dapto)
- Potential growth of the Wollongong City Centre

### Recommended approach

The challenge for the future planning and development of the Warrawong centre is to foster a process of consolidation, rather than dispersal and fragmentation and implement a more cohesive strategy to enhance overall environmental amenity of the centre at large. It is therefore recommended that:

- A strategic framework embracing both Warrawong and Kemblawarra be prepared for the guidance of future retail, peripheral sales, industrial land use.
- Special emphasis be directed towards a consolidation of discrete precincts for retail activity and peripheral sales, rather than a continued expansion.
- Future planning should acknowledge that the future demand for floor space will most likely be focussed on and around West Dapto.
- Future planning should seek to achieve improved physical cohesion, accessibility and environmental amenity.

## 11.4 District Centres

### 11.4.1 Corrimal

#### Location

The Corrimal centre is located approximately 6 kilometres to the north of the Wollongong City Centre. To the east, a distance of less than 3 kilometres is the Pacific Ocean, while less than a kilometre to the west is the steep Illawarra Escarpment.

#### Role and function

Corrimal is a comparatively large District Centre, comprising a total retail floor area of approximately 25,000 m<sup>2</sup>. The role and function of this centre is primarily focussed on catering for the basic day-to-day and weekly retail needs of the surrounding residential suburbs of Corrimal, Bellambi Russell Vale, Towradgi and Tarrawanna.

**Table 36 - Retail infrastructure: Corrimal**

<b>Indoor Centres</b>			
Corrimal Court (Stockland)	Major Tenants:	Woolworths	5,974 m <sup>2</sup>
	Specialty Shops:	42	3,890 m <sup>2</sup>
	<b>Total Retail Floor Space:</b>		<b>9,864 m<sup>2</sup></b>
Corrimal Park Mall	Car parking spaces	124 (enclosed); 521 (open)	
	Major Tenants	Coles Supermarket	2,639 m <sup>2</sup>
	Specialty Shops	17	1,739 m <sup>2</sup>
	<b>Total Retail Floor Space</b>		<b>4,378 m<sup>2</sup></b>
<b>Other (Strip) Retail</b>	Car parking spaces	150(enclosed); 100 (open)	
	Major Retailers:	Retravisation	900 m <sup>2</sup>
		Sports Power	600 m <sup>2</sup>
		Rockmans	300 m <sup>2</sup>
	Specialty Shops	118	11,800 m <sup>2</sup>
	<b>Approx. Total</b>		<b>13,600 m<sup>2</sup></b>
Other	NRMA Motor Registration Corrimal RSL		
<b>Approx. Vacancy of Total</b>		<b>10%</b>	<b>1,500 m<sup>2</sup></b>



### Structural character

Retail activity is essentially concentrated along the eastern and western sides of the Princes Highway, between Tarrawanna Road to the south and Coxs Avenue/Lane to the north. Corrimal Railway Station lies approximately 1 kilometre to the east, a distance which can be expected to reinforce a reliance on road based transport.

Approximately half of all the retail activity is concentrated in two enclosed shopping centres, both of which are located on the eastern side of the Princes Highway. The largest is Corrimal Court, which comprises 9,900 m<sup>2</sup>, of which some 6,000 m<sup>2</sup> accommodates a Woolworths supermarket (the largest in Australia) and nearly 4,000 m<sup>2</sup> occupied by 40 specialty shops, along with parking space for some 650 cars. The smaller centre, Corrimal Park Mall comprises around 4,400 m<sup>2</sup>. This accommodates a Coles Supermarket with a floor area of 2,600 m<sup>2</sup>, some 17 specialty shops covering a total area of 1,750 m<sup>2</sup> and car parking for 250 vehicles.

In addition to the indoor centres, a traditional strip retail precinct extends along Princes Highway and a short distance along Railway Street to the east and west. In this precinct, there are some 118 specialty shops which are estimated to cover a total area of approximately 11,800 m<sup>2</sup>.

The physical character of the centre is dominated by an orientation to Princes Highway and a resulting physical separation of activities, and conflicting needs for through traffic and internal vehicular and pedestrian movement. While access to and from the centre could be considered to be relatively efficient, the movement networks, particularly the railway line and the northern distributor, fragment the trade area and act as barriers to east west connections. Of particular note is the extent of bulky goods retail activity beyond the core area, along Princes Highway. Although not surveyed in the present study, it represents a significant dimension to the retail function of the centre.

### Planning framework

The Corrimal centre is contained within a “3(a) General Business” zone. Immediately beyond the centre to the south, is an area designated a 3(d) Commercial Services” zone. It is here that the bulky goods retail activity is concentrated.

### Trade area

The trade area of Corrimal is considered to extend to Thirroul in the north and Towradgi Creek in the south, to contain several smaller centres - Bulli, Woonona, and Towradgi. To the east and west respectively, lie the Pacific Ocean and the Illawarra escarpment.

This trade area is broadly characterised by an elongated configuration centred on the Princes Highway and Railway Line, and a land use pattern dominated by established low density residential development, interspersed with pockets of open space and light industrial activity. Future population growth potential in this trade area is considered to be limited, with future opportunities arising from the processes of urban redevelopment.

### Performance

The key issues which surround the nature and character of the centre relate to the linear pattern of development. Despite the presence of two supermarkets (Woolworths, Coles) which act as key attractors

for the centre, a substantial quantity of retail floor space has been developed beyond the core area to the south along Princes Highway. This is considered to be a cause for the comparatively high level of vacancy evident in the core area (eg the 1,500 m<sup>2</sup> New World Complex on the western side of Princes Highway), and the side streets.

The relative strength of the centre's performance however can be seen in part by the retail turnover in Corrimal Court. This is reported to be \$73m, which equates to over \$7,400/m<sup>2</sup>, making it the second strongest performing indoor centre in the Wollongong LGA, after Dapto Mall.

The strengths, weaknesses, opportunities and threats to the future performance of Corrimal are presented below.

#### Strengths

- Contains two full line supermarkets
- Good exposure to Princes Highway
- Access to and from Princes Highway
- Attractive setting

#### Weaknesses

- Approx 1.0 km from Corrimal Station
- Retailing activity not spatially compact
- Ageing population of trade area
- Limited growth potential in trade area

#### Opportunities

- Develop stronger connection with station
- Increase residential densities near centre

#### Threats

- Increased competition from other centres

### Recommended approach

Given that any potential growth in the trade area of the Corrimal centre will be limited by geographical constraints and the established nature of the surrounding urban environment, the challenge will be to maintain its existing market share. In the planning for future development, it is considered that the focus be on a strategy of consolidation, rather than dispersal north and south along Princes Highway. In this strategy, the functional status of the Woolworths Supermarket should be recognised as a means of reinforcing the overall vibrancy and viability of the core. It is therefore recommended that:

- A strategic framework be prepared for the town centre which seeks to contain and consolidate retail activity within the confines of the existing planning zones.
- The growth of peripheral sales (bulky goods retailing) be contained to within the existing 3(d) Commercial Services zone.
- Special emphasis be directed towards a consolidation and the development of a more cohesive built form.

### 11.4.2 Figtree

#### Location

The Figtree retail centre lies approximately 3 kilometres south west of the Wollongong City Centre. Its principal focus is an indoor shopping centre – Westfield Shoppingtown – established directly to the south east of the intersection of Princes Highway and The Avenue.

#### Role and function

Figtree is a small District Centre, dominated by a fully enclosed Westfield Shoppingtown complex, which was developed in 1976 and refurbished and extended in 1987. Its role and function centres on meeting the daily and weekly needs of the surrounding community; however it also provides a limited range of fashion related shopping opportunities.

**Table 37 - Retail infrastructure: Figtree**

<b>Indoor Centres</b>			
Westfield Figtree	Major Tenants:	K Mart	7,515 m2
		Coles Supermarket	3,470 m2
		Woolworths supermarket	2,072 m2
	Specialty Shops:	75	6,457 m2
	<b>Total Retail Floor Space:</b>		<b>19,514 m2</b>
	Car parking spaces	874 (open)	
<b>Other (Strip) Retail</b>			
	Major Retailers:	McDonalds Restaurant	400 m2
		Hungary Jacks Restaurant	400 m2
	Specialty Shops	38	5,600 m2
	<b>Approx. Total</b>		<b>11,200 m2</b>
<b>Approx. Vacancy of Total</b>		2%	<b>600 m2</b>
<b>Total Retail</b>			<b>30,714 m2</b>

Source: Hill PDA Floor Space Survey, 2004; Property Council of Australia, 2003

### Structural character

Approximately 65%, or 19,514 m2, of all the retail floor space in Figtree is accommodated in the enclosed Westfield Figtree Shopping Centre. Of this, the principal tenants include K Mart (7,515 m2), Coles Supermarket (3,470 m2), and a Woolworths Supermarket (2,100 m2). There is also car parking space for 874 vehicles.

Beyond this complex is a small cluster of some 38 shops, a McDonald's Restaurant, and a Hungry Jacks Restaurant, which cover an approximate area of 5,600 m2.

Immediately surrounding the centre are substantial areas of open space (Figtree Park, Sid Parish Park) and recreational facilities (The John Lysaght Recreation Centre). Beyond these areas, land use is predominantly low density residential development.

One of the most significant attributes of the centre is its proximity to the Princes Highway and the Southern Freeway. Respectively, these pass immediately to the east and west of the centre and allow comparatively efficient access to and from the surrounding region, in particular the Wollongong City Centre.

### Planning framework

Retail activity in Figtree is accommodated in two zones: "3(a) General Business", which covers the area to the south east of the intersection of Princes Highway and The Avenue; and a "3(b) Neighbourhood Business" zone, which covers a small area to the west of the Princess Highway and south of Bellevue Road.

### Trade area

The trade area of Figtree is considered to extend north to Gwynneville, east to Coniston, south to Unanderra, Farmborough, and the Port Kembla Steel works; and west towards the escarpment of Mt Kembla and Cordeaux Heights. Traversing this area is the Southern Freeway, the principal road connection north to the Sydney metropolitan region and south to Shellharbour and beyond, and the Princes Highway, which provides access to the Wollongong City Centre. While these afford a high level of accessibility, they also act as a significant barrier to the extent to which the trade area can draw from the east.

While much of this trade area is characterised by low density residential development, there are also substantial areas used for light industrial activity, recreation and open space. This results in a comparatively low potential for growth, reliant on redevelopment opportunities.

### Performance

The key issues which surround the performance of the centre are derived from its ability to maintain its existing market share in the face of the potential consolidation (and expansion) of the role played by the Wollongong City Centre, in particular the possible redevelopment of the Wollongong Central Shopping Centre, and the potential growth in the residential population to the south, at West Dapto. This issue is exacerbated by the physical constraints on any potential expansion of the centre, and the extent to which the trade area can be enlarged.

Despite this, the centre currently performs with some success, essentially as a result of the high level of access afforded by the Princes Highway and the Southern Freeway, and the availability of car parking. This is implied in the annual turnover of the Westfield Figtree Shopping Centre, which is estimated to be in the region of \$129.4m, which equates to around \$6,600/m<sup>2</sup>.

The strengths, weaknesses, opportunities and threats to the future performance of Corrimal are presented below.

#### Strengths

- Contains one full line supermarket
- Contains one discount department store
- Good exposure to Princes Highway
- Access to and from Princes Highway
- Comfortable and contained shopping environment

#### Weaknesses

- No rail access
- Ageing population of trade area
- Limited growth potential in trade area
- Limited land for expansion
- No main street environment

#### Opportunities

- Increase residential densities near centre
- Improved pedestrian connections across Highway

#### Threats

- Increased competition from other centres

### Recommended approach

The challenge for the future planning and development of the Figtree shopping centre is to ensure that its clear dependence on road access is effectively managed, and that any future expansion does not jeopardise the status of the Wollongong City Centre and is in sympathy with its immediate urban context.

It is therefore recommended that

- A strategic framework be prepared for the town centre which seeks to contain and consolidate retail activity within the confines of the existing planning zones.
- The growth of peripheral sales (bulky goods retailing) be contained to within the existing 3(d) Commercial Services zone.
- Special emphasis be directed towards a consolidation and the development of a more cohesive built form.

### 11.4.3 Dapto

#### Location

The Dapto Shopping Centre is located approximately 14 kilometres to the south of the Wollongong City Centre, adjacent to the intersection of the Princes Highway and Bong Bong Road.

### Role and function

Dapto is a District Centre which is dominated by a cluster of specialty shops, rather than a large indoor shopping centre. This cluster represents approximately 65% of the total area of retail floor space. The role and function of this centre is primarily focussed on meeting the daily and weekly shopping needs of the residential area to the west.

**Table 38 - Retail infrastructure: Dapto**

<b>Indoor Centres</b>			
Dapto Mall	Major Tenants:	Woolworths supermarket	4,160 m2
	Specialty Shops:	21	1,840 m2
	<b>Total Retail Floor Space:</b>		<b>6,000 m2</b>
	Car parking spaces	277 (open)	
<b>Other (Strip) Retail</b>			
	Major Retailers:	ALDI Stores	1,200 m2
		Coles supermarket	2,500 m2
		Civic Video	800 m2
		Video Ezy	800 m2
	Specialty Shops:	70	10,500 m2
	<b>Approx. Total:</b>		<b>15,800 m2</b>
<b>Approx. Vacancy of Total</b>		5%	<b>1,100 m2</b>
<b>Total Retail</b>			<b>21,800 m2</b>

Source: Hill PDA Floor Space Survey, 2004; Property Council of Australia, 2003

### Structural character

Dapto comprises two components of retailing activity: an indoor shopping centre – Dapto Mall – and a traditional strip retail precinct, which extends a short distance along the Princes Highway and Bong Bong Road. Also contained within the centre is the Dapto Leagues Club and Dapto Hotel; and nearby is the Dapto Greyhound Racing Track, which occupies a comparatively large area of land immediately to the east of Princes Highway.

Dapto Mall comprises a floor area of around 6,000 m2, the principal tenant of which is Woolworths Supermarket which occupies some 4,128 m2. The remaining area accommodates approximately 21 specialty shops. This centre has a reported turnover of \$55.4m, which equates to over \$9,200/m2, making it the strongest performing centre in the Wollongong LGA. Beyond, along the Princes Highway and Bong Bong Road, retailing activity embraces some 105 shops, dominated by a Coles Supermarket, an ALDI Store, a Civic Video Store and a Video Ezy Store.

The centre is considered to be highly accessible. By car, access to the centre can be achieved from the north and south by way of the Princes Highway, which connects with the Southern (F6) Freeway at Kanahooka Road and Fowlers Road, and from the west by way of Bong Bong Road. And by train, access is provided at the Dapto Station, which lies less than 100 metres to the west of Princes Highway, adjacent to Bong Bong Road.

### Planning framework

Retail activity in Dapto is accommodated in two zones: “3(a) General Business” zone, which covers areas to the east and west of the Princes Highway and a “3(d) Commercial Services” zone which applies to comparatively small pockets of land to the north of the core area on both the eastern and western sides of the Princes Highway land and a small pocket to the south of the core area on the western side of the Princes Highway.

### Trade area

It is estimated that the current trade area of Dapto extends north to Brownsville, east to the Southern Freeway, south to Yallah; and west to Horsley. For retailing activity, the strength of this catchment is limited by the division caused by the Southern Freeway and at present, the comparatively low level of residential development to the centre's immediate north and southwest.

Within this area immediately to the east of the centre towards the Southern Freeway, land use comprises a mix of industrial and residential activity. To the west, are the Southern Railway Line and a low lying area formed by Mullet Creek area, beyond which is the recently established and expanding residential area of Horsley. Other land uses of significance include Dapto Greyhound Racing Track, the Dapto Community Centre and the Dapto Senior Citizens Centre, which are located a short distance to the southeast of the centre.

It is to be noted that while this centre has a trade area is currently showing a comparatively low level of growth, it has the potential to benefit from significant growth which will result from the development of the West Dapto Urban Release Area to the west.

### Performance

The performance of the Dapto District Centre is currently limited by the size of its trade area and the existence of the larger centres at Figtree and Warrawong, both of which can be accessed relatively easily.

Although the centre could be considered to be a large Neighbourhood Centre, it is located on the immediate periphery of the West Dapto Urban Release Area, which is broadly forecast to yield some 10,000 to 15,000 dwellings or a population of approximately 45,000 people over the next decade.

Growth in the area is now clearly evident, particularly in the area in and around Horsley. This growth is being reflected in the turnover of Dapto Mall, which is reported to have grown from \$47.3 mill or \$7,991/m<sup>2</sup> in 1999, to \$55.4 mill or \$9,236/m<sup>2</sup> in 2003.

Subject to further investigations on the development capacity of the centre and its immediate context, the centre is well located to build on a potential to meet the demand which is likely to be generated in the West Dapto Release Area.

The strengths, weaknesses, opportunities and threats to the future performance of the Dapto District Centre are presented below.

#### Strengths

- Location of significant population growth
- High performance of Dapto Mall
- Convenient access to rail transport
- Convenient access to Southern Freeway

#### Weaknesses

- Dislocated from east by Southern Freeway
- Spatially dispersed retail infrastructure
- Dependence on western area for trade
- Limit on expansion to west by low lying land

#### Opportunities

- Strengthen connections with Station
- Potential to capitalise on future growth
- Foster process of consolidation
- Enhance town centre identity

#### Threats

- Development of competing centre/s
- Expansion of Figtree Shopping Centre

### Recommended approach

The challenge for the planning of the centre will be to establish a clear framework to allow for an orderly and balanced expansion, and foster a consolidation and diversification of local employment opportunities.

Such a framework will need to acknowledge the potential for the future development of a retail centre within the forecast development in order to meet local needs. It will also need to recognise and seek to overcome/minimise the physical dislocation of the centre from its trade area, which is essentially caused by the lowland areas and railway line to the north and west; and the Southern Freeway to the east.

It is recommended that:

- A strategic framework be prepared for the town centre which provides guidance for an orderly and balanced expansion of retail floor space along with other commercial enterprises.
- Such a framework will need to seek an enhanced integration of the planning zones applicable to the centre in order to foster the development of a wider range of employment opportunities.
- Future planning should seek to achieve improved physical cohesion, accessibility, environmental amenity and town centre identity.

## 11.5 Neighbourhood Centres

### 11.5.1 Woonona

#### Location

The Woonona shopping centre is located approximately 10 kilometres north of the Wollongong City Centre and 2 kilometres south of where the Princes Highway intersects with Lawrence Hargrave Drive, at the intersection of the Princes Highway and Russell Street.

#### Role and function

The Woonona shopping centre functions as a large Neighbourhood Centre, serving a predominantly residential area to the east and west of the Princes Highway. The role and function of this centre is focussed on providing mostly convenience goods and services for day-to-day shopping, and has only a limited capacity to meet weekly shopping needs.

**Table 39 - Retail infrastructure: Woonona**

<b>Indoor Centres</b>			
Not Applicable			
<b>Other (Strip) Retail</b>			
	Major Retailers:	5 Star Supermarket	480 m2
		Franklins Supermarket	900 m2
		McDonalds Restaurant	800 m2
	Specialty Shops:	65	8,500 m2
	<b>Approx. Total:</b>		<b>10,680 m2</b>
<b>Approx. Vacancy of Total</b>		<b>8 - 10%</b>	<b>1,000 m2</b>
<b>Total Retail</b>			<b>10,680 m2</b>

Source: Hill PDA Floor Space Survey, 2004; Property Council of Australia, 2003

#### Structural character

Retail infrastructure in the Woonona Neighbourhood Centre is unevenly dispersed along both sides of Princes Highway, between Campbell Street and Farrell Road; and a short distance along Russell Street. This is estimated to cover a total area of approximately 8,260 m2. Of this area, the dominant or anchor stores are a Franklins Supermarket and a 5 Star Supermarket, which account for 900 m2 and 480 m2 respectively. The remaining area accommodates an estimated 65 retail premises.

Elsewhere within or immediately beyond the centre, there are several non-retail activities which serve to reinforce the centres role. These include a McDonalds Restaurant Community Library, Woonona Workers Club, Post Office, and a Service Station.

### Planning framework

Retail activity in Woonona is accommodated in a “3(a) General Business” zone, which applies to land located on both the eastern and western sides of the Princes Highway, and a “3(d) Commercial Services” zone. The latter covers an area of land located immediately to the south west of the centre.

### Trade area

The Woonona shopping centre has a comparatively small trade area which broadly embraces the established residential suburbs of Bulli and Woonona. Respectively, these suburbs extend approximately 1 kilometre west to the Illawarra Escarpment and 1 kilometre east to the Pacific Ocean. The northern extent of the trade area is essentially defined by Hewetts and Woodlands Creeks, which form the southern edge of Thirroul, and the southern extent lies in the area of Bellambi Creek, which merges into the northern area of Corrimal. The vast proportion of the area comprises low density residential development, interspersed with several areas of open space (eg Bulli Showground and Racing Complex, Slacky Flat Park), and as such, offers only limited potential for growth.

### Performance

The future performance of the Woonona shopping centre will largely be driven by its capacity to maintain its existing market share. This will be influenced by the relative strength of the Thirroul and Corrimal centres, which lie to the north and south respectively, and the limited potential for Woonona’s trade area to be expanded and accommodate any significant population growth. Indeed, were there to be a further increase or consolidation of the Thirroul and Corrimal centres, through an expansion of their supermarkets, it could be expected that Woonona would experience a further diminution of its market share.

The strengths, weaknesses, opportunities and threats to the future performance of the Woonona Neighbourhood Centre are presented below.

#### Strengths

- Good exposure to Princes Highway
- Access to and from Princes Highway

#### Weaknesses

- Dislocated from Railway Station (1 km to east)
- Spatially dispersed retail infrastructure
- Lacks town centre focus and identity
- Poor level of pedestrian amenity
- Ageing population of trade area
- Limited growth potential in trade area

#### Opportunities

- Increase residential densities near infrastructure
- Improved pedestrian connections across Highway
- Land use pattern offers potential for redevelopment

#### Threats

- Growth of Corrimal and/or other centres

### Recommended approach

The challenge for Woonona is to evolve with a greater emphasis on convenience shopping, possibly through an expanded supermarket, and the implementation of a strategy to foster a process of consolidation, rather than dispersal, enhance the general environmental amenity of the centre and improve general accessibility.

It is therefore recommended that:



- A strategic framework be prepared for the town centre which seeks to contain and consolidate retail activity within the confines of the existing planning zones.
- The growth of peripheral sales (bulky goods retailing) be contained to within the existing 3(d) Commercial Services zone.
- Special emphasis be directed towards a consolidation and the development of a more cohesive built form.

## 11.5.2 Fairy Meadow

### Location

The Fairy Meadow shopping centre is located approximately 4 kilometres north of the Wollongong City Centre. Retail activity is centred on the Princes Highway, between Cambridge Avenue/Daisy Street to the north, and Guest Avenue to the south.

### Role and function

Fairy Meadow is a comparatively large Neighbourhood Centre, performing a role and function focussed on providing mostly convenience goods and services for the day-to-day shopping needs of the immediate residential community.

**Table 40 - Retail infrastructure: Fairy Meadow**

<b>Indoor Centres</b>			
Not Applicable			
<b>Other (Strip) Retail</b>			
	Major Retailers:	Woolworths supermarket	3,000 m2
		ALDI Store	1,500 m2
	Specialty Shops:	40	4,500 m2
	<b>Approx. Total:</b>		<b>9,000 m2</b>
<b>Approx. Vacancy of Total</b>			<b>450 m2</b>
<b>Total Retail</b>			<b>9,000 m2</b>

Source: Hill PDA Floor Space Survey

### Structural character

The Fairy Meadow Neighbourhood Centre is a traditional strip retail centre concentrated along Princes Highway. It comprises an estimated total floor area of 9,000 m2, of which a Woolworths Supermarket and an ALDI Store account for approximately 3,000 m2 and 1,500 m2 respectively.

Principal vehicular access to the centre is achieved by way of Princes Highway.

Beyond the core area of Fairy Meadow, a significant quantity of bulky goods retail floor space has been developed along Princes Highway to the north and south of the core area. This has been broadly estimated to cover a total area of some 12,500 m2 and as such represents a significant focus or destination for bulky goods shopping. Within the centre there is also a Community Library, Post Office, Service Station and Bowling Club.

### Planning framework

Retail activity in Fairy Meadow is accommodated in two zones: “3(a) General Business” zone, which covers the core area, lying to the east and west of the Princes Highway and a “3(d) Commercial Services”

zone which applies to a pocket of land located on the northern periphery of the centre east of the Princes Highway and a pocket on the southern periphery of the centre west of the Princes Highway.

### Trade area

Fairy Meadow's the primary trade area essentially embraces the residential suburbs of Fern Hill and Towradgi to the north, Gwynneville to the south and Mt Ousley and Balgownie to the west. While much of this area has been developed for low density residential purposes, substantial tracts of land are used for institutional purposes (Wollongong Institute of TAFE, University of Wollongong, Keira High School, etc), industrial activity, and open space and recreation.

### Performance

The future performance of the Fairy Meadow shopping centre will be influenced by several factors. It will be influenced the land use pattern in the immediate trade area, which suggests that there is only limited potential for any substantial growth in the population. It will be influenced by the quantity of retail floor space which could be permitted in the proposed Innovation Campus located a short distance to the east. And it will be influenced by the location of the Northern Distributor and Main Southern Railway Line which act a significant barrier to east west access.

In a wider context, the future performance of Fairy Meadow, will also be influenced by the centre's ability to maintain market share in the face of the potential consolidation (and expansion) of the role performed by the Wollongong City Centre, which lies only 4.0 kilometres to the south of the centre, and Corrimal which is located only 3.0 kilometres to the north. While the comparatively low level of vacancy might suggest that the centre is likely to remain viable, it is to be noted that there only a limited potential for any substantial increase in the population of its trade area.

The relative strength of the centre can be attributed to several factors. These include its proximity to the higher density residential population in the northern periphery of the city centre and the existence of two national retailers - Woolworths Supermarkets and ALDI Stores.

It is also considered to be attributed in part to the development of the bulky goods retail activity, which has enabled the centre to perform a role beyond that of a traditional neighbourhood centre.

The strengths, weaknesses, opportunities and threats to the future performance of the Fairy Meadow are presented below.

#### Strengths

- Contains one full line supermarket
- Good exposure to Princes Highway
- Access to and from Princes Highway
- Spatially concentrated retail infrastructure

#### Weaknesses

- Dislocated from Railway Station (1 km to east)
- Lacks town centre focus and identity
- Poor level of pedestrian amenity
- Ageing population of trade area
- Limited growth potential in trade area
- Bypassed by Northern Distributor
- Fragmented land use pattern in surrounding area

#### Opportunities

- Increase residential densities near infrastructure
- Improved pedestrian connections across Highway
- Land use pattern offers potential for redevelopment

#### Threats

- Growth of City Centre and/or other centres
- Emergence of retail activity in Innovation Campus

### Recommended approach

The challenge for the planning of the centre will be to establish a clear framework to allow for a process of consolidation and containment, rather than a continued fragmentation of retail activity evident with the development of bulky goods retailing. Such a framework will need also to acknowledge the proposed development of the University of Wollongong’s Innovation Park, a short distance to the east at Brandon Park, as both a threat and opportunity.

It is therefore recommended that:

- A strategic framework be prepared for the town centre which seeks to contain and consolidate retail activity within the confines of the existing planning zones.
- The growth of peripheral sales (bulky goods retailing) be contained to within the existing 3(d) Commercial Services zone.
- Special emphasis be directed towards a consolidation and the development of a more cohesive built form.

### 11.5.3 Thirroul

#### Location

The Thirroul Shopping Centre is located approximately 14 kilometres north of the Wollongong City Centre and 1 kilometre north of where the Princes Highway intersects with the Lawrence Hargrave Drive. Less than 1 kilometre to its east is the Pacific Ocean, while to the west a distance of approximately 1.5 kilometres is the steep Illawarra Escarpment.

#### Role and function

Thirroul is a comparatively small Neighbourhood Centre, providing mostly convenience goods and services for the day-to-day shopping needs of the immediate residential community. Also located in the centre are several additional facilities - Ryan’s Hotel, Community Library, Service Station and Bowling Club.

**Table 41 - Retail infrastructure: Thirroul**

<b>Indoor Centres</b>			
Thirroul Village Plaza	Major Tenants:	Coles Supermarket	1,240 m2
	Specialty Shops:	19	1,767 m2
	<b>Total Retail Floor Space:</b>		<b>3,007 m2</b>
	Car parking spaces:	120 (open)	
<b>Other (Strip) Retail</b>			
	Major Retailers:	Franklins Supermarket	500 m2
	Specialty Shops:	20	7,200 m2
	<b>Approx. Total:</b>		<b>7,700 m2</b>
<b>Approx. Vacancy of Total</b>			<b>5%</b>
<b>Total Retail</b>			<b>10,707 m2</b>

Source: Hill PDA Floor Space Survey, 2004; Property Council of Australia, 2003

#### Structural character

The Thirroul Shopping Centre comprises a traditional strip of retail activity extending along Lawrence Hargrave Drive and a small indoor centre – Thirroul Village Plaza. The latter covers an area of some 3,000 m2, of which approximately 1,240 m2 is occupied by a Coles Supermarket with the remaining area accommodating around 19 specialty shops. Beyond the Plaza, extending between Philip Street and Raymond Road, there are approximately 20 retail premises which in total comprise some 7,700 m2 of floor space. This is dominated by a Franklins Supermarket, which has an area of 500 m2.

## Planning framework

Retail activity in Thirroul is accommodated in a “3(a) General Business” zone. This zoning applies to areas located to the east and west of the Northern Railway line and extends along the eastern and western sides of the Princes Highway.

## Trade area

The trade area for Thirroul broadly extends northward a distance of approximately 10 kilometres to Coalcliff and south a distance of only 2 kilometres towards Bulli. The eastern and western extent of the trade area is effectively defined by the Pacific Ocean and the Illawarra escarpment respectively. In addition to the surrounding residential community of Thirroul, this trade area embraces several comparatively small and discrete coastal settlements - Austinmer, Coledale, Wombarra, Scarborough, Clifton and Coalcliff. Within this area the overwhelming constraint on development is the topography, and today offers few opportunities for future residential growth.

## Performance

The key issue for Thirroul arises from its capacity to maintain its existing market share. This will be influenced by the relative strength of the Corrimal centre, which lies to the south, and the limited potential for any expansion and/or population growth in Thirroul’s trade area. Indeed, were there to be a further increase or consolidation of the Corrimal centre, through an expansion of its supermarkets, it could be expected that Thirroul would experience a diminution of its market share.

The strengths, weaknesses, opportunities and threats to the future performance of Thirroul are presented below.

### Strengths

- Contains one small supermarket
- Good exposure to Lawrence Hargrave Drive (LHD)
- Access to and from Lawrence Hargrave Drive
- Spatially concentrated retail infrastructure
- Convenient access to rail transport
- Town centre focus and identity
- Attractive setting

### Weaknesses

- Poor level of pedestrian amenity
- Ageing population of trade area
- Limited growth potential in trade area
- Access dependent on Lawrence Hargrave Drive
- Centres bisected by railway

### Opportunities

- Increase residential densities near infrastructure
- Improved pedestrian connections across LHD
- Land use pattern offers potential for redevelopment

### Threats

- Growth of Corrimal and/or other centres

## Recommended approach

The challenge for Thirroul is to evolve with a greater emphasis on convenience shopping, possibly through an expanded supermarket, and the implementation of a strategy to foster an enhancement of the centre as a destination for tourism and recreation, general environmental amenity and accessibility. It is therefore recommended that:

- A strategic framework be prepared for the town centre which seeks to contain and consolidate retail activity within the confines of the existing planning zones.
- Special emphasis be directed towards a consolidation and the development of a more cohesive built form.
- Future planning should seek to achieve improved physical cohesion, accessibility, environmental amenity and town centre identity.

## 11.5.4 Unanderra

### Location

The Unanderra Shopping Centre is located at the intersection of the Princes Highway and Farmborough Road, approximately 7 kilometres south west of the Wollongong City Centre.

### Role and function

Unanderra is a small Neighbourhood Centre providing mostly convenience goods and services for the day-to-day shopping needs of a residential community located to the west and an employment population located to the east in the Unanderra industrial precinct. Also located in the centre are several additional facilities - Police Station, Community Centre, Post Office, Community Library, Berkeley Sports Club.

**Table 42 - Retail infrastructure: Unanderra**

<b>Indoor Centres</b>			
Not Applicable			
<b>Other (Strip) Retail</b>			
	Major Retailers:	Woolworths Supermarket	2,800 m2
		Kentucky Fried Chicken	400 m2
	Specialty Shops:	60	5,600 m2
	<b>Approx. Total:</b>		<b>8,800 m2</b>
<b>Approx. Vacancy of Total</b>		<b>10%</b>	<b>850 m2</b>
<b>Total Retail</b>			<b>8,800 m2</b>

Source: Hill PDA Floor Space Survey, 2004

### Structural character

Unanderra comprises a traditional strip of retail activity which extends along the Princes Highway between the Unanderra Station and Farmborough Road. Immediately to its west lies the residential suburb of Farmborough Heights, while to the east is the Main Southern Railway Line and Unanderra Railway Station, beyond which is the Unanderra industrial area.

The centre comprises some 60 retail premises, which cover a total floor area of 8,600 m2. Of this 2,800 m2 is occupied by a Woolworths Supermarket, with the balance accounted for by a Kentucky Fried Chicken outlet and a small range of speciality shops.

Access in the centre is focussed on the Princes Highway. This road extends northwards to the Figtree Shopping Centre and the Wollongong City Centre; and connects with Five Islands Road/Northcliffe Drive, which provides access to the east and the Warrawong Shopping Centre. From the west, access is achieved by way of Farmborough Road, Cordeaux Road and several streets, which connect with the suburbs of Cordeaux Heights and Farmborough Heights. With the railway corridor extending along the eastern side of the centre, vehicular circulation and parking within the centre is comparatively difficult.

### Planning framework

Retail activity in Unanderra is accommodated in two zones: “3(a) General Business” zone, which covers the core area, lying to the east and west of the Princes Highway and a “3(d) Commercial Services” zone which applies to a pocket of land located to the north of the centre approximately 1 kilometre east of the Princes Highway and a pocket on the southern periphery of the centre extending along the western side of the Princes Highway.

### Trade area

It is estimated that the trade area of Unanderra broadly extends north to Five Islands Road, east to the Southern Freeway to embrace the western area of the Unanderra industrial estate, south to Northcliffe Drive and Kembla Grange; and west to the Illawarra Escarpment to include the residential area of Farmborough Heights. Within this area, there is a wide mix of land use, extending from residential, industrial to open space and recreation.

### Performance

The key issues which surround the future development of the Unanderra centre arise from its ability to maintain market share. Despite the centre's proximity to the West Dapto Urban Release Area, where significant urban development is envisaged, the potential of the centre to strengthen its role is considered to be tenuous, given the limited likelihood of any substantial expansion in its trade area and lack of opportunities for significant population growth in the immediate area. This predicament is further compounded by the poor level of access between the centre and the industrial area to the east and the relative proximity of the Figtree Shopping Centre to the north.

The strengths, weaknesses, opportunities and threats to the future performance of Unanderra are presented below.

#### Strengths

- Contains one small supermarket
- Convenient access to Railway Station

#### Weaknesses

- Spatially dispersed retail infrastructure
- Limited growth potential in trade area
- Poor level of pedestrian amenity
- Limited growth potential in immediate trade area
- Access dependent on Princes Highway
- Poor vehicular circulation network

#### Opportunities

- Increase residential densities near infrastructure
- Improved pedestrian connections to Station
- Land use pattern offers potential for redevelopment

#### Threats

- Growth of competing centres and loss of trade
- Intensification of heavy industrial activity
- Decline in environmental amenity

### Recommended approach

The challenge for the planning of the centre will be to foster a process of consolidation, rather than dispersal or fragmentation – the objective being to reinforce the benefits derived from agglomeration. In this respect any expansion of the current commercial zonings is not recommended.

This strategic objective should be supplemented with a strategy which seeks to enhance the overall environmental amenity of the centre.

It is therefore recommended that:

- A strategic framework be prepared for the town centre which seeks to contain and consolidate retail activity within the confines of the existing planning zones.
- The growth of peripheral sales (bulky goods retailing) be contained to within the existing 3(d) Commercial Services zone and discouraged in the adjoining industrial areas.
- Special emphasis be directed towards a consolidation and the development of a more cohesive built form and town centre identity.

### 11.5.5 Port Kembla

#### Location

The Port Kembla commercial centre is located approximately 8 kilometres to the south of the Wollongong City Centre. Directly to the north a distance of less than 1 kilometre is the Port Kembla Steelworks, while to the south also less than a kilometre distant is Lake Illawarra.

### Role and function

The Port Kembla commercial centre is a comparatively small Neighbourhood Centre, concentrated along Wentworth Street between Church Street and Jubilee Street. This status is essentially attributed to the physical extent of floor space. However, given that a significant proportion now lies vacant, as a result of the of the retail opportunities now available at Warrawong Shopping Centre, it's the role and function has declined to that of a Local Centre.

**Table 43 - Retail infrastructure: Port Kembla**

<b>Indoor Centres</b>			
Not Applicable			
<b>Other (Strip) Retail</b>			
	Major Retailers:	Tosti Cellar and Liquor	400 m2
		Paul's Warehouse	400 m2
	Specialty Shops:	90	8,800 m2
	<b>Approx. Total:</b>		<b>9,600 m2</b>
<b>Approx. Vacancy of Total</b>		55%	<b>5,300 m2</b>
<b>Total Retail</b>			<b>9,600 m2</b>

Source: Hill PDA Floor Space Survey, 2004

### Structural character

Retail infrastructure is estimated to comprise approximately 90 premises, which cover a total floor area of some 9,600 m2. This was established to serve not just the residential community of Port Kembla but also the working population concentrated in the Port Kembla industrial area centred on the Port and steelworks located directly to the north of the centre. With the establishment of the Warrawong Shopping Centre, only 1 kilometre to the south west, which now offers a vastly broader and deeper range of shopping opportunities, and a significant decline in employment at the steelworks, Port Kembla has experienced a dramatic loss in trade. Today much of the retail infrastructure lies vacant (estimated to be approximately 55% of the total area of floor space), with the remaining occupied premises meeting only a small and limited range of needs. These include Tosti Cellar and Liquor (400 m2) and Paul's Warehouse (400 m2).

Beyond its role as a focus of retail activity, Port Kembla also accommodates several hotels and other community related facilities - Port Kembla Returned Services League, Community Centre, Port Kembla Leagues Club, Port Kembla Hotel, Steel Works Hotel, and Commercial Hotel – which provide a basis for attracting custom and generating character. A further attribute of the centre is its physical setting and heritage qualities. These combine to form a comparatively unique basis upon which its future can be built.

Despite a location on the eastern periphery of the Local Government Area, adjacent to the Port Kembla steelworks and harbour, access to and from Port Kembla can be achieved with relative ease. It lies only a short distance from the main arterial roads which connect with the Wollongong City Centre (Five Islands Road, Springhill Road) and a street system which provides convenient access to the Warrawong Shopping Centre only one kilometre distant. Within the town centre itself, a rectilinear street system allows efficient internal circulation.

### Planning framework

Retail activity in Port Kembla is accommodated in two zones: "3(a) General Business" zone and a "3(d) Commercial Services" zone. The former covers a narrow corridor of land centred on Wentworth Street,

between Church Street and Jubilee Street, and a pocket located to the north of Military Road on the south eastern periphery of the core. The “3(d) Commercial Services” zone applies to two small pockets of land, one of which is located at the north western end of the core immediately beyond Darcy Road and a pocket of land located approximately 1 kilometre to the southeast of the core adjacent to Electrolytic Road.

### Trade area

The trade area of Port Kembla is essentially focussed on serving a residential community concentrated within an area bounded by Five Islands Road to the north, Military Road to the east, Cowper Street to the south and Shell Harbour Road to the west. This trade area has significant constraints, for immediately beyond, lies the large industrial complex of the Port Kembla Steelworks, the Port, the Hill 60 Park and Military Reserve, the Coomaditchy Lagoon, and the Warrawong Shopping Centre.

### Performance

It is now apparent that the trade area of Port Kembla has contracted significantly through the development of the Warrawong sub-regional centre. The now weak performance of the centre is evident with the high level of vacancy throughout and an overall appearance of physical decline. Prior to this centre being established, Port Kembla once served a substantially larger community, particularly the working population associated with the Steelworks and Port. Today its role lies more in meeting limited needs for convenience shopping and entertainment.

The key issue for Port Kembla centres on a need to identify and establish a new role. Given the existence of the Warrawong sub - regional shopping centre, only 1 kilometre to the west, the potential to perform the role of a traditional neighbourhood centre is limited. The future of the centre would appear to broadly lie in building on its industrial and historical context, more as a focus for small office based commercial, tourism, arts and cultural based enterprise, with retail and entertainment related activity (micro-brewery?) providing diversity.

The strengths, weaknesses, opportunities and threats to the future performance of Port Kembla are presented below.

#### Strengths

- Unique urban setting
- Existence of heritage qualities
- Spatially concentrated infrastructure
- Existence of adaptive reuse opportunities
- Proximity to several key attractions (eg Hill 60)

#### Weaknesses

- Presence of urban decline
- Declining employment population in steelworks
- Exposure to Warrawong trade area
- Limited growth potential in immediate trade area
- No rail access

#### Opportunities

- Increase residential densities in the centre
- Develop a new identity and role for centre
- Build on heritage and unique urban setting
- Land use pattern offers potential for redevelopment
- Focus for office, arts, cultural, tourism enterprise

#### Threats

- Growth of Warrawong/Kemblawarra Centres
- Continuing decline in trade
- Continued urban decline and anti social behaviour

### Recommended approach

The challenge for the planning of Port Kembla is to identify a new identity or vision for the centre, and ensure the implementation of a strategy to achieve its realisation. The elements of such a strategy will need to embrace more than simply zoning controls and other planning based mechanisms. There will be a need to integrate initiatives to promote the centre as an opportunity. It is therefore recommended that:

- A strategic framework be prepared for the town centre which builds on a new identity and purpose



- The existing planning zones which have the potential to accommodate retail activity should be reduced.
- Provisions be introduced to allow for the realisation of a new role and functional character which builds on the centres historic context.

### 11.5.6 Helensburgh

#### Location

Helensburgh is located at the northern extreme of the Wollongong Local Government Area, approximately 30 kilometres to the north of the Wollongong City Centre and less than 1 kilometre west of the Southern Freeway.

#### Role and function

Helensburgh functions as a comparatively large Neighbourhood Centre, serving the daily and weekly shopping needs of a small township distinguished by its containment within clear natural boundaries. Its population is approximately 8,100 persons.

**Table 44 - Retail infrastructure: Helensburgh**

<b>Indoor Centres</b>			
Not Applicable			
<b>Other (Strip) Retail</b>			
	Major Retailers:	Bi Lo Supermarket	1,350 m2
	Specialty Shops:	58	5,750 m2
	<b>Approx. Total:</b>		<b>7,100 m2</b>
<b>Approx. Vacancy of Total</b>		14%	<b>1,100 m2</b>
<b>Total Retail</b>			<b>7,100 m2</b>

Source: Hill PDA Floor Space Survey, 2004

#### Structural character

Helensburgh is a comparatively small township, separated from the main concentrations of urban development by the natural topography of its immediate surroundings, much of which forms the Garrawarra State Recreation Area and the Royal National Park.

The retail precinct of Helensburgh is concentrated at the intersection of Walker and Parkes Streets. This comprises some 58 retail premises, which cover a total floor area of approximately 7,100 m2. Of this, the primary occupant is a Bi-Lo Supermarket with a floor area of 1,350 m2.

Also located within the township are several non retail and community related facilities - Helensburgh Workmen's Club, Centennial Hotel, Charles Harper Park Swimming Pool, Post Office, Police Station, Town Hall Community Centre.

Access to Helensburgh is confined to two routes: Parkes Street which connects with the Princes Highway and Southern (F6) Freeway to the west, and Otford Road which provides access south to Stanwell Park and beyond to the south. Within the town centre a street system allows relatively efficient vehicular movement.

#### Planning framework

The Helensburgh shopping centre is contained within a "3(a) General Business" zone.

#### Trade area

The trade area of Helensburgh is essentially confined to the township itself and the township of Stanwell Tops, which is located approximately 2 kilometres to the south. These townships lie within an area very broadly defined by the Garwarra State Recreation Area and the Royal National Park, which lie to the north and west, Lawrence Hargrave Drive to the south and the Southern Freeway to the west.

The demography of the trade area is broadly characterised by a comparatively high average household size (3.0 persons/household; a higher than average number of family households (83.6%) and a higher than average number of people in white collar occupations (66.4%).

The potential for future growth of the centre is considered to be limited and that it will continue to perform a role more orientated towards convenience shopping. There are significant topographical constraints on any significant urban development, and there is a high likelihood that the more substantial retail needs of the local residential community will be met either in Wollongong City Centre or in Sydney to the north.

### Performance

The key issue which will influence the performance of the Helensburgh Neighbourhood Centre essentially relates to its capacity to maintain its existing market share. This will be influenced by the limited potential for population growth in its trade area, and the continuing enhancements to the levels of access to other centres. It will be important for the centre to reinforce its comparatively unique place in the Wollongong urban system, through a consolidation of its role as a convenience centre offering a high level of environmental amenity.

The strengths, weaknesses, opportunities and threats to the future performance of Helensburgh are presented below.

#### Strengths

- Unique urban setting adjacent to National Park
- Spatially concentrated infrastructure
- Existence of a small supermarket

#### Weaknesses

- Retail precinct dislocated from Railway Station
- Limited growth potential in immediate trade area

#### Opportunities

- Increase residential densities in the centre
- Reinforce identity and role for centre
- Build on unique natural setting
- Land use pattern offers potential for redevelopment

#### Threats

- Loss of convenience shopping trade
- Loss of supermarket

### Recommended approach

The challenge for the planning of the centre is to foster a process of consolidation, and discourage any retail development beyond the core area. This objective should be supplemented with a strategy which seeks to build on the environmental qualities of the centres, such as the Charles Harper Park opposite. It is therefore recommended that:

- A strategic framework be prepared for the town centre which seeks to contain and consolidate retail activity within the confines of the existing planning zone.
- Special emphasis be directed towards a consolidation and the development of its role as a neighbourhood centre offering a high level of amenity and convenience.

## 11.6 Local Centres

### 11.6.1 Bulli

#### Location

The township of Bulli is located on the Princes Highway, approximately 11.5 kilometres north of the Wollongong City Centre and 1 kilometre south of where the Princes Highway intersects with Lawrence Hargrave Drive.

#### Role and function

Bulli performs as a comparatively large Local Centre, providing essentially convenience goods and services for the day-to-day shopping needs of the local residential community of Bulli.

**Table 45 - Retail infrastructure: Bulli**

<b>Indoor Centres</b>			
Not Applicable	-	-	-
<b>Other (Strip) Retail</b>			
Major Retailers:		-	-
Specialty Shops:	35		3,700 m <sup>2</sup>
<b>Approx. Total:</b>			<b>3,700 m<sup>2</sup></b>
<b>Approx. Vacancy of Total</b>	<b>15%</b>		<b>500 m<sup>2</sup></b>
<b>Total Retail</b>			<b>3,700 m<sup>2</sup></b>

Source: Hill PDA Floor Space Survey, 2004

#### Structural character

Bulli is a small traditional strip centre concentrated at the intersection of the Princes Highway and Park Road, and the Bulli Railway Station, a distance of approximately 1 kilometre west of the Pacific Ocean. In this location, the centre is less than 1 kilometre north of the slightly larger Woonona Shopping Centre and 2 kilometres south of the Thirroul Shopping Centre.

The centre comprises approximately 37 retail premises, which in total, cover an estimated 3,700 m<sup>2</sup>. There are no large anchor retailers. Its primary role is in meeting the retail needs of the surrounding neighbourhood, although there is wider appeal derived from the presence of the Bulli Hotel, Post Office, Service Station, Bulli RSL Sports Club.

Given the proximity of slightly larger centres each of which have a supermarket, and the constrained and established nature of its trade area, there would appear to be little potential for the centre to develop a larger retail role.

With the centre being concentrated on the Princes Highway, vehicular movement patterns are characterised by a mix of through traffic and local traffic. While this has the potential to cause minor conflicts, in general the centre could be considered to be reasonably accessible. This is further enhanced with the existence of the Bulli Railway Station located less than 100 metres to the east of the centre.

#### Planning framework

Retail activity in Bulli is accommodated in a “3(b) Neighbourhood Business” zone. This applies to land located between the Princes Highway and south of Park Street.

#### Trade area

The trade area of the Bulli is estimated extend less than a kilometre from the centre to Tramway and Slacks Creeks in the north, the Pacific Ocean in the east, Collins Creek in the south, and the Illawarra

Escarpment in the west. The area is broadly characterised by established low density residential development, interspersed with relatively large areas of open space. These land use characteristics, coupled with the existence of Thirroul and Woonona, which are larger centres located a short distance to the north and south respectively, are likely to severely limit future growth in demand for retail floor space.

### Performance

The key issue confronting the performance of Bulli arises from its ability to maintain market share. With a proximity to several larger centres, a trade area with little prospect of growth, and a dependence on a cluster of small specialty shops, the centre is unlikely to develop a larger role.

The strengths, weaknesses, opportunities and threats to the future performance of the Bulli township are presented below.

#### Strengths

- Attractive setting below Illawarra Escarpment
- Spatially concentrated infrastructure
- Convenient access to Railway Station

#### Weaknesses

- Limited growth potential in immediate trade area
- Growing competition from Thirroul and Woonona
- No small supermarket

#### Opportunities

- Increase residential densities near centre
- Reinforce identity and role for centre
- Redevelopment potential

#### Threats

- Loss of convenience shopping trade

### Recommended approach

The challenge for this centre is to maintain its viability in the face of continuing and possibly increasing competition from nearby centres. This is most likely to be achieved by limiting any fragmentation of the centre. It is therefore recommended that:

- A strategic framework be prepared for the town centre which seeks to contain and consolidate retail activity within the confines of the existing planning zone.
- Special emphasis be directed towards a consolidation and the development of its role as a neighbourhood centre offering a high level of amenity and convenience.

## 11.6.2 Balgownie

### Location

The Balgownie retail precinct is located at the intersection of Kembla Street and Balgownie Road, approximately 5 kilometres northwest of the Wollongong City Centre.

### Role and function

Balgownie is a small Local Centre providing a limited range of convenience goods for the day-to-day shopping needs of the local residential community.

**Table 46 - Retail infrastructure: Balgownie**

<b>Indoor Centres</b>		
Not Applicable	-	-
<b>Other (Strip) Retail</b>		
Major Retailers:	-	-

Specialty Shops:	33	2,600 m <sup>2</sup>
<b>Approx. Total:</b>		<b>2,600 m<sup>2</sup></b>
<b>Approx. Vacancy of Total</b>	<b>2%</b>	<b>200 m<sup>2</sup></b>
<b>Total Retail</b>		<b>2,600 m<sup>2</sup></b>

Source: Hill PDA Floor Space Survey, 2004

### Structural character

Balgownie is a typical small neighbourhood/local centre, which provides a limited range of retail goods and services to the surrounding residential suburb of Balgownie. It comprises some 33 specialty retail premises which cover a total area of approximately 2,600 m<sup>2</sup> of retail floor space. These are concentrated on Balgownie Road, between Kembbla Street and Foothills Road, and along with several additional facilities - Collegians RLF Club, Post Office, Fire Station, and Service Station - form an attractive cluster of activity.

### Planning framework

Retail activity in Balgownie is accommodated in a “3(b) Neighbourhood Business” zone.

### Trade area

The trade area of Balgownie is considered to cover an area with a radius of approximately 1 kilometre from the centre.

The potential for future growth of the centre is considered to be limited. Less than 2 kilometres to the west is the considerably larger Fairy Meadow Shopping Centre, where there is a Woolworths Supermarket and an ALDI Store. This represents significant competition and a key influence on the extent of Balgownie’s trade area. And furthermore, the centre lies at the centre of a well established low density residential community, which offers little prospect for further development and a substantial increase in population. Despite this, it is evident with the comparatively low level of vacancy that the centre does perform well as local convenience opportunity for local residents.

### Performance

The key issue for Balgownie arises from its ability to maintain market share. Given its proximity to the Fairy Meadow shopping centres and a trade area with little prospect of growth, and a dependence on a cluster of small specialty shops, the centre is unlikely to develop a larger more significant role.

The strengths, weaknesses, opportunities and threats to the future performance of the Balgownie shopping centre are presented below.

#### Strengths

- Attractive setting below Illawarra Escarpment
- Spatially concentrated infrastructure

#### Weaknesses

- Limited growth potential in immediate trade area
- Growing competition from Fairy Meadow
- No small supermarket

#### Opportunities

- Increase residential densities near centre
- Reinforce identity and role for centre

#### Threats

- Loss of convenience shopping trade

### Recommended approach

The challenge for this centre is to maintain its viability in the face of continuing and possibly increasing competition from Fairy Meadow. This is most likely to be achieved by:

- Limiting any fragmentation of the centre; and
- Reinforcing its identity and local character within the surrounding community.

### 11.6.3 Berkeley

#### Location

The Berkeley centre is located on Winnima Way, in the residential suburb of Berkeley, approximately 10 kilometres to the south of the Wollongong City Centre and less than 100 metres north of Northcliffe Drive and the northern edge of Lake Illawarra.

#### Role and function

Berkeley is a small Local Centre. Its role and function is primarily orientated towards meeting the daily convenience shopping needs of its surrounding residential population.

**Table 47 - Retail infrastructure: Berkeley**

<b>Indoor Centres</b>			
Not Applicable	-	-	-
<b>-Other (Strip) Retail</b>			
	Major Retailers:	Jewell IGA Supermarket	1,500 m <sup>2</sup>
	Specialty Shops:	10	1,100 m <sup>2</sup>
	<b>Approx. Total:</b>		<b>2,600 m<sup>2</sup></b>
<b>Approx. Vacancy of Total</b>		5%	<b>130 m<sup>2</sup></b>
<b>Total Retail</b>			<b>2,600 m<sup>2</sup></b>

Source: Hill PDA Floor Space Survey, 2004

#### Structural character

The Berkeley shopping centre is concentrated in a purpose built complex which comprises a total retail floor area of approximately 2,500 m<sup>2</sup>. Of this area, the principal occupant is a Jewel IGA Supermarket, which has a floor area of around 1,500 m<sup>2</sup>. The remaining floor area is comprised of 10 specialty shops. Also located nearby are the Berkeley Sports and Social Club, a Police Station, hotel and post office.

The centre lies within the established residential suburb of Berkeley, and is accessed by way of several streets extending off Northcliffe Drive to the south, and George Street/Berkeley Road to the east.

#### Planning framework

Retail activity in Berkeley is accommodated in a “3(a) General Business” zone.

#### Trade area

The trade area of Berkeley lies essentially within an area defined by the Southern Freeway to the north and west, Berkeley Road to the East and the Lake Illawarra to the south. Any expansion beyond this is most unlikely. Within this area there would appear to be little potential for any significant growth in population. And the Warrawong Sub - Regional Shopping Centre, which lies less than 3 kilometres to the west, can be relatively easily accessed by way of Northcliffe Drive.

#### Performance

The key issue for Berkeley arises from its ability to maintain market share. With a proximity to the significantly larger centre of Warrawong and a trade area with little prospect of growth, the centre is unlikely to develop a larger role.

The future role of this centre is most likely to be tenuous or at best remain unchanged. Much will depend on its capacity to meet local convenience shopping needs, and the extent to which future residential development can be accommodated.

The strengths, weaknesses, opportunities and threats to the future performance of the Berkeley shopping centre are presented below.

#### Strengths

- Spatially concentrated infrastructure
- Contains a small supermarket
- Conveniently located for local community
- In close proximity to Lake Illawarra (recreation)

#### Weaknesses

- Limited growth potential of trade area
- Exposure to trading strength of Warrawong

#### Opportunities

- Increase residential densities near centre
- Reinforce identity and role for centre

#### Threats

- Loss of convenience shopping trade
- Loss of supermarket

### Recommended approach

The challenge for this centre is to maintain its viability in the face of continuing and possibly increasing competition from Warrawong. This is most likely to be achieved by limiting any enlargement of the centre and reinforcing its role as convenience centre. It is therefore recommended that:

- A strategic framework be prepared for the town centre which seeks to contain and consolidate retail activity within the confines of the existing planning zone.
- Special emphasis be directed towards a consolidation and the development of its role as a neighbourhood centre offering a high level of amenity and convenience.

### 11.6.4 Windang

#### Location

The Windang Local Centre is located adjacent to Boronia and Windang Roads, approximately 500 metres north of Lake Illawarra at the southern extreme of the Wollongong Local Government Area. In this location it lies some 15 kilometres to the south of the Wollongong City Centre.

#### Role and function

Windang is a small Local Centre serving the comparatively small residential community of Windang, with day-to-day convenience shopping needs. It also meets the essential shopping needs arising from local tourism, in particular demand arising from two caravan parks (Lake Illawarra Village and Oaklands), which are located opposite on the western side of Windang Road.

**Table 48 - Retail infrastructure: Windang**

<b>Indoor Centres</b>			
Not Applicable	-	-	-
<b>-Other (Strip) Retail</b>			
Major Retailers:		Welcome Mart Supermarket	420 m2
Specialty Shops:		23	2,330 m2
<b>Approx. Total:</b>			<b>2,750 m2</b>
<b>Approx. Vacancy of Total</b>		<b>5%</b>	<b>130 m2</b>
<b>Total Retail</b>			<b>2,750 m2</b>

Source: Hill PDA Floor Space Survey, 2004

#### Structural character

The Windang shopping centre is a small integrated complex covering approximately 3,000 m2, located on the eastern side of Windang Road. This is dominated by a small Welcome Mart Supermarket, which is supported with a cluster of some 23 specialty shops.

## Planning framework

Retail activity in Windang is accommodated in a “3(b) Neighbourhood Business” zone.

## Trade area

The trade area of Windang is essentially confined to a small low density residential community located at the southern end of the narrow Windang peninsula which forms the entrance to Lake Illawarra from the Pacific Ocean. It is considered unlikely that it would extend beyond Primbee to the north and the entrance to Lake Illawarra to the south.

## Performance

Given the physical confines of its location, coupled with the existence of two larger centres to the north and south, it is considered that the centre has little potential for expansion. To the south across the entrance, approximately 2 kilometres distant is the Warilla Grove Shopping Centre. This centre, which is located in the Shellharbour LGA, comprises some 11,850 m<sup>2</sup> of retail floor space. With a Woolworths Supermarket (4,400 m<sup>2</sup>), a Bi-Lo Supermarket (2,400 m<sup>2</sup>), and some 31 specialty shops, it effectively restricts any southern expansion. To the north a distance of approximately 5 kilometres, is the Warrawong sub – regional Shopping Centre (refer Section 10.3.1). In addition, much of the trade area beyond the residential community of Warilla includes large tracts of land which are either used for the Port Kembla Golf Course or forms coastal recreation reserves, and hence offers little potential for future population growth.

The future role of this centre is most likely to be tenuous (as evidenced by the comparatively high level of vacancy of 7%). Much will depend on its capacity to meet local convenience shopping needs and address the competition from the Warrawong Shopping Centres and Warilla Grove to the north and south respectively.

The strengths, weaknesses, opportunities and threats to the future performance of the Windang shopping centre are presented below.

### Strengths

- Spatially concentrated infrastructure
- Contains a small supermarket
- Conveniently located for local community
- In close proximity to Lake Illawarra (recreation)

### Weaknesses

- Limited growth potential in immediate trade area
- Loss of trade to Warrawong and Warilla Grove

### Opportunities

- Increase residential densities near centre
- Reinforce identity and role for centre

### Threats

- Loss of convenience shopping trade
- Loss of supermarket

## Recommended approach

The challenge for this centre is to maintain its viability in the face of continuing and possibly increasing competition. This is most likely to be achieved by limiting any enlargement of the centre, identifying a competitive advantage and reinforcing its role as convenience centre. It is therefore recommended that:

- A strategic framework be prepared for the town centre which seeks to contain and consolidate retail activity within the confines of the existing planning zone.
- Special emphasis be directed towards a consolidation and the development of its role as a neighbourhood centre offering a high level of amenity and convenience.



## 11.7 Peripheral Sales Precincts

### 11.7.1 Kemblawarra

#### Location

The Kemblawarra retail precinct is located adjacent to King Street, 300 metres to the south of the Warrawong Sub – Regional Shopping Centre, and approximately 10 kilometres to the south of the Wollongong City Centre.

#### Role and function

The role and function of the Kemblawarra shopping precinct is centred on peripheral sales. It is a demonstration of how new types of retailing has been developed with different site requirements compared to traditional stores. Generally these embrace large scale formats, a high level of accessibility, plentiful car parking and high exposure - requirements which cannot be accommodated in traditional areas of retail activity, essentially because of lower land costs and rentals. As an area which was once a focus of industrial activity, the precinct has now emerged to be the most significant concentration of peripheral sales in the region.

**Table 49 - Retail infrastructure: Kemblawarra**

<b>Indoor Centres</b>	-	-	-
Not Applicable	-	-	-
<b>Other Retail</b>			
	Major Retailers:	Harvey Norman; Domayne; Retrovision	
	Specialty Shops (No):	23	
	Specialty Shops (Retailers)	Fantastic Furniture, Sleep City, Forty Winks, Freedom Furniture, Fantastic Furniture, Oz Design, Babyco, Sleeping Giant, Pauls warehouse, BBQ Galore, Capt'n Snooze, Great Outdoors	
	<b>Approx. Total:</b>		<b>57,800 m<sup>2</sup></b>
<b>Approx. Vacancy of Total</b>			-
<b>Total Retail</b>			<b>57,800 m<sup>2</sup></b>

Source: Hill PDA Floor Space Survey, 2004

#### Structural character

Kemblawarra is essentially a complex of bulky goods retail premises concentrated along King Street and to a lesser extent along Kemblawarra Road and Shellharbour Road. There are currently around some 41 premises which have a total floor area of around 57,800 m<sup>2</sup>.

When combined with the nearby Warrawong Sub – Regional Shopping Centre, which comprises a total floor space of 56,475 m<sup>2</sup>, the concentration and extent of retail activity, is comparable to that of the Wollongong City Centre. This quantum and mix of retail activity represents a significant influence on the overall regional hierarchy and demands special attention in the context of future frameworks for the future planning of the region.

Immediately beyond the precinct, to the east is a substantial area of land used for traditional industrial activity. Given the relative strength of bulky goods retailing, particularly when considered in the context of future growth prospects in the nearby Dapto area, it is considered reasonable to anticipate pressure for an expansion of the precinct into the areas used for industrial proposes.

#### Planning framework

Retail activity in Kemblawarra is accommodated in a “3(d) Commercial Services” zone. This very broadly applies to land extending along the eastern side of King Street, south of the Darcy Wentworth Park, and west of Shellharbour Road.

### **Trade area**

The trade area of the Kemblawarra peripheral sales precinct extends over a large area – one that is considerably larger than that of a conventional shopping centre with a similar floor area – drawing widely and thinly for custom. Broadly this is considered to cover much of the Local Government Area to the south of the Wollongong City Centre and beyond to include much of the northern area of the Shellharbour Local Government area.

### **Performance**

The Kemblawarra peripheral sales precinct has grown relatively rapidly, essentially in response to the population growth in the region, in particular dwelling establishments. Looking to the future, it is considered that with the forecast growth in population, the key issue will centre on how the resulting demand for bulky goods floor space can be most effectively accommodated.

Kemblawarra is located within a well established residential area of the Wollongong Local Government Area, between the Port Kembla Steelworks and Lake Illawarra and in this context, could be seen to be relatively isolated from areas targeted for future residential development, most particularly the West Dapto Release Area which lies approximately 10 kilometres to the east. Despite this, with the substantial area of industrial land to the east, Kemblawarra could be seen to have considerable potential for a spatial expansion, and consolidate as a strong regional node for peripheral sales activity. This potential will however need to be canvassed with an understanding of the strategic initiatives to strengthen the role played by the Wollongong City Centre and the need to foster employment opportunities in the West Dapto area.

An additional and no less important issue is the physical separation of the two retail precincts of Kemblawarra and Warrawong. This represents a significant constraint to the operation of a more cohesive urban centre.

The strengths, weaknesses, opportunities and threats to the future performance of the Kemblawarra precinct are presented below.

#### **Strengths**

- Spatially concentrated infrastructure
- Expansion potential (Shellharbour Road)
- Good exposure and vehicular access
- Large land parcels
- Inexpensive land

#### **Weaknesses**

- Distant from areas targeted for future growth
- Physically dislocated from Warrawong
- Fragmented pattern of land use
- Constrained network for sub-regional access
- Heavily dependent on private vehicle access
- Trade area limited by Lake Illawarra and Port
- Poor level of environmental amenity
- Lack of physical cohesion

#### **Opportunities**

- Potential synergies with Warrawong precinct
- Develop a more cohesive framework
- Enhancement of environmental amenity

#### **Threats**

- Expansion of competing centres (Shellharbour)

### **Recommended approach**

The challenge for the future planning of the Kemblawarra Bulky Goods Retail Precinct will be to foster a process of consolidation and integration with Warrawong. Any further expansion should be carefully managed to ensure that this is achieved, and with an understanding of the region - wide consequences. It is therefore recommended that:

- A strategic framework embracing both Warrawong and Kemblawarra be prepared for the guidance of future retail, peripheral sales, industrial land use.
- Special emphasis be directed towards a consolidation of Kemblawarra as a discrete precinct for peripheral sales, rather than a continued expansion.
- Future planning should acknowledge that the future demand for floor space will most likely be focussed on and around West Dapto.
- Future planning should seek to achieve improved physical cohesion and integration with the nearby Warrawong Centre, and enhanced accessibility and environmental amenity.

### 11.7.2 Gwynneville

#### Location

The Gwynneville peripheral sales precinct is located on the western side of the Princes Highway, directly south of Mt Ousley Road, and approximately 3 kilometres to the north of the Wollongong City Centre.

#### Role and function

The Gwynneville peripheral sales precinct has evolved as a significant cluster of bulky goods/peripheral sales outlets. Once an area dominated by a mix of residential uses and light industrial activity, the precinct has been recognised to offer the key attributes required by peripheral sales activity – inexpensive land, high level of accessibility and exposure; and proximity to the City Centre.

**Table 50 - Retail infrastructure: Gwynneville**

<b>Indoor Centres</b>			
Not Applicable	-	-	-
<b>Other Retail</b>			
	Major Retailers:	Repco, Officeworks	
	Specialty Shops (No):	6	
	Specialty Shops (Retailers)	Makita	
	<b>Approx. Total:</b>		<b>7,800 m<sup>2</sup></b>
<b>Approx. Vacancy of Total</b>			-
<b>Total Retail</b>			<b>7,800 m<sup>2</sup></b>

Source: Hill PDA Floor Space Survey, 200

#### Structural character

The Gwynneville precinct is essentially concentrated along the Princes Highway between Mount Ousley Road and the intersection of Flinders Street and the Northern Distributor. Here, there is a cluster of some 5 bulky goods retail premises which have an estimated total floor area of around 7,800 m<sup>2</sup>.

While this cluster covers a comparatively well defined area – with Mt Ousley Road and the Wollongong High School forming the northern and southern extent respectively and a small residential area to the west – it is to be noted that there are additional smaller bulky goods and peripheral retail premises, interspersed with several car sales premises, located in the wider area extending south to Bourke Street.

#### Planning framework

Retail activity in Gwynneville is accommodated in a “3(d) Commercial Services” zone. This very broadly applies to a large area centred on Flinders Street (Princes Highway), between the intersection of Flinders Street and the Northern Distributor to the north; and Campbell Street in the south.

### Trade area

The trade area of the Gwynneville peripheral sales precinct extends is considered to embrace the City Centre, and extends northwards to Thirroul and beyond. It is to be noted that within this area, there are several additional pockets of peripheral sales activity – Fairy Meadow, Corrimal and Woonona.

### Performance

The development of this precinct for peripheral sales activity is a direct reflection of several key locational attributes. It has a prominent frontage to Princes Highway, at the principal northern gateway to the City which results in a high level of visual exposure to passing vehicular traffic. It also is located at the intersection of the Northern Distributor and Princes Highway/Flinders Street and less than 1 kilometre from the Southern Freeway, which allows direct and convenient access to and from the immediate locality and the wider region. It lies within only a short distance of the City Centre. And with its now substantial quantity of bulky goods retail floor space, has a well-established market identity. These strengths represent considerable advantages over many other locations where bulky goods retailing activity could be permitted, and may form the basis for pressure to expand the precinct.

Under the Wollongong Local Environmental Plan, the precinct falls within an area designated for light industrial use. While the current range of activities conform with relevant planning provisions, it is important to recognise that the precinct now exerts a significant influence on the function of the City Centre, and demands special attention in the context of future frameworks for the future planning of the region and in particular, of the City Centre.

The key issue confronting the future planning of the Gwynneville Peripheral Sales Precinct is seen to arise from the likely growth in demand and how this will be accommodated. With the area of land to the north and west, which is currently used for residential purposes, Gwynneville could be seen to have some potential for a spatial expansion, and consolidate as a regional node serving the City and the residential suburbs of Wollongong to the north. This potential will however need to be canvassed with an understanding of the strategic initiatives to strengthen the role played by the Wollongong City Centre and frameworks which might be adopted for the growth and development of other nearby centres such as Fairy Meadow.

The strengths, weaknesses, opportunities and threats to the future performance of the Gwynneville precinct are presented below.

#### Strengths

- Good exposure and vehicular access
- Large land parcels

#### Weaknesses

- Distant from areas targeted for future growth
- Physically dislocated from City Centre
- Fragmented pattern of land use
- Constrained network for vehicular access
- Heavily dependent on private vehicle access
- Limited growth potential of trade area
- Poor level of environmental amenity
- Lack of physical cohesion

#### Opportunities

- Develop a more cohesive framework
- Enhancement of environmental (and visual) amenity

#### Threats

- Expansion of competing centres (eg Corrimal)

### Recommended approach

The challenge for the future planning of the Gwynneville Bulky Goods Retail Precinct will be to set in place a framework which can enable appropriate expansion and inturn deflect pressure to develop bulky goods retail floor space elsewhere. It is therefore recommended that:

- A strategic framework be prepared for the consolidation and orderly expansion of future peripheral sales.
- Future planning should build on the principle of two – three primary nodes of peripheral sales floor space – Dapto, Kemblawarra and Gwynneville.
- Future planning should seek to achieve improved physical cohesion and an identity as an important node.

## 11.8 Local Convenience Centres

### 11.8.1 Role and Function

Beyond the Regional, Sub-Regional, District, Neighbourhood and Local Centres, there is a significant number of small convenience centres. These centres generally have an area in the range of 100 m<sup>2</sup> to 2,000 m<sup>2</sup>. Typically, new convenience centres often comprise a convenience store, which is increasingly being associated with a petrol filling station. More traditional convenience centres are characterised by a small cluster of shops and individual stores, which often rely on a very small and local catchment, such as milk bars, hairdressers, take away food and small grocery shops.

For these centres to function successfully, the catchment should embrace approximately 700 – 1,000 dwellings within a distance of around 500 metres. Thus, in an area where the residential density is approximately 15 dwelling per hectare, a neighbourhood of 50 hectares would contain around 270 dwellings.

### 11.8.2 Existing Centres

Based on a review of the current Wollongong Local Environmental Plan, there are in excess of 20 Local Convenience Centres in the Wollongong Local Government Area, in addition to the 17 larger centres. Examples include Stanwell Park, Austinmer, Towradgi, Primbee, Farmborough and Koonawarra. These centres have total floor areas of less than 2,000 square metres and are generally contained within a “3(b) Neighbourhood Business” zone, the provisions for which are “to allow for business and neighbourhood activities which serve the local community and are limited in scale”.

### 11.8.3 Recommended Approach

The challenge for many of the Local Convenience Centres will be to maintain their viability in the face of continuing and possibly increasing competition from the larger centres. Research (Ecologically Sustainable Design, “Design Principles for Neighbourhood Centres”, 2003) suggests that there are several key principles which should be adopted in the future planning of these centres:

- Ensure that their catchments encompass approximately 700 – 1,000 dwellings within a 400 – 500 metre radius.
- Vehicle traffic planning and urban design/planning initiatives should seek to ensure that local street networks enable convenient pedestrian access for at least 60% of the catchment’s dwellings.
- In the planning of future local convenience shops, appropriate locations should have main road exposure in order to attract trade from passing traffic, in addition to the local residential catchment.

- In the planning of future local convenience shops, ensure that approximately 60% – 70% of potential customers are likely to drive or walk past the centre on daily trips for other purposes. In other words avoid locations at the centre of a residential “cell”.
- Seek to maximise residential yield within the catchment, and minimise exposure to uses which have little potential to generate core custom.
- Co-locate centres with other facilities, such as a day care centre, bus stop, public telephone, post box/office and other small attractions.

## 12. FUTURE STRATEGY

### 12.1 Introduction

In this, the concluding section, key recommendations are presented. These include a broad overview of development objectives and principles which are considered to be necessary for a retail centres strategy, and specific recommendations on how specific forms of retail activity should be planned.

### 12.2 Development objectives and principles

For an effective and practical strategy to guide the planning and development of retail infrastructure, it is important that a set of clear policy objectives be established and widely communicated. To this end it is suggested that these include:

- Ensure residents have the widest possible range of shopping opportunities and commercial services by balancing quantity and accessibility of floor space.
- Protect the integrity of existing major centres to the extent that they continue to be sustainable and perform a useful community function.
- Ensure an appropriate balance between retail/commercial and industrial use of available employment lands.

Consistent with these objectives Hill PDA has identified a set of key development principles to be adopted in the process of assessing development options and strategy variations.

- Plan toward the development of an orderly and functional retail hierarchy, given the existing fabric of retail centres.
- Maximise competition and shopping choice, especially in relation to supermarket floor space, having regard for the ongoing performance of the existing centres.
- Maximise access to quality retail services, having regard to current community needs and the existing centres hierarchy.
- Ensure that in circumstances where an area which might have a floor area deficit is not penalised by another area nearby with a floor space surplus, when they have distinct trade areas.
- Ensure that centres are the focus of economic and social activity in new growth areas in order to enhance a sense of identity and social cohesion.
- Ensure that centres develop with functionality which best serves the particular needs of the community within its trade area.
- Ensure that options for future development have implementation practicality in the context of commercial realities and market dynamics.
- On the basis of floor space projections, future strategies should retain a capacity to accommodate expansion and change in order to remain competitive.

Hill PDA has also identified a set of policy directions which are critical to the development and implementation of a future strategy.

- The survival and sustainability of traditional retail precincts will be dependent upon the creation of a point of difference through the depth and breadth of goods and services offered, the quality of the built environment and public domain, and the implementation of cohesive planning frameworks.

- The survival and sustainability of District and Neighbourhood Centres will be dependent on competitive and viable supermarkets to ensure choice, convenience and value for their trade area population.
- The development of sustainable and viable precincts for bulky goods retailing requires strong focus, physical identity, concentration and a high level of accessibility in order to attract national operators.
- Existing major centres should be supported with areas which can accommodate peripheral (bulky goods) retail floor space rather than being dispersed through industrial zones.

## 12.3 Recommended Approaches

On the basis of the analysis undertaken, the following recommendations are made.

- **Support the retail hierarchy**  
Future retail development should support and complement the existing hierarchy of shopping centres as identified, the exceptions being where new communities are being planned (West Dapto) or are being established, or where areas are being redeveloped with higher residential densities, which may require new retail facilities to support local demand.
- **Locate major food shopping at higher order centres**  
On-going retail trends indicate that supermarket development accounts for a large share of new food floor space. In circumstances where demand is demonstrated adequately, these types of facilities should be encouraged to locate in the regional (City Centre), sub-regional Centre (Warrawong) and District level centres (Corrimal, Figtree, and Dapto) in the retail hierarchy, except where residential development requires new facilities to support local demand.
- **Encourage peripheral sales (bulky goods) retailing in specific locations**  
The study has established that peripheral sales activity will be a primary focus of retail floor space development in the region. This activity has specific location and site criteria which cannot be easily met in or adjoining existing centres. This criteria includes such factors as large site area, good levels of visual exposure, good accessibility typically from a large surrounding catchment and low development costs.
- **Non food retailing to support the roles of higher order centres**  
Other types of non-food shopping should be encouraged to locate in the regional and sub-regional centres in order to support their primary role. Where this form of retailing is proposed elsewhere it should be encouraged to locate within existing centres.

These recommendations are intended to assist in guiding the development of retail facilities across the Local Government Area. Given the inherent uncertainty in forecasting retail floor space growth, it is our view that retail floor space allocations should not be adopted as a means of controlling retail development. Instead, the retail strategy should emphasise the processes by which proposals are presented and considered by Council.

Fundamental should be the requirement that *proposals for the development of new retail floor space* (eg Innovation Campus) *should be accompanied by sufficient evidence that there is an established market demand for the type of retail floor space proposed and demonstrates that it will contribute to net community benefit for Wollongong residents.*





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This report and its attached appendices are based on estimates, assumptions and information sourced and referenced by Hill PDA and its sub consultants. We present these estimates and assumptions as a basis for the reader's interpretation and analysis. With respect to forecasts we do not present them as results that will actually be achieved. We rely upon the interpretation of the reader to judge for themselves the likelihood of whether these projections can be achieved or not.

As is customary, in a report of this nature, while all possible care has been taken by the authors to prepare the attached financial models from the best information available at the time of writing, no responsibility can be undertaken for errors or inaccuracies that may have occurred both with the programming or the financial projections and their assumptions.

This report does not constitute a valuation of any property or interest in property. In preparing this report we have relied upon information concerning the subject property and/or proposed development provided by the client and we have not independently verified this information excepted where noted in this report.

# WOLLONGONG RETAIL CENTRE STUDY

Prepared for  
Wollongong City Council

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