5 December 2017

WARNERVALE, NSW – IMPACTS OF ADDITIONAL POPULATION ON B1 - NEIGHBOURHOOD CENTRE ZONED LAND

This report presents a high level assessment of the appropriateness of the existing zoned B1 – Neighbourhood centre land at Warnervale to cater for the projected future growth in the residential population in the surrounding areas. This report builds upon a previous analysis this office undertook in 2016 in regards to the potential supportable neighbourhood centre floorspace within the AV Jennings owned land.

Specifically, this report examines the demand generated by the additional 186 extra residential dwellings that could potentially be developed under the planning proposal submitted by AV Jennings (compared with that which is currently approved) and the impacts on the surrounding business zoned land.

1 Site and regional context

The AV Jennings subject land is located at Warnervale around 8km north of the Wyong Town Centre between Warnervale Road and the Wyong Industrial precinct. We understand that up to 653 residential dwellings are being considered as part of the planning proposal which equates to an additional 186 over and above the existing approved/expected dwelling yield for the area (i.e. 467 dwellings).

The subject site is serviced by two B1 – Neighbourhood centre zoned parcels, one around the Warnervale train station which contains the Warnies Railway Café and a grocery store (area = 0.58 hectares); the other is located a short distance to the along Warnervale Road and forms part of the AV Jennings land holdings. This B1 – Neighbourhood centre zoned site is currently vacant and is 1.15 hectares.

The closest other business zoned 'centres' are located: south at Wadalba, which contains a Coles anchored supermarket and a Woolworths under construction; north at the Warnervale Town Centre (which is vacant at present but significant in size); and west at Kanwal Village.

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2 Trade area population and retail floorspace demand growth

In our previous report (which was prepared for internal Masterplanning purposes for AV Jennings), we examined the likely trade area that could be served by new retail facilities, retail floorspace demand generated by the surrounding population and the potential retail floorspace that could be supported at the site, in the context of the surrounding retail hierarchy.

In summary, because of the nature of the B1 zone – which is very restrictive in terms of allowing large/medium sized supermarket anchors and given the surrounding network of supermarket competition, we formed a view that only a small supermarket anchor would be supportable on the subject site (ranging from 1,000 – 2,000 sq.m, pending permissibility), which could potentially support a further 1,000 – 2,000 sq.m or so of retail and ancillary non-retail uses. Under the larger scenario, up to 4,000 sq.m of floorspace, represents around 35% of the total site area if 1.15 hectares.

We have updated the assessment of the trade area population having regard to data from the ABS 2016 Census of Population and Housing. The table below presents updated estimates of current and projected population growth across the trade area, under two scenarios. The first scenario assumes the additional 186 dwellings are not developed and the second scenario assumes the 186 dwellings are developed.

We have also presented an indicative analysis of the amount of neighbourhood centre floorspace demand generated by this population over the period to 2031. Typically across Australia there is around 2.2 – 2.3 sq.m per capita of retail floorspace. Around 0.65 – 0.7 sq.m per capita of this space is large format retail, and the remainder is enclosed shopping centre floorspace (1.0 – 1.1 sq.m per capita) and street/strip based retail (0.4 – 0.5 sq.m per capita). Of this, neighbourhood centre retailing is estimated to comprise around 0.3 – 0.35 sq.m per capita.

The additional 550 – 560 persons that could be accommodated, over and above that which was previously envisaged for the subject land equates to around 180 sq.m.

Table 1 Warnervale NC neighbourhood centre demand, 2011-2031*						
Baseline Scenario						
	Estimated population			**Forecast population**		
Trade area sector	2011	2016	2017	2021	2026	2031
Primary sectors						
• East	1,460	1,560	1,580	2,580	4,080	5,580
• West	310	330	340	380	480	730
Primary	1,770	1,890	1,920	2,960	4,560	6,310
Total secondary	8,910	10,450	10,910	12,550	15,050	17,800
Main trade area	**10,680**	**12,340**	**12,830**	**15,510**	**19,610**	**24,110**
		Average annual growth (no.)				
Trade area sector		2011-16	2016-17	2017-21	2021-26	2026-31
Primary sectors						
• East		20	20	250	300	300
• West		4	10	10	20	50
Primary		24	30	260	320	350
Total secondary		308	460	410	500	550
Main trade area		**332**	**490**	**670**	**820**	**900**
Additional dwellings						
	Estimated population			**Forecast population**		
Trade area sector	2011	2016	2017	2021	2026	2031
Primary sectors						
• East	1,460	1,560	1,580	2,580	4,630	6,130
• West	310	330	340	380	480	730
Primary	1,770	1,890	1,920	2,960	5,110	6,860
Total secondary	8,910	10,450	10,910	12,550	15,050	17,800
Main trade area	**10,680**	**12,340**	**12,830**	**15,510**	**20,160**	**24,660**
		Average annual growth (no.)				
Trade area sector		2011-16	2016-17	2017-21	2021-26	2026-31
Primary sectors						
• East		20	20	250	410	300
• West		4	10	10	20	50
Primary		24	30	260	430	350
Total secondary		308	460	410	500	550
Main trade area		**332**	**490**	**670**	**930**	**900**
Neighbourhood centre demand (sq.m)						
Provision rate	**0.325**	**0.325**	**0.325**	**0.325**	**0.325**	**0.325**
Primary sector						
Baseline scenario	575	614	624	962	1,482	2,051
Additional dw.	575	614	624	962	1,661	2,230
Diffference	0	0	0	0	179	179

**As at June*
Source: ABS Census 2016; NSW Department of Planning and Environment 2016; MacroPlan Dimasi

3 Appropriate size of neighbourhood centre zone

In the context of the above analysis, we consider the existing B1 – Neighbourhood centre to be sufficiently sized to serve the future population in the Warnervale area.

The additional 186 dwellings (approx. 450 persons) will only generate a very small amount of additional neighbourhood centre demand (i.e. 180 sq.m) that would be insufficient change the overall scale/mix of supportable floorspace at the subject site. 180 sq.m represents just 1 – 2 specialty tenants/businesses, which could easily be accommodated into the existing zoned land in a physical sense, as it is just 1.5% of the 1.15 hectare AV Jennings B1 – Neighbourhood Centre site and 1% of all neighbourhood centre zoned land in Warnervale.

Furthermore, 450 persons in the context of the surrounding trade area population of 24,000 persons is just 2%. Most of this new population would still need to travel to Wadalba and Lake Haven to access full-scale supermarket facilities and higher order retail and would actually positively impact the existing centres hierarchy.

In summary, the two B1 – Neighbourhood centre zoned parcels within Warnervale, totalling 1.73 hectares, is sufficient to accommodate the current and projected demand for neighbourhood centre facilities generated by the surrounding population, including the additional population that could be accommodated in the 186 extra dwellings.

Yours sincerely

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