
LIVERPOOL BUSINESS CENTRES AND CORRIDORS STRATEGY



Introduction

This strategy responds to the findings of a retail hierarchy study prepared by Leshon Consulting for the Liverpool Local Government Area (LGA). The strategy guides the identification of Business Centres and Corridor zones and controls their future function. Council commissioned the study in light of the NSW State Government's Planning Reforms, and in particular, the introduction of the *Standard Instrument (Local Environmental Plans) Order 2006*. The primary role of this study was to provide Council with an understanding on the roles and functions of business centres throughout the LGA. Additionally, findings and conclusions made in this study assist Council in preparing a strategic outlook on the future of these centres.

In regards to the Standard Local Environmental Plan (LEP), findings from this study will support and justify goals and controls contained in Liverpool's new comprehensive LEP. The Standard LEP sets out mandatory zonings for all NSW Councils to use, standard definitions and formatting requirements, amongst other standardised criteria. Zonings for business land uses include neighbourhood centres, commercial core, mixed use, enterprise corridors, business development and business parks.

This strategy is also prepared in the context of considerable ongoing population growth and change in Liverpool, with the population forecasted to increase from its current 177,000 persons to an estimated 313,800 by 2031. Liverpool has been identified as a 'regional city' in the NSW Government's Metropolitan Strategy for Sydney. As such, the results arising from this study will influence and encourage retail centres in Liverpool into such a role. The Metropolitan Strategy also pinpoints that Liverpool will benefit from the establishment of new economic corridors, brought about by recent major road infrastructure such as the M5 and M7. The corridors are seen as playing a critical role in the development of industry in Western Sydney and in the general economy of Sydney.

As a result of this rapid population growth, demand for retail floor-space in the LGA is certain. This demand will be addressed by the development of new centres or through the expansion of existing centres. Demand for general retail floorspace, supermarket floorspace and bulky goods floorspace will likely increase in tandem with population growth.

Consultants Review

The approach adopted by 'Liverpool Retail Centres Hierarchy Review' the comprised of a comprehensive review of existing centres, investigation of potential retail centres and business development zones, recommendations for new centres and expansion of centres, consideration of background reports and government strategies, and an analysis of retail spending forecasts. Study areas were identified as part of the Study and recommendations are provided for each. These are provided as follows:

1. Established Areas of Liverpool

Liverpool CBD

The floorspace of Liverpool CBD is expected to substantially increase over the coming years. The CBD is recognised as having the potential to exert considerable influence over retailing patterns within established areas of the CBD. Some demand for floorspace in the CBD will be derived from the spending by residents in the growth centre. For the period of 2006-31, the Study recommends that the CBD requires an additional 68,140m² in retail floorspace.

Liverpool Central

This area includes Liverpool (excluding CBD), Warwick Farm and Lurnea. Liverpool Centre is considered to have modest growth in retail floorspace demand between 2006-31. Apart from the CBD there are few other traditional retail centres of significance within this area. Retail floorspace demand will likely be provided in the Liverpool CBD, either through the redevelopment of Westfield Liverpool or the redevelopment of other parts of the CBD for retail activity. For the period of 2006-31, the Study recommends that this area will benefit from a new supermarket anchored centre with a retail floorspace of 5000m².

Liverpool North West

This area includes Green Valley, Hinchinbrook, Miller, Sadleir and Heckenberg. Retail floorspace demand in this area will considerably increase with the development of roughly 750 residential lots in an area to the south of Cecil Hills and north of the Hoxton Park airport. A medium-scale supermarket in the range of 2,800 to 3,000m² is recommended.

Based on demand estimates, only limited expansion of existing centres (Miller town centre and Valley Plaza at Hinchinbrook) will be warranted. The development of a new shopping centre of about 1.5 to 2 hectares in this area is recommended. It is suggested that the

shopping centre should be located sufficiently away from the existing Carnes Hill, Hinchinbrook and Miller shopping centres to ensure that impacts are reasonable. For the period of 2006-31, the Study recommends that Miller or the Valley Plaza should increase its retail floorspace with an additional 5000m² and a new local centre with 5000m² retail floorspace should be developed and Council should locate an appropriate site for this centre.

Liverpool South West

This area includes Hoxton Park, West Hoxton, Prestons, Edmondson Park and Casula. Population growth in this area is expected to generate demand for an additional 47,138m² of retail floorspace between 2006-31. However, a substantial component of this demand will be directed to the Liverpool CBD, to the proposed major centre at Leppington and to the existing bulky goods/homemaker centre at Casula.

Liverpool LEP Amendment No. 71 dictates that a new shopping centre is required for Middleton Grange. This Study suggests that the new shopping center should comprise of roughly 5000m² of traditional retail space, 500m² of homemaker style space and a component of space dedicated to dining and other food services. Additionally, the expansion of Carnes Hill centre is also warranted and should take the form of an additional supermarket and/or food and/or dining precinct on land adjoining to the existing centre.

It is also important to acknowledge that future floorspace demand in the Liverpool South West will also be attributed to residential growth planned for Edmondson Park and continued settlement in Carnes Hill and West Hoxton Park. For the period of 2006-31, the Study recommends that the new Middleton Grange shopping centre should comprise of almost 5,500m² and the retail floorspace of Carnes Hill shopping centre should be supplemented with an additional 5000m².

Liverpool East

The potential demand for additional retail floorspace in Liverpool East (Moorebank, Wattle Grove, Pleasure Point, Holsworthy, Hammondville and Chipping Norton) between 2006-31 is estimated at 30,471m². Of this, 12,189m² is expected to be directed to Liverpool CBD. Given this, upgrading and expansion of existing centres in this area is likely. The study recommends that Moorebank is most suited for the role of dominant town centre in the Liverpool East region. Moorebank is considered to be most suitable due to its close proximity and the adjoining amenities including a primary school, hotel and service station. During the 2006-31 period, it is recommended that Moorebank increases its retail floorspace by 4000m², Chipping Norton by 3000m² and Holsworthy by 1300m².

2. Urban Release Areas

Edmondson Park

Edmondson Park is forecasted to contain 6,176 new dwellings, or a population equivalent to 19, 876 persons. The region is relatively close to existing shopping centres and retail nodes, including Carnes Hill, Casula Mall and Cross Roads, Casula. It is expected that a substantial level of escape spending from Edmondson Park residents will flow to the abovementioned centres. The development of the Leppington Major Centre will also attract the spending of Edmondson Park residents.

The Study suggests that demand in this suburb for retail floorspace will equate to 11,800m², with 5,400m² set aside for a supermarket, 3,900m² for other retailing and 2,500m² for non-retail uses.

South West Growth Centre

In terms of the south west growth centre, the study recommends that Leppington should be reinforced as a major town centre, supported by secondary town centres in North Rossmore and Bringelly. Village centres of roughly 5,000m² are recommended for Austral, Kemps Creek, Leppington North, Leppington West, Rossmore, Bringelly and North Bringelly. It is recommended that the floorspace provided in the South West Growth Centre located in Liverpool LGA should amount to a total of 275,000m², with 160,000 sqm² in major town centres, 70,000m² in town centres and 45,000m² in neighbourhood centres.

3. Other

Bulky Goods

It is recognised in this Study that Liverpool will experience major growth in available bulky goods spending between 2006-31. This growth will also result in a significant rise in demand for bulky goods retail floorspace. It is estimated that an additional 156,000m² of bulky goods retail floorspace will be required. Of this amount, certain needs will be met by traditional retail stores or existing discount department stores and is estimated to capture up to 25% of the projected demand. Thus the likely net demand for new bulky goods floorspace will be 116,900m² between 2006-31.

The Study recommends that there is no reason why new bulky goods retailing nodes need to be created in Liverpool LGA in the foreseeable future. In light of government policy direction, it is recommended that Council adopts a policy of reinforcing existing bulky goods retail nodes within the LGA rather than creating new locations within the City.

Design Criteria

In recent years, attempts have been made to change the nature of enclosed shopping centres after ongoing criticisms. Common criticisms have included: an over-emphasis on the internal design quality of the centre, poorly articulated exteriors, lack of landscaping, separation of centres from other land uses by large car-parking areas, isolation from the communities in which they are located and the limited range of uses provided on the site. Major enclosed centres have recently been increasing the number of external facing shops, cinemas and restaurant precincts, in hopes of activating the centre's façade.

To create active and attractive shopping centres, the Study has advised Council to adopt New Urbanist principles into a design-based DCP to guide future retail development in Liverpool. New Urbanism encourages traditional main streets in retail centres and focuses on improving both pedestrian amenity and safety, and to enhance architectural character of shopping centres to improve the integration of centres with the surrounding community as well as enhancing the experience of the shoppers.

Liverpool City Centre

As the regional city for the south western Sydney metropolitan region, Liverpool will be the primary centre for jobs, key regional services and cultural activities. According to the vision for Liverpool prepared jointly by Council and the Department of Planning, jobs will focus on high growth industries and will build on existing strengths including health, education, retail, business services and community activity. The city centre will have 15,000 new jobs and accommodate 12,000 additional people over the next 25 years while the growth of knowledge based jobs will provide higher incomes, adaptability and career paths within the local area.

The State Government has recognised that economic growth is interlinked with the development of regional cities in NSW, namely being Liverpool, Parramatta, Penrith, Gosford, Wollongong and Newcastle. As such, city centre strategies were prepared to ensure the proper planning and servicing of these regional cities. The strategies are designed to boost employment, housing and lifestyle opportunities in regional cities across NSW and will become drivers of the NSW economy. A regional city is defined as “a city that is a focal point for regional transport and jobs that also has a full range of business, government, retail, cultural, entertainment and recreational activities”. The vision also sets out a strategic framework for the city centre to grow into a prosperous, vibrant and attractive city. The Strategy recognises that Liverpool is maturing rapidly due to the current and projected population growth.

It is evident that the economy of the Liverpool city centre economy is undergoing a major transformation. For many years, employment in the city centre was stagnant with a major drop in employment between 1996 and 2001. However, it is now experiencing employment growth driven by new investments in retail centres and the health sector. Strengths within this sub-region lie primarily in the manufacturing and retail trade sectors although it is acknowledged that business services, including information technology, property, legal, accountancy, management and finance, are strategically important for the city’s economy.

Sustainable economic growth will require strong community and government leadership. The city centre is positioned to experience substantial growth due to the rapidly growing South West Growth Sector, the introduction of stronger infrastructure connections with the rest of metropolitan Sydney, and the rise of major public and private projects and investments within

the city centre itself. To become a successful regional city, the city centre needs to meet a number of challenges including improving the quality of building stock, upgrading public domain space and attracting external investment in high growth sectors including business services, health, cultural industries and communications.

Commercial Core

The commercial core of the city centre is located between Bathurst Street and Liverpool Railway Station. In 2005, Council estimated that there was 45,000sqm of office stock available, with a vacancy rate of 9 percent. Demand for office space in the city centre is primarily concentrated in smaller offices (often strata) of less than 400sqm. Most of these tenants are small business operators or service providers rather than large companies.

There is a noticeable lack of large corporations in the city centre. However, one exception is the headquarters of Inghams Chickens, the largest Australian processed food company with its origins in Liverpool. The last major business to locate in the city centre was Arab Bank who took up 700sqm of retail space. Recent demand for floorspace in the city centre have been taken up by employment network providers and registered training organizations such as the Wesley Mission and Centre Care, who have taken up significant volumes of space.

Government departments do not bear any prominence or significance in the city centre. Regional city status will provide the framework for the expansion and decentralisation of State government departments into the city centre. It is clear that the relocation of a major government service provider to the city centre would invigorate the local area and will have the potential to operate as an anchor tenant to any new commercial office development.

Employment growth in commercial and retail areas in the city centre is expected to reach a total of 30,000 jobs by 2031. The majority of commercial development will be concentrated around the public transport interchange and in areas already containing a focus of commercial development. This strategy will assist in creating vitality and ensuring a high level of public transport accessibility. Commercial development and the majority of the tall buildings will be focused within a core area centered between the railway station, Bathurst Street, Memorial Avenue and Elizabeth Street.

Retail

As the dominant retail centre of South Western Sydney, the main retail area is focused on three areas, being: Liverpool Westfield Shopping Centre, Liverpool Pedestrian Mall and the southern city centre. The city centre is considered to be a diverse retail centre including department stores, supermarkets, foods, retail, household goods and hospitality.

Liverpool Westfield has grown substantially since the early 1990s. The Westfield shopping centre contains over 250 specialty stores plus Myer, Coles, Woolworths, Target, Greater Union cinemas, Best 'n' Less, Toys 'R' Us, Food Court, Fresh Food Market and parking for 10,000 cars daily. Liverpool Mall contains a number of clothing shops, household goods and cafes and is a popular meeting place. The southern party of the city centre contains other goods, other retail goods, cafes and boasts a vibrant Indian precinct around Northumberland Street.

Retail vacancy rates for retail properties in the city centre are around 10%. The main factors driving demand for retail property in the area include parking, price, and location. The dispersal of retail to local shopping centres is having a negative effect on expenditure in the city centre as a whole. The key issue in Liverpool city centre's retail market, however, is undoubtedly related to the Westfield shopping centre's dominance on the local market. In particular, there is concern that the recent expansion has played a role in further eroding the viability of retail activity in the southern part of the city centre. The southern city centre remains a concern with high vacancies. Council and business communities are seeking a southern anchor to provide a new magnet of activity in this precinct.

The catchment area is dominated by car transport and so parking is seen as a key issue among retailers for the viability of the precinct. It was suggested that Westfield's parking provision attracts many customers who choose only to shop within Westfield's or at shops at the northern end of the city centre. This reinforces the need to re-invigorate the southern part of the city centre or at least provide better connections between the southern and northern parts of the city centre.

Many businesses referred to perceived problems with security and safety within the Mall contributing to reduced business for retailers. While this may be indeed the case, discussions with the local police indicate this problem may be related more to community perceptions rather than the actual rate of crime in the area. Perceptions and local amenity could be improved by continued Council attention to streetscapes and fixing broken pavements and streetlights and introducing alcohol free zones. Retail development will continue to be focused around the Macquarie Street Mall and Westfield shopping centre, though retail uses will also be permitted throughout the mixed use and commercial precincts to the south.

Conclusion

To succeed as a regional city, Liverpool requires a substantial increase in government and private sector investment to stimulate activity and employment growth. New investment is required to upgrade stock, improve public domain spaces and bring in new businesses. Strategic opportunities include more diversified retail, business services and back-offices, cafes and hospitality, medical, IT and other health related suppliers and logistics.

A project to identify and implement strategic opportunities to increase business investment in Liverpool will be implemented. The Department of State and Regional Development has initiated a project to assess economic development potential and opportunities in Liverpool. The Greater Western Sydney Economic Development Board, with support of the Department of State and Regional Development and Liverpool City Council, will lead a project to identify new business opportunities, contact prospective developers and businesses and market opportunities in the regional cities.

Specialised Centres

While the provision of bulky goods is widely dispersed across the Sydney Metropolitan region, there are a number of 'bulky goods clusters' which by virtue of their scale and retail often perform a regional function. These regional clusters generally service the greater Sydney Metropolitan region and have scale and characteristics not evident in other areas. An overview of bulky goods clusters in metropolitan Sydney is provided as follows:

- Auburn (Inner-West) – Auburn has established itself as a major bulky goods cluster in inner western Sydney with over 100,000sqm of bulky goods floorspace predominantly along Parramatta Road. The provision of bulky goods is dispersed into major centres such as Auburn Home Mega Mall, Domayne and the new Spotlight centre.
- Castle Hill (North-West) – Castle Hill is recognised as a major bulky goods cluster in Sydney's north-west with a range of major retailers and centre located along Victoria Road.
- Moore Park/Alexandria (Inner South) – Moore Park is one of Sydney's most established and largest bulky goods clusters accommodating the Homemakers SupaCenta which is anchored by major retailers such as Freedom, Nick Scali, Dick Smith Electronics Powerhouse and Harvey Norman. The development of bulky goods outlets in Alexandria, such as Style @ Home, the Moore Park, Alexandria has established itself as a stronghold in the bulky goods market for southern Sydney.
- Penrith (Outer-West) – One of the largest concentrations of bulky goods in Sydney is located in Penrith. An extensive offer is positioned along Mulgoa Road, starting from the M4 Motorway and extending until Jamison Road. The area provides three major homemakers centres including Harvey Norman Centre (33,000sqm), At Home (25,000sqm) and Penrith Trade Centre.

Existing Bulky Goods Clusters in Liverpool LGA

There are three established bulky goods centres within the Liverpool LGA, namely being Casula Crossroads Centre, Orange Grove Road MegaCenta and the Hometown Centre in Warwark Farm. In evaluating the comparative merit of each bulky goods centre, the following criteria, essential for effective bulky goods retail trade have been applied in the below table.

Criteria	Crossroads	Orange Grove Road	Warwick Farm
Large site area to support and accommodate generous floor plates and areas for convenient car parking	Excellent	Good	Fair
Good highway accessibility and exposure	Excellent	Good	Good
Having the regional road network capable of attracting regional scale retail anchors	Excellent	Fair	Fair
Good access to the future areas of population growth	Excellent	Fair	Fair
Site suitability in terms of a flat site, limited vegetation and other environmental constraints	Excellent	Good	Fair
Suitable separation from sensitive surrounding land uses	Excellent	Excellent	Excellent

Table 1: Comparative Scorecard for Future Growth (Sourced from Urbis JHD, *Crossroads Rezoning Application*, March 2007).

As demonstrated in the table above, Crossroads is the prime location for a major bulky goods retailer for the following reasons:

- It has a large site to support and accommodate generous floor plates and areas for extensive car parking;
- Good highway exposure and access and regional accessibility;
- Ideally positioned to service the newly emerging south-west population; and
- Cleared with a generally flat topography.

Casula Crossroads Centre

In regards to the Liverpool LGA, various studies have identified the opportunity for a bulky goods cluster in the Sydney south-western region. In order to achieve this, other bulky goods locations should be contained to a more district 'homemaker' centre role. It is estimated that within the primary trade sector of Casula (also known as the Crossroads) there is an average provision of bulky goods floorspace of 0.45sqm per capita. This ratio is essentially the same for the broader trade area. In comparison, the Australian average is 0.6sqm per capita, highlighting the significant under supply of bulky goods on an average per capita basis in this region.

Based on the existing population, it is estimated that the main trade area for Crossroads could sustain approximately 300,000sqm of floor space, adopting a conservative Australian

per capita average of 0.55 square metres per capita. With only 245,000sqm of bulky goods floorspace currently existing within the trade catchment of Liverpool, this leaves an existing under supply estimated to be around 50,000sqm. Therefore the ability to provide an additional 50,000sqm of floor space will only meet today's demands, let alone what may be generated by the future population.

In considering the current and future demand of bulky goods in the trade area, much of the demand is being driven by the dynamics of change in the southwest, predominantly the release of land for residential purposes. The population growth within the trade area is expected to increase by 93,380 persons by 2016, and similarly mirrored by an increase in expenditure levels by over \$363 million in the same period. This growth in population and retail expenditure in the bulky goods market sector amounts to approximately 7,820sqm of new floor space per year. It is evident that there is a need for a substantial amount of additional bulky goods floorspace in the area to serve the needs of the rapidly growing residential population. The Casula Centre will support both the existing land releases and the first stage of the south-west growth corridor given that the future employment lands in the corridor will not be developed in the short term to accommodate such growth.

The provision of an additional 25,000sqm of bulky goods floor space at the Crossroads Homemaker Centre will still allow for a deficiency in floor space of roughly 50,000sqm by 2016. After that time, with further rapid population growth throughout South-West Sydney, further bulky goods space will be demanded throughout the trade area, particularly in the primary sector around Leppington.

Strategy for Growing Specialised Centres for Bulky Goods Retailing

Council plans to accommodate the anticipated demand for specialised retailing of bulky goods, as provided in the following strategy:

	Land Area (Approximate)	Estimated Floor Area (Existing)	Capacity for Expansion*
Warwick Farm (Sappho Road)	7 Ha	4,000m ²	31,000m ²
Warwick Farm (Orange Grove Road)	19.1 Ha	29,000m ²	67,000m ²
Casula (Cross Roads)	14.4 Ha	50,000m ²	22,000m ²
TOTAL	40.5 Ha	83,000m²	120,000m²
TOTAL (excluding Sappho Road)	33.5 Ha	79,000m²	89,000m²
Estimated Additional Demand (2031 - Leyshon)			117,000m ²
Shortfall			28,000m²
Land Required			56,000m ²

Table 2: Capacity for Bulky Goods Growth and Estimated Demand in Liverpool LGA (Sourced from Leyshon Consulting, *Retail Centres Hierarchy Review*, December 2006)

	Land Area (Approximate)	Estimated Floor Area (Existing)	Capacity for Expansion*
Casula (Cross Roads)	14.4 Ha	50,000m ²	22,000m ²
Estimated Demand (2016 - Dimasi)			75,000m ²
Shortfall			53,000m²
Land Required			106,000m ²

Table 3: Capacity for Bulky Goods Growth and Estimated Demand in Casula Trade Area (Sourced from Urbis JHD and MapInfo Dimasi report, March 2007)

Casula

Cross Roads (expansion)	6.5 Ha	45,000m ²
Cross Roads (redevelopment)	14.4 Ha	20,000m ²
Hume Highway Enterprise Corridor	11 Ha	<u>10,000m²</u>
		75,000 m²

Extent of zones:

- Existing 14.4 Ha of 4(b) zone to B5 Business Development
- Additional 6.5 Ha for B5 Business Development at Cross Roads
- Additional 5.5 Ha for Enterprise Corridor along Hume Highway

Warwick Farm

Orange Grove (expansion)	3 Ha	40,000m ²
Orange Grove (redevelopment)	16 Ha	<u>10,000m²</u>
		50,000 m²

Extent of zones:

- Existing 19.1 Ha of 4(b) zone to B5 Business Development
- Remaining 21.5 Ha of 4(b) to IN1 General Industrial at Orange Grove
- 16.5 Ha of 4(b) to IN1 General Industrial at Sappho Road

Strategies

Council has refined the findings from the Study to accurately portray Liverpool now and, envisaged in the future. The following strategy has been developed to guide the future development of business centres and corridors, in a sustainable and logical manner. Council in this *Liverpool Business Centres and Corridors Strategy* has adopted the following approach:

1. Preserve a commercial core area (excluding residential) in Liverpool CBD for future business, office and retail growth.
2. Limit professional office premises to business zones to capitalise on, and concentrate infrastructure and services.
3. Establish a retail centre hierarchy and introduce new neighbourhood centre zones to existing smaller centres and new opportune locations.
4. Expand local and neighbourhood centres, where the opportunity exists, to more than one land owner and where likely to increase potential for retail and business diversity.
5. Expand start-up business opportunities (and contain residential) in extended enterprise corridor zones leading into main centres and nodes.
6. Establish a regional business development zone (incorporating bulky goods retailing) for south-western Sydney and contain other locations to serving a district role.