

Auburn Employment Lands Strategy

Final

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Job Name: Auburn Employment Lands Strategy
Client: Auburn City Council
Client Contact: Theresa Southwell
Project Manager: Esther Cheong
Email: esther.cheong@aecgrouppltd.com
Telephone: 02 9283 8400
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Executive Summary

Background



AEC Group and AECOM have been commissioned by Auburn City Council (Council) to carry out an Employment Lands Strategy (the Strategy) that will enable Council to plan for future employment growth. This Strategy relates to lands zoned for employment within the Auburn LGA (those lands within the industrial and business zones in the LEP) and focuses on land for retail, commercial or industrial activities and has a 17 year horizon to 2031 so as to align with other longer term State and local strategies and policies.



The Strategy draws together economic and property market research and employment growth projections to ascertain the likely nature and quantum of demand for employment lands (including centres) within the Auburn LGA.



The Strategy recognises that in assembling an evidence base to underpin future strategic planning, an analysis of economic trends and influences is necessary to investigate the nature and requirements of employment growth and how these might impact future expectations of land and floorspace requirements. A clear understanding of macro and micro-economic influences (both structural and cyclical in nature) will guide response to tensions between employment lands and competing uses.

Contextual Analysis

In order to better understand the contextual background and composition of Auburn's population and local economy, a socio-economic profile was developed for the LGA and key employment precincts. Auburn's population, employment and economy were profiled to understand its role in providing employment and its relative competitive position in the broader metropolitan area. These factors cumulatively impact future employment growth.

Population Profile

The Auburn LGA recorded a population of almost 83,500 in 2013, having achieved strong average annual growth of 2.8% since 2008. Auburn's population growth is projected to accelerate in the short term, to a pace of 3.2% on average to 2016, before slowing over the medium and longer term. Across the forecast horizon, population growth in Auburn LGA is projected to outstrip growth in the key comparison regions. By 2031, Auburn's population is forecast to reach 130,000.

Strong population growth is associated with increased demand for health care, education, construction and retail services, as well as demand for additional housing. These services are likely to increase in prominence in the local economy as the population expands, demanding increased floor space and dwellings over the forecast horizon.

Employment Profile

Local businesses employed over 46,000 workers in 2011 (ABS, 2012). Key industries of employment in 2011 were manufacturing (16.6% of employment), wholesale trade (12.5%) and retail trade (8.9%). Since 2006, both manufacturing and wholesale trade have reduced their share of total employment (and reduced numbers of employees). However, in line with economic growth outcomes for the area, finance and insurance services employment more than doubled in size and share between 2006 and 2011.

The employment structure of Auburn LGA is projected to shift considerably between 2011 and 2031. Traditional industrial-style activities such as manufacturing, wholesale trade, and transport, postal and warehousing are expected to decline in share of total employment, in particular manufacturing which was the highest employing industry in 2011. Conversely, population and household-style services such as health care and social assistance services, and education and training are projected to considerably increase their share of total employment.

Unemployment rates among Auburn residents are higher than comparison regions, this potentially driven by a combination of greater cultural and linguistic diversity of residents and lower average educational attainment levels.

Despite the lower employment rates of Auburn residents, the Auburn LGA has a high employment self-sufficiency rate of 170%. This suggests there are 1.7 local jobs for each local resident participating in the labour force. This is very high compared to the West Central and North West subregion (78.3%), Sydney SD (85.2%) and NSW (82.3%).

In contrast to the high employment self-sufficiency rate, the Auburn LGA has a low employment self-containment rate with just over 18.0% of local residents who have a job also working in the local area. Overall, the LGA typically employs higher proportions of highly skilled workers. This indicates a mismatch of skills between residents and worker profiles, resident workers represented by greater proportions of blue collar and service workers, lower levels of education attainment and much lower individual incomes.

The low self-containment rates have implications for Auburn beyond planning policy. Economic development initiatives including skills and training programmes could be considered to assist the skills development of Auburn residents.

Competitive Assessment

As traditional manufacturing activities continue to decline, more knowledge-based, high technology and specialised industries are expected to increase in significance. A move from capital to labour will see many industries/businesses seek to leverage knowledge and labour by locating centrally.

The central position of Auburn within metropolitan Sydney makes it an excellent proposition from a service perspective, this and good quality stock of employment floorspace provides it with a strong foundation for renewal to accommodate future employment growth.

An opportunity assessment was carried out to identify future opportunities for the Study Area utilising AEC's bespoke tools.

- Location quotient analysis of employment by industry data indicates that Auburn LGA has an existing specialisation across a range of sectors including manufacturing, wholesale trade and transport postal and warehousing as well as more business and service based industries such as finance and insurance, electricity, gas, water and waste services and information media and telecommunications.
- Further analysis of manufacturing sector specialisation at the two digit level indicates that the Auburn LGA has a diverse manufacturing sector base. The diversity of the local manufacturing sector and the high-value add nature of these industries suggest that manufacturing is beneficial to the local LGA.
- As traditional manufacturing activities continue to decline, more knowledge-based, high technology and specialised industries are expected to increase in significance. These industries/businesses will seek to leverage knowledge and labour by locating in a central metropolitan location.
- The cluster mapping analysis shows that while manufacturing is a low growth area, it is nevertheless an opportunity for Auburn given that it is already highly represented by this industry. This sector is further supported by the wholesale trade and transport, postal and warehousing sectors.

Consultation with Businesses

A survey of existing businesses and tenants was undertaken to identify their needs, aspirations and future and directions they see for the Auburn LGA. The survey found that the majority of respondents have been long-term residents of the Study Area, with 48% of respondents indicating they had been in their current location for 5-10 years. A further 31% of respondents indicated they had been in their current location for 2-5 years.

It is interesting to note that despite the changing nature of some industries such as manufacturing etc. respondents indicated their businesses are very likely to remain in their current location. In one year's time, approximately 75% of respondents indicate it is very likely they will still be in their current location. In 5 years' time, approximately 48% of

respondents indicate it is very likely they will still be in their current location. Certainty surrounding their location falls as the time frame is extended, and 45% of respondents indicate they are very likely to remain in their current location in 10 years' time.

Overwhelmingly businesses cite the advantages of their current location as being accessible to and from major roads/highways and proximity to customers/clients.

Future Demand for Floorspace

Employment and Floorspace Projections

The analysis included development of employment projections to ascertain the likely nature and quantum of employment and associated demand for floorspace. Utilising population and industry pull coefficients, the aggregated employment projections by industry are then disaggregated across individual precincts in the Study Area.

The findings of the employment projection and gravity modelling suggest demand for an additional 877,500sqm of GFA is projected between 2011 and 2031 in Auburn LGA, equating to around 44,000sqm GFA per annum. Key industry demand is projected to be from construction, education and training, and health care and social assistance services.

Table ES.1: Additional Floorspace by Industry, Auburn LGA ('000 SQM)

Industry	2011-16	2016-21	2021-26	2026-31	Total, 2011-31
Agriculture, Forestry and Fishing	-15.1	-3.0	-2.8	-2.4	-23.4
Mining	0.4	-0.1	0.1	0.1	0.5
Manufacturing	-25.3	-40.6	-42.9	-33.2	-142.1
Electricity, Gas, Water and Waste Services	-42.3	-1.6	-2.3	-2.2	-48.5
Construction	38.8	64.8	52.4	48.9	205.0
Wholesale Trade	-55.1	-6.1	2.4	3.0	-55.8
Retail Trade	28.5	21.3	19.7	21.4	90.8
Accommodation and Food Services	36.0	19.7	17.3	18.2	91.2
Transport, Postal and Warehousing	-25.2	26.1	29.7	34.3	64.9
Information Media and Telecommunications	52.8	18.2	8.9	10.3	90.2
Financial and Insurance Services	5.7	6.7	7.4	8.7	28.4
Rental, Hiring and Real Estate Services	-1.7	5.3	6.5	6.8	16.8
Professional, Scientific and Technical Services	9.1	13.9	13.8	15.3	52.1
Administrative and Support Services	14.6	14.2	15.0	15.2	59.0
Public Administration and Safety	13.2	11.9	13.0	11.7	49.8
Education and Training	39.1	48.3	51.4	52.0	190.7
Health Care and Social Assistance	31.5	30.8	34.5	34.1	130.9
Arts and Recreation Services	19.9	15.4	12.4	12.4	60.2
Other Services	-0.3	5.8	5.5	5.8	16.7
Total	124.3	250.9	242.0	260.3	877.5

Source: ABS (2013a, 2013b, 2013c, 2014a, 2014b, 2014c, 2014d), BTS (2014).

Drivers of Employment Growth

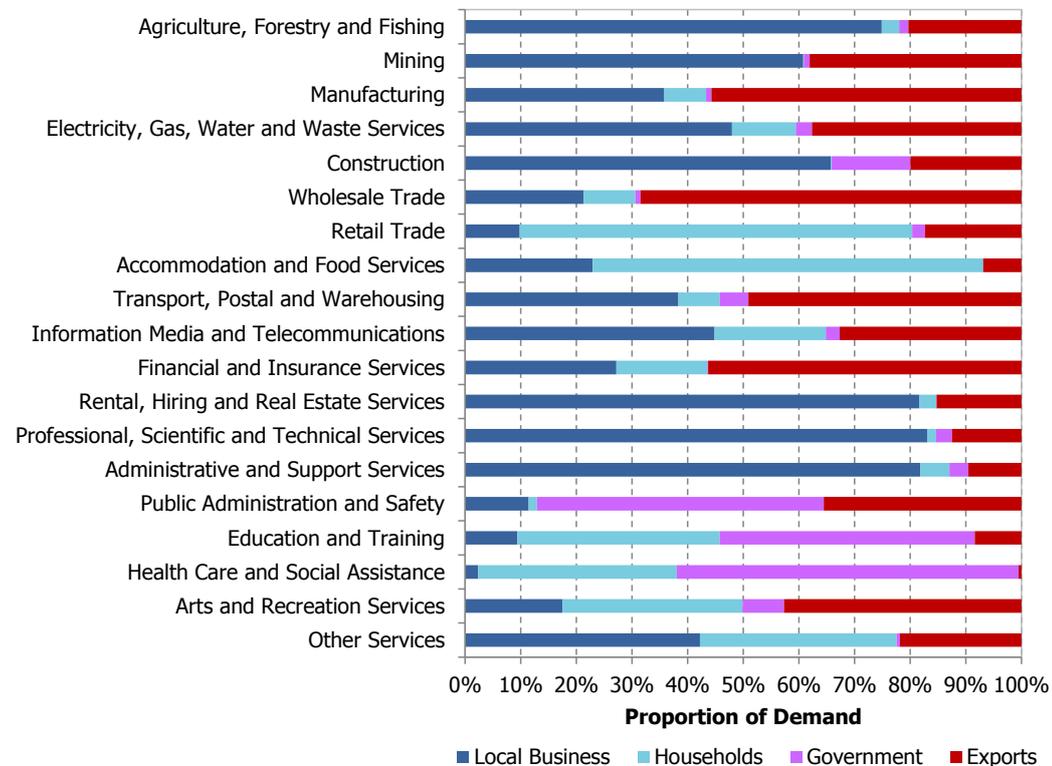
Auburn LGA had a high employment self-sufficiency rate of 170% in 2011, suggesting there were 1.7 local jobs for each local resident participating in the labour force. This is indicative of an area that supports employment for a broader region, and services both local population/household needs as well as providing locational advantages for industry and economic-led activities and development.

The following figure provides an indicative breakdown of the drivers of industry demand in Auburn LGA, for each of the 19 ANZSIC 1-digit industries¹. It shows for each industry what

¹ Estimates based on the 2009-10 national transaction table from the ABS (2013a), localised to Auburn LGA using the average of two processes: cross industry location quotients and demand-supply pool functions (as per West, 1993). Employment by industry data from the 2011 Census (ABS, 2012) was used to derive the local functions as a proportion of the national transaction table.

proportion of goods/ services produced are sold to other local businesses, to households, to government (or other public enterprises), or exported to an area outside Auburn LGA.

Figure ES.1: Drivers of Industry Demand, Auburn LGA



Source: ABS (2013a, 2012)

Exports include goods and services sold anywhere outside Auburn LGA, including overseas, other Australian states, or any other LGA in NSW. As such they can be considered a reasonable estimation of what proportion of industry demand (and thereby growth) is historically related to demand generated outside the Auburn LGA.

The analysis shows that:

- **Exports** - Demand from outside the Auburn LGA is an important demand driver for more industrial style industries such as mining, manufacturing, electricity, gas, water and waste services, wholesale trade, and transport, postal and warehousing.
- Most commercial style activities, such as professional, scientific and technical services, rental, hiring and real estate services, and administrative and support services, are typically reliant on **local business** as a generator of demand for their services. A notable exception is financial and insurance services, which is highly reliant on demand from outside Auburn LGA.
- **Household consumption**, which can be equated to local population driven growth, is a key driver of industry demand in the industries of retail trade and accommodation and food services. It is also an important contributor, though to a lesser extent, for the industries of education and training, health care and social assistance, arts and recreation services, and other services.
- **Government expenditure** is a key driver of demand for most public services, such as public administration and safety, education and training, and health care and social assistance. Underlying this demand by government are the needs of the local population and business, which drives government expenditure on these services.

Precinct-by-Precinct Projections

The Study Area is projected to account for around 60% of total additional GFA demand in Auburn LGA between 2011 and 2031, or approximately 526,000sqm.

In line with employment growth, the combined Precincts of 3, 6 and 12, and the combined Precincts of 5, 13 and 14 are projected to record the highest increase in GFA demand.

Table ES.2: Additional Floorspace Projections by Precinct, Auburn LGA ('000 SQM), Total*

Precinct	2011-16	2016-21	2021-26	2026-31	2011-31
Auburn Town Centre (1a)	15.3	16.8	16.4	16.8	65.3
Berala Village Centre (15)	7.3	8.9	9.0	9.3	34.5
Lidcombe Town Centre (2a)/ Precinct 2	13.1	15.5	15.3	16.1	60.1
Regents Village Town Centre (16)	1.3	4.2	4.1	4.3	13.9
Precinct 1	4.5	5.9	5.9	5.9	22.2
Precincts 3, 6 and 12	17.6	35.4	34.2	37.3	124.3
Precincts 5, 13 and 14	-2.6	29.3	25.4	30.4	82.5
Precinct 7a and 7b^	12.2	12.8	12.5	12.8	50.3
Precinct 8	3.1	8.4	6.9	8.6	26.9
Precinct 9	4.0	4.1	4.1	4.3	16.5
Precincts 10 and 11a & 11b	1.9	8.9	9.3	10.1	30.2
Study Area Sub-Total	77.6	150.1	143.1	155.9	526.8
Sydney Olympic Park/ Precincts 4 and 15	5.2	52.7	51.3	54.9	164.1
Rest of Auburn LGA (includes Precinct 17 and 5a in part)	41.5	48.1	47.6	49.4	186.7
Auburn LGA Total	124.3	250.9	242.0	260.3	877.5

*Employment was estimated based on employment in the TZs each precinct is located within. The precincts do not comprise the entirety of the TZs they are located within, however, information was not available to identify the proportion of employment in each TZ that is located within a precinct. For transparency, if a TZ has a precinct located within its boundary, it was assumed that 100% of employment in the TZ is within the precinct(s). Some precincts were combined as they are co-located within TZ boundaries.

^Owing to TZ boundaries, despite their status as vacant parcels of land, Precincts 7a and 7b are projected for growth.

Source: ABS (2013a, 2013b, 2013c, 2014a, 2014b, 2014c, 2014d), BTS (2014).

In the above table, total additional floorspace requirements are across five types of use: industrial, retail, commercial, institutional and other. Institutional uses are projected to account for almost half total GFA demand in the Study Area principally for health care and education uses (e.g. hospitals, schools, museums, libraries). Adjustments have been made to exclude this floorspace demand as this type of floorspace is subject to different planning/provision considerations, there is nevertheless a need for these facilities which Council should be cognisant of.

After deducting "institutional" and "other" floorspace demand from the projections, the "adjusted" floorspace demand is considered for the purposes of the Strategy as follows.

Table ES.3: Additional Floorspace Projections by Precinct, Study Area ('000 sqm), Adjusted

Precinct	2011-16	2016-21	2021-26	2026-31	2011-31
Auburn Town Centre (1a)	8.0	9.0	8.2	8.5	33.7
Berala Village Centre (15)	3.8	4.5	4.2	4.5	17.0
Lidcombe Town Centre (2a)/ Precinct 2	7.0	7.7	7.0	7.5	29.2
Regents Village Town Centre (16)	2.2	2.6	2.4	2.4	9.6
Precinct 1	1.9	2.6	2.5	2.6	9.6
Precincts 3, 6 and 12	7.9	17.8	15.1	17.4	58.2
Precincts 5, 13 and 14	5.9	15.6	10.8	15.1	47.4
Precinct 7a and 7b	5.7	5.6	5.1	5.4	21.8
Precinct 8	2.0	3.7	1.9	3.5	11.1
Precinct 9	2.2	2.0	1.8	1.9	7.9
Precincts 10 and 11a & 11b	3.4	5.9	6.0	6.6	22.0
Study Area Total	50.2	77.0	64.9	75.3	267.4
Sydney Olympic Park/ Precincts 4 and 15	17.0	36.0	34.3	36.9	124.1
Rest of Auburn LGA (includes Precinct 17 and 5a in part)	23.1	25.0	22.6	23.8	94.5
Auburn LGA Total	90.2	137.9	121.8	136.0	485.9

Source: ABS (2013a, 2013b, 2013c, 2014a, 2014b, 2014c, 2014d), BTS (2014).

Employment and floorspace projections suggest the quantum of industrial floorspace demanded will decline over the period to 2031, this decline is marked in Precincts 5, 13, 14 and 8. Conversely, there is a disproportionate increase in commercial-type floorspace demanded in those precincts. Notably, Precincts 3, 6 and 12 are also projected to increase in demand for commercial-type floorspace.

In line with expected population growth, the majority of employment growth to 2031 is inferred to be driven by local population and household demand for goods and services.

Capacity Assessment

From an assessment of generic planning capacity against projected floorspace demand, Berala and Regents Park village centres lack the capacity to accommodate projected floorspace demand. Extensions of the B2 Local Centre zones warrant investigation.

The capacity assessment finds that the Study Area has broadly sufficient (planning) capacity to accommodate projected future employment growth. Note that 'market capacity' could be different, as businesses and industry will seek accommodation that feasibly meets their commercial requirements.

Over the longer term (post 2025) a rezoning of industrial lands to play a strong service hub role could be considered, to business zones with a commensurate increase in density to permit more business/commercial type uses to locate therein, to accommodate employment growth which will increasingly be driven by local population and household demand for goods and services.

Retail Demand Assessment

Auburn LGA does not contain any large centres of Major Centre designation or above. Consequently existing centres are focused on localised convenience and comparison goods shopping only. As a result a significant proportion of expenditure generated by Auburn's residents which relates to higher order shopping like apparel, footwear and household goods will leave the LGA to be captured by nearby centres such as Parramatta, Merrylands and Burwood which provide a sufficiently large and diversified retail offer with high profile tenants capable of meeting the higher order shopping needs of Auburn's residents.

The retail demand assessment indicates the following:

- **Northern Auburn (north of Parramatta Road)**
There are a number of retail proposals planned in Northern Auburn (north of Parramatta Road) and should these eventuate, there is no need for Council to plan for additional retail facilities in Northern Auburn. If realised, planned centres should have capacity to absorb forecast demand over the next 20 years.
- **Auburn West (including Auburn town centre, Berala and Regents Park)**
Opportunities to provide an additional 1 or 2 full-line supermarkets in the western portion of the LGA (south of Parramatta Road) should be supported. The optimum location for such facilities is Auburn Town Centre and Regents Park. A rezoning to facilitate such development in Regents Park could be justified in terms of demand.
- **Auburn East (Lidcombe town centre)**
Council should seek to enable the development of a full-line supermarket and DDS (discount department store) in Lidcombe Town Centre in the short to medium term to support its role as a town centre in the retail hierarchy. This could include consideration of sites for rezoning and consolidation of the centre on land adjacent to the existing zoning.

While it is government policy that retail facilities should be provided within centres, without suitable sites that are available or viable to accommodate retail development, it is a better community outcome that retailers are provided elsewhere, including an out-of-centre location, which has the potential to evolve into a centre over time.

Opportunities to provide appropriate retail in conjunction with high density residential development should be supported.

A recommended retail hierarchy is as follows:

Table ES.4: Recommended Retail Hierarchy

Hierarchy	Centre
Specialised Centre	Sydney Olympic Park - Rhodes
Town Centre	Auburn
	Lidcombe
Village Centre	Berala
	Newington
	Regents Park
	Wentworth Point Wharf
	Sydney Olympic Park
	Carter Street
Neighbourhood Centre	Botanica
	Wentworth Point
	Wellington Road
	Silverwater
	New centre in Precinct 14

Source: AECOM

The retail hierarchy is not rigid. It should be flexible allowing centres to evolve into higher order centres over time, should there be sufficient demand. New centres should also be added in as they eventuate. The hierarchy seeks to promote retail development. Proposals which would change the ranking of centres or deliver new centres should be considered on their merits.

Recommendations

Auburn LGA plays a regionally significant role in providing employment to a large number of workers who live outside Auburn.

While employment clusters like Silverwater, Lidcombe (East and West), Newington Business Park and Regents Park have wide market appeal and acceptance, there are also marginal employment clusters within the Study Area that are disadvantaged by access issues and land use conflicts. A multi-pronged approach is therefore necessary in planning for growth in each of these precincts.

In making its recommendations, the Strategy is guided by the following principles.

Industrial Zones (Employment Clusters)

The Industrial/Business precincts in the Study Area range in scale from Silverwater at over 152ha to the smaller precincts of Auburn Central in Queen St at 6.3ha and the areas north and south of Rookwood Cemetery at a combined 5.4ha. Policy recommendations for each nominated industrial precinct recognise that each plays a different role and requires a different approach.

The viability and sustainability of lands for continued industrial use is underpinned by their ability to:

- Be directly accessed off major arterial roads and highways.
- Operate in a conflict-free environment (e.g. unrestricted truck access).
- Cluster with other businesses/industry.

Where access issues and land use conflicts are not able to be resolved, industrial lands will in the long term struggle to be competitive.

As the changing employment profile of Auburn changes as foreshadowed, a range of business uses for industrial lands needs to be considered, however with the proviso that these alternate uses should not compromise the operations of current occupiers to precipitate their relocation.

Overall, it is recommended that Council:

- Protect and retain large clusters of functional employment lands. Due to the evolving nature of manufacturing activities i.e. traditional manufacturing continues to decline and high technology and specialised industries are expected to increase in significance, it is important that planning controls are flexible enough to encourage and enable this transition. Surplus capacity in these clusters of functional employment lands will enable future employment growth to be accommodated.
- Support businesses located in fragmented and 'orphaned' industrial sites. Maintain those isolated precincts which are performing a functional employment role for as long as they are viable and required by businesses in-situ. Institute flexible planning controls to support businesses so as not to precipitate their relocation. In the long term investigate alternative land uses, as those fragmented precincts that abut residential will conceivably struggle to attract new occupiers, particularly when the current occupiers vacate.

While the cluster mapping analysis shows that manufacturing is anticipated to be a low growth sector nationally, it is nevertheless an opportunity and focus for Auburn given that it is already highly represented by this industry. It is therefore critical that businesses be supported as they transition, in many cases, moving from labour to capital.

Revise planning controls to provide flexibility to assist industry and business as they continue to transition in a time of structural economic change. An inability to meet business need will invariably result in high levels of vacancy and undermine viability and sustainability.

- **Conversions and subdivisions**

Large premises that may be vacated by businesses can struggle to be re-absorbed by the market unless they are able to be adapted and repositioned, in many cases as a number of smaller tenancies. In some cases owing to existing construction and building configuration, flexibility in approvals could be crucial to feasibility.

- **High tech and office-based uses**

As the needs of businesses and industry are diverse, in some cases greater office content may be required and in other cases a reduction in office content. Many businesses combine a variety of functions within their premises, including research and development (R+D), marketing, administration, warehousing and distribution, etc. and would be assisted by an ability to consolidate functions.

- **Parking and internal circulation, loading requirements**

Some tenants have a requirement for 'private' loading and circulation areas and depending on the age and layout of an industrial facility, the space may struggle to be competitive unless feasible modifications can be made to meet occupier need.

- **Retail showrooms**

In areas that operate at a more local level, the ability to accommodate a retail component could assist occupiers accommodate multiple business functions. "Industrial retail outlets" serve this purpose, however in many instances products may no longer be physically manufactured on the site. The current standard instrument provisions in this respect are acknowledged to be limiting.

Current minimum lot size requirements for industrial lands range from 1,500sqm to 7,000sqm (in Carter Street). No recommendations are made for revision.

Business Zones and Centres

The Auburn LEP should include provisions for retail and commercial uses to be required in all but the smallest new developments in the B4 Mixed Use zone to ensure future centre expansion possibilities to meet projected growth.

The Strategy has had regard to some guiding principles in its recommendations for business zones and centres:

- **Established centres and new centres**

While successive government policy has advocated for in-centre retailing, in many cases the scope for additional retailing is limited due to the developed nature of centres and the fragmented ownership patterns. In those instances it is a better community outcome that retailers are accommodated elsewhere in an out-of-centre location which, has the potential to evolve into a centre over time, rather than not be provided at all.

- **Cross-subsidisation by other uses** (often residential)

Due to the developed nature of centres and fragmented ownership patterns, cross-subsidisation by other uses (often residential) is necessary to development to be feasible. Where possible, support retail within high density residential.

- **Ground floor retail**

While the notion of street activation is commendable, depending on location and position within a centre, ground floor retail can be met with market resistance and prolonged periods of vacancy. That said, as centres grow, it is important there is future capacity to accommodate retail/commercial growth.

Require retail and commercial uses in all but the smallest new development, however exceptions could be made where a site may be too small in a poor position that ground floor retail is not feasible.

Requiring ground floor retail 'as of course' will also help ensure that centres are not 'walled-in' by high density residential and precluding further expansion in the future.

- **Surplus capacity**

Retain surplus capacity to help stem landbanking and alleviate the tension between land uses, all of which are not helpful for feasible development. As an example in the B6 Enterprise Corridor zone, the availability of lands enables the market to respond to market demand and market cycles, accommodating a range of bulky goods and non-bulky goods uses as appropriate and required as the population grows.

- **Bulky goods**

The B5 and B6 zones permit a range of uses, including bulky goods. While bulky goods uses typically cluster, they serve a larger trade area extending across several municipalities. There is no planning requirement to plan for these uses through the centres policy, effectively leaving the market to respond to market need. A wide range of uses are permitted in the B5 and B6 zones - bulky goods only one of those uses.

Retain enterprise corridor lands to enable employment growth to be accommodated as Auburn and Metropolitan Sydney's population continues to grow. This would enable the market to respond accordingly to growth and demand.

Notwithstanding, and in line with planning policy, Council should continue to limit retail floorspace and as far as is possible, encourage retail to locate within established or new centres.

In light of the above referenced principles, a summary of the key recommendations for the expansion and zoning of Auburn's existing and potential employment lands are provided.



Table ES.5: Study Area, Current and Recommended Land Use Zones

Precinct	Current Zoning and FSR Controls	Recommended Zoning and FSR Controls
Industrial		
1. Queen Street	IN2 Light Industrial FSR 1:1	Rezone northern portion to allow for extension of Auburn town centre Retain IN2 Light Industrial in southern portion below the junction with Louisa Street Retain IN2 Light Industrial in eastern portion to support existing businesses, FSR 1:1
2. Lidcombe Street South (Marsden Street)	IN2 Light Industrial FSR 1:1 R4 High Density Residential FSR 1.7:1, 2:1	Retain IN2 Light Industrial in the south of the precinct (south of James Street) FSR 1:1
5. Silverwater	IN1 General Industrial, FSR 1:1	IN1 General Industrial, FSR 1:1
6. Lidcombe West	IN1 General Industrial, FSR 1:1	IN1 General Industrial, FSR 1:1
7a and 7b South of Rockwood	IN1 General Industrial, FSR 1:1 SP2 Infrastructure	IN1 General Industrial, FSR 1:1 SP2 Infrastructure
8. Regents Park	IN1 General Industrial, FSR 1:1 IN2 Light Industrial, FSR 1:1	IN1 General Industrial, FSR 1:1 IN2 Light Industrial, FSR 1:1
9. Clyburn	IN1 General Industrial FSR 1:1	Retain IN1 General Industrial In the much longer term should the current uses cease on the site, subject to the operational requirements of the Clyde Marshalling Yards and subject to improved and strengthened access, facilitate a mix of business uses that would support the Parramatta Road B6 Enterprise Corridor. Should the access issues remain, facilitate a mix of business uses that respond to local population need and who play a local service role.
10. Lidcombe East	IN1 General Industrial, FSR 1:1	IN1 General Industrial, FSR 1:1
11a and 11b Church Street - Rookwood	IN1 General Industrial, FSR 1:1	IN1 General Industrial, FSR 1:1
12. Auburn West	IN1 General Industrial, FSR 1:1 B6 Enterprise Corridor FSR 1:1, 1.5:1, 3:1 subject to use	Retain IN1 General Industrial, FSR 1:1 and B6 Enterprise Corridor, FSR 1:1, 1.5:1, 3:1 subject to use In the medium to longer term should the current uses cease on the IN1 portion of the precinct, lands fronting the Parramatta Road should be aligned with uses along the B6 Corridor while uses in the rear section could/should play a supporting role to the Parramatta Road B6 Enterprise Corridor. An FSR of 1.5:1 could be applied to the latter.
Business Zones		
5a. Silverwater	B1 Neighborhood Centre	B1 Neighborhood Centre
17. Wellington Road	B1 Neighborhood Centre, FSR 1.2:1	B1 Neighborhood Centre, FSR 1.2:1
15. Berala	B2 Local Centre, FSR 2:1	B2 Local Centre, extend boundaries of centre FSR 3:1
16. Regents Park	B2 Local Centre, FSR 2:1	B2 Local Centre, FSR 3:1
1a. Central Auburn	B4 Mixed Use FSR 2.4:1, 3:1, 3.6:1, 3.75:1, 5:1	B4 Mixed Use FSR 2.4:1, 3:1, 3.6:1, 3.75:1, 5:1
2a. Lidcombe	B4 Mixed Use, FSR 5:1	B4 Mixed Use, FSR 5:1
3. Parramatta Road Corridor	B6 Enterprise Corridor FSR 1:1, 1.5:1, 3:1 subject to use	B6 Enterprise Corridor FSR 1:1, 1.5:1, 3:1 subject to use
14. Silverwater Road	B6 Enterprise Corridor FSR 1:1, 1.5:1, 2:1 subject to use	Retain B6 Enterprise Corridor FSR 1.5:1, 2:1 subject to use B1 Neighbourhood Centre to the west between Carnarvon and Beaconsfield Streets FSR 3.75:1 to 4:1 subject to masterplanning
13. Newington Business Park and Local Centre	B7 Business Park B2 Local Centre FSR 1.2:1	B7 Business Park B2 Local Centre FSR 1.2:1

Source: AECOM

In the longer term, as businesses and industry continue to transition to a higher order and Auburn's role as a service hub increases along with population growth, monitoring is necessary to ensure business requirements are being met.

Assessment Criteria for Proposals that are Inconsistent with Strategy

To guide Council's evaluation and determination of planning proposals that are inconsistent with the Strategy, the following items are recommended for consideration.

Table ES.6: Recommended Assessment Criteria for Industrial Lands

No.	Criteria	Rationale
Industrial		
1	Is the site near or within direct access to key economic infrastructure such as a major arterial road	Direct access is key to viability and future sustainability of employment lands.
2	Does the site form part of a significant industry cluster	If the site is part of a 'significant' employment cluster (i.e. serviced by good and direct access, no land use conflicts), the 'integrity' of a large cluster should be protected.
3	Are there access issues and land use conflicts	Ability of the employment cluster to operate sustainably is related to quality of access and ability to operate in a conflict-free environment
4	Would the proposal impact the continuation of activities on adjacent or nearby industrially zoned lands to the detriment of those activities	Impact on other viable industry/businesses should be examined
5	Does the proposed rezoning impact the industrial land stocks in the subregion and thus the ability to meet future demand for industrial land activity at subregional level?	The maintenance of sufficient industrial land stocks within the Subregion is important for the future economic prosperity of the wider metropolitan region.
6	Would the proposal inhibit the achievement of Auburn's capacity targets and employment objectives	Is employment proposed to be accommodated and if so, what is the nature of that employment
7	Can the lands be used for another industrial purpose now or in the foreseeable future	This is related to the lands' ability to attract alternate occupiers should current occupiers vacate the site
8	Are there opportunities to redevelop the land to support new forms of industrial land uses such as high-tech or creative industries	There could be opportunities for employment intensification within the site

Source: AECOM

Table ES.7: Recommended Assessment Criteria for Business Zoned Land

No.	Criteria	Rationale
General		
1	Would the proposal impact the achievement of West Central subregional economic or employment targets?	The proposal should contribute to the objectives established for economic and employment growth for the West Central Subregion. Recognising the finite supply of existing business zoned lands, a proposal that facilitates the intensification of business floorspace would contribute to accommodating employment growth.
2	Does the proposed rezoning impact business land stocks in the subregion and thus the ability to meet future demand for business land activity at subregional level?	The maintenance of sufficient business zoned land stocks within the Subregion is important for the future economic prosperity of the wider metropolitan region. Business land that is part of a Local Centre would play a larger role than business land within a neighbourhood centre and should be considered in that context.
3	Would the proposal impact Auburn's ability to meet future local demand for business zoned employment land?	Auburn must ensure an adequate supply of business zoned land to meet the economic and employment needs of its population. This could involve an intensification of business lands which facilitates floorspace for a greater number of employees. A proposal should have regard to impact on the future viability and expansion prospects of nearby employment uses.

No.	Criteria	Rationale
4	Would the proposal impact the achievement of employment targets and objectives?	Is employment proposed and if so what is the nature and quantum of that employment. Would it accommodate employment that supports Auburn's future population and economic growth?
5	Would the proposal detract from or undermine the overall viability of established centres?	The continued viability and prosperity of existing centres should be considered in terms of acceptable impact.
B1 Neighbourhood Centre, B2 Local Centre, B4 Mixed Use		
6	Would the proposal enhance the economic and local service function of the centre?	How many local jobs are proposed as part of the proposal and how does it meet the local service needs of the community.
7	Would the proposal provide for growth of the centre to service a larger population and possible progression in the retail hierarchy?	Providing for the economic growth of the centre enables change over time to cater for future population growth. Where driven by significant population growth, would a proposal result in growth and reclassification of the centre.
8	Would the proposal provide for more retail, commercial and local service employment opportunities?	Local shopping and business uses, including local service uses will be increasingly important to provide job opportunities locally for a growing population.
B6 Enterprise Corridor		
9	Is the site near or within direct access of key economic infrastructure such as a major arterial road?	Good access is important for the viability and future sustainability of Business lands, from the point of view of employees, suppliers and customers. Viable clusters of business lands in strategic locations should be nurtured and allowed to prosper.
10	Does the site contribute to a significant business cluster and would the rezoning prejudice the future of that cluster to continue to operate viably and effectively?	Loss of a major element of a significant business cluster can weaken the viability of the remaining parts of the cluster, resulting in a decline in employment opportunities and the overall health of the local economy.
11	Would the proposal provide for more retail, industrial, commercial or local service employment opportunities?	This would provide a positive strengthening of the local economy and boost local employment.
12	Would the proposal detract from nearby established centres?	The ongoing success of proximate local or town centres should be considered. New initiatives to support and promote existing centres as a result will be important.
B7 Business Park		
13	Would the proposal enhance the economic and service function of the business park?	It will be important for land in Business Park zone in Auburn to be supported so as to meet current and future economic and employment needs.
14	Would the proposal provide for the growth of the business park to service a larger population in the future?	As the population grows so too do business and service needs. Depending on business activity, Business Park lands can grow to either accommodate more floorspace or greater intensity of use.
15	Would the proposal provide for more core economic activity such as office and light industrial uses?	As businesses and their floorspace requirements evolve, so too do buildings and the accommodation they offer. It will be important to ensure business needs continue to be met for ongoing investment appeal and economic success.
16	Would the proposal provide ancillary facilities such as retail and other services that do not detract from the core uses of the business park?	A limited amount of ancillary uses will be necessary to support the sustainable function of Business Parks and ensure their attractiveness to tenants and occupiers.

Source: AECOM

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1. Introduction

1.1 Background

The Auburn municipality is located between Parramatta, Bankstown, Strathfield and Canada Bay, near the navigable western limit of the Parramatta River. It sits centrally within the wider Metropolitan Region and has traditionally been an area for manufacturing and other industrial activities, with a pivotal position that has allowed it to capitalise on proximity to the CBD, Parramatta Road and the railway network.

Industrial lands in the LGA measure some 500ha while business and retail centres cover some 55ha of site area. Auburn has accommodated many traditional manufacturing-type businesses however the area has evolved to accommodate higher order, higher value industrial activities.

In terms of the Metropolitan Region, Auburn currently plays, and will continue to play an important strategic role in terms of employment for Sydney residents. Positioned in the West Central and North West subregion under the current draft Metropolitan Strategy (DP&I, 2013), Auburn and the four other municipalities (Blacktown, Parramatta, The Hills and Holroyd), by way of their central location within the metropolitan are well placed to sustain and deliver future employment growth through town centre renewal and transition of employment clusters.

The Draft West Central Subregional Strategy (DP&I, 2007), Auburn was set a jobs target of 12,000, to realise total employment of 55,300 by 2031. With no more recent employment target, this remains the expectation of State government for jobs in Auburn until new subregional work is undertaken. However, the nature of these future jobs is likely to be quite different from that of the past. In line with wider national trends, traditional manufacturing jobs have been declining in Auburn with increases in service industry and higher order manufacturing jobs observed, particularly in Auburn and Lidcombe town centres, within the Parramatta Road corridor and well located and accessible employment/industrial clusters.

The previous Employment Lands Study for Auburn (Hill PDA, 2008), noted that the LGA had over 542ha of employment lands, and highlighted industrial uses constituted the greatest proportion of all jobs (47%), with health, education and community jobs the next largest category at 26%. In fact Auburn had a significantly greater share of jobs in manufacturing than the Sydney average and continues to be the place where Sydneysiders come to buy appliances, vehicles and homewares. This goods and services role will remain a feature of Auburn's employment future.

Metropolitan-wide influences such as the evolving needs of industry for accommodation within older industrial precincts in middle and inner ring Sydney, new infrastructure such as the WestConnex Motorway, and key, transformative City Shapers identified in the draft Metropolitan Strategy such as Parramatta and the Parramatta Road Corridor, will all play a major part in delivering growth and change to Auburn LGA.

1.2 Context and Purpose of the Strategy

AEC Group (AEC) and AECOM have been commissioned by Auburn City Council (Council) to carry out an Employment Lands Strategy (the Strategy) that will enable Council to plan for future employment growth. This Strategy relates to lands zoned for employment within the Auburn LGA (those lands within the industrial and business zones in the LEP). This is referred to as the 'Study Area'.

Council recognises that in assembling an evidence base to underpin future strategic planning, an analysis of economic trends and influences is necessary to investigate the nature and requirements of employment growth and how these might impact future expectations of land and floorspace requirements.

A clear understanding of macro and micro-economic influences (both structural and cyclical in nature) will guide a response to tensions between employment lands and competing uses.

Auburn's employment role is not a given, it needs to be protected and nurtured. The property market has a role to play through provision of good quality buildings and places. Any impediments in the process should be identified, reviewed and addressed. Given the regional significance of Auburn's employment lands, there is an imperative to ensure property markets are able to respond and provide the required accommodation to support business, industry and employment growth as economies evolve over time.

Auburn's older industrial areas have already, and are continuing to undergo change, with a number of its commercial areas either planned for transformation like Carter Street, or likely to be examined for improvement such as the Parramatta Road corridor.

The current Auburn LEP 2010 applies to the whole LGA except for Sydney Olympic Park and part of Wentworth Point, both of which are governed by State planning instruments designed to guide the significant growth and change proposed for these areas. The Sydney Olympic Park is designated a Specialised Precinct under the draft Metropolitan Strategy with a State jobs target for 2031 of at least 14,000. The Sydney Olympic Park Master Plan (SOPA, 2008) however, aims for 31,500 jobs in that time frame.

The Carter Street area of Homebush is now the subject of an Urban Activation Precinct, (UAP), where the State Government is planning 5,600 new residential apartments coupled with an 11.4ha business park. As such, the future of this part of Auburn is now set on a new trajectory.

Specific controls apply to these areas under the 2010 LEP and DCP, which are considered as part of this study in terms of their appropriateness to generate jobs and prosperity across the LGA, and specifically where they could be amended to facilitate and accommodate appropriate growth.

Through a range of analytical methods and tools (refer to section 1.3) the Strategy reviews and considers if existing planning controls are appropriate, if they are sustainable and accommodate business, industry and community need.

Recognising that land is a finite resource, the Strategy provides recommendations on planning for employment lands to be put to their most beneficial and effective use.

1.3 Methodology and Approach

The Strategy has given due consideration to the findings of prior studies undertaken for Council. This Strategy has sought to update the previous studies with more recent data as well as consider prevailing market and industry activity and development in the past decade. The following tasks have been carried out in undertaking the Strategy:

- Review of State and local planning policies and findings and recommendations of the Auburn Employment Lands Study (2008).
- Audit of existing land uses across centres and employment clusters noting the strengths and weaknesses of each.
- Analysis of population and employment profiles within the Auburn LGA using ABS Census data and Bureau of Transport data.
- Property market assessment to ascertain respective performance and role of employment clusters (built form, offer/amenity and market pricing/dynamics) to understand market desirability and aggregated patterns of supply and demand.
- Analysis of macro-economic trends influencing the future of employment lands.
- Engagement with business/major landowners to identify issues and future expectations.
- Projection of future employment growth to ascertain future floorspace demand.
- Consideration of retail demand and implications for future retail floorspace need.
- Assessment of capacity of employment lands to accommodate projected growth.
- Principles and recommendations for Council's planning framework to facilitate and accommodate employment growth specifically within the Study Area.

AEC contributed economic research and analysis (including of property markets) and AECOM contributed strategic land use and planning input.

2. Study Area and Context

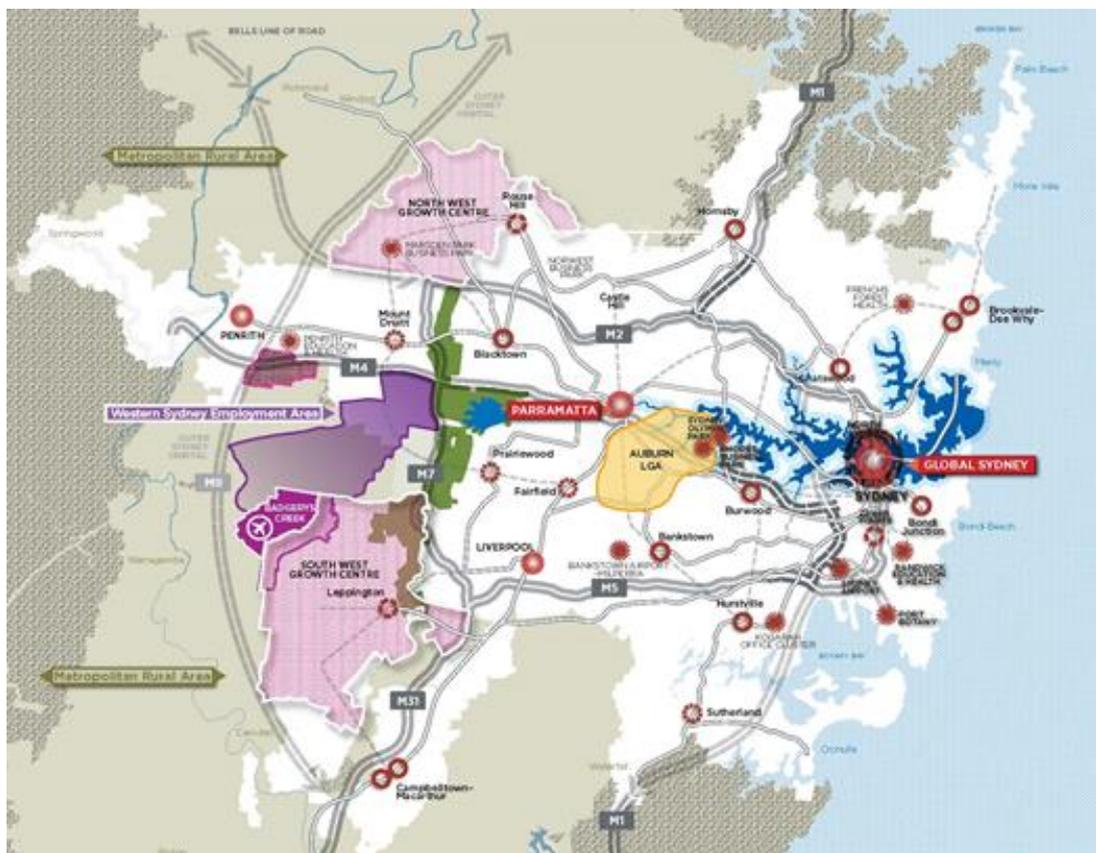
This section provides an overview of the characteristics of the Auburn LGA employment lands (the Study Area), including a description of the location, site characteristics and major business and employment activity. This section also identifies key locational strengths and issues for the Study Area.

2.1 Location

The Auburn LGA covers an estimated 32.5sq km of land located on either side of a railway line. The Auburn LGA incorporates the suburbs of Auburn, Auburn North, Auburn South, Auburn West, Berala, Homebush Bay, Lidcombe, Lidcombe North, Newington, Regents Park, Rookwood and Silverwater.

Located within the West Central and North West region of metropolitan Sydney (DP&E, 2013), the Auburn LGA is well connected and is located 40 minutes by road from the Sydney CBD. The LGA is served by two train lines (Inner West line and Bankstown line), Lidcombe serving as a major interchange and by arterial roads M4 Western Motorway and Parramatta Road, Silverwater Road and Hume Highway.

Figure 2.1: Strategic Context and Location of Auburn LGA



Source: Adapted from the Draft Metropolitan Strategy for Sydney to 2031 (DP&E, 2013)

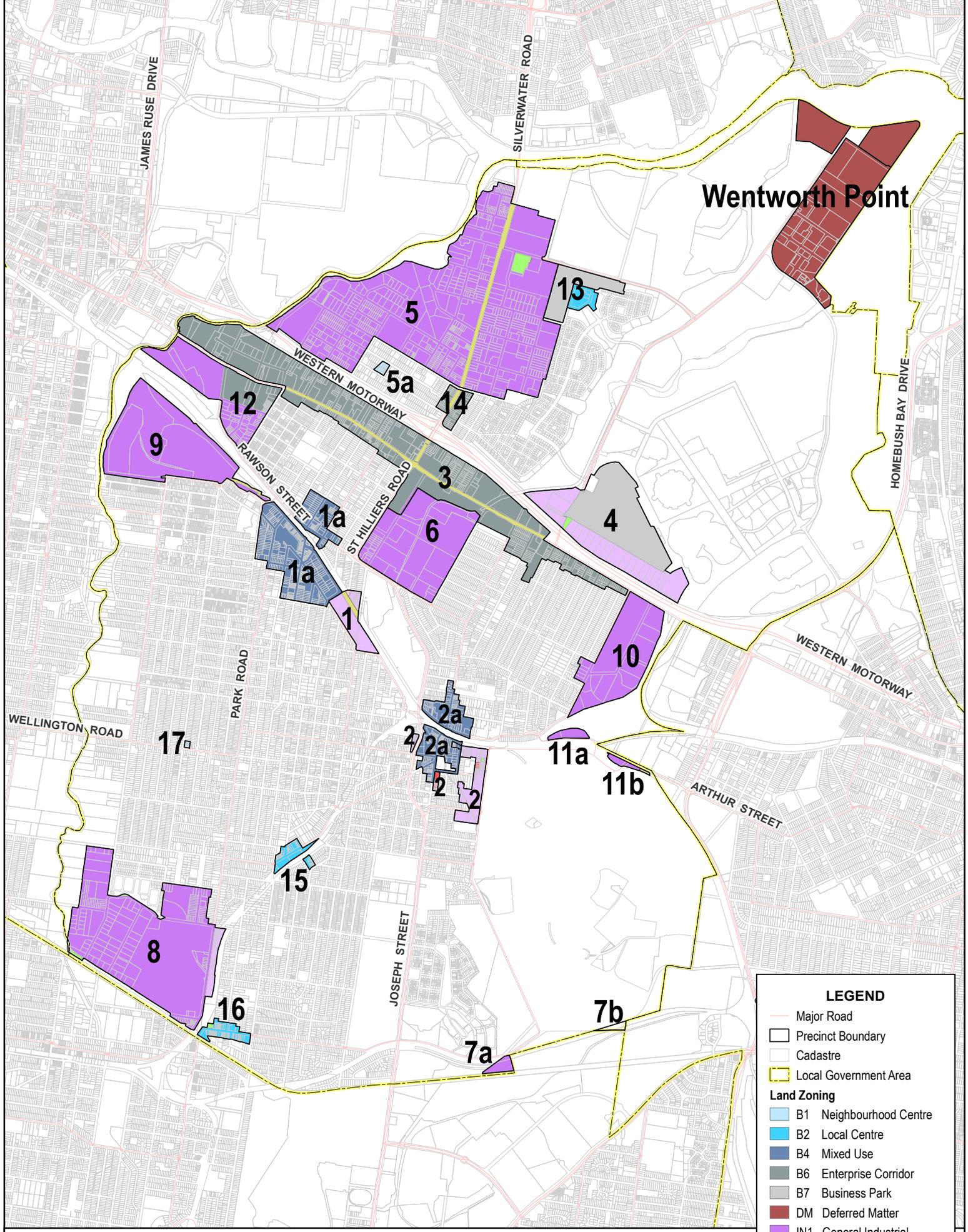
The proposed WestConnex motorway is the largest transport and urban renewal project in Australia with a 33km motorway, much of which will be in a tunnel and a 20km urban renewal corridor. The ease of access of freight traffic between the Port and Airport and greater Western Sydney and regional centres beyond is the main aim of the motorway project. The removal of heavy freight allows a renewed focus to be on the Parramatta Road corridor for potential urban renewal. It is envisaged that the improved connectivity WestConnex provides will benefit business investment and stimulate job growth.

2.2 Employment Precincts

In order to understand the nature of the Study Area's composition, it is necessary to consider separately the distinct precincts within the Study Area. Each precinct was reviewed to identify existing land use zoning and density controls, size, built and occupancy characteristics and competitive features. An audit was informed by analysis of aerial imagery and cadastral information, site visits and consultation with stakeholders. The findings from the audit in Table 2.1 correspond with the map in Figure 2.2. More detailed analysis of each precinct is contained in **Appendix B**.

Figure 2.2: The Study Area





Wentworth Point

LEGEND

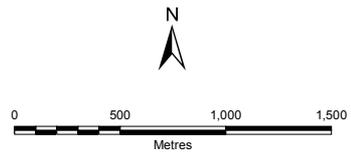
- Major Road
- Precinct Boundary
- Cadastre
- Local Government Area

Land Zoning

- B1 Neighbourhood Centre
- B2 Local Centre
- B4 Mixed Use
- B6 Enterprise Corridor
- B7 Business Park
- DM Deferred Matter
- IN1 General Industrial
- IN2 Light Industrial
- R2 Low Density Residential
- R4 High Density Residential
- RE1 Public Recreation
- SP2 Infrastructure

Auburn City Council Precincts

Coordinate System: GDA 1994 MGA Zone 56
 Scale: 1:36,000 when printed at A4
 Compiled: 4/10/2014
 Data Source: Auburn City Council



The Study Area precincts are characterised by different uses and built form. They are subject to different planning and development controls and consequently each precinct has varying ability to accommodate future growth.

It is therefore useful to consider current characteristics of each precinct in order to understand and profile the nature of their current roles in order to understand future expectations of economic growth.

Table 2.1: Precinct Audit

Ref.	Precinct	Land Use Zone	FSR	Area (ha)	Description	Competitive Features
Industrial Zones						
1	Queen Street	IN2	1:1	6.31	<p>Precinct 1 comprises an older style industrial pocket of land located parallel to the train line, bound on the east by the train line and on the west by Queen Street. This precinct abuts the Auburn Town Centre on its southeast.</p> <p>There are three main blocks within this precinct (bound by the train line in the east and Queen Street in the west). These include:</p> <ul style="list-style-type: none"> • In the northwest (bordering Marion Street), the precinct is improved with large, older style office and warehouse buildings and is well occupied by several businesses. • The middle section of the precinct is comprised of several warehouse/office buildings that are dilapidated and in need of upgrade. • In the southeast (bordering Helena Street), the precinct is improved with an industrial strata complex that appears to be moderately well occupied. 	<p>Queen Street (Precinct 1) is a small pocket of industrial lands bordered for the most part south of the railway line by residential uses.</p> <p>Its location next to residential areas can be a significant disadvantage particularly with restricted vehicle access to the precinct. That said, uses that are more 'office' in nature have less potential to conflict with residential uses.</p> <p>The triangular portion of the precinct to the north of the railway line is bordered partially by residential but adjoin the sporting precinct of Lidcombe Oval. This northern portion of the precinct appears well occupied.</p>
2	Lidcombe Street South (Marsden St)	IN2 R4	1:1 1.7:1, 2.0:1	8.40	<p>Precinct 2 is characterised by a number of older style industrial buildings, is generally well occupied and incorporates bulky goods uses, manufacturing type uses with an RAAF base adjoining.</p>	<p>The Lidcombe South (Marsden Street) precinct is disadvantaged by its location in close proximity to residential uses. Notwithstanding, occupancy levels are fair.</p>
4	Carter Street	B7, IN2	1.5:1	1.2ha	<p>The north western portion of the precinct is comprised of newer developments including the IBC Business Estate, Homebush Corporate Park and Homebush Bay Industrial Estate, all of which are managed by Goodman.</p> <p>Predominant uses in the area are logistics companies with various occupiers including the Rural Fire Services Headquarters and Lang O'Rourke. Occupation is dominated by logistics and distribution uses.</p>	<p>While many transport logistics occupiers have shifted their focus to the Outer West region in recent times, research suggests that many such logistics and distribution users still require a central location within which to service the metropolitan area.</p>



Ref.	Precinct	Land Use Zone	FSR	Area (ha)	Description	Competitive Features
					<p>The north eastern portion of the precinct comprises several hospitality establishments including the Ibis Hotel and Quest serviced apartments, these located above ground floor retail and servicing visitors to Sydney Olympic Park.</p> <p>The southern part of the precinct (along Carter Street) is comprised of older industrial buildings, some of which are need of upgrade and refurbishment.</p>	
5	Silverwater	IN1	1:1	152.82	<p>The Silverwater Industrial Area is Auburn's premier industrial estate, containing a mix of old and new one and two storey office/warehouse developments. There are new developments along Derby Street to the west of Silverwater Road with a mix of built form on the eastern side of the precinct.</p> <p>Several large and institutionally owned estates are located with precinct, including: Central West Industrial Estate, Triple M Industrial Estate, Slough Business Park and Mills Waterfront Estate. A select number of food and beverage outlets are found in this precinct, including Subway and coffee shops.</p> <p>Prominent occupiers within the precinct include Chubb Security and Enersys Australia.</p>	<p>The Silverwater Industrial Area is one of the Inner/Central West region's prime industrial areas, providing centrally located and well accessible industrial and employment floorspace. The following observations emerge:</p> <ul style="list-style-type: none"> • Tight supply of stock • Supply is relatively tightly held with strong leasing demand for smaller industrial units. The tight supply of stock in Silverwater results in sale prices achieved well in excess of reserve at auctions, currently driven by a strong owner occupier market. • One of the major driving factors that underpins the success and popularity of Silverwater is its relatively 'separate' nature from residential areas, thereby making land use conflicts a minimal issue. • While Silverwater is competitively well placed in the market, it is understood there is a growing tendency for more office-type uses to be located within buildings, which is potentially restricted by existing planning controls. • Even though Silverwater is broadly considered in the industry to be successful, the relatively small average lot size of 0.3ha limits its capacity in the future for redevelopment and densification. More than 50% of lots in the precinct are less than 1,000sqm in size.



Ref.	Precinct	Land Use Zone	FSR	Area (ha)	Description	Competitive Features
6	Lidcombe West	IN1	1:1	42.99	<p>The precinct benefits from wide roads and is typically dominated by larger lot sizes occupied by larger warehouse office facilities, however there are also some smaller strata developments. There are several vacancies in the precinct however most are within strata industrial units.</p> <p>Occupiers in the precinct include Kennards Self Storage, BevChain Logistics, Thomas and Betts and Co. Tooheys Brewery occupy a large proportion of the precinct, brewing and distributing products from their site.</p>	<p>Lidcombe West is presently occupied by relatively large occupiers on average lot sizes of 1ha. The precinct is well presented and benefits from excellent access to and from Parramatta Road and Silverwater Road.</p> <p>Given that many of the occupiers in the precinct are sizable and are comprised of distribution and logistics users, it is conceivable that in time some occupiers will move to the Outer West where 24/7 access is unrestricted.</p> <p>The larger lot composition of the precinct, where more than 35% of lots exceed 1ha, provides greater flexibility for large buildings to be redeveloped or subdivided in the future.</p>
7a and 7b	South of Rookwood	IN1	1:1	2.55	<p>This precinct is comprised of two, irregularly shaped vacant parcels of land.</p> <p>Business activity in proximity to the south Rookwood sites is primarily the University of Sydney at the Lidcombe Campus and some associated campus business activity such as population, student and business services that would service the university.</p>	<p>The isolated and 'orphaned' nature of this precinct limits their future use potential. Amalgamation and use with adjacent sites as an extension to those employment uses are most logical possibilities.</p>
8	Regents Park	IN1 IN2	1:1 1:1	78.82	<p>Subject to an IN1 General Industrial zone and FSR of 1:1, the Regents Park Industrial Precinct comprises a range of uses and built form, the majority of the precinct owned and managed by Dexus. There are a number of new office/ warehouses in the western portion of the precinct.</p> <p>There is a mix of freestanding warehouses and industrial strata developments. The northern end of the precinct has older industrial stock but is generally well occupied, located at Chisolm and Everley Roads. There are new townhouses to the north of the precinct. Several vacant blocks of land are visible in the precinct with a number of small developments recently completed and under construction.</p> <p>The eastern portion of the precinct is subject to an IN2 Light Industrial zone and FSR of 1:1. Several workshop-type buildings and strata units are located here.</p>	<p>By virtue of its location away being from the 'central core' of the Inner/Central West region, Regents Park is perceived as a marginally less desirable location with access through various residential areas. The attraction of an Inner/ Central West region is its centrality to metropolitan Sydney, in which Regents Park is disadvantaged. This is reflected in rents paid and prices achieved, some 5%-10% lower than Silverwater or Lidcombe.</p> <p>Notwithstanding its distance from the 'central core' of the Inner/Central West region, Regents Park appeals to users whose key service markets are in the southern portion of the Sydney metropolitan region.</p> <p>The relatively small average lot size (0.5ha) is a limiting factor on the precinct's ability to redevelop and renew over time, particularly as more than 85% of lots are less than 5,000sqm in size.</p>



Ref.	Precinct	Land Use Zone	FSR	Area (ha)	Description	Competitive Features
9	Clyburn	IN1	1:1	48.57	<p>In proximate location to major arterial road M4 Western Motorway, this precinct is primarily comprised of the Clyde Marshalling yards, providing important land resources for future freight and transport purposes.</p> <p>Currently large older style warehouses in the southeast portion of the precinct are occupied by RailCorp. The Bluescope Steel distribution facility is also located in the precinct amid vacant parcels of land.</p>	<p>The precinct is located adjacent to the rail corridor, serving a complementary role as marshalling yards.</p> <p>Lands within this precinct are one of the rare remaining vacant parcels of land zoned for industry/employment as well as uses associated with future transport - particularly freight needs.</p> <p>Average lot sizes are the largest in the Study Area (4.4ha) with 45% of lands within the precinct sized larger than 1ha. The low intensity of improvements also make it an attractive proposition for potential future development.</p> <p>The major drawback for the viability of this precinct as an industrial area is its location adjacent to and current access through residential areas.</p> <p>Existing industrial markets which are successful are generally observed to have strong spatial and functional links to the region's extensive transport networks. Access to transport infrastructure is an important and necessary pre-condition for viable and sustainable industrial development, hence the precinct's location abutting residential uses with primary access predominantly past residential areas puts it in a disadvantageous position.</p>
10	Lidcombe East	IN1	1:1	30.09	<p>Lidcombe East borders Parramatta Road in the north and offers relatively new industrial/warehouse accommodation. It is generally well occupied, incorporating the Lidcombe Business Park which is modern industrial estate owned and managed by Goodman.</p> <p>Occupiers in Precinct 10 include DHL, DB Shenker, Nippon Express, Toll and Kuehne + Nagel and Linfox, Woolworths, Metcash, Tesco, Co-Operative Group, Wesfarmers (Coles & Bunnings), Amazon, Zalando, Net-A-Porter, Grays Online, Mazda, BMW, Daimler and Volkswagen. Other occupiers include De Costi Seafoods, Synnex and Nick Scali.</p>	<p>Lidcombe East has an excellent position in the market, underpinned by the following factors:</p> <ul style="list-style-type: none"> • Direct access off Parramatta Road without having to traverse residential lands. • Investment grade stock offering quality accommodation. • Large lots, enabling potential subdivision or densification in the future.
11a and 11b	Church St	IN1	1:1	2.84	<p>Church Street precinct is comprised of two separate slithers of land, incorporating a mix of old and new office/warehouse developments. Several buildings therein are of modern construction.</p>	<p>These two small areas off industrially zoned land, not far from Lidcombe Town Centre, are currently well occupied and appear to be functioning well.</p>



Ref.	Precinct	Land Use Zone	FSR	Area (ha)	Description	Competitive Features
					The precinct is well occupied located just east of the Lidcombe town centre and north of Rookwood. Occupiers in Precinct 11 include Cleaners Room, Fletcher Insulation and AWA.	
12	Auburn West	IN1 B6	1:1 1.5:1 (bulky goods, entertainment, function centres and registered clubs) 3:1 (office, hotel, motel)	28.71	The Auburn West precinct is comprised of older 2 storey office/warehouse developments with sporadic newer buildings observed throughout. There are also older detached dwellings in the precinct. The majority of the precinct is occupied by manufacturing and logistics users including Cement Australia and Boral Cement.	Proximity to and easy access to Parramatta Road makes this precinct an attractive location for industry/businesses connected with the Parramatta Road Corridor. The IN1 portion of the precinct is adjacent to rail spur lines. The precinct however conveys an impression of isolation and understatement, conceivably due to layout and ageing nature of built form. Informal discussions with leasing agents active in the area indicate that this location factor and limited worker amenity makes it challenging particularly for offices to gain market interest. The lack of public transport is less of an issue for industrial properties. Some industrial properties within this precinct are ageing and could benefit from an opportunity to intensify their use. The slightly larger lot sizes in the precinct (average of 1ha) make it less challenging to redevelop, however more than 60% of lots are less than 5,000sqm in site area.
Business Zones						
5a	Silverwater	B1	2:1	0.50	Proposed mixed use retail/residential development	If constructed this centre could service a local convenience need of surrounding residential.
17	Wellington Road	B1	1.2:1	0.08	Small cluster of neighbourhood shops with petrol station.	Services a local convenience need of surrounding residential.
15	Berala centre	B2	2:1	2.55	Berala village centre is focused around the Berala train station, the town centre containing strip shops and a Woolworth and BWS which are relatively new. While relatively small and servicing the local area, there is a large pub/hotel therein. To the east of the train station is a small cluster of retail shops that accommodates about 10 businesses including several hairdressers, a real estate agency and child care facility in addition to a bakery and other small retailers.	Berala is a small centre focused on either side of the train station. For a centre that incorporates a Woolworths supermarket it is considered small with a handful of retail specialties. Occupancy rates are good with no vacancies observed. Given the good access and limited retail floorspace, Council's proposal to expand the B2 Local Centre boundaries will help to address the tight supply situation.



Ref.	Precinct	Land Use Zone	FSR	Area (ha)	Description	Competitive Features
16	Regents Park centre	B2	2:1	2.82	<p>Regents Park village centre is focused along Amy Street just east of the Regents Park train station, comprising many strip shops which are occupied by a range of commercial users such as solicitors and real estate agents as well as other professional services.</p> <p>Specialty food retailers include a grocer, bakery and butcher. The Regents Park Hotel is located on Amy Street, is opposite the library which is close to the train station. The opposite side of the train line on Park Road accommodates a hairdresser and a few small takeaway shops/ restaurants.</p>	<p>Despite being on a train line and in close proximity to the Regents Park train station, this centre is somewhat isolated from the broader region and is observed to largely play a convenience role. Recent medium density residential developments in the area have conceivably increased demand for retail goods and services.</p> <p>There are a variety of retailers located in this centre, with a number of vacancies observed on the fringe of the town centre. The layout and configuration of the centre (multiple strip shops on small lots) limits the growth potential of the centre.</p>
1a	Central Auburn	B4	2.4:1 to 5.0:1	26.52	<p>Focused around the Auburn train station, the town centre is comprised of various streets incorporating strip retail as well as several enclosed shopping malls.</p> <p>The core of the town centre is the area between Queen Street and South Parade, directly opposite the Auburn train station (southwest of the station). The precinct is characterised by two storey buildings and offers older style, in some cases dated accommodation occupied by a range of retail and commercial businesses.</p> <p>There are several enclosed shopping malls in the town centre:</p> <ul style="list-style-type: none"> • Central Auburn (corner of Queen Street and Harrow Road), anchored by Big W and Woolworths. • Auburn Shopping Arcade (Auburn Road). • Auburn Shopping Village (corner Auburn Road and Queen Street), previously anchored by Coles. <p>A pedestrian square on Queen Street accommodates cafés, restaurants and specialty stores as well as personal services. Rawson Street (northeast of the train station) is characterised by a range of retail strip shops which are dated and run down in appearance. Pedestrian activity is notably less in this northern portion of the town centre which also does not benefit from a retail anchor. A number of mixed use residential buildings have been developed here.</p> <p>Properties on the fringe of the town centre typically comprise residential uses, houses and apartment blocks. The Trinity Catholic</p>	<p>The Auburn Town Centre is the Study Area's heart of commercial and retail activity. Several shopping arcades and enclosed centres are located therein, anchored by Woolworths, Aldi and Big W.</p> <p>A number of factors underpin the success of the town centre, including:</p> <ul style="list-style-type: none"> • Central and accessible location on major public transport and road networks. • Strong population growth in and around the town centre, particularly with medium and high density residential developments. • Supermarket and effective clustering of retail offer, particularly on the south side. <p>The southern portion of the town centre is notably more prominent, enjoying greater levels of commercial and retail activity than the northern side of the train station. The valuable nature of land within the town centre makes it challenging for redevelopment and further densification to occur.</p>



Ref.	Precinct	Land Use Zone	FSR	Area (ha)	Description	Competitive Features
					College is a co-education catholic school offering education from Years 7 to 12 located on Park Road. Various places of worship are found in the Town Centre, including the Auburn Gallipoli mosque, Australia's largest mosque.	
2a	Lidcombe town centre	B4	5:1	11.11	<p>The Lidcombe Town Centre is bisected by the train line, the southern side of the precinct generally improved with older stock occupied by commercial uses (real estate agents, professional services), some personal services (e.g. hair salons) with a selection of cafés, restaurants and takeaway shops. This portion of the town centre is generally well occupied and also accommodates a pub. The retail offer is focused on Joseph Street, with some residential development at the corner of Joseph and Vaughan Streets.</p> <p>The northern portion of the precinct is busier and incorporates the large Dooley Catholic Club on Church Street and the Lidcombe Hotel. John Street is the main focus of retail strip activity and is well occupied with a variety of restaurants and cafés, speciality food and non-food retailers. Ongoing residential development is observed to occur between Board and Ann Streets on John Street.</p> <p>Mixed use buildings on Mary Street provide for ground floor retail/commercial tenancies, one of which is a medical centre.</p>	<p>From its economic structure, it can be observed that the Lidcombe town centre plays a strong service role with dozens of food-based retailers and commercial uses (high proportion of people employed in accommodation and food services).</p> <p>Despite the absence of a supermarket, the location of Lidcombe at a major train interchange has resulted in high levels of pedestrian and foot traffic.</p> <p>The northern part of the town centre (north of the train station) suffers from poorer occupancy at ground level particularly moving away to the north.</p> <p>The future growth of the Lidcombe town centre will be underpinned by its continued densification. Increased residents in the town centre have implications for future demand for retail and commercial uses.</p>
3	Parramatta Road Corridor	B6	1.5:1 (bulky goods, retail, clubs) 3:1 (office, hotel, motel)	84.49	<p>Parramatta Road is characterised by bulky goods retail operators as well as factory outlets and takeaway food outlets.</p> <p>Prominent occupiers include Harvey Norman, Costco and Bunnings. Several commercial buildings front Parramatta Road, particularly around its intersection with Silverwater Road.</p> <p>The Parramatta Road Corridor has developed over the last decade into a destination for bulky goods retail, particularly on large sites that benefit from a Parramatta Road frontage and direct address. Industrial and warehousing functions occur on locations away from Parramatta Road.</p>	<p>Parramatta Road has been one of mixed success. While it has provided many retail-type businesses with the requisite exposure and visibility, it has been challenged by traffic congestion and parts along the corridor where renewal is badly needed.</p>
14	Silverwater Road	B6	1.5:1 (bulky goods, entertainment, function)	3.89	<p>Located on either side of Silverwater Road, this precinct is comprised of several rows of old cottages and several older commercial buildings occupied by drycleaners and a printing company.</p>	<p>Exposure to traffic on a major thoroughfare is an advantage however for development to be sustainable, access needs to be adequate. The</p>



Ref.	Precinct	Land Use Zone	FSR	Area (ha)	Description	Competitive Features
			centres and registered clubs) 2:1 (office, hotel, motel)			precinct is conceivably too small for an industrial cluster but suits businesses that play a service role.
13	Newington	B7, B2	1.2:1	11.91	<p>Just west of Sydney Olympic Park, the Newington Business Park provides campus-style accommodation, a part of which is owned and managed by Goodman.</p> <p>The precinct is occupied by a mix of tenants including Bose, IAG Research, NSW Food Authority and Hirotech. The built form is new and well maintained, a combination of warehouse and office floorspace.</p> <p>The Newington Marketplace is located adjacent incorporating a Woolworths supermarket and a selection of retail specialties.</p>	<p>The Newington Business Park is equally sought after, attracting many prominent and strong covenants. Research suggests an underlying market demand for more accommodation like that which is provided in the business park, i.e. campus style developments providing for both office and warehouse-type uses.</p> <p>Average lot sizes in this precinct are slightly larger at 1ha, with 50% of lots sized between 0.5ha and 1ha.</p>



3. Existing Policy Context

3.1 State Planning Framework

There are a number of strategic and policy documents which relate to Auburn City Council and the Study Area. A full review of the NSW policy framework relevant to the Study Area is provided below.

3.1.1 NSW 2021

The NSW 2021 Plan (NSW DPC, 2011) aims to rebuild the NSW economy, provide quality services, renovate infrastructure, restore government accountability and strengthen NSW's local environment and communities.

The Plan comprises five sub-strategies. The main sub-strategy that is of relevance to this Strategy is 'Rebuild the Economy'. The following goals are of particular importance to this Strategy:

- **Goal 1 Improve the Performance of the NSW Economy** - states that a strong economy generates opportunities for fulfilling jobs, choices and financial security. The target of the Plan is to grow employment by an average of 1.25% per year to 2020; and
- **Goal 4 Increase the Competitiveness of Doing Business in NSW** - states that there should be an increase in business innovation. Furthermore, it is put forward that high performing businesses should be supported to innovate in order to further enhance productivity through Industry Action Plans. The plans will identify innovation drivers and barriers within key sectors (professional services, manufacturing, digital economy, tourism and events, and education and research).

3.1.2 A Plan for Growing Sydney

A Plan for Growing Sydney (DP&E, 2014c) (the Plan) sets the strategic direction for Sydney towards 2031. The overarching vision is that by 2031, Sydney will be "a strong global city, a great place to live". The Plan is built around four key goals:

- A competitive economy with world-class services and transport.
- A city of housing choice with homes that meet our needs and lifestyles.
- A great place to live with communities that are strong, health and well connected.
- A sustainable and resilient city that protects the natural environment and has a balanced approach to the use of land and resources.

Of particular relevance to this Strategy is *Goal 1: A competitive economy with world-class services and transport*. One of the key directions of this goal is to grow strategic centres – providing more jobs closer to home. The objective states the importance of investing in strategic centres across Sydney to grow jobs and housing and create vibrant hubs of activity.

Another key direction is to support key industrial precincts with appropriate planning controls. As part of this, the Strategy sets out the *Industrial Lands Strategic Assessment Checklist* to guide the assessment of proposed rezonings of industrial lands. It poses questions about whether the site is near or within direct access to key economic infrastructure, how it contributes to a significant industry cluster, and how the proposed rezoning would impact on industrial land stocks and employment objectives in each subregion. The Checklist allows for evidence-based decisions and aims to prevent encroachment on important industrial sites.

The Plan states the Government will:

- Undertake an analysis of Sydney's stock of industrial zoned land to identify key industrial Precincts and use the findings to:
 - Determine where improved planning controls are required to better protect industrial land from conversion to other uses;

- Identify where improved and innovative planning controls will allow for the ongoing evolution of industrial activities to more intensive commercial activities; and
- Update the Industrial Lands Strategic Assessment Checklist.
- Assess new proposals to convert existing industrial zoned land to other uses under the Industrial Lands Strategic Assessment.

It is important to note that the Parramatta LGA is located in close proximity to the Auburn LGA. The Plan establishes the Greater Parramatta to Olympic Peninsula as a new growth priority area. The Plan sees the Greater Parramatta to Olympic Peninsula Priority Growth Area as providing opportunities to focus on jobs growth, particularly in the knowledge economy. The Plan also states that Government would investigate the future role of the Silverwater employment area.

3.1.3 Draft West Central Subregional Strategy (2007)

The draft West Central Subregional Strategy 2007 (DP&I, 2007) (referred to as the draft subregional strategy) sets a target of an additional 61,000 jobs within the Subregion by 2031. It applies to the local government areas of Auburn, Bankstown, Fairfield, Holroyd, and Parramatta (which differs from the subregion grouping now adopted by the draft Metropolitan Strategy). The draft subregional strategy sets an employment target of 12,000 for the Auburn LGA by 2031.

3.2 Employment Lands

The draft subregional strategy identifies the future role of employment lands in the West Central Subregion, characterised by importance into three categories.

- **Category 1 – land to be retained for industrial purposes:** Silverwater, Parramatta Road Corridor, Clyburn, Lidcombe West, Lidcombe East, Homebush Bay, Church Street (Rockwood), Railway Street (Rockwood), Regents Park and Auburn West.
- **Category 2 – land to be retained for industrial purposes:** Queen Street Substation and Lidcombe South.
- **Category 3 – land that could be investigated for alternative uses:** Cumberland Industries and New West Street.

The draft subregional strategy provides for three key actions, of particular importance is 'Provide Suitable Commercial Sites and Employment Lands in Strategic Areas'. The following actions apply:

- Prepare Principal LEPs which provide sufficient zoned commercial and Employment Lands to meet employment capacity targets. (WC A1.1.1).
- Investigate measures to protect and enhance Strategic Employment Lands. (WC A1.5.2).
- Investigate and strategically identify areas for Business Park development with good access to transport infrastructure. (WC A1.8.3).
- Local councils to explore opportunities to revitalise existing Employment Lands and implement planning controls which encourage revitalisation through preparation of their Principal LEPs by 2009.

3.3 Retail Centres Hierarchy

The Centres and Corridors section of the draft subregional strategy is the section that is most pertinent to the future role of centres within the Auburn LGA. It identifies a full centres typology (i.e. from Specialised Centres to Neighbourhood Centres).

The types of centres located within the Auburn LGA are set out below.

Table 3.1: Auburn Centres Typology

Centre Type	Centre Name	Characteristics
Specialised Centre	Olympic Park - Rhodes	Areas containing major airports, ports, hospitals, universities, research and business activities. These perform a vital

Centre Type	Centre Name	Characteristics
		economic and employment role which generate metropolitan wide benefits.
Town Centre	Lidcombe, Auburn	Towns have one or two supermarkets, community facilities, medical centres, schools and typically contain between 4,500 and 9,500 dwellings.
Small Villages	Berala, Newington, Regents Park	A small strip of shops and adjacent residential area within a 5 to 10 minute walk. Contain between 800 and 2,700 dwellings.
Neighborhood Centre	Auburn South West, Auburn South, Homebush Bay West, Silverwater*	One or a small cluster of shops and services. Contain between 150 and 900 dwellings.

*Identified in Auburn Town Centre Strategy (2009) but is excluded from the subregional strategy.
Source: DP&I, 2007

3.3.1 Employment Lands Development Program (2014)

The Employment Lands Development Program (2014) is an update of the Employment Lands Development Program (ELDP) 2013 Update Report (DP&E, 2014b). It provides information on total stocks of employment lands for the Sydney Region (including Central Coast).

The stock of employment lands below compares total stock, as well as the split between developed and undeveloped employment lands between January 2013 and January 2014 by the six metropolitan subregions.

The Auburn LGA is located within the West Central Subregion along with the following LGAs: Blacktown, Holroyd, Parramatta and The Hills Shire. The table demonstrates that the West Central Subregion contains a total of 4,597.6ha of employment lands. As a proportion of the West Central subregion's total industrial lands, Auburn accounts for approximately 8.6% or 397.7ha (DP&E, 2014b). It is important to note that between January 2012 and January 2014 employment lands within the Auburn LGA decreased by 4.2ha.

Table 3.2: Stock of Employment Lands

Subregion	January 2013			January 2014			Net Change (2013-14)
	Undeveloped	Developed	Total	Undeveloped	Developed	Total	
Central	121.6	1,408.7	1,530.3	45.8	1,432.1	1,477.9	-52.5
North	25.7	314.7	340.3	19.1	312.5	331.6	-8.7
South	141.1	761.5	902.6	73.0	823.2	896.2	-6.4
South West	647.8	3,346.4	3,994.2	715.1	3,459.1	4,174.2	180.0
West	733.5	1,058.1	1,791.6	754.2	1,056.9	1,811.1	19.5
West Central	1,464.2	3,104.6	4,568.8	1,356.3	3,241.2	4,597.6	28.8
Central Coast	1,156.2	885.3	2,041.5	1,123.1	916.3	2,039.4	-2.1
Sydney Region Total	4,290.0	10,879.3	15,169.3	4,086.6	11,241.4	15,328.0	158.7

Source: DP&E (2014b)

3.3.2 Section 117 Planning Directions

Under Section 117(2) of the Environmental Planning and Assessment Act 1979 the Minister for Planning and Infrastructure provides directions to planning authorities regarding proposals lodged with the Department of Planning and Environment (DP&E).

For proposals in Business and Employment Zones the directions mandate that the LGA must ensure compliance with relevant strategic objectives set by the DP&E and ensure that the total area and floorspace for potential employment lands is not reduced. Where proposals are inconsistent with the direction then various requirements must be met including justifying the change by way of a study prepared in support of the planning proposal.

3.3.3 Draft Centres Policy (2009)

The Draft Centres Policy was released by NSW Department of Planning & Environment for public consultation in April 2009 (DP&I, 2009). It was developed as the Federal

Government and State/Territorial planning authorities were directed to review planning regulations and policies pertaining to retail development following the Australian Competition and Consumer Commission (ACCC) enquiry.

The Draft Centres Policy proposed six (6) key principles:

- Retail and commercial activity should be located within centres;
- Centres should be able to grow and new centres to form;
- The market determines the need for development with planning regulating its location and scale;
- Ensuring the supply of floor space accommodates market demand;
- Support a wide range of retail and commercial premises and contribute to a competitive retail market; and
- Contributing to the amenity, accessibility, urban context and sustainability of centres.

One of the key elements of the Draft Centres Policy was the proposed sequential sites test. This was included to provide a decision making framework for edge or out-of-centre retail proposals. The Draft Centres Policy has never been adopted however DP&E generally applies its principles when assessing rezoning proposals for retail and commercial uses.

3.4 Local Planning Framework

Land use and development in the Auburn LGA is governed by the Auburn Local Environmental Plan (2010) and Auburn Development Control Plan (2010). In addition, there are a number of local policy documents which set the strategic direction for employment lands and centres, of particular importance to this Strategy are the Auburn Employment Lands Study (2008), Auburn Town Centre Retail and Economic Study (2007) and Auburn Town Centre Strategy 2031 (2009). A full review of the local planning instruments and local policy relevant to the Study Area is provided below.

3.4.1 Auburn Local Environmental Plan (2010)

The Auburn Local Environmental Plan (LEP) applies to most land within the Auburn LGA. The aim of the LEP is to regulate development of land within the Auburn LGA by providing land use and density controls. Of relevance to this Strategy are the following zones and their corresponding objectives:

Table 3.3: Land Use Zones and Objectives

Zones	Objectives
Business Zones	
B1 Neighbourhood Centre	<ul style="list-style-type: none"> • To provide a range of small-scale retail, business and community uses that serve the needs of people who live or work in the surrounding neighbourhood. • To ensure development does not adversely affect the amenity of the surrounding neighbourhood.
B2 Local Centre	<ul style="list-style-type: none"> • To provide a range of retail, business, entertainment and community uses that serve the needs of people who live in, work in and visit the local area. • To encourage employment opportunities in accessible locations. • To maximise public transport patronage and encourage walking and cycling. • To encourage high density residential development. • To encourage appropriate businesses that contribute to economic growth. • To achieve an accessible, attractive and safe public domain.
B4 Mixed Use	<ul style="list-style-type: none"> • To provide a mixture of compatible land uses. • To integrate suitable business, office, residential, retail and other development in accessible locations so as to maximise public transport patronage and encourage walking and cycling. • To encourage high density residential development. • To encourage appropriate businesses that contribute to economic growth. • To achieve an accessible, attractive and safe public domain.
B6 Enterprise Corridor	<ul style="list-style-type: none"> • To promote businesses along main roads and to encourage a mix of compatible uses. • To provide a range of employment uses (including business, office, retail and light industrial uses). • To maintain the economic strength of centres by limiting retailing activity.

Zones	Objectives
Business Zones	
B7 Business Park	<ul style="list-style-type: none"> To provide a range of office and light industrial uses. To encourage employment opportunities. To enable other land uses that provide facilities or services to meet the day to day needs of workers in the area. To encourage creation of well-designed and sustainable business park developments. To provide the flexibility required to encourage a range of office uses in the zone. To create an accessible and safe public domain. To maximise opportunities to increase walking, cycling and public transport use. To minimise adverse effects on the natural environment.
Industrial Zones	
IN1 General Industrial	<ul style="list-style-type: none"> To provide a wide range of industrial and warehouse land uses. To encourage employment opportunities. To minimise any adverse effect of industry on other land uses. To support and protect industrial land for industrial uses. To encourage economic growth of the locality. To minimise adverse effects on the natural environment
IN2 Light Industrial	<ul style="list-style-type: none"> To provide a wide range of light industrial, warehouse and related land uses. To encourage employment opportunities and to support the viability of centres. To minimise any adverse effect of industry on other land uses. To enable other land uses that provide facilities or services to meet the day to day needs of workers in the area. To support and protect industrial land for industrial uses. To minimise adverse effects on the natural environment.

Source: Auburn LEP (ACC, 2010)

3.4.2 Auburn Development Control Plan (2010)

The Auburn Development Control Plan (2010) provide objectives and controls to enhance the function, appearance and amenity of development in the Auburn area. The Auburn DCP 2010 is a single consolidated document which contains separated chapters pertaining to different types of development. Of relevance to this Strategy are the controls for Industrial Areas and Local Centres. The objectives for each are set out below.

Industrial Areas

The DCP (industrial areas) applies to land zoned IN1 General Industrial, IN2 Light Industrial, B6 Enterprise Corridor and B7 Business Park under the Auburn LEP 2010. In relation to built form, the overarching objectives are:

- To ensure that the form, scale, design and nature of development maintains and enhances the streetscape and visual quality of industrial areas.
- To ensure that the scale of any new industrial development is compatible with surrounding industrial buildings.
- To ensure the intensity of development recognises the environmental constraints of the site and its locality.

Local Centres

The DCP (local centres) applies to land zoned B4 Mixed Use, B2 Local Centre and B1 Neighbourhood Centre. The overarching objectives of the Plan are:

- To provide richness of detail and architectural interest, especially to visually prominent parts of buildings such as lower storeys and street facades.
- To establish the scale, dimensions, form and separation of buildings appropriate for local centre locations.
- To encourage mixed use development with residential components that achieve active street fronts with good physical and visual connection between buildings and the street, and maintain residential amenity.
- To achieve active street frontages with good physical and visual connections between buildings and the street.
- To ensure consistency in the main street frontages of buildings.

- To ensure building depth and bulk appropriate to the environmental setting and landform.
- To ensure building separation is adequate to protect amenity, daylight penetration and privacy between adjoining developments.
- To ensure that the form, scale, design and nature of development enhances the streetscape and visual quality of commercial areas.
- To ensure that the built form and density of a new development respects the scale, density and desired future character of the area.
- To ensure development appropriately supports the centres hierarchy.



3.5 Background Studies

The following studies were commissioned Council, recommendations in the studies underpinning formulation of planning controls (LEP and DCP 2010).

3.5.1 Auburn Employment Lands Study (2008)



The Auburn Employment Lands Study (2008) (referred to as the 2008 ELS) identified guiding land use principles and recommendations for the Auburn LGA (refer to Appendix A). The 2008 ELS additionally made specific recommendations for each of the 14 precincts investigated. The table below demonstrates that the majority of the recommendations made in the Auburn ELS were adopted by the Auburn LEP 2010. The precincts, which partially adopted the recommendations include precincts 2, 7, 9 and 12.

It is important to note the overall Study concluded no additional land would be required to meet industrial demand in the future and that from 2016 demand for industrial land will reduce. The Study highlighted there would be growing demand (and resulting pressures) for commercial floorspace and high tech industries flowing from the growth of Sydney as a Global City and the growing affluence of Auburn's community.

Table 3.4: Employment Lands Strategy (2008) Recommendations

Precinct	ELS Zone Recommendation	Adopted?	Auburn LEP 2010
1	IN2 Light Industrial	Yes	IN2 Light Industrial
2	IN2 Light Industrial B4 Mixed Use	Partially	IN2 Light Industrial R4 High Density
3	B5 Business Development, or B6 Enterprise Corridor	Yes	B6 Enterprise Corridor
4*	B7 Business Park IN2 Light Industrial	Yes	B7 Business Park IN2 Light Industrial
5	IN1 General Industrial	Yes	IN1 General Industrial
6	IN1 General Industrial	Yes	IN1 General Industrial
7	IN1 General Industrial SP1/SP2 Special Purpose	Partially	IN1 General Industrial
8	IN1 General Industrial	Yes	IN1 General Industrial
9	IN1 General Industrial SP2 Special Purpose	Partially	IN1 General Industrial
10	IN1 General Industrial	Yes	IN1 General Industrial
11	IN1 General Industrial	Yes	IN1 General Industrial
12	IN1 General Industrial B5 Business Development	Partially	IN1 General Industrial B6 Enterprise Corridor
13	B7 Business Park	Yes	B7 Business Park
14	B6 Enterprise Corridor	Yes	B6 Enterprise Corridor

*this precinct is not part of the Study Area Source: 2008 ELS (Hill PDA, 2008), AEC

3.5.2 Auburn Town Centre Retail & Economic Study (2007)

The Auburn Town Centre Retail and Economic Study (AEC Group, 2007) was prepared to provide the economic underpinnings for the Auburn Town Centre Strategic Plan. The Study highlighted the retail and office market growth potential of the Town Centre into the future

depends on the Centre's ability to attract new investment, tenant demand and consumer spending, which in turn is related to a number of growth determinants and internal/external factors. Furthermore, in order to revitalise the town centre, the Study suggested there would need to be improved urban design and quality of development, requiring improved developer education and a planning environment that encourages viable development.

3.5.3 Auburn Town Centre Strategy 2031 (2009)

The Auburn Town Centre Strategy 2031 (Auburn City Council, 2009) provides the planning context for future development in the town centre. It establishes a vision and directions to address a range of planning, community, transport, economic and environmental issues. The overarching vision for the centre is to be "an active, community oriented and economically thriving town centre competing as a sub-regional centre, with well-designed buildings, attractive streetscapes, parks and public spaces that reflect the urban vitality of its culturally diverse population".

The Strategy states Auburn town centre's role as a major employment centre will be consolidated and promoted through investment attraction, facilitation and market programs. The Strategy sets out the following actions for the centre:

- Establish a business representative group / town centre taskforce, to liaise with Council on economic, social and developer issues;
- Facilitate a forum, awards program and education program for developers and business to improve trading positions and performance and the quality of property development;
- Seek innovative investment opportunities through the EOI process, PPPs or developer incentive schemes to develop the town centre;
- Attract major service providers and key attractors from beyond the region;
- Develop retail niches and culturally diverse related specialisations;
- Expand and consolidate the town centre's convenience role and retail range; and
- Establish the role and position of Place Manager.

4. Socio-Economic Profile

This chapter provides an overview of the Auburn LGA in comparison to broader regions. The local economic and demographic structure of the region is likely to influence future employment levels and resultant demand for land and floorspace.

4.1 Population Profile

4.1.1 Historical and Projected Population

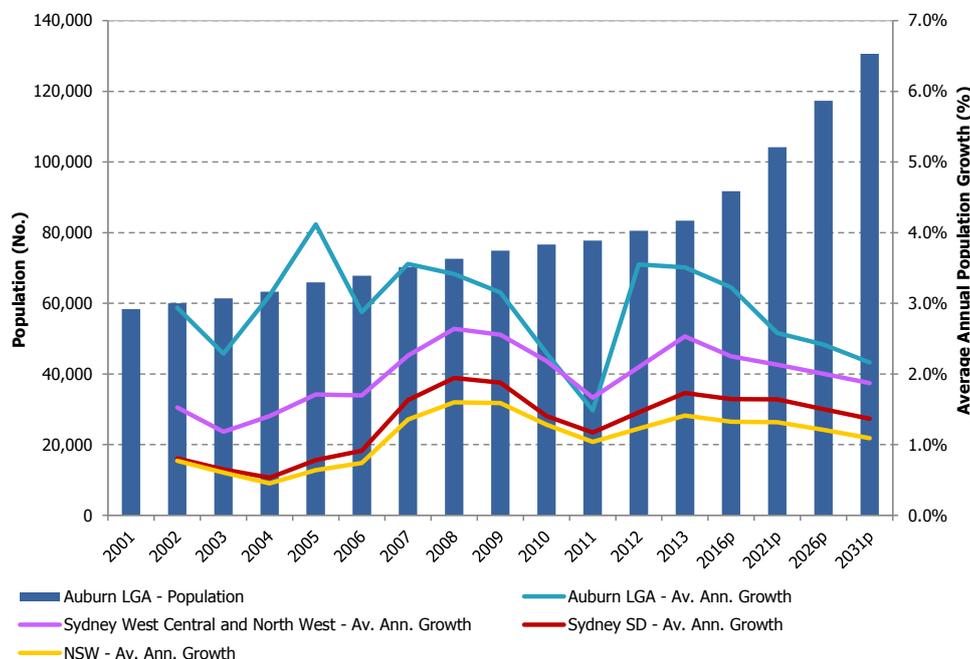
The Auburn LGA recorded a population of almost 83,500 in 2013, following average annual growth of 2.8% since 2008. This pace of growth exceeded that recorded for Sydney West Central and North West subregion, Metro Sydney and NSW.

The Auburn LGA is attractive to young families, resulting in a younger average age than each of the comparison areas, at 33.8 years in 2013. The LGA has also recorded the slowest rate of ageing between 2007 and 2012 (0.08 years per annum) than the comparison regions.

Population growth is projected to accelerate for Auburn LGA in the short term, to a pace of 3.2% on average to 2016, before slowing over the medium and longer term. However, across the forecast horizon, population growth in Auburn LGA is projected to outstrip growth in the key comparison regions. By 2031, Auburn's population is forecast to reach 130,000.

Strong population growth is associated with increased demand for health care, education, construction and retail services, as well as demand for housing. These services are likely to increase in prominence in the local economy as the population expands, demanding increased floor space and dwellings over the forecast horizon.

Figure 4.1: Historic and Projected Population, 2001-2031



Source: ABS (2014a), NSW DP&E (2014a)

The Auburn LGA has grown at a faster pace than Sydney West Central and North West subregion, Metro Sydney and NSW over the past 12 years. Population growth is estimated to accelerate in the short-term and then stabilise at comparatively high levels.

4.1.2 Dwelling Requirements

As at 2011, there was an estimated total of 25,550 dwellings in the Auburn LGA, representing 1.5% of the total number of dwellings in the Sydney SD (1,695,800).

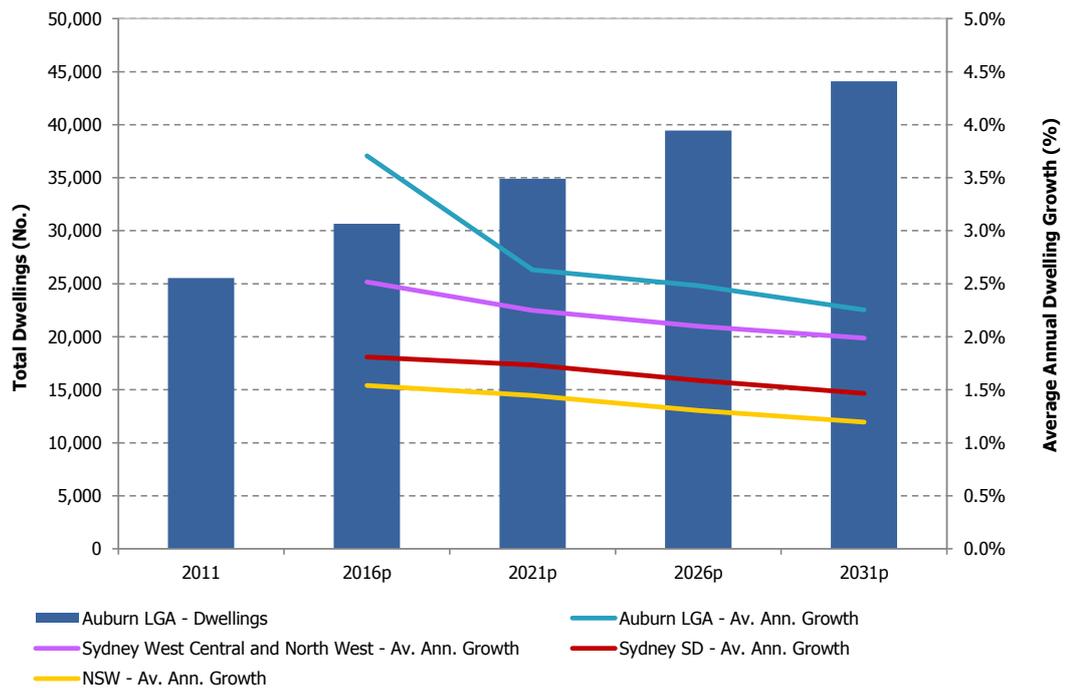
Figure 4.2: Dwelling Distribution, Auburn LGA 2011



Source: ABS (2012)

Dwelling growth in the Auburn LGA is projected to be solid at 3.7% on average to 2016, this rate is estimated to be twice as high as Sydney SD and more than twice as high as NSW. While the projected pace of dwelling growth in the Auburn LGA is expected to slow over the longer term (2.3% on average between 2026 and 2031), dwelling growth in the LGA is projected to continue to outstrip growth in the key comparison regions.

Figure 4.3: Projected Dwelling Requirements, 2011-2031



Source: NSW DP&E (2014a)

By 2031, a total of 18,550 additional dwellings will be required within the Auburn LGA.

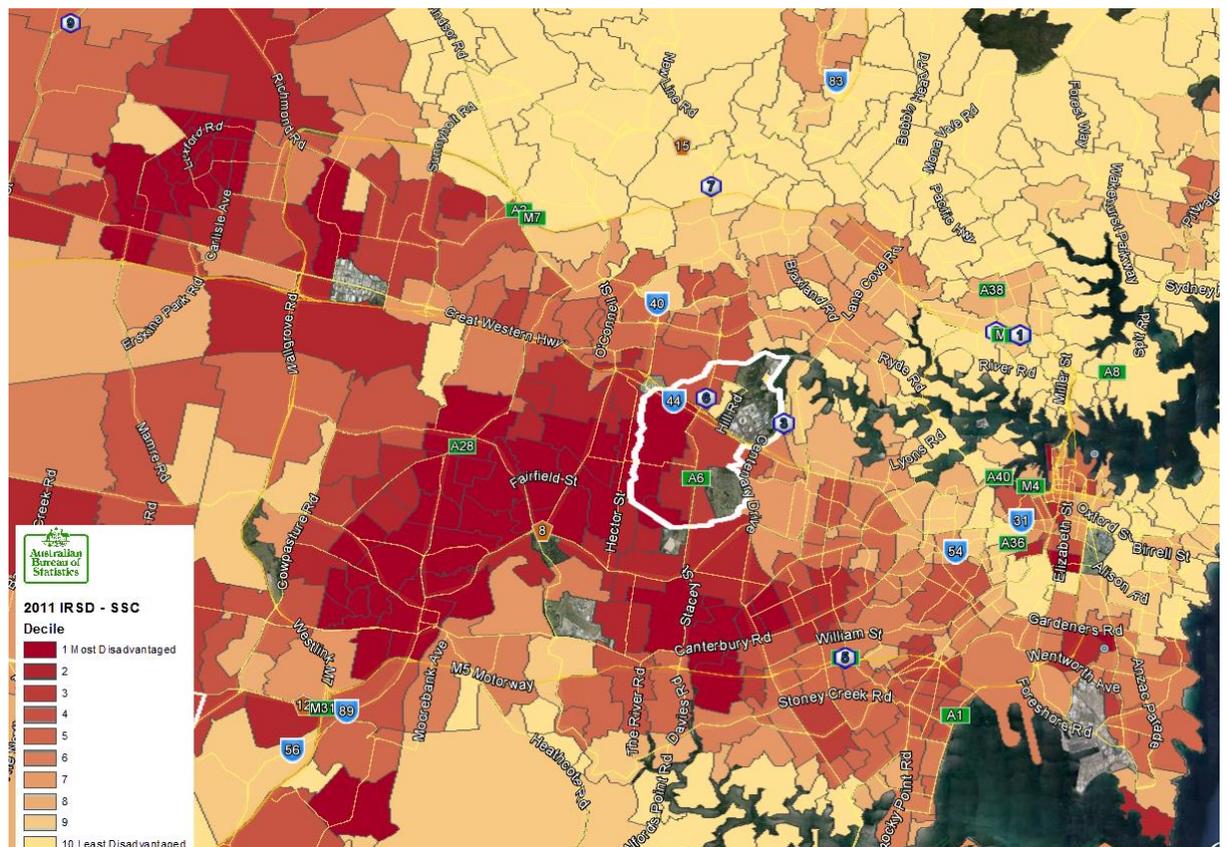
4.1.3 Socio-Economic Advantage and Disadvantage

Analysis of the Australian Bureau of Statistics Index of Relative Socio-Economic Disadvantage (IRSD) shows the population of the Auburn LGA has a very high proportion of its residential base that are considered to be highly disadvantaged. Further comparison with surrounding areas of Sydney indicates that Auburn is also the closest and most disadvantaged LGA to Sydney CBD and the wealthier eastern suburbs. However, the LGA does exhibit some more advantaged, wealthier pockets of population north of Parramatta Road.

Socio-Economic Indexes for Areas (SEIFA) is a product developed by the ABS that ranks areas in Australia according to relative socio-economic advantage and disadvantage. The indexes are based on information from the five-yearly Census. The index used in the figure above is the Index of Relative Socio-Economic Disadvantage (IRSD). This index uses a range of Census variables that measure disadvantage (no advantage indicators are used) with a low index score indicating most disadvantaged people and households and a high index score indicating least disadvantaged. For example a low score could indicate many households with low incomes, many people with no qualifications or many people with low skilled occupations.

Variables considered in the Index include: educational attainment, occupational skill level, households with low incomes, households with unemployed persons, low rent yields, households with persons with social assistance needs, occupied dwellings with demand for additional rooms (overcrowding), family dissolution indicators, and others.

Figure 4.4: 2011 Index of Relative Socio-Economic Disadvantage (IRSD), Auburn LGA and Broader Sydney Region



Note: The white boundary indicates Auburn LGA.
Source: ABS (2012), Google Earth Pro (2014), AEC

4.2 Employment Profile

In order to better understand the employment and activity occurring in the Study Area, Australian Bureau of Statistics data (ABS, 2012) was examined. The key findings are set out below. A more detailed analysis (precinct by precinct) can be found in Appendix B.

4.2.1 Unemployment Rates

Local residents of Auburn LGA are more likely to be unemployed than the average resident of Sydney's Central West and North West, Sydney SD and New South Wales. Auburn LGA's unemployment rate has been consistently higher than all comparison regions since at least March 2007. Local residents are also less likely to participate in the labour force than those in comparison regions, suggesting some signs of the discouraged worker in the area. The area has the lowest number of workers per household amongst the comparison regions (at 1.1) as well as the lowest average household incomes.

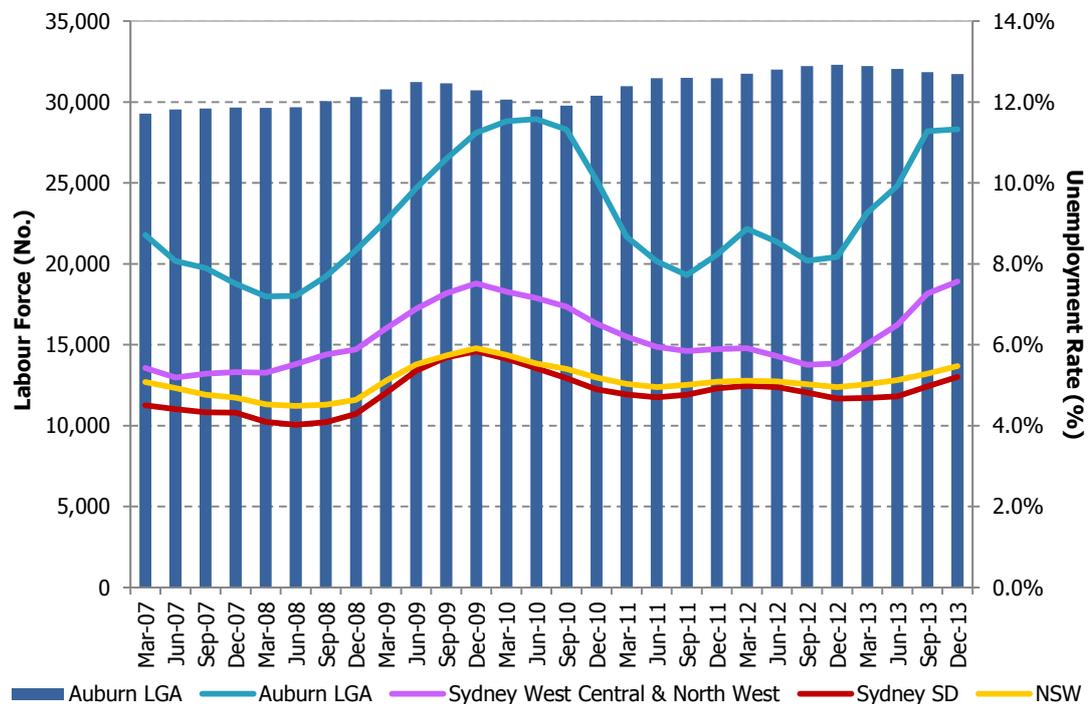
Contributing to the local employment outcomes of local residents are lower levels of educational attainment recorded in the LGA. Approximately 55% of residents have no qualifications, compared to 48% for Sydney's West Central & North West, 46% for Sydney SD and 48% in NSW (ABS, 2012).

The most prominent occupations for local residents are professionals (21.5% of all workers), clerical and administration workers (14.8%) and technicians and trades workers (14.7%).

It is possible the greater cultural and linguistic diversity of local residents plays a role in the higher levels of unemployment in the region. Auburn has a high proportion of residents who were born overseas (at 61.9%, compared to 37.7% for the Sydney SD) and a higher proportion of residents who speak a language other than English at home (at 77.6%

compared to 23.6% for Sydney SD). These outcomes could reflect higher proportions of new immigrants in the region who are seeking work.

Figure 4.5: Unemployment Rates, 2007 to 2014



Source: Department of Employment (2014)

Residents in Auburn LGA are more likely to be unemployed than counterparts in Sydney SD, NSW and Sydney West Central & North West. This is potentially driven by greater cultural and linguistic diversity of residents and lower average educational attainment levels.

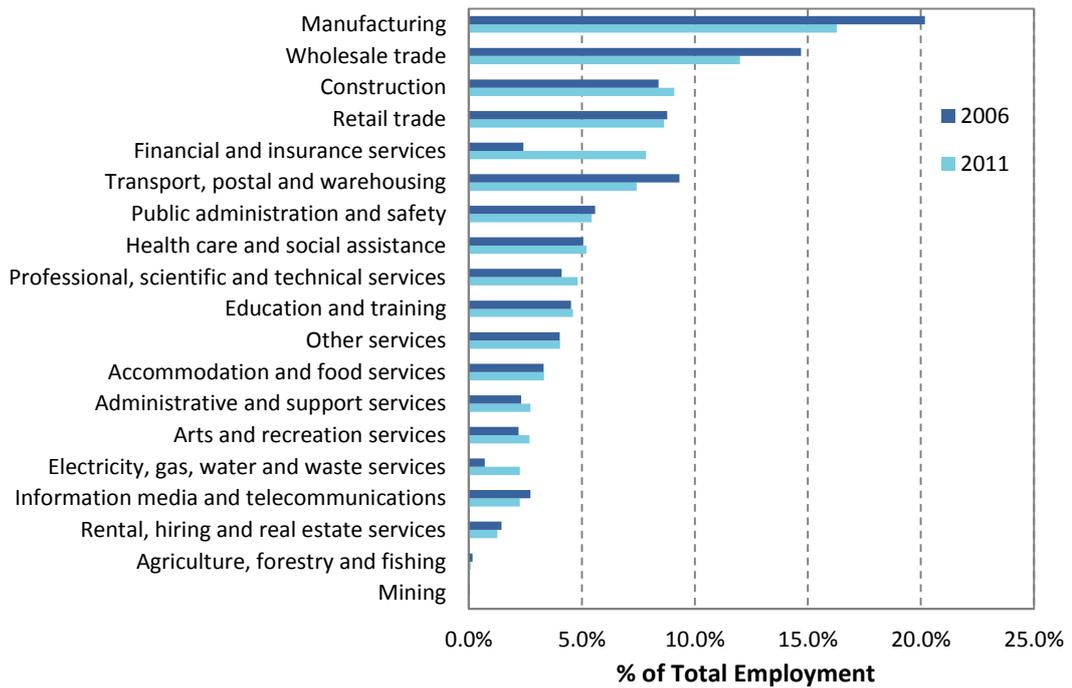
These employment profile characteristics have implications for Auburn beyond planning policy. Council could consider a range of economic development initiatives, e.g. training and skills programmes to assist Auburn residents improve their education and skills.

4.2.2 Employment by Industry

Local businesses employed over 46,000 workers in 2011 (ABS, 2012). Key industries of employment in 2011 were manufacturing (16.6% of employment), wholesale trade (12.5%) and retail trade (8.9%). Since 2006, both manufacturing and wholesale trade have reduced their share of total employment (and reduced numbers of employees). However, in line with economic growth outcomes for the area, finance and insurance services employment more than doubled in size and share between 2006 and 2011.

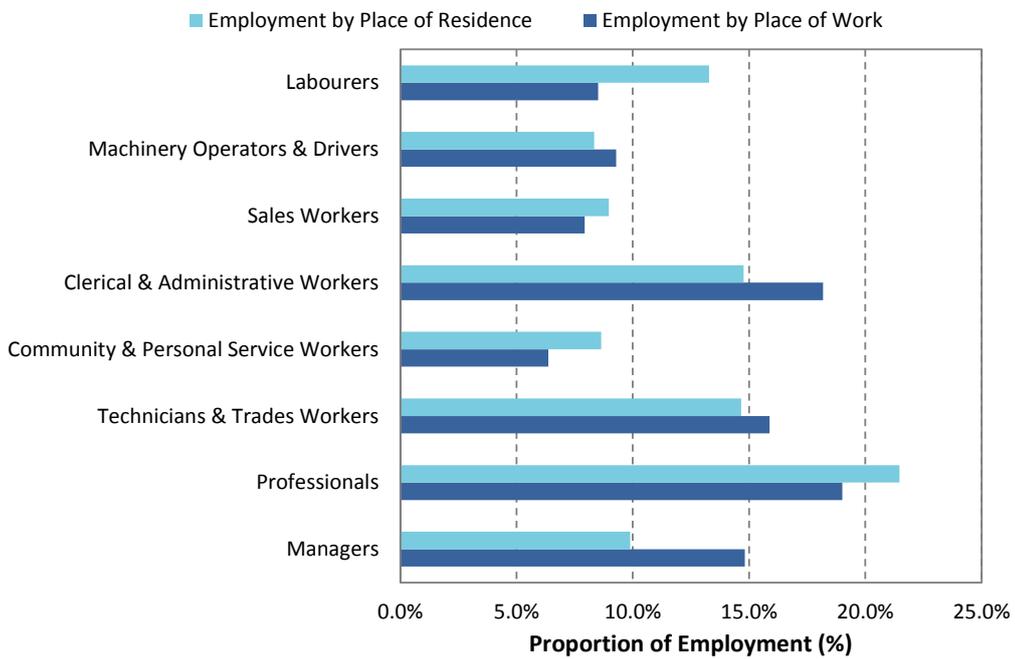
Persons employed locally tend to be in white collar occupations (such as professionals, clerical and administration and managers), forming 52% of total employment. In contrast, Auburn residents tended to be in blue collar and service occupations, depicted in Figure 4.7.

Figure 4.6: Employment by Industry



Source: ABS (2007, 2012)

Figure 4.7: Occupations by Place of Work and Usual Residence, 2011



Source: ABS (2012)

Employment by industry in each precinct of the Study Area is shown below.

Table 4.1: Employment by Industry by Precinct, 2011 (19 sector – 1 Digit ANZSIC)

Industry	A	B	C	D	E	F	G	H	I	J	K	L	M	N
Agriculture, Forestry and Fishing	0.1%	0.4%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.2%	0.0%	0.0%	0.0%
Mining	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.2%	0.2%	0.0%	0.0%	0.0%
Manufacturing	28.2%	5.5%	5.2%	1.2%	2.1%	45.7%	10.5%	28.1%	9.8%	33.1%	18.4%	3.9%	3.3%	1.2%
Electricity, Gas, Water and Waste Services	3.4%	5.7%	2.5%	0.3%	0.0%	0.0%	0.1%	1.4%	0.0%	0.4%	2.0%	0.0%	0.0%	0.3%
Construction	8.6%	3.3%	20.3%	1.1%	2.5%	8.8%	14.4%	6.2%	5.7%	6.1%	1.3%	6.0%	6.4%	3.1%
Wholesale Trade	21.4%	22.4%	29.0%	3.3%	0.8%	0.8%	14.4%	20.6%	4.3%	15.9%	13.8%	5.2%	2.1%	0.3%
Retail Trade	8.9%	7.4%	6.5%	3.1%	15.1%	0.3%	23.0%	8.9%	7.4%	18.1%	6.5%	6.3%	11.8%	0.9%
Accommodation and Food Services	1.4%	0.4%	3.6%	1.3%	7.8%	0.3%	4.2%	0.9%	16.7%	1.1%	2.3%	9.7%	7.9%	1.0%
Transport, Postal and Warehousing	5.7%	28.6%	11.5%	4.4%	2.0%	27.8%	6.6%	4.8%	6.5%	8.3%	13.9%	3.9%	4.2%	0.3%
Information Media and Telecommunications	5.0%	0.2%	1.4%	0.8%	1.2%	0.4%	0.7%	7.5%	0.4%	1.8%	0.3%	0.0%	0.0%	2.0%
Financial and Insurance Services	0.5%	0.3%	0.9%	0.3%	3.9%	0.4%	0.2%	0.4%	2.9%	1.2%	18.0%	0.0%	3.3%	0.3%
Rental, Hiring and Real Estate Services	1.1%	5.3%	4.9%	0.0%	2.9%	0.0%	1.4%	0.9%	3.0%	0.8%	4.1%	1.7%	1.2%	0.0%
Professional, Scientific and Technical Services	5.6%	1.0%	6.8%	1.5%	3.9%	9.8%	4.2%	3.3%	4.1%	2.5%	5.9%	2.8%	5.2%	8.3%
Administrative and Support Services	1.5%	2.2%	2.1%	1.2%	2.5%	0.8%	3.0%	4.2%	3.4%	1.5%	9.3%	3.4%	3.6%	1.5%
Public Administration and Safety	2.1%	15.0%	0.5%	1.7%	14.1%	0.5%	1.5%	0.2%	4.1%	1.4%	1.5%	0.6%	1.5%	11.8%
Education and Training	0.9%	0.2%	1.1%	15.2%	11.7%	0.3%	5.7%	0.0%	10.8%	0.4%	1.1%	36.6%	37.6%	46.4%
Health Care and Social Assistance	1.1%	0.2%	0.8%	62.9%	24.9%	2.0%	6.2%	3.2%	8.6%	3.0%	0.2%	13.1%	7.6%	12.3%
Arts and Recreation Services	0.2%	0.0%	0.9%	0.0%	0.4%	0.0%	0.0%	0.0%	2.5%	0.6%	0.0%	0.0%	0.9%	0.3%
Other Services	4.3%	1.8%	1.9%	1.8%	4.1%	2.1%	3.6%	9.5%	10.0%	3.9%	1.2%	6.7%	3.3%	9.9%
Total (%)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total Employed (2011)	10,420	1,631	634	1,002	2,355	921	2,921	3,046	1,641	4,253	1,894	464	330	1,174

A - Silverwater (Precinct 5, 13 and 14), B - Homebush Bay (Precinct 4), C - Wentworth Point (Precinct 5), D - Queen Street (Precinct 1), E - Central Auburn (Town Centre), F - Clyburn (Precinct 9), G - Auburn West and Parramatta Road West (Precinct 12 and part of Precinct 3), H - Regents Park (Precinct 8), I - Lidcombe South (Precinct 2 and Town Centre), J - Lidcombe West and Parramatta Road East (Precinct 6 and part of Precinct 3), K - Lidcombe East and Church Street (Precinct 10 and 11), L - Berala Village Centre, M - Regents Park Village Centre, N - Sites south of Rookwood (Precinct 7)
Source: ABS (2012a)

4.2.3 Employment Self-Sufficiency v Self-Containment

The Auburn LGA has a high employment self-sufficiency rate of 170%, suggesting there are 1.7 local jobs for each local resident participating in the labour force. This is very high, compared to the broader Sydney West Central and North West (78.3%), Sydney SD (85.2%) and New South Wales (82.3%).

Despite the relatively high employment self-sufficiency rate, the Auburn LGA has a low employment self-containment rate with just 18.0% of local residents who work, working in the local area. Furthermore, just 11.3% of local jobs are filled by local residents. Compared to other municipalities in the West Central and North West, this is slightly more favourable than Holroyd (16.7%) however inferior to Blacktown (30.8%), Parramatta (25.0%) and The Hills Shire (30.8%).

The table below illustrates the proportion of Auburn residents who work in the LGA and outside, as well as those other residents who travel to Auburn for work.

Self-sufficiency vs Self-containment rates

Self-sufficiency and self-containment measure the health of a local economy based on the number of jobs that it can provide. Self-sufficiency measures the number of local jobs versus the labour force (i.e. the number of local jobs divided by the labour force). Self-containment is a similar measure but provides an understanding of where local resident workers are employed. Self-containment is calculated by dividing the number of local resident workers by those who also work locally.

Table 4.2: Journey to Work, Auburn LGA, 2011

Description	Manufacturing	Wholesale Trade	Retail Trade	Finance & Insurance	All Industry
Works in Auburn in this industry	7,576	5,707	4,057	3,867	45,561
Lives in Auburn and works in this industry	3,059	1,800	2,870	1,748	26,812
Lives in Auburn and works in Auburn in this industry	576	453	655	212	5,129
Imported labour	7,000	5,254	3,402	3,655	40,432
Exported labour	2,483	1,347	2,215	1,536	21,683
Imported labour (% of local employment PoW)	92.4%	92.1%	83.9%	94.5%	88.7%
Exported labour (% of local workers)	81.2%	74.8%	77.2%	87.9%	80.9%

Source: ABS (2012a)

The above shows that although some 46,000 jobs are generated in the Auburn LGA, only 5,000 residents live and work in the Auburn LGA. 40,432 employees travel to Auburn LGA for work each day (imported), and 21,683 residents travel elsewhere for work (exported).

Table 4.3: Top 10 Sectors that Import Labour to and Export from Auburn LGA, 2011

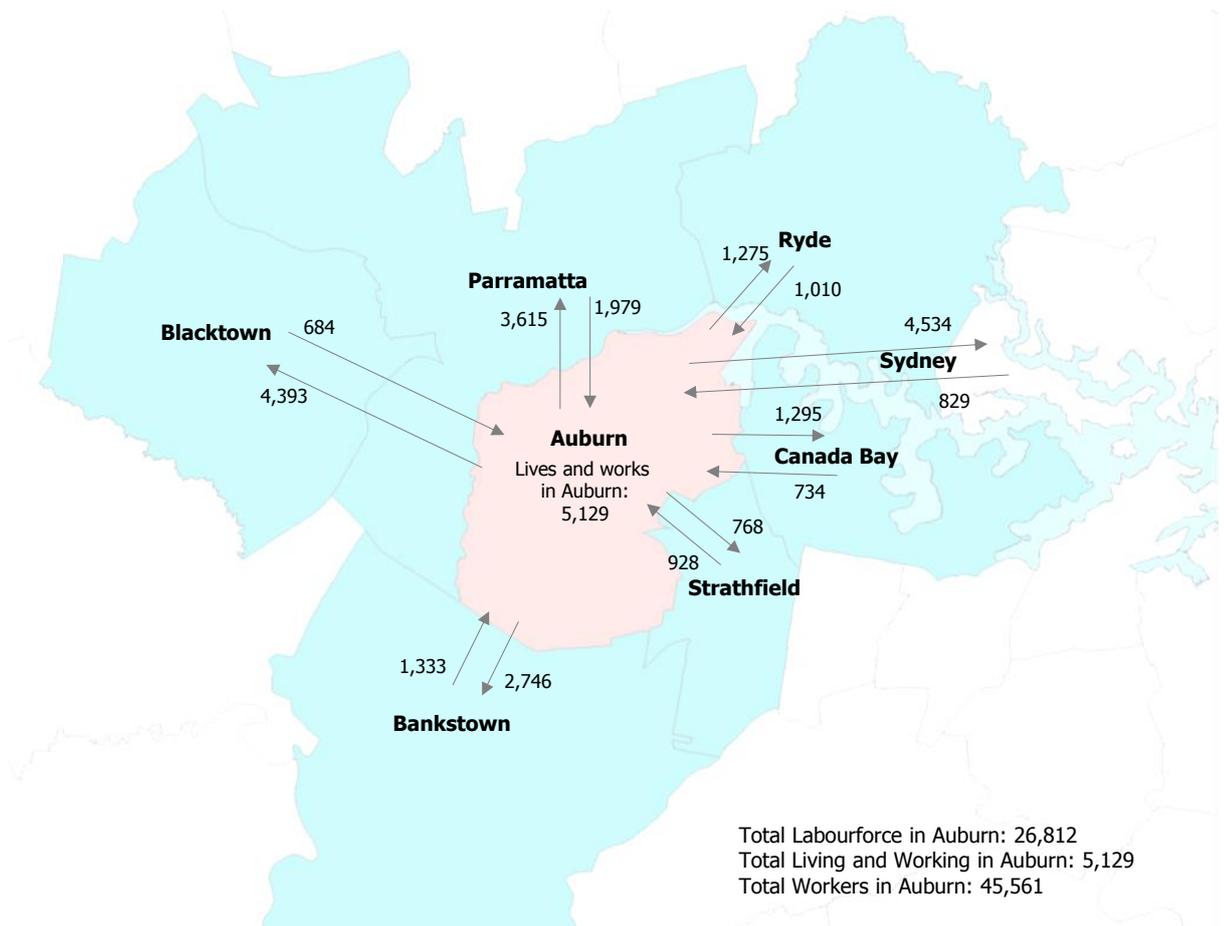
Top Sectors	Employees Imported	Employees Exported
Manufacturing	7,000	2,483
Wholesale Trade	5,254	1,347
Financial and Insurance Services	3,655	1,536
Retail Trade	3,402	2,215
Transport, Postal and Warehousing	2,803	1,313
Construction	2,716	1,468
Public Administration and Safety	2,446	1,066
Professional, Scientific and Technical Services	1,977	1,598
Health Care and Social Assistance	1,975	2,436
Education and Training	1,944	1,121
Total	33,172	16,583

Source: ABS (2012a)

82% of local residents who work leave the LGA for work every day. 89% of jobs in the area are filled by persons who live elsewhere.

The figure below shows the inflows and outflows of workers to and from neighbouring municipalities each day.

Figure 4.8: Journey to Work, Auburn LGA, 2011



Source: AEC, ABS (2012a)

4.2.4 Wages by Industry

Weekly wages by industry by place of work are, on average, higher than in Sydney West Central and North West, Sydney SD and New South Wales at \$1,130 per week (ABS, 2012). Wages in finance and insurance services are considerably higher than in Sydney West Central and North West, as are wages in arts and recreation services and construction.

Auburn LGA typically employs higher proportions of highly skilled workers. This is a mismatch of skills between residents and worker profiles where resident workers in the LGA are comprised of greater proportions of blue collar and service workers, lower levels of educational attainment and much lower individual incomes.

4.3 Gross Regional Product

The Auburn LGA economy contracted by 0.7% in the 2012-13 year, to total \$8.8 billion, however, GRP per capita was stronger than Sydney SD (equating to \$107k per capita compared to \$69k per capita in the Sydney SD). The key sectors which contributed to the economic contraction in 2012-13 were manufacturing, electricity, gas, water and waste services and information media and telecommunications.

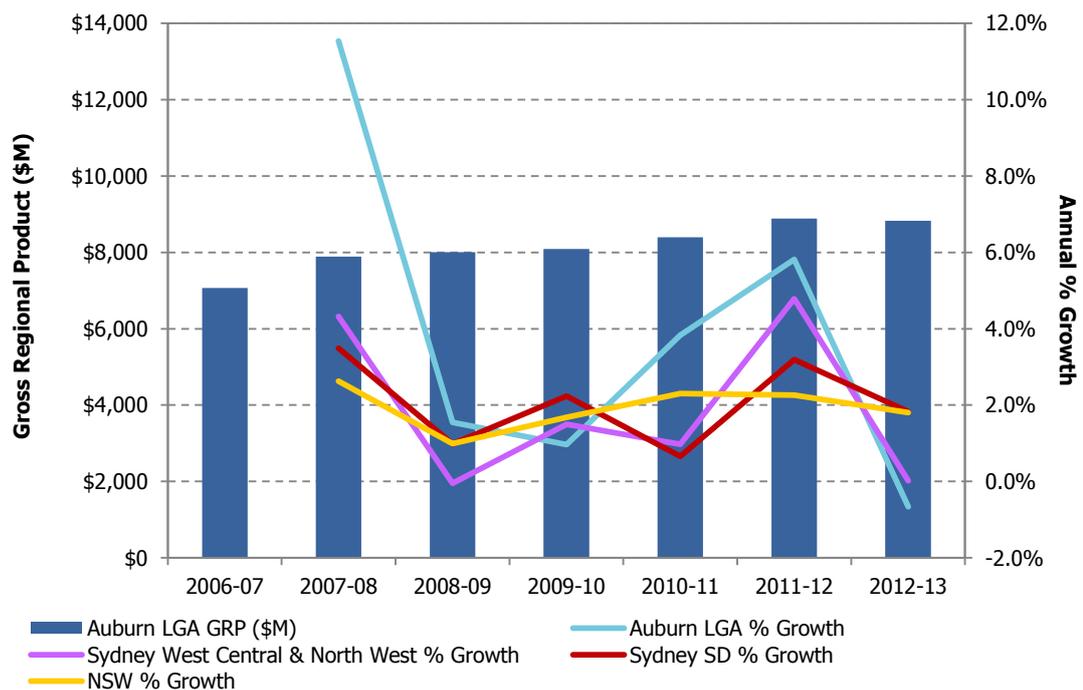
This result followed strong growth rates in the preceding two years. Over the longer term (since 2006-07), the economy has expanded by 24.8% (3.8% per year), primarily due to

the significant expansion of the finance and insurance sector which contributed 15.1 percentage points to the overall growth rate.

The most prominent sectors for the economy (in terms of overall contribution to Industry Value Add) in 2012-13 were financial and insurance services (19.3%), manufacturing (15.9%) and wholesale trade (12.7%). Overall, the local economy is less diverse than the broader Sydney SD and New South Wales (as measured by AEC's Economic Diversity Index).

The Auburn LGA has a strong GRP per capita of over \$100,000. This is driven primarily by higher value adding sectors such as the financial and insurance services sector.

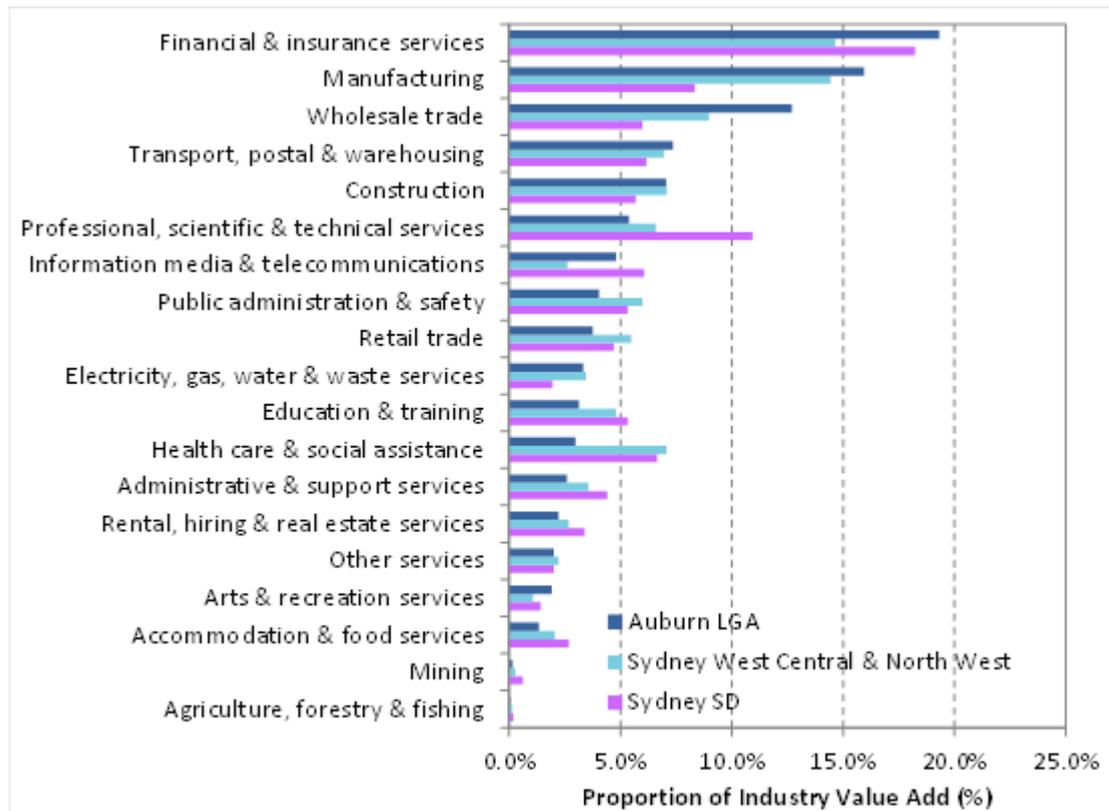
Figure 4.9: Gross Regional Product, 2006-07 to 2012-13



Source: AEC (unpublished)

The Auburn economy has a higher dependence on the finance and insurance services, manufacturing and wholesale trade sectors than the comparison regions. The greater dependence on these sectors (particularly wholesale trade) has likely contributed to the greater volatility seen in the local economic outcomes.

Figure 4.10: Industry Contribution to Economic Activity, 2012-13



Source: AEC (unpublished)

4.4 Competitiveness of the Auburn LGA

An opportunity assessment was carried out to identify future opportunities for the Study Area.

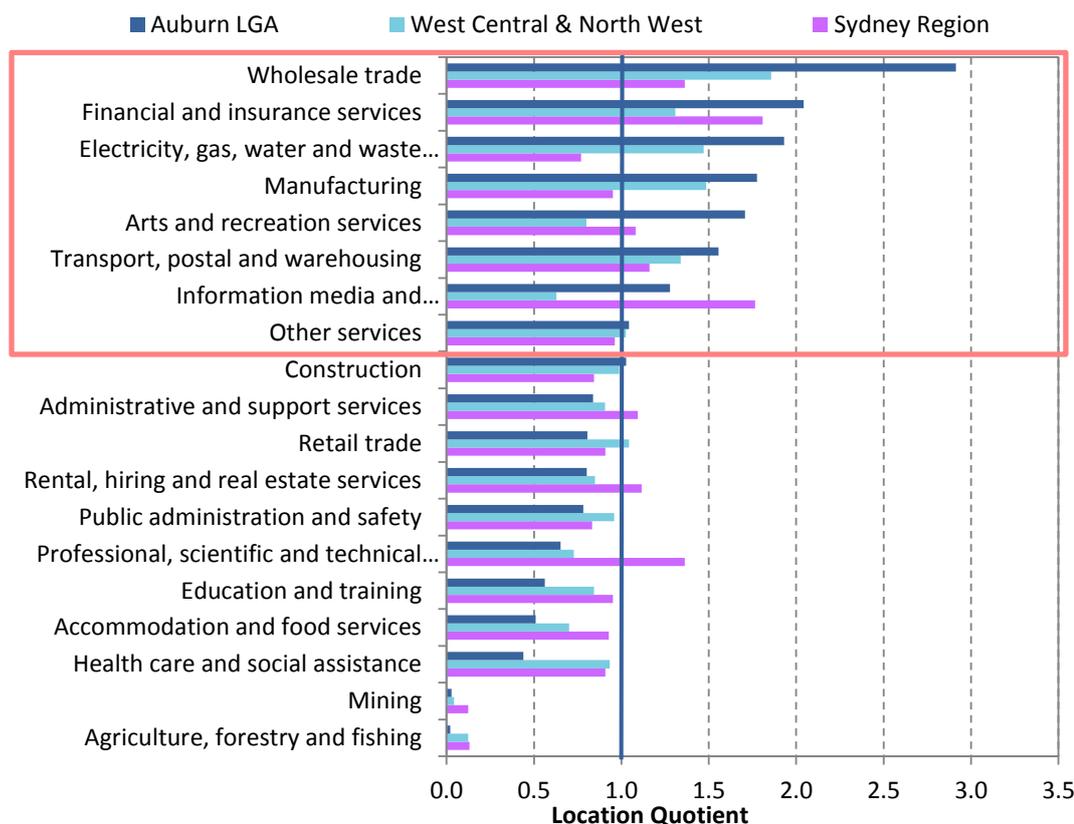
Overall the Auburn LGA has a number of competitive features and strengths for consideration including proximity to the CBD, accessibility (by road and rail), availability of community infrastructure and relative affordability of housing and commercial properties and employment lands when compared to the CBD and other central locations in metropolitan Sydney.

The central position of Auburn within metropolitan Sydney makes it an excellent proposition from a service perspective, this coupled with good stock of quality employment floorspace provides it with a strong foundation for renewal to accommodate future employment growth.

Location quotient analysis of employment by industry data indicates that Auburn LGA has an existing specialisation across a range of sectors including manufacturing, wholesale trade and transport postal and warehousing as well as more business and service based industries such as finance and insurance, electricity, gas, water and waste services and information media and telecommunications.

Interestingly, Auburn LGA also has a strong representation of arts and recreation services when compared to the West Central & North West and the broader Sydney Region. This is likely attributed to sports and recreation activities accommodated in Sydney Olympic Park.

Figure 4.11: Location Quotients, 1-Digit ANZSIC, Auburn LGA, 2011



Source: ABS (2012)

Location Quotient Analysis:

In order to demonstrate the specialisation of the economy, location quotients based on employment have been calculated. The location quotients demonstrate the degree to which a local or regional economy is specialised by examining the proportion of employment (by industry sub-sector) compared to a larger economy (Australian economy). Location quotients highlight the prevalence of a particular in a region and can be used to infer potential strengths and weaknesses of a local or regional economy (i.e. natural competitive advantage).

For this project, the analysis has compared the Auburn LGA, the broader West Central and North West Sub-Region (comprising the LGAs of Auburn, Blacktown, Holroyd, Parramatta and The Hills), and the Sydney Region with the Australian economy. A location quotient of "1" means that the economies being compared have an equal share of employment (compared to the Australia) for a specific industry sector, thus no potential advantage either way. A location quotient above "1" indicates a specialisation of labour and therefore an area of potential competitive advantage. If the location quotient is below "1", the area is highlighted as being underrepresented in this particular industry sector compared to the national economy.

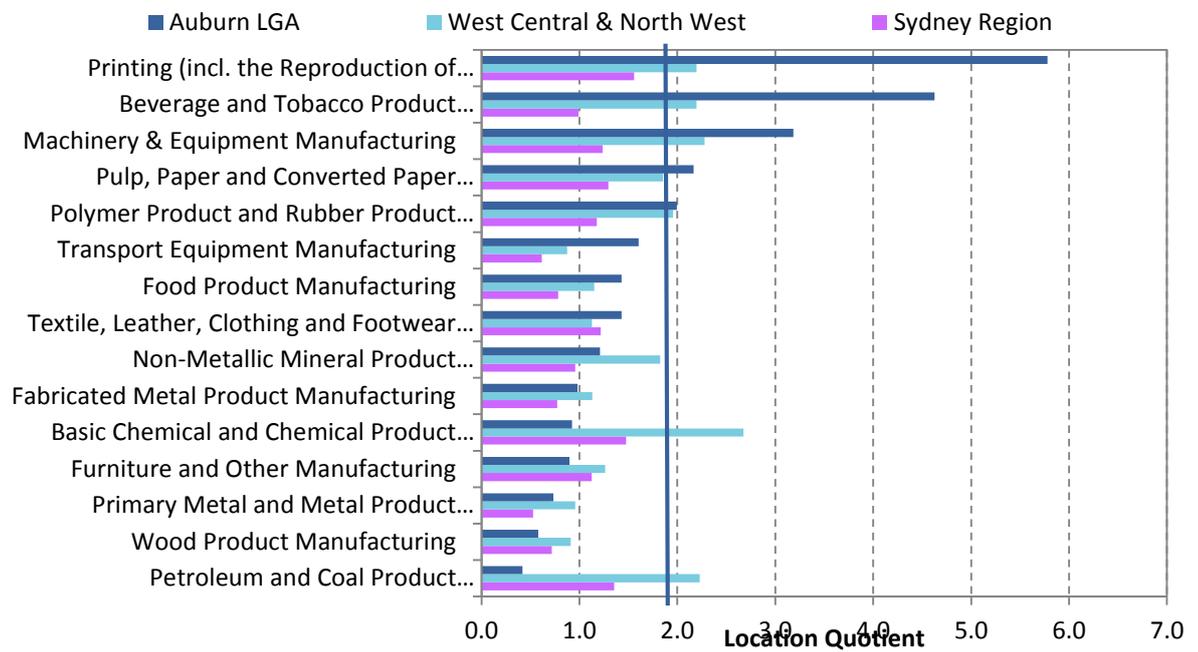
Further analysis of manufacturing sector specialisation at the two digit level indicates the Auburn LGA has a diverse manufacturing sector base. The diversity of the local manufacturing sector and the high-value add nature of some of these industries suggest that manufacturing is beneficial to the local LGA.

As traditional manufacturing activities continue to decline, more knowledge-based, high technology and specialised industries are expected to increase in significance. These industries/businesses will seek to leverage knowledge and labour by locating in a central metropolitan location.

While the cluster mapping analysis shows that manufacturing is anticipated to be a low growth sector nationally, it is nevertheless an opportunity and focus for Auburn given that

it is already highly represented by this industry. This sector is further supported by the wholesale trade and transport, postal and warehousing sectors.

Figure 4.12: Location Quotients, 2-Digit Manufacturing ANZSIC, Auburn LGA, 2011



Source: ABS (2012)

From the above graphs it can be seen that the Auburn LGA has comparative strengths in the employment sectors of manufacturing, wholesale trade and transport/warehousing, as well as in the sector of financial and insurance services.

Further detail of the opportunity assessment can be found in **Appendix E**.

5. Influencing Trends and Factors

The Auburn LGA economy will be influenced by a broad range of factors over the coming decades. Some of these influences are already shaping the economy. Some influencing factors will not be directly influenced by planning or economic development initiatives (e.g. global, national and state trends), but state and local governments can work to mitigate or capitalise the effects of these impacts.

Local trends can be influenced to a somewhat greater extent by councils and can be used to enhance local economic outcomes for the area. The following sections highlight the broad range of factors currently influencing the region to be considered in examining future development.

5.1 Macro Economic Trends and Drivers

The following table provides a summary of each key global influence and its relationship with the regional economy.

Table 5.1: Global Influences

Name	Description	Why a Factor for Auburn?
Global economic growth	The global economy is currently undergoing a mild and unsteady recovery. Acceleration or slowing in global growth will impact on any international trade connections of local businesses and potentially local business confidence.	The global economy has become increasingly intertwined. Economic outcomes in major world economies can influence local and State economic outcomes.
Economic and population growth of key trade partners	The growth in key trade partner regions, including both economic and population growth, will impact on the size of local business target markets and potential business activity.	Local businesses service both business and population in key trade areas. Any change in trends in these areas will impact on local business relationships and markets.
Commodity prices	Global commodity prices have been unusually volatile in recent years. The volatility in prices has a direct impact on local mining and manufacturing outcomes.	The price of commodities in global markets will influence the attractiveness of manufacturing in the Auburn LGA and the profitability of these businesses.
The Australian dollar	The exchange rate can influence both the cost of imports for local businesses as well as the cost of their products for international markets.	The Australian dollar has been very strong in recent years. Fluctuations in the currency will impact on the cost of production for local businesses as well as the attractiveness of their products in the international marketplace.

Source: AEC

The following table provides a summary of each key national influence and its relationship with the regional economy.

Table 5.2: National Influences

Name	Description	Why a Factor for Auburn?
National economic growth	The Australian economy has fared better than many other advanced economies throughout the Global Financial Crisis. Estimates from international forecasters suggest that future growth is anticipated to accelerate (IMF, 2013).	Local businesses who conduct trade with other states in Australia will be impacted by national economic growth.
National business confidence	National business confidence has improved supported by better business conditions (largely reflecting sales and profits) and a surge in retailer confidence (NAB 2014) Business confidence can influence business manager's propensity to expand the business, undertake product development/ risk and hire staff.	Business confidence can easily spread across the national economy, regardless of individual region's economic activities.
Interest rates and credit conditions	Businesses continue to face tougher credit conditions than before the Global Financial Crisis. Obtaining credit is essential to funding business and industry expansion and research and development.	Local businesses are, like all Australian businesses and households, facing tougher credit conditions. This may pose a barrier to entry for small business and new businesses.

Name	Description	Why a Factor for Auburn?
Skills Availability	Availability of skills is essential to attracting and retaining businesses. The perceived availability of staff with appropriate skills can impact on the attractiveness of regions to potential businesses.	Local skills development is essential to ensuring continued business investment attraction over the longer term. Identifying potential future skills needs can assist in ensuring the long-term provision of desired skills.

Source: AEC

The following table provides a summary of each key State influence and its relationship with the local economy.

Table 5.3: State Influences

Name	Description	Why a Factor for Auburn?
New South Wales economic growth	Economic growth in New South Wales spreads throughout the local supply chain and supports other businesses and communities.	Expansion or reduction in the economic activity in New South Wales could impact on the state economy.
Infrastructure support	Providing essential transport and community infrastructure in the State is essential to supporting population and business growth.	Local supply chains and community networks are strengthened and improved when access to transport and services is maintained or strengthened.
New South Wales business confidence	Confidence amongst New South Wales Businesses remains resilient despite easing a little in August, supported by positive forward orders, subdued cost pressures and more stable consumer confidence. (NAB, 2014)	Local businesses can be influenced by the confidence of others around them. Local economic development initiatives can be used to support local sentiment.

Source: AEC

The following table provides a summary of social and other factors, which may also influence the local economy.

Table 5.4: Other Influences

Name	Description	Why a Factor for Auburn?
Internet connectivity	The ability for local businesses and consumers to access fast-speed internet will impact on local economic outcomes. It is assumed that the National Broadband Network continues to roll-out at the expected pace.	The internet can have significant productivity benefits for local businesses as well as provide access for small businesses to potential markets. Local residents may leverage the internet to telework, conduct small-scale business and access to goods and services not available within the region.
Climate change	Climate change and carbon pricing developments may impact on local business decisions.	Over time, businesses are likely to respond to climate change and carbon pricing by developing more carbon efficient and environmentally friendly methods of production.
Ageing population	Any change in the local demographic structure is likely to impact on local availability of labour and local demand for services.	The local population is ageing. Ageing in the Auburn LGA may further escalate skills shortages and provide demand for health care services.
Educational attainment	Future skills supply is dependent on population attraction and local skills development.	Existing educational attainment levels are lower than the state and national average. Continued low levels of educational attainment may continue existing skills shortages.

Source: AEC

Implications for Auburn

There are numerous broad socio-economic trends that have been and will continue to shape future development across Auburn, including:

- **Globalisation:** Increasing global trade, the lowering of trade barriers and general development across the globe continues to drive overseas competition for Australian companies. Often (and particularly in manufacturing), overseas companies are operating from a much lower cost basis. Australian firms will continue to face strong competition from overseas, particularly given the current trading levels of the Australian dollar.
- **Structural Shift in Australia:** Australia, similar to many advanced economies in the world, has been undergoing a structural shift from a production based economy (with

the production of raw or manufactured goods) to a service based economy. This trend is long standing and will continue, which will impact both the existing employment areas as well as retail/commercial centres.

- **Transitioning of Industrial Activity:** Traditional manufacturing is undergoing a significant transition or evolution in the face of strong competition from overseas. Many firms that were originally engaged in manufacturing have often outsourced the production of components or products, choosing to assemble locally or simply function as a sales and warehousing operation, fundamentally changing the nature of the activity in a factory that may have been originally built for manufacturing purposes. Equally (and at the same time), on-going population growth and a rampant increase of imported goods is driving significant demand for transport, warehouse/distribution and logistics operations in Australia (particularly in capital cities).

This transition of industrial activity will continue to drive a changing and evolving nature of industrial activity in established industrial areas, for example, by driving the requirement for additional office space within industrial facilities (to cater for the higher use of technology and the higher value adding activities).

- **Growing Population:** The rapidly growing population of the Sydney Metropolitan region (and in Auburn) will drive demand for residential services (including those from traditional industrial areas). At the same time, encroachment from residential uses can often put pressure on industrial operations through various conflicts that can arise.
- **Digital Revolution:** The rapid advancement of and continual change in digital technologies is changing numerous aspects of our society. Online retail continues to grow rapidly, averaging double digit annual growth over the last few years. While it still only represents a minor component of total retail sales, how local traders and consumers adapt to future changes will impact overall demand for retail space. At the same time, there are increasing levels of employees working outside of a traditional office setting, creating changes and implications for commercial premises and activity centres.

In an environment of change, it is imperative that employment lands are flexible and able to respond to industry need as it continues to evolve.

5.2 Retail Trends

Retail is a fast moving and constantly evolving sector. The shopping experience we know today has changed significantly over the last 50 years, driven by technology, evolving consumer preferences, competitive pressures and social and economic change. It will continue to change and evolve over the next 20 to 25 years which will impact upon the nature and extent of retail demand. Whilst it is difficult to predict how retail will evolve in the future, this Study is mindful of current emerging trends which may impact on the way retail goods and services are delivered to residents in the short to medium term.

Key emerging retail trends include:

- **Emphasis on Convenience:** The once traditional single main food shop every week or fortnight is being replaced by more frequent convenient shopping but with fewer items purchased each trip, plus a more infrequent large food shopping trip undertaken once every three to four weeks. This is particularly true of the younger demographic. Greater emphasis is being placed on providing food shopping which is convenient and accessible, for example smaller supermarkets on public transport hubs, express check outs and extended opening hours.

This trend is also leading to demand for larger supermarkets in smaller centres which residents can walk or drive a short distance too, given that they are visiting such facilities more frequently and outside of traditional store hours. Looking forward there will be an emphasis on a greater provision of retail floorspace in smaller, accessible centres for residents to access conveniently and frequently.

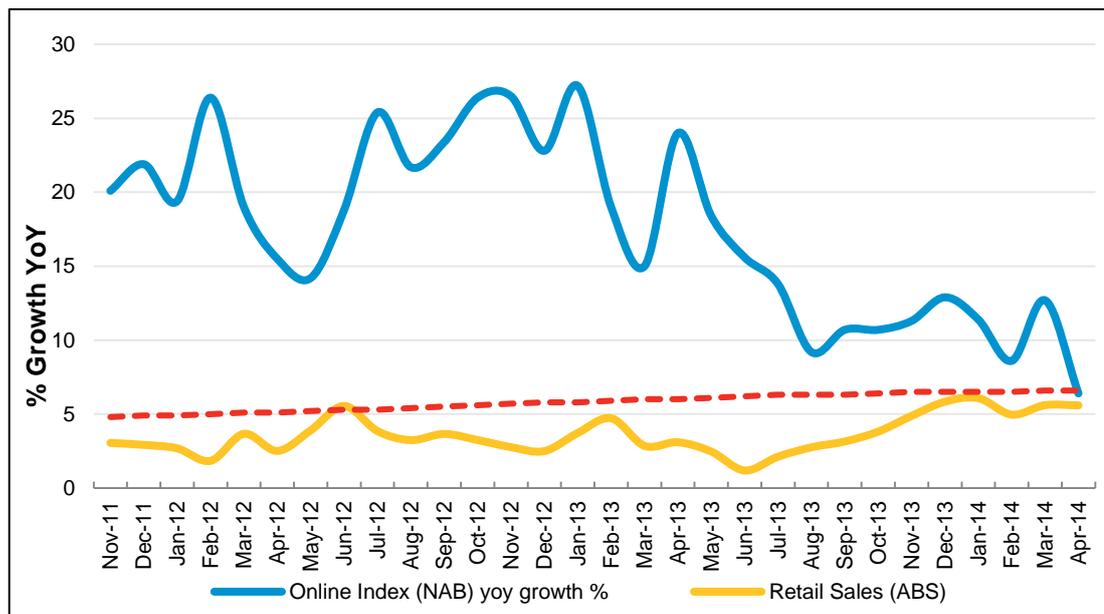
- **Demand Consolidation within Larger Centres:** Given the extent of the trade area served by the largest commercial centres in Sydney, such as Parramatta, they continue to generate the greatest amount of retail investment interest. Recently this has been evidenced by the expansion of new international retailers such as Zara,

TopShop, H&M and Pottery Barn into the Sydney retail market via opportunities for flagship stores in major centres.

Going forward, we expect the largest quantum of comparison floorspace growth to be consolidated in Sydney's largest centres and international retailers alone will demand an estimated 220,000sqm of retail floorspace over the next five years (Colliers, 2013).

- **Intertwining of 'bricks and mortar' Retail with Online Retailing:** Online sales currently account for some \$15.5 billion or 6.6% of traditional retail sales (NAB, 2014) and there is consensus that will continue to grow. The growth in online sales versus traditional retail sales between November 2011 and April 2014 is shown below. It shows that whilst the trend has been for an increasing proportion of retail sales directed to online merchants, the rate of growth is falling.

Figure 5.1: Growth in Online Retail Sales v Retail Sales, 2011-2014



Source: Colliers (2013)

The impact of online retail on traditional 'bricks and mortar' retail has been a topic of much debate. Whilst there is no doubt that the growth of online retail has redirected some trade away from some high street retailers, it has not removed demand for physical stores and is unlikely to do so. Rather has changed the way some high street stores are used being more as retail showrooms with an emphasis on shopping experience and media integration. The nature of Apple stores are a good example.

Going forward, successful retailers will be those who embrace online retailing and use it to enhance their physical store experience. Online retail is not expected to lead to a significant impact on demand for high street retail floorspace.

- **The emergence of dark stores**

Associated with the growth in online retail has been an increase in supermarket home delivery services in Australia. Currently supermarket orders placed online are dispatched from the nearest large supermarket to customers however what will emerge, as has occurred in the United Kingdom, are 'dark stores' which are located in industrial areas and function purely as dispatch warehouses with no public accessibility.

Woolworths opened its first online only dark store in Mascot in August 2014 and more are expected to follow. This facility occupies 7,000sqm which would otherwise have been demanded in their 'traditional' high street supermarket models. The growth of the dark store format will enable more high street supermarket floorspace to be used for displaying products to shoppers with less need for storage space, making more efficient and effective floorspace use and allowing a greater range of goods to be provided in smaller store formats.

Note that dark stores function purely as warehouse and distribution facilities and thus can locate in industrial areas. They also serve extensive geographical areas comprising

multiple LGAs. There is no need for Council to specifically plan for this format as a result, but should note the potential positive impact of dark stores on efficiency and functionality of supermarkets in the future.

- **Evolving store formats and consumer tastes**

Consumer tastes continually evolve and one sector which has been particularly impacted by this is department and discount department stores. These formats cater for a wide array of product types encompassing apparel, household goods and any even furniture and electronics but without specialising. This is a disadvantage in an increasingly specialised retail sector with customers valuing in-store servicing and product/ brand range.

Department stores have also been particularly impacted by the growth of online retail and the influx of international retailers into the Australia market which has diverted trade. The result has been declining revenue and market share. Looking forward, we expect that the importance of department stores, and to a lesser extent discount department stores (DDSs), will decline and these business models must adapt to stay relevant. Department stores are likely to demand less space and specialise in core areas such as clothing.

- **Bulky goods/large format retail**

The bulky goods sector, or large format retail (LFR) sectors as it has recently been rebranded, refers to any operator who provides a physically large product. The types of goods sold include furniture, washing machines, carpets, large electrical items and hardware supplies. The recent rebranding reflects a desire by operators to offer a wider array of goods for sale which differ from 'traditional' bulky goods retail. Bulky goods/ LFR operators require large floorplates and seek to cluster together with other similar uses in order to attract trade and underpin their financial viability. Clustering is good for consumers as it reduces the need for multiple shopping trips, allows easier price comparison and promotes price competition between operators.

Because the provision of large sites capable of supporting bulky goods/ LFR clusters within or adjacent to centres is limited, and because bulky goods/ LFR retailers trade at comparable lower floorspace per square metre rates compared to other retail operators, they are usually facilitated in out-of-centre clusters such as along Parramatta Road. The acceptability of such clusters in the absence of sufficient in or edge-of-centre sites is recognised by the NSW Draft Centres Policy.

Another trend which has been emerging is for non-bulky goods retailers to locate next to bulky goods in out of centre locations. This includes discount variety stores, category killers such as liquor, pets, toys, baby supplies as well as supermarkets. Bulky goods/ LFR clusters offer the ability for retail uses to cluster together and are well serviced by vehicular access, explaining their attraction to non-bulky goods/ LFR operators. They also offer cheaper land/rents than centres and are not usually subject to the same development contributions. There may be merit in the argument that retailers in the same sector perform different roles depending upon their location. A small pet store in the centre location differs markedly from that of a larger operator such as PetBarn which offers a wider range of services including pet grooming, display areas and workshops. A Dan Murphy's selling in bulk provides an offer which is distinct from a high street liquor shop.

Implications for Auburn

The implications of the above trends for the demand assessment in this Study are:

- Increasing need to provide localised, accessible retail facilities and larger supermarkets in lower order centres.
- Continued expenditure outflow to large centres such as Parramatta which will consolidate retail investment and accommodate international retailer demand.
- Online retail and dark store growth supporting more efficient and effective use of high-street retail facilities but without removing the need for them.
- Changing consumer tastes leading to changes in existing retail formats. Current retail formats, such as DDSs, cannot be assumed to continue in perpetuity. A more prudent approach is to consider retail demand as a whole, but to avoid making assumptions about how this will be provided through retail formats. As such this Study defines

demand for overall retail floorspace and supermarket floorspace, acknowledging generic demand for other types of retail floorspace.

- The broadening of the types of goods on offer in bulky goods/ LFR locations (out-of-centre locations) means that retail proposals in those locations could be distinctly different from the offer that might be located in a centre.



6. Local Business Survey

An online survey of existing businesses and tenants was undertaken to identify their needs, aspirations and future direction they see for the Auburn LGA.

Registered businesses on the Australian Business Register (Australian Government, 2014) were invited by email to respond to an online business survey hosted on Council's website. Businesses were also invited by mail to participate. The survey period was from 14 August to 18 September 2014.

A summary of the survey results is below however a more detailed analysis can be found in **Appendix C**.

6.1 Business Survey Content

The survey comprised of four components - including business profile, business location and accommodation, infrastructure initiatives and location advantages and disadvantages. Survey respondents were asked a range of questions within each component of the survey, some examples of the questions asked are provided in the table below.

Table 6.1: Survey Questions

Business Profile
What is your role/position within the business?
Approximately, how many full time equivalent (FTE) staff work at this business site?
In the last 2 years, has the number of employees at this site increased, decreased or remained about the same?
In the next 2 years, do you anticipate the number of employees at this site will increase, decrease or remain about the same?
Business Location and Accommodation
What is the address of this business location?
Is your business a home business?
What is the nature of your business?
Is this site the Head/Principal Office for your business?
Is this site owned by the business or leased?
When does the lease expire?
Approximately how long has your business been in operation at the current location?
What is the current configuration of your accommodation?
What is the approximate size of your accommodation?
Approximately how long has your business been in operation at the current location?
Is the current configuration of business accommodation suitable to meet your business needs?
On a scale of 1 to 5 with 5 being very likely and 1 being very unlikely to stay at the present location, how likely is your business to stay in its current location over the next...?
If your business was to move from its current location in the next 10 years, how likely do you think the new business location would be within the Auburn Local Government Area?
If you were likely to move in the next 10 years, to which of the following areas would you be likely to move?
Infrastructure Initiatives
How important would the following potential major infrastructure/investment initiatives be to your business?
1. Delivery of WestConnex Project
2. Urban Revitalisation of Parramatta Road
3. Improved local public transport network
4. Greater supply of convenience retail facilities such as supermarkets
5. Greater supply of food and beverages such as takeaways, cafes and/or restaurants
6. Greater supply of other additional shops/retail services
7. Greater supply of housing in the immediate vicinity
8. Greater supply of short term visitor accommodation
9. Greater supply of amenities such as gyms and child care services
10. Improvement to the overall look and presentation of the Auburn LGA
11. Improved road conditions and/or configuration
12. Access to high speed broadband

Location Advantages and Disadvantages
Which of the following are key benefits or strengths for the current location of your premises?
Which of the following are key weaknesses for the current location of your premises?
What could Auburn City Council do to assist your business in operating in its current location?

6.2 Business Survey Results

The following section outlines key findings of the online business survey, categorised into four sections. In total 117 survey respondents completed the survey.

Business Profile

- Respondents tended to be either the *Director/Partner* (35%) or *General Manager/Owner* (28%) of the business they were responding on behalf of.
- The majority of businesses surveyed (48%) employed between 1-4 FTE² staff. Approximately 28% of businesses employed between 5-19 FTE staff and a further 17% of responding businesses employed between 20-99 FTE staff.
- The majority (67%) of businesses surveyed indicated that the number of FTE staff working at their site had remained about the same over the last two years. Furthermore, 64% of businesses surveyed indicated that the number of FTE staff working at their site was expected to remain about the same over the next two years.

Business Location and Accommodation

- A large majority of respondents were on behalf of businesses in the Study Area which occupied:
 - Industrial/warehouse space (40%)
 - "Other" (30%)
 - Commercial/office (22%)
 - Retail shop (8%).

A large proportion of those who answered "other" could have been categorised as industrial, commercial/office and/or retail. As such, this may have skewed the survey results to show a higher proportion of "other" uses than is appropriate. Notwithstanding, some who answered "other" nominated medical services and health services, (i.e. medical centre and physiotherapy), places of worship, and child care, sports venue, education and pub.

- Overwhelmingly (90%) of businesses who responded were at the location of the head/principal office.
- The majority of respondents (57%) lease their premises while 43% of respondents own their premises. Those who lease accommodation tended to have a lease which expires in 2-5 years (45%) or 6 months to 2 years (33%).
- The majority of respondents have been long-term residents of Auburn, with 48% of respondents indicating they had been in their current location for 5-10 years. 31% of respondents indicated they had been in their current location for 2-5 years.
- The majority of survey respondents stated the current configuration of their business accommodation was suitable for their needs (71%). A further 29% of survey respondents stated their accommodation was not suitable for their current needs. Of those that stipulated their accommodation wasn't suitable, 40% of respondents stated that insufficient floorspace was the main reason.
- Overall, respondents have indicated they are very likely to remain in their current location. In one year's time, approximately 75% of respondents indicate it is very likely they will still be in their current location. In five years' time, approximately 48% of respondents indicate it is very likely they will still be in their current location. Certainty

² FTE = Full Time Equivalent, which equates to one employee working for 38 hours each week.

surrounding their location falls as the time frame is extended, with 45% of respondents indicate they are very likely to remain in their current location in 10 years' time.

- The survey results suggest over the next 10 years, 44% of businesses surveyed are likely to stay within the Auburn LGA, 26% would stay within the Central West Sydney region and 27% would likely move to somewhere within the Greater Sydney Region.

Infrastructure Initiatives

Survey respondents were asked how important they thought a range of infrastructure/ investment initiatives would be to their business. The five most important initiatives for survey respondents were:

- Urban revitalisation of Parramatta Road.
- Improved local public transport network.
- Improvement to the overall look and presentation of the Auburn LGA.
- Improved road conditions and/or configuration.
- Access to high speed broadband.

Location Advantages and Disadvantages

The businesses surveyed cited the most prominent strengths of their current location as:

- Access to major roads/highways (25%).
- Proximity to customers/clients (22 %).
- Operating costs (17%).

Businesses cited the most prominent weaknesses of their current location as:

- Traffic congestion (29%).
- Parking issues (22%).
- Rising rents/operating costs (16%).

Respondents were asked to make suggestions where they thought appropriate and nominate areas where Council could assist. Suggestions generally centred on transport access/parking, broadband and IT connectivity, general aesthetics, crime and safety, land use and mix, costs and processes and Council's role. The comments made regarding Council's role included statements like:

- Make it easier for DA approvals in the future and assist small business by cutting the red tape;
- Allow churches to located in IN1 General Industrial Zone;
- Reduce the size of development i.e. residential towers to be no more that 3-4 levels;
- Rezone some of the commercial areas for high rise residential;
- Rezone part of Duck street for commercial offices and warehousing; and

Improve the safety of Auburn area, lower the operating costs, improve the facilities or infrastructure in Auburn.

There was an overwhelming response regard traffic and parking issues within the Study Area. It was suggested by survey respondents that more parking is needed due to parking stations being at capacity as well as lack of adequate parking near train stations which means commuters are competing for parking in residential streets.

7. Employment Growth Projections and Demand for Floorspace

This chapter carries out employment growth projections to ascertain the likely nature and quantum of demand for employment lands within the Auburn LGA. In order to understand and forecast future demand, this chapter investigates growth and change based on ABS demographic and employment data. Details of the approach taken are set out in section 7.1.1.

7.1 Employment Growth Projections

7.1.1 Methodology

Employment and additional floorspace demand projections for Auburn LGA and each precinct were developed using the following approach:

- Projections of employment across 72 industries for NSW to 2031 were developed using AEC's NSW econometric model.
- Employment projections for NSW (by 72 industries) were distributed to NSW Statistical Divisions (SDs) and local government areas (LGAs) using a combination of population based and industry based coefficients to allocate employment growth of each industry to SDs/ LGAs.
- Population based coefficients were developed based on the proportionate contribution of each SD/ LGA to overall population growth in NSW over each five year time period. Population projections were as per NSW Government population projections (NSW DP&E, 2014a).
- Industry based coefficients were developed based on the proportionate contribution each SD/LGA made to total employment in NSW in each industry in the previous time period (e.g., for 2016, the coefficient was equal to the proportion the SD/LGA made in 2011 to total NSW employment in that industry).
- The population and industry coefficients were aggregated based on estimates of household (population) versus industry demand for the goods/ services produced by each industry (as outlined in Input-Output transaction tables for NSW (ABS, 2013a)). The aggregate coefficients were rebalanced to ensure the sum of coefficients for each industry equalled 1.
- Employment projections for the Study Area were developed by distributing Auburn LGA projections to Transport Zones (TZs), using the same distribution process as outlined above. For the population coefficient, as no information was available to differentiate growth across TZs, each TZ was allocated an equal population coefficient.
- Employment projections in the Study Area were estimated based on employment in the TZs each precinct is located within. The precincts do not comprise the entirety of the TZs they are located within, however, information was not available to identify the proportion of employment in each TZ that is located within a precinct. For transparency, if a TZ has a precinct located within its boundary, it was assumed that 100% of employment in the TZ is within the precinct(s) located in the TZ. Some precincts were combined for reporting as they are co-located within the same TZ boundaries.
- Projections of additional floorspace demand were developed using gross floor area (GFA) to employee ratios for each of the 72 industries. These were then aggregated to different land use types (e.g. retail, commercial, industrial, institutional and other) for reporting.

7.1.2 Employment Projections by Industry

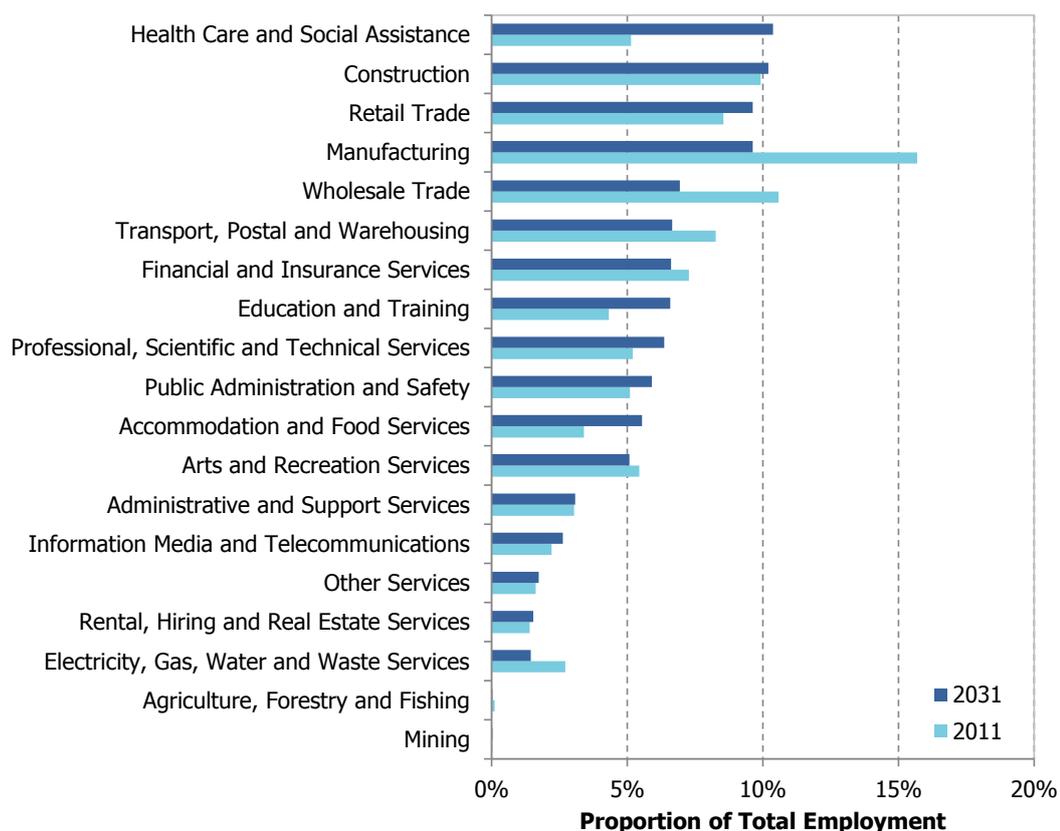
Auburn LGA is projected to record more than 84,500 jobs located in the LGA in 2031, an increase of around 41% compared to 2011. Key industries of growth are projected to be health care and social assistance, education and training, retail trade, construction and accommodation and food services, with each of these industries projected to record increases of more than 2,600 jobs over the period. This is not surprising given projected population growth over the same period. These key industries have a strong correlation with population growth, i.e. are considered population-driven employment.

Table 7.1: Employment Projections by Industry, Auburn LGA

Industry	2011	2016	2021	2026	2031	Change, 2011-31
Agriculture, Forestry and Fishing	63	38	33	28	24	-39
Mining	19	20	20	20	21	2
Manufacturing	9,389	9,166	8,808	8,430	8,138	-1,251
Electricity, Gas, Water and Waste Services	1,627	1,274	1,261	1,242	1,223	-404
Construction	5,938	6,446	7,301	7,986	8,624	2,686
Wholesale Trade	6,327	5,868	5,818	5,837	5,862	-465
Retail Trade	5,114	6,062	6,772	7,430	8,142	3,028
Accommodation and Food Services	2,034	3,084	3,656	4,160	4,688	2,654
Transport, Postal and Warehousing	4,945	4,693	4,962	5,269	5,624	680
Information Media and Telecommunications	1,321	1,850	2,031	2,120	2,223	902
Financial and Insurance Services	4,353	4,599	4,891	5,214	5,590	1,237
Rental, Hiring and Real Estate Services	837	806	942	1,114	1,301	463
Professional, Scientific and Technical Services	3,113	3,507	4,110	4,712	5,380	2,266
Administrative and Support Services	1,817	2,018	2,210	2,408	2,606	790
Public Administration and Safety	3,050	3,563	4,022	4,532	4,995	1,945
Education and Training	2,584	3,194	3,941	4,744	5,565	2,982
Health Care and Social Assistance	3,078	4,446	5,786	7,284	8,767	5,689
Arts and Recreation Services	3,256	3,623	3,881	4,089	4,296	1,039
Other Services	973	965	1,134	1,298	1,469	496
Total	59,838	65,222	71,580	77,920	84,539	24,701

Source: ABS (2013a, 2013b, 2013c, 2014a, 2014b, 2014c, 2014d), BTS (2014).

Figure 7.1: Employment Structure, Auburn LGA, 2011 and 2031 (Place of Work)



Source: ABS (2013a, 2013b, 2013c, 2014a, 2014b, 2014c, 2014d), BTS (2014)

The employment structure of Auburn LGA is projected to shift considerably between 2011 and 2031. Traditional industrial-style activities such as manufacturing, wholesale trade, and transport, postal and warehousing are expected to decline in share of total employment, in particular manufacturing which was the highest employing industry in 2011.

Conversely, population and household-style services such as health care and social assistance services, and education and training are projected to considerably increase their share of total employment.

7.2 Floorspace Demand Projections

Demand for floorspace has been estimated in Gross Floor Area (GFA) terms, using ratios of GFA per employee for each of the 72 industries modelled. This is summarised across 19 industries in the table below.

Demand for an additional 877,500 sqm of GFA is projected between 2011 and 2031 in Auburn LGA, which equates to around 44,000sqm GFA per annum. Key industries demanding floorspace are projected to be construction, education and training, and health care and social assistance services.

Table 7.2: Additional Floorspace Demand Projections by Industry, Auburn LGA

Industry	2011-16	2016-21	2021-26	2026-31	Total, 2011-31
Agriculture, Forestry and Fishing	-15.1	-3.0	-2.8	-2.4	-23.4
Mining	0.4	-0.1	0.1	0.1	0.5
Manufacturing	-25.3	-40.6	-42.9	-33.2	-142.1
Electricity, Gas, Water and Waste Services	-42.3	-1.6	-2.3	-2.2	-48.5
Construction	38.8	64.8	52.4	48.9	205.0

Industry	2011-16	2016-21	2021-26	2026-31	Total, 2011-31
Wholesale Trade	-55.1	-6.1	2.4	3.0	-55.8
Retail Trade	28.5	21.3	19.7	21.4	90.8
Accommodation and Food Services	36.0	19.7	17.3	18.2	91.2
Transport, Postal and Warehousing	-25.2	26.1	29.7	34.3	64.9
Information Media and Telecommunications	52.8	18.2	8.9	10.3	90.2
Financial and Insurance Services	5.7	6.7	7.4	8.7	28.4
Rental, Hiring and Real Estate Services	-1.7	5.3	6.5	6.8	16.8
Professional, Scientific and Technical Services	9.1	13.9	13.8	15.3	52.1
Administrative and Support Services	14.6	14.2	15.0	15.2	59.0
Public Administration and Safety	13.2	11.9	13.0	11.7	49.8
Education and Training	39.1	48.3	51.4	52.0	190.7
Health Care and Social Assistance	31.5	30.8	34.5	34.1	130.9
Arts and Recreation Services	19.9	15.4	12.4	12.4	60.2
Other Services	-0.3	5.8	5.5	5.8	16.7
Total	124.3	250.9	242.0	260.3	877.5

Source: ABS (2013a, 2013b, 2013c, 2014a, 2014b, 2014c, 2014d), BTS (2014).

Note that the above floorspace demand projections are with respect to the Auburn LGA, the Study Area capturing only a proportion of the growth. A precinct-by-precinct assessment is contained in subsequent sections.

Furthermore, floorspace demand projections for 'retail trade' relate to those activities classified by the ABS. These types of activities do not necessarily translate directly into retail floorspace (shopfront space). For example, motor vehicle retailing is classified as 'retail trade' but does not translate into retail floorspace demand in centres. The demand floor retail-based floorspace is examined in more detail in the next chapter.

7.3 Drivers of Employment Growth

Auburn LGA had a high employment self-sufficiency rate of 170% in 2011, suggesting there were 1.7 local jobs for each local resident participating in the labour force. This is indicative of an area that supports employment for a broader region, and services both local population/ household needs as well as providing locational advantages for industry and economic-led activities and development.

The following figure provides an indicative breakdown of the drivers of industry demand in Auburn LGA, for each of the 19 ANZSIC 1-digit industries³. It shows for each industry what proportion of goods/ services produced are sold to other local businesses, to households, to government (or other public enterprises), or exported to an area outside Auburn LGA.

Exports include goods and services sold anywhere outside Auburn LGA, including overseas, other Australian states, or any other LGA in NSW. As such they can be considered a reasonable estimation of what proportion of industry demand (and thereby growth) is historically related to demand generated outside the Auburn LGA. However, it should be noted that the approaches used to localise the transaction table (cross-industry location quotients and demand-supply pool functions) has a tendency to overstate the level of local demand compared to demand generated from outside the region.

The analysis shows that:

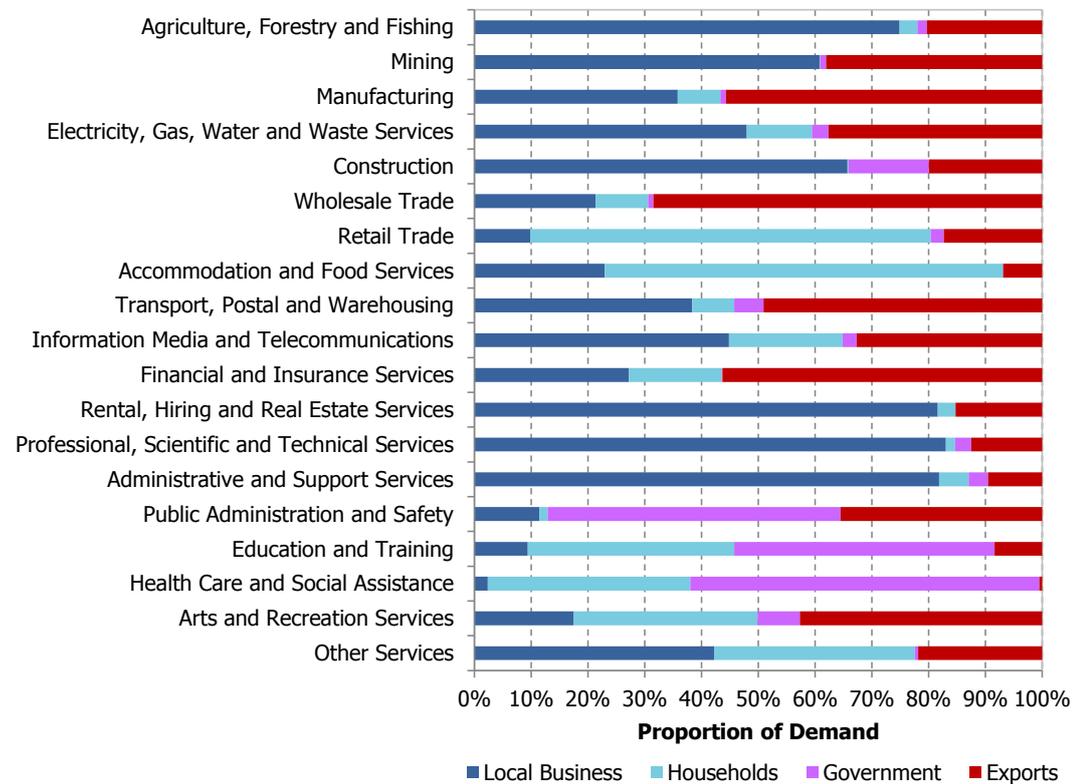
- Demand from outside the Auburn LGA is an important demand driver for more industrial style industries such as mining, manufacturing, electricity, gas, water and waste services, wholesale trade, and transport, postal and warehousing.
- Most commercial type activities, such as professional, scientific and technical services, rental, hiring and real estate services, administrative and support services, are typically

³ Estimates based on the 2009-10 national transaction table from the ABS (2013a), localised to Auburn LGA using the average of two processes: cross industry location quotients and demand-supply pool functions (as per West, 1993). Employment by industry data from the 2011 Census (ABS, 2012) was used to derive the local functions as a proportion of the national transaction table.

reliant on local business as a generator of demand for their services. A notable exception is financial and insurance services, which is more reliant on demand from outside the LGA.

- Household consumption, which can be equated to local population driven growth, is a key driver of industry demand in the industries of retail trade and accommodation and food services. It is also an important contributor, though to a lesser extent, for the industries of education and training, health care and social assistance, arts and recreation services, and other services.
- Government expenditure is a key driver of demand for most public services, such as public administration and safety, education and training, and health care and social assistance. Underlying this demand by government are the needs of the local population and business, which drives government expenditure on these services.

Figure 7.2: Drivers of Industry Demand, Auburn LGA



Source: ABS (2013a, 2012).

7.4 Precinct-by-Precinct Projections

7.4.1 Employment Projections

More than 15,200 additional jobs are projected to be located within the employment precincts in Auburn LGA by 2031. This represents approximately 62% of total additional employment projected for Auburn LGA to 2031. Key precincts for employment growth are expected to be the combined precincts of 3, 6 and 12, and precincts of 5, 13 and 14. These are projected to accommodate over 6,600 additional jobs between 2011 and 2031.

Table 7.3: Employment Projections by Precinct, Auburn LGA*

Precinct	2011	2016	2021	2026	2031	Change, 2011-31
Auburn Town Centre (1a)	3,571	4,011	4,442	4,874	5,311	1,739
Berala Village Centre (15)	678	893	1,114	1,341	1,576	898
Lidcombe Town Centre (2a)/ Precinct 2	2,516	2,896	3,281	3,670	4,070	1,553
Regents Village Town Centre (16)	471	578	692	808	928	456
Precinct 1	1,380	1,535	1,690	1,844	1,998	618
Precincts 3, 6 and 12	10,416	11,167	12,080	12,987	13,937	3,521
Precincts 5, 13 and 14	14,227	14,808	15,667	16,491	17,374	3,147
Precinct 7a and 7b^	1,565	1,856	2,150	2,446	2,749	1,184
Precinct 8	4,540	4,761	5,033	5,289	5,564	1,024
Precinct 9	28	132	233	338	446	418
Precincts 10 and 11a & 11b	2,850	2,985	3,178	3,377	3,587	737
Study Area Sub-Total	42,244	45,621	49,561	53,466	57,540	15,296
Sydney Olympic Park/ Precincts 4 and 15	13,523	14,411	15,681	16,944	18,284	4,761
Rest of Auburn LGA (includes Precinct 17 and 5a in part)	4,071	5,190	6,339	7,509	8,715	4,644
Auburn LGA Total	59,838	65,222	71,580	77,920	84,539	24,701

*Employment was estimated based on employment in the TZs each precinct is located within. The precincts do not comprise the entirety of the TZs they are located within, however, information was not available to identify the proportion of employment in each TZ that is located within a precinct. For transparency, if a TZ has a precinct located within its boundary, it was assumed that 100% of employment in the TZ is within the precinct(s). Some precincts were combined as they are co-located within TZ boundaries.

^Owing to TZ boundaries, despite their status as vacant parcels of land, Precincts 7a and 7b are projected for growth.

Source: ABS (2013a, 2013b, 2013c, 2014a, 2014b, 2014c, 2014d), BTS (2014).

Employment projections in the "rest of the Auburn LGA" are expected to cover establishments including schools, hospitals and health care facilities, nursing homes and other care facilities not located within employment clusters as such. Home businesses also fall therein.

7.4.2 Floorspace Demand Projections

The Study Areas examined are projected to account for around 60% of total additional GFA demand in Auburn LGA between 2011 and 2031, or approximately 526,800sqm. In line with employment growth, the combined Precincts of 3, 6 and 12, and the combined Precincts of 5, 13 and 14 are projected to record the highest increase in GFA demand.

Table 7.4: Additional Floorspace Projections by Precinct, Auburn LGA ('000 sqm), Total

Precinct	2011-16	2016-21	2021-26	2026-31	2011-31
Auburn Town Centre (1a)	15.3	16.8	16.4	16.8	65.3
Berala Village Centre (15)	7.3	8.9	9.0	9.3	34.5
Lidcombe Town Centre (2a)/ Precinct 2	13.1	15.5	15.3	16.1	60.1
Regents Village Town Centre (16)	1.3	4.2	4.1	4.3	13.9
Precinct 1	4.5	5.9	5.9	5.9	22.2
Precincts 3, 6 and 12	17.6	35.4	34.2	37.3	124.3
Precincts 5, 13 and 14	-2.6	29.3	25.4	30.4	82.5
Precinct 7a and 7b	12.2	12.8	12.5	12.8	50.3
Precinct 8	3.1	8.4	6.9	8.6	26.9
Precinct 9	4.0	4.1	4.1	4.3	16.5
Precincts 10 and 11a & 11b	1.9	8.9	9.3	10.1	30.2
Study Area Sub-Total	77.6	150.1	143.1	155.9	526.8
Sydney Olympic Park/ Precincts 4 and 15	5.2	52.7	51.3	54.9	164.1
Rest of Auburn LGA (includes Precinct 17 and 5a in part)	41.5	48.1	47.6	49.4	186.7
Auburn LGA Total	124.3	250.9	242.0	260.3	877.5

Source: ABS (2013a, 2013b, 2013c, 2014a, 2014b, 2014c, 2014d), BTS (2014).

Note: As with the employment projections, floorspace projected may not necessarily completely align with employment precinct boundaries owing to differences with TZ boundaries. A notable example is Precinct 7 where the two sites within are vacant parcels of land. While these projections are useful in identifying projected future demand for floorspace, their limitation in this respect should be recognised.

Table 7.5 to Table 7.9 provide a summary of GFA demand for each precinct by five yearly intervals across five types of use – retail, commercial, industrial, institutional and other. Institutional uses are projected to account for almost half total GFA demand in precincts (256,000sqm GFA to 2031), principally for health care and education uses.

Commercial type uses represent the next highest demand for GFA in precincts (141,400sqm GFA to 2031), followed by retail type uses such as retail stores and food/ beverage services (128,400sqm GFA to 2031).

Table 7.5: Additional Floorspace Projections by Precinct, Auburn LGA ('000 sqm), Retail

Precinct	2011-16	2016-21	2021-26	2026-31	2011-31
Auburn Town Centre (1a)	4.6	3.2	2.9	3.1	13.9
Berala Village Centre (15)	2.5	1.8	1.7	1.8	7.9
Lidcombe Town Centre (2a)/ Precinct 2	4.9	3.3	3.0	3.1	14.3
Regents Village Town Centre (16)	1.3	1.0	0.9	0.9	4.1
Precinct 1	1.3	0.9	0.9	0.9	4.0
Precincts 3, 6 and 12	9.6	7.5	6.9	7.3	31.3
Precincts 5, 13 and 14	7.7	6.7	6.2	6.5	27.1
Precinct 7a and 7b	2.4	1.9	1.7	1.8	7.8
Precinct 8	2.4	2.2	2.0	2.1	8.6
Precinct 9	1.2	0.9	0.8	0.9	3.7
Precincts 10 and 11a & 11b	1.2	1.5	1.5	1.6	5.8
Study Area Sub-Total	39.0	30.9	28.5	30.1	128.4
Sydney Olympic Park/ Precincts 4 and 15	7.1	6.3	6.0	6.3	25.7
Rest of Auburn LGA (includes Precinct 17 and 5a in part)	12.0	8.9	8.2	8.9	38.0
Auburn LGA Total	58.1	46.1	42.7	45.2	192.1

Source: ABS (2013a, 2013b, 2013c, 2014a, 2014b, 2014c, 2014d), BTS (2014).

Table 7.6: Additional Floorspace Projections by Precinct, Auburn LGA ('000 sqm), Commercial

Precinct	2011-16	2016-21	2021-26	2026-31	2011-31
Auburn Town Centre (1a)	3.1	2.6	2.5	2.6	10.7
Berala Village Centre (15)	1.3	1.0	1.0	1.1	4.3
Lidcombe Town Centre (2a)/ Precinct 2	2.2	1.9	1.9	2.0	7.9
Regents Village Town Centre (16)	0.7	0.5	0.5	0.5	2.3
Precinct 1	0.9	0.6	0.6	0.6	2.7
Precincts 3, 6 and 12	9.0	6.0	5.2	5.5	25.6
Precincts 5, 13 and 14	22.6	10.9	7.8	8.5	49.8
Precinct 7a and 7b	2.5	1.8	1.6	1.7	7.5
Precinct 8	10.5	4.7	3.3	3.5	22.0
Precinct 9	0.6	0.4	0.4	0.4	1.8
Precincts 10 and 11a & 11b	1.8	1.6	1.5	1.7	6.7
Study Area Sub-Total	55.0	32.1	26.2	28.1	141.4
Sydney Olympic Park/ Precincts 4 and 15	15.9	14.3	13.5	15.0	58.8
Rest of Auburn LGA (includes Precinct 17 and 5a in part)	6.9	5.4	5.2	5.5	22.9
Auburn LGA Total	77.8	51.8	44.9	48.6	223.1

Source: ABS (2013a, 2013b, 2013c, 2014a, 2014b, 2014c, 2014d), BTS (2014).

Table 7.7: Additional Floorspace Projections by Precinct, Auburn LGA ('000 sqm), Industrial*

Precinct	2011-16	2016-21	2021-26	2026-31	2011-31
Auburn Town Centre (1a)*	0.3	3.1	2.8	2.8	9.1
Berala Village Centre (15)*	0.0	1.6	1.5	1.6	4.7
Lidcombe Town Centre (2a)*/ Precinct 2	0.0	2.4	2.1	2.4	6.9
Regents Village Town Centre (16)*	0.1	1.1	1.0	1.0	3.2
Precinct 1	-0.3	1.0	1.0	1.1	2.9
Precincts 3, 6 and 12	-10.6	4.3	3.0	4.6	1.3
Precincts 5, 13 and 14	-24.4	-2.0	-3.2	0.1	-29.4
Precinct 7a and 7b	0.9	2.0	1.8	1.8	6.5
Precinct 8	-10.8	-3.1	-3.4	-2.2	-19.5
Precinct 9	0.5	0.7	0.6	0.6	2.4
Precincts 10 and 11a & 11b	0.4	2.8	2.9	3.4	9.5
Study Area Sub-Total	-43.9	14.0	10.2	17.2	-2.5
Sydney Olympic Park/ Precincts 4 and 15	-6.1	15.3	14.8	15.6	39.6
Rest of Auburn LGA (includes Precinct 17 and 5a in part)	4.3	10.6	9.2	9.4	33.5
Auburn LGA Total	-45.7	40.0	34.2	42.2	70.7

Source: ABS (2013a, 2013b, 2013c, 2014a, 2014b, 2014c, 2014d), BTS (2014).

*There is some industrial floor space projected within the centres as the industrial category includes uses such as postal services which could locate within a centre.

Table 7.8: Additional Floorspace Projections by Precinct, Auburn LGA ('000 sqm), Institutional*

Precinct	2011-16	2016-21	2021-26	2026-31	2011-31
Auburn Town Centre (1a)	7.4	6.9	7.2	7.1	28.7
Berala Village Centre (15)	3.8	3.9	4.1	4.2	15.9
Lidcombe Town Centre (2a)/ Precinct 2	6.7	6.7	7.1	7.1	27.7
Regents Village Town Centre (16)	1.9	1.9	2.1	2.1	7.9
Precinct 1	3.1	2.8	2.9	2.8	11.6
Precincts 3, 6 and 12	13.4	13.5	14.5	14.6	56.0
Precincts 5, 13 and 14	11.9	12.0	12.8	12.8	49.4
Precinct 7a and 7b	6.4	6.7	6.9	6.8	26.7
Precinct 8	3.9	3.9	4.2	4.2	16.1
Precinct 9	1.8	1.9	2.0	2.0	7.7
Precincts 10 and 11a & 11b	2.0	2.0	2.1	2.2	8.3
Study Area Sub-Total	62.2	62.2	65.9	65.7	256.0
Sydney Olympic Park/ Precincts 4 and 15	20.3	15.1	15.3	15.4	66.2
Rest of Auburn LGA (includes Precinct 17 and 5a in part)	19.2	19.5	20.9	20.9	80.5
Auburn LGA Total	101.7	96.8	102.1	102.1	402.7

Source: ABS (2013a, 2013b, 2013c, 2014a, 2014b, 2014c, 2014d), BTS (2014).

*'Institutional' refers to floorspace within establishments like hospitals, schools, museums, libraries. For the purposes of the Study, these have been excluded from the demand requirements as this type of floorspace is subject to different planning/provision considerations.

Table 7.9: Additional Floorspace Projections by Precinct, Auburn LGA ('000 sqm), Other

Precinct	2011-16	2016-21	2021-26	2026-31	2011-31
Auburn Town Centre (1a)	-0.2	0.9	1.0	1.2	2.9
Berala Village Centre (15)	-0.3	0.5	0.6	0.7	1.6
Lidcombe Town Centre (2a)/ Precinct 2	-0.6	1.1	1.3	1.5	3.2
Regents Village Town Centre (16)	-2.8	-0.3	-0.3	-0.2	-3.6
Precinct 1	-0.5	0.5	0.5	0.6	1.1

Precinct	2011-16	2016-21	2021-26	2026-31	2011-31
Precincts 3, 6 and 12	-3.8	4.0	4.6	5.3	10.1
Precincts 5, 13 and 14	-20.4	1.7	1.9	2.5	-14.3
Precinct 7a and 7b	0.1	0.5	0.5	0.6	1.8
Precinct 8	-2.8	0.8	0.8	1.0	-0.2
Precinct 9	0.0	0.3	0.3	0.3	0.8
Precincts 10 and 11a & 11b	-3.5	1.0	1.1	1.3	0.0
Study Area Sub-Total	-34.7	10.9	12.4	14.8	3.4
Sydney Olympic Park/ Precincts 4 and 15	-32.1	1.6	1.7	2.6	-26.1
Rest of Auburn LGA (includes Precinct 17 and 5a in part)	-0.8	3.6	4.1	4.8	11.7
Auburn LGA Total	-67.6	16.1	18.2	22.2	-11.1

Source: ABS (2013a, 2013b, 2013c, 2014a, 2014b, 2014c, 2014d), BTS (2014).

"Other" refers to primary industries (agriculture and mining), utilities, accommodation, and any other uses not appropriately captured in the other categories (e.g., that may include private households employing staff, or mobile workers such as sub-contractors in the construction industry). For the purposes of this Study this has also been excluded from the demand considerations.

After deducting "institutional" and "other" floorspace demand from the projections, the "adjusted" floorspace demand is considered for the purposes of the Strategy as follows.

Table 7.10: Additional Floorspace Projections by Precinct, Study Area ('000 sqm), Adjusted

Precinct	2011-16	2016-21	2021-26	2026-31	2011-31
Auburn Town Centre (1a)	8.0	9.0	8.2	8.5	33.7
Berala Village Centre (15)	3.8	4.5	4.2	4.5	17.0
Lidcombe Town Centre (2a)/ Precinct 2	7.0	7.7	7.0	7.5	29.2
Regents Village Town Centre (16)	2.2	2.6	2.4	2.4	9.6
Precinct 1	1.9	2.6	2.5	2.6	9.6
Precincts 3, 6 and 12	7.9	17.8	15.1	17.4	58.2
Precincts 5, 13 and 14	5.9	15.6	10.8	15.1	47.4
Precinct 7a and 7b	5.7	5.6	5.1	5.4	21.8
Precinct 8	2.0	3.7	1.9	3.5	11.1
Precinct 9	2.2	2.0	1.8	1.9	7.9
Precincts 10 and 11a & 11b	3.4	5.9	6.0	6.6	22.0
Study Area Total	50.2	77.0	64.9	75.3	267.4
Sydney Olympic Park/ Precincts 4 and 15	17.0	36.0	34.3	36.9	124.1
Rest of Auburn LGA (includes Precinct 17 and 5a in part)	23.1	25.0	22.6	23.8	94.5
Auburn LGA Total	90.2	137.9	121.8	136.0	485.9

Source: ABS (2013a, 2013b, 2013c, 2014a, 2014b, 2014c, 2014d), BTS (2014).

Employment and floorspace projections suggest the quantum of industrial floorspace demanded will decline over the period to 2031, this decline is marked in Precincts 5, 13, 14 and 8. There is however a disproportionate increase in commercial-type floorspace demanded in those precincts, the net effect of which is positive demand for floorspace. Notably, Precincts 3, 6 and 12 are also projected to increase in demand for commercial-type floorspace.

In line with expected population growth, the majority of employment growth to 2031 is inferred to be driven by local population and household demand for goods and services.

Adjustments have been made to exclude 'institutional' floorspace demand, as this type of floorspace is subject to different planning/ provision considerations. There is nevertheless a need for these facilities which Council should be cognisant of.

7.5 Employment Lands Capacity Assessment

In order to assess the current employment lands capacity within the Study Area, we have calculated the generic planning capacity for floorspace by multiplying FSR controls against total allotment areas within each precinct.

While FSR controls may be 1:1 in the industrial precincts, in reality floorspace on each site may actually be less than FSR 1:1 allowing for circulation and hardstand area, etc. Unlike other uses, industrial land uses responds less favourably to density. In the case of centres, commercial/retail floorspace is assumed to comprise between FSR 0.8:1 and 1:1 of total floorspace on a site, with the remaining floorspace capacity likely to comprise residential uses.

Table 7.11: Supply and Demand for Additional Floorspace, Study Area ('000sqm)

Precinct	2011	Projected Floorspace Demand ('000 sqm)					Current Planning Capacity ('000sqm)			
		2011-16	2016-21	2021-26	2026-31	2011-31	FSR 0.4:1	FSR 0.5:1	FSR 0.8:1	FSR 1.0:1
Auburn Town Centre (1a)	142.0	150.0	159.0	167.2	175.7	25.7	N/A	N/A	158.7	198.4
Berala Village Centre (15)	40.2	44.0	48.5	52.8	57.2	13.2	N/A	N/A	20.4	25.5
Lidcombe Town Centre (2a)/ Precinct 2	148.0	155.0	1662.7	169.6	177.2	22.2	78.1	97.6	156.1	195.2
Regents Park Village Centre (16)	31.4	33.6	36.2	38.6	41.0	7.4	N/A	N/A	22.6	28.2
Precinct 1	57.9	59.8	62.4	64.8	67.4	7.7	25.2	31.5	50.5	63.1
Precincts 3, 6 and 12	788.8	796.7	814.5	829.6	847.0	50.3	624.7	780.9	1,249.5	1,561.9
Precincts 5, 13 and 14	1,266.4	1,272.3	1,287.9	1,298.7	1,313.8	41.5	665.9	832.4	1,331.9	1,664.8
Precinct 7a and 7b*	80.8	86.5	92.1	97.2	102.6	16.1	10.2	12.7	20.4	25.5
Precinct 8	396.6	398.7	402.4	404.2	407.7	9.0	315.3	294.1	630.6	788.2
Precinct 9	2.4	4.6	6.6	8.4	10.6	5.7	194.3	242.9	388.6	485.7
Precincts 10 and 11a & 11b	224.0	227.4	233.4	239.4	246.0	18.5	131.7	164.7	263.5	329.3
Study Area Total	3,178.5	3,228.6	3,305.7	3,445.9	3,445.9	217.2				

*although this precinct is projected to demand large floorspace, for the purposes of the Study the projections are not relevant as the travel zones used in the projections cover a larger area than the precinct.
Source: ABS (2013a, 2013b, 2013c, 2014a, 2014b, 2014c, 2014d), BTS (2014).

From the above assessment of generic planning capacity against projected floorspace demand, Berala and Regents Park village centres lack the capacity to accommodate projected floorspace demand. Extensions of the B2 Local Centre zones warrant investigation.

The capacity assessment finds that the Study Area has broadly sufficient (planning) capacity to accommodate projected future employment growth. Note that 'market capacity' could be different, as businesses and industry will seek accommodation that feasibly meets their commercial requirements. Over the longer term (post 2025) a rezoning of industrial lands which play a strong service hub role could be considered, to business zones with a commensurate increase in density to permit more business/commercial type uses to locate therein.

While Precincts 3, 6 and 12 collectively appear to be well catered for in terms of 'surplus capacity', surplus capacity in an employment precinct facilitates future intensification by limiting upward pressure on price.

8. Retail Demand Assessment

8.1 Introduction

Government policy (DP&I, 2009) advocates the use of floorspace supply and demand assessments (FSDAs) at the regional and subregional level to provide an evidence based approach towards planning for retail growth based on future demand. Planning at a local level should identify large sufficient land to accommodate that demand as it eventuates in appropriate land use zonings.

To date regional or subregional level FSDAs have not been completed for the Sydney Metropolitan Area. In this context, this section uses the FSDA approach to estimate high-level demand between 2013 and 2031 in the Auburn LGA and assesses the capacity of existing land use zonings to accommodate it.

Bulky goods uses should ideally be accommodated in centres but because of their large land area and requirements for accessibility and their need to cluster together with similar uses to ensure viability, they are usually facilitated in edge or out-of-centre land zonings, such as along Parramatta Road. This chapter is concerned with planning for retail uses within centres only and therefore consideration of bulky goods floorspace demand is not undertaken.

8.2 Review of Retail Hierarchy

Existing Hierarchy

The table below sets out the major existing commercial centres within Auburn LGA. Given the strategic scope of this Study, only centres defined in the hierarchy as Small Village Centres or above⁴ are considered. Notwithstanding the scope of the Study, localised retail provision is recognised to be provided in the smaller neighbourhood centres in Auburn LGA.

Table 8.1: Existing Retail Hierarchy in Auburn LGA

Centre	Retail Floorspace	Key Retail Anchors
Specialised Centre		
Olympic Park- Rhodes	n/a at present	n/a
Town Centre		
Auburn	Auburn Central (17,624sqm) Auburn Shopping Village (4,792sqm) Auburn Shopping Arcade (2,353sqm) Strip retail (28,043sqm) Total 52,813sqm	Woolworths (3,650sqm) ALDI (1,512sqm) Big W (7,159sqm)
Lidcombe	25,603sqm	n/a (strip retail)
Small Village Centre		
Berala	10,706sqm	Woolworths (3,293sqm)
Newington	3,632sqm	Woolworths (2,218sqm)
Regents Park	9,596sqm	n/a (strip retail)

Source: AEC Floorspace Survey/Property Council of Australia (2013)

There was previously a Coles in Auburn Shopping Village however its tenancy is currently occupied by an Asian supermarket. The closure of the Coles is accounted for in our retail demand assessment.

In addition to the commercial centres recognised above, Auburn LGA contains a 14,000sqm Costco on Parramatta Road. Costco is a membership-based retail format which relies on selling items in bulk. It sells a broad array of retail goods including groceries and fresh food. It serves an extensive trade area extending well beyond the Auburn LGA boundaries. Despite their close proximity residents within the LGA will still visit Costco infrequently

⁴ Note: As defined in the Draft West Central Subregional Strategy, NSW Department of Planning and Environment (2007)

compared to commercial centres and capture expenditure in a narrow sector of retail goods. As a consequence it will have only a limited impact on retail goods and service demand for Auburn's residents.

Planned/Proposed Retail Facilities

A number of retail centres or significant retail supply additions are planned or proposed in the LGA. These comprise:

- **Carter Street Urban Activation Precinct**
A retail centre of 8,000sqm to 12,000sqm is planned along Uhrig Road.
- **Wentworth Point Urban Activation Precinct**
Two retail centres are planned. One will comprise a neighbourhood centre at the eastern end of the area currently zoned B1. The other is proposed as part of a State Significant Development proposal and will include a 1,941sqm supermarket, childcare centre and specialty shops.
- **Sydney Olympic Park Masterplan**
A retail centre is proposed as part of the Master Plan with the size and function yet to be determined.
- **1-17 Grey St and 32-48 Silverwater Road, Silverwater**
Gateway rezoning proposal under consideration by the NSW Department of Planning and Environment (DP&E) which would facilitate 4,000sqm of retail on this site, including a 2,500sqm supermarket, in conjunction with residential development.
- **Highgate Precinct**
Up to 7,500sqm of retail uses are proposed at ground level with residential development above. The nature of retail floorspace has not been stipulated.
- **Auburn Megamall**
A planning proposal for retail floorspace is understood to be advanced (to a maximum of 4,600sqm).
- **Lidcombe Power Centre**
20,800sqm of retail floorspace has been approved, to include two supermarkets (5,300sqm) and 5,500sqm discount department store.
- **Botanica, Lidcombe**
A retail centre of around 2,000sqm is proposed as part of a residential development. This would include a convenience store/small supermarket of 400sqm.

Higher Order Centres

Auburn LGA does not contain any large centres of Major Centre designation or above. Consequently existing centres are focused on localised convenience and comparison goods shopping only. A significant proportion of expenditure generated by Auburn's residents which relates to higher order shopping like apparel, footwear and household goods will leave the LGA as a result. This will be captured by nearby centres such as Parramatta, Merrylands and Burwood which provide a sufficiently large and diversified retail offer with high profile tenants capable of meeting the higher order shopping needs of Auburn's residents.

Westfield Parramatta for example contains over 137,000sqm of retail floorspace with DA consent for further expansion and accommodates Myer (28,272sqm), David Jones (12,905sqm), Target (8,438sqm) and Kmart (6,592sqm). This facility alone contains more than twice the retail floorspace of Auburn's major centres listed in Table 8.1, albeit the higher order goods offer which it provides serves a significantly larger trade area.

Implications for Auburn

Given the location of Auburn LGA in relation to larger subregional and regional centres, it does not perform a significant role in meeting the higher order shopping needs of residents. The retail offer is focused on meeting localised shopping requirements which residents undertake on a frequent basis. This is an important dynamic for considering the type and amount of retail demand which should be planned for in the LGA.

8.3 Retail Demand Assessment

Methodology and Approach

Retail demand modelling is commonly undertaken using either expenditure per capita or floorspace per capita estimates. The expenditure per capita approach involves estimating the amount of retail expenditure generated in an area and applying an estimated turnover per square metre rate for different types of retail floorspace. The floorspace per capita approach applies an average rate of floorspace demand per capita and applies this to projected population to determine demand.

For the purposes of this Study floorspace demand per capita is the preferred approach. It is simpler than the expenditure method and more appropriate for a high level retail study for long term planning. It is the approach advocated for FSDAs by the State Government policy. The floorspace per capita approach allows for changes in retail floorspace over time to be accounted for but it does not assign demand to store types in detail.

To determine retail demand over the study period, retail demand per capita rates are first defined for key retail store types. These are then applied to population growth forecasts to determine total demand. Capture rates are applied to determine the proportion of floorspace which could be captured by centres within the LGA, in the context of the retail hierarchy, and therefore the amount of retail floorspace which should be planned for.

8.3.1 Assessment Assumptions

Retail Demand per Capita

In advising on undertaking FSDAs, the NSW Draft Centres Policy proposes using an indicative target of 2.0sqm of retail floorspace demand per capita and to assume that this will increase by 0.1sqm every five years consistent with the 25-year trend (DP&I, 2009).

For the purposes of this Study a rate of 2.2sqm per capita is assumed as the base level commensurate with the industry standard⁵. Of this around 1.7sqm is devoted towards retail floorspace typically found in commercial centres and 0.5sqm is for bulky goods floorspace.

A starting base of 1.7sqm per capita is therefore used. Of this some 0.35sqm per capita is assumed to be attributable to supermarket floorspace. This is on the basis that a full-line supermarket normally ranges from 3,000sqm to 4,000sqm and in metropolitan areas is typically sustained by approximately 10,000 residents. A further 0.15sqm per capita is assumed to be accounted for by DDS floorspace currently based on an average store size of 7,000sqm which is sustained by 40,000 to 45,000 residents. We caution against using this benchmark in projecting in the medium to long-term given the uncertain outlook for this retail format in light of current retail trends, but it is nevertheless a useful short-term indicator to assess demand.

Retail floorspace demand per capita is assumed to increase by 0.1sqm every five years consistent with NSW Draft Centres Policy guidance. Whilst consistent with the historic trend, new approaches towards shopping through the rise of online retail, for example, the emergence of 'dark stores' and so on may mean that floorspace demand growth will not be as strong going forward as it was historically.

It is prudent for a planning policy to ensure sufficient land supply to meet upper demand estimates with an oversupply of commercially zoned land, being preferable to an undersupply. An undersupply results in the retail needs of local residents not adequately met with potential adverse consequences on their need to travel, congestion and inhibited business growth and competitiveness. Conversely an oversupply of land prevents land banking, promotes price competition for sites and offers a greater ability for new retail entrants to access the market. As a result we have adopted the 0.1sqm per capita demand between 2013 and 2016 and a further 0.1sqm per capita for every five years subsequently.

⁵ for example, Deep End Services, Location.IQ, MacroPlan

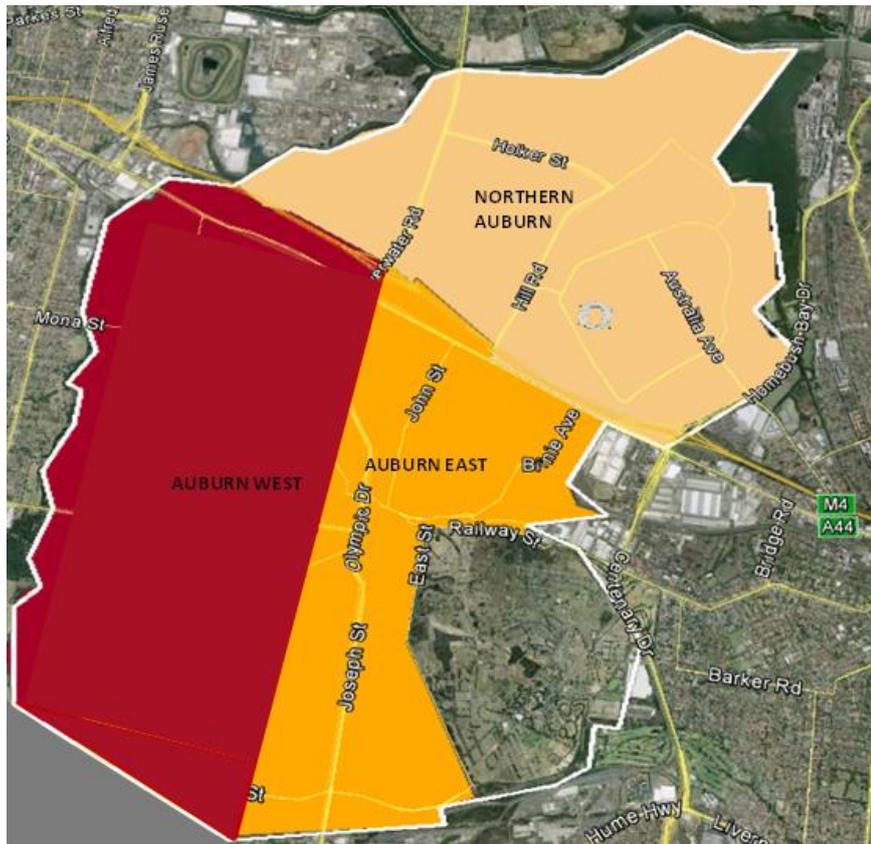
Population Growth

Population estimates for the Auburn LGA have been derived from D&PE projections (DP&E, 2014a). This is only available at LGA wide level. As such, to determine demand at a more localised level the D&PE projections have been apportioned within the LGA using proportional distributions within Forecast.id data for Auburn (September 2014).

For the purposes of the retail demand assessment, the Study Area has been considered in three broad precincts:

- Northern Auburn (north of Parramatta Road): Silverwater, Newington, Sydney Olympic Park, Carter Street, Wentworth Point.
- Auburn West: Auburn, Berala, Regents Park.
- Auburn East: Lidcombe.

Figure 8.1: Retail Demand Assessment Contextual Map



Source: AEC

Table 8.2: Population Projections in Auburn LGA

	2013	2016	2021	2026	2031	Growth (2011-2031)
Northern Auburn	12,722	19,230	29,093	38,581	47,971	35,229
Auburn West	52,110	50,982	52,528	54,593	57,393	5,199
Auburn East	18,535	21,488	22,530	24,176	25,236	6,672
Total	83,367	91,700	104,150	117,350	130,600	47,100

Source: DP&E (2014a), Forecast.id (2014)

8.3.2 Demand Assessment

Combining the population projections and per capita floorspace demand leads to total retail floorspace demand by area. This is shown in Table 8.3.

Table 8.3: Retail Floorspace Demand in Auburn LGA (sqm)

	2013	2016	2021	2026	2031	Growth (2011-2031)
Total Floorspace						
Northern Auburn	27,989	44,228	69,822	96,452	124,725	96,692
Auburn West	114,642	117,258	126,067	136,483	149,221	34,396
Auburn East	40,777	49,424	54,071	60,440	65,614	24,772
Total	183,407	210,910	249,960	293,375	339,560	155,860
Bulky Goods						
Northern Auburn	6,361	9,615	14,546	19,290	23,986	17,614
Auburn West	26,055	25,491	26,264	27,297	28,696	2,600
Auburn East	9,267	10,744	11,265	12,088	12,618	3,336
Total	41,684	45,850	52,075	58,675	65,300	23,550
Supermarket						
Northern Auburn	4,453	6,730	10,182	13,503	16,790	12,330
Auburn West	18,239	17,844	18,385	19,108	20,087	1,820
Auburn East	6,487	7,521	7,885	8,462	8,833	2,335
Total	29,178	32,095	36,453	41,073	45,710	16,485
Discount Department Store (DDS)						
Northern Auburn	1,908	2,884	4,364	5,787	7,196	5,284
Auburn West	7,817	7,647	7,879	8,189	8,609	780
Auburn East	2,780	3,223	3,379	3,626	3,785	1,001
Total	12,505	13,755	15,623	17,603	19,590	7,065
Other Retail						
Northern Auburn	15,266	24,999	40,730	57,871	76,754	61,463
Auburn West	62,532	66,276	73,539	81,890	91,828	29,196
Auburn East	22,242	27,935	31,542	36,264	40,378	18,100
Total	100,040	119,210	145,810	176,025	208,960	108,760

Source: AEC

Total floorspace demand in the Auburn LGA over the 2013 to 2031 period is equivalent to nearly 156,000sqm of floorspace. Of this 23,600sqm will relate to bulky goods floorspace, 16,500sqm to supermarket floorspace and 7,100sqm to DDS floorspace. This relates to *demand growth only*. It *does not* consider the extent of any over or undersupply in retail floorspace that may currently exist.

Comparing the above retail floorspace demand projections against the floorspace projections in section 7.4.2, 192,000sqm additional retail floorspace is projected to be required between 2011 and 2031. This unsurprisingly exceeds the additional floorspace of 156,000sqm projected to be demanded between 2013 and 2031 (Table 8.3). It is necessary to consider the context in which the respective floorspace projections have been carried out and the types of retail activity they accommodate.

- Floorspace demand projections in Table 7.5 are the outcome of employment growth projections, driven by, *inter alia*, local business demand and household consumption and population growth.
- On the other hand, floorspace demand projections in Table 8.3 are assessed primarily based on population demand for the retail floorspace typically accommodated in retail centres.

For the purposes of assessing demand for floorspace to be accommodated within centres in the LGA, the above floorspace projections are relied upon (Table 8.3).

Capture Rates

To estimate the quantum of retail floorspace demand which should be planned for locally, it is necessary to apply capture rates equivalent to the proportion of demand which local facilities could capture. This demand assessment is concerned with retail floorspace demand in centres only, bulky goods related demand has not been considered.

The capture rates assumed in this chapter have been influenced by:

- The lack of large centres above the level of Town Centre within Auburn LGA and the focus of retail provision on convenience goods and services. Most higher order comparison goods spending generated by residents will therefore leave the LGA.
- Auburn LGA is a net importer of workers, importing 40,000 workers to fill the 46,000 jobs generated. These additional workers who commute into the area will generate additional demand for convenience goods and services locally over and above household related demand.
- The socio-demographic profile of residents in Auburn LGA which indicates that households have median incomes 20% below the Sydney metropolitan area⁶ average and with a high proportion (61%) of non-Australian born residents. In retail terms this may imply a more price conscious shopper with less disposal income to spend on luxury comparison goods and a greater proportion of the household budget spent on convenience goods. The high proportion of overseas born residents may imply a greater propensity of residents to demand specialist retail shops such as Asian grocers, fast-food takeaways, cafes and restaurants and a lesser proportion on 'traditional' retail such as supermarkets.

Based on the above, the following capture rates are considered reasonable:

- Supermarkets - 75%.
- Discount department stores (DDS) - 75%.
- Other retail - 65%.

Note that these do not assume that existing facilities are capturing this proportion of demand at the current time, but rather it should be an aspiration of planning policy that these broad rates are achieved in the interests of ensuring residents have sufficient access to retail facilities locally without needing to travel significant distances.

Applying the above capture rates, overall retail facilities within the LGA are assumed to retain around 53% of total retail demand (including non-bulky goods) generated by residents. The residual demand will be captured by predominately larger centres outside of the LGA and the small, localised neighbourhood centres which are distributed inside Auburn LGA but which account for only a very small proportion of demand capture.

Given the high net number of workers commuting into the LGA to work an additional 10% of demand is assumed to be available from workers across all floorspace types.

8.3.3 Supply v Demand

The table below compares retail demand in the LGA to existing supply based on the methodology outlined above. Note that this relates to existing supply only and does not consider planned or proposed retail floorspace. Demand for discount department stores (DDS) has been combined with total retail demand for the purposes of this assessment, given our cautioned approach to demand for this type of retail format in the context of retail trends.

Table 8.4: Supply and Demand for Retail Floorspace in Auburn LGA (sqm)

	Supply	Unmet Demand				
	2013	2013	2016	2021	2026	2031
Northern Auburn						
Supermarket	2,218	-1,455	-3,335	-6,182	-8,922	-11,634
Total Retail	4,537	-11,626	-21,269	-36,585	-52,755	-70,130

⁶ Note: Defined as the Sydney Greater Capital City Statistical Area

	Supply	Unmet Demand				
	2013	2013	2016	2021	2026	2031
Auburn West						
Supermarket	8,493	-6,554	-6,228	-6,674	-7,271	-8,079
Total Retail	70,718	+4,512	+2,300	-3,530	-10,353	-18,614
Auburn East						
Supermarket	-	-5,352	-6,205	-6,505	-6,981	-7,287
Total Retail	25,603	+2,055	-3,235	-6,243	-10,298	-13,677
Auburn LGA						
Supermarket	10,711	-13,361	-15,767	-19,362	-23,174	-27,000
Total Retail	103,254	-5,060	-22,203	-46,358	-73,407	-102,421

Source: AEC

Note that the LGA and the three precincts identified above are not in themselves self-contained catchments. Each centre and facility within it will have a unique trade area which may or may not extend to include only parts of Auburn LGA. Undertaking analysis at this scale allows a broad assessment of demand to inform long term strategic planning.

8.3.4 Summary of Findings

Supermarkets

For the LGA as a whole there is would appear to be an undersupply of supermarket related floorspace in 2013 equivalent to approximately three to four full-line supermarkets. This undersupply will increase to 6 to 8 supermarkets by 2031 assuming no new supply. Supermarket demand will be most prolific in the Northern Auburn area due to sizeable population growth expected. In Auburn West two additional full-line supermarkets will be demanded over the next 20 years. Auburn East contains no full-line supermarkets currently despite accommodating some 18,535 residents. A full-line supermarket is justified immediately followed by a further full-line supermarket in the next 10 to 15 years.

We note that Auburn LGA has a high proportion of overseas-born residents. Such residents may direct a higher proportion of their food related expenditure to specialist ethnic stores rather than 'traditional' supermarkets and convenience retailers. As such, it may be that some of the supermarket floorspace demand emerging over the next 20 years will be absorbed specialist retailers rather than chain supermarkets like Coles, Woolworths and ALDI. This may explain why supermarket floorspace 'appears' undersupplied in some precincts whilst all other retail floorspace is well provided for.

All Retail Floorspace

Overall there is a marginal undersupply of retail floorspace in the LGA in 2013 equivalent to some 5,060sqm (note that this includes supermarket undersupply).

Auburn West appears to be oversupplied by 4,500sqm of floorspace however this reflects the trade area of Auburn which extends beyond the LGA boundaries to include the Granville and South Granville suburbs as well as Auburn East and North Auburn. Accounting for expenditure inflow from these areas the precinct is assumed to be trading in equilibrium overall. Over the next 20 years there is modest demand for an additional 18,600sqm of retail floorspace by 2031.

Auburn East is deemed to be marginally oversupplied by retail floorspace in 2013 by 2,100sqm. As with Auburn West, the trade area for Lidcombe will extend beyond the boundaries of the defined Auburn East area. On this basis the area is likely to be trading at equilibrium overall. Retail floorspace demand will increase to nearly 13,700sqm over the next 20 years.

Northern Auburn is a significant growth area and this is reflected in retail floorspace demand which will be equivalent to over 70,000sqm of retail floorspace by 2031. In 2013 there is deemed to be a floorspace undersupply of 11,600sqm given that it contains a reasonable population but lacks large retail facilities. It is also reflective of the worker population sustained in Sydney Olympic Park and Silverwater. This demand is currently being accommodated by centres outside of Northern Auburn, including Auburn Town Centre, this also implies that Newington Marketplace is likely to be trading strongly.

8.4 Retail Capacity Assessment

This section considers the extent to which Council should consider planning for additional retail floorspace in the context of demand growth. Ultimately the decision to provide for additional lands for retail floorspace depends on a myriad of factors which include availability of capacity in centres, traffic and transport, economic impact, net community benefit and so on. The sequential test as articulated in the Draft Centres Policy should be given regard to.

8.4.1 Northern Auburn

Existing retail facilities in Northern Auburn are those at Newington Marketplace and a small neighbourhood centre planned at Silverwater.

There are a number of retail developments and centres in the pipeline. This includes potential centres in the Carter Street UAP, Wentworth Point UAP and Sydney Olympic Park. These developments will provide at least two large supermarkets and could well deliver 3 or 4 full-line supermarkets dependent on demand.

If these proposals were to be allowed, there could be sufficient planned capacity to accommodate supermarket related demand in Northern Auburn, however at this stage actual realisation is as yet uncertain.

In terms of other retail floorspace, as noted previously there will be significant demand by 2031 largely due to population growth. The size of the planned centres has yet to be determined but will be informed by economic demand assessments in the detailed design process. They have the potential to be tailored to prevailing demand at that point and floorspace provision planned accordingly. We also note that B2 zone pertaining to Newington encompasses a large surface level car parking serving the centre. There is scope for the centre to be expanded in the future within the existing land use zoning.

Should delivery of the aforementioned centres not eventuate, Council should plan to accommodate 3-4 additional supermarkets to meet retail demand in Northern Auburn to 2031.

8.4.2 Auburn West

Existing retail facilities in Auburn West are those in the Auburn town centre, Berala, Regents Park and a small neighbourhood centre on Wellington Road.

Two major supermarket operators, Woolworths and ALDI, are already represented in Auburn Town Centre but only Woolworths is a full-line supermarket. The closure of Coles in this centre is unfortunate in the context of demand and the role of this centre, but may have reflected the small size of the supermarket with operators preferring large floorplates which offer greater trading potential and viability.

There is capacity for two additional full-line supermarkets in Auburn West over the next 20 years, of which one can be justified immediately. There is also significant need for other types of retail floorspace over the period to 2031. The first choice for accommodating demand should be within existing centres. Auburn West contains three centres - Auburn, Berala and Regents Park.

Council should be supportive of opportunities to rejuvenate or redevelop the Auburn Shopping Village and to facilitate a new supermarket within it. Elsewhere in Auburn the developed nature of the area and fragmented land ownerships may mean the scope for additional retail capacity is limited. However Council should be supportive of opportunities to expand on existing facilities or development new retail floorspace within or immediately adjacent to this centre.

Berala has a modern full-line Woolworths supermarket and there are no obvious sites for significant further expansion. The offer provided by Berala is already commensurate with its designated role in the hierarchy and thus the scope for an additional supermarket floorspace in this location may be limited. Metropolitan planning policy is supportive of centres moving up the hierarchy where there is sufficient demand, however we consider that this centre is likely to be adequately meeting localised demand at this point, notwithstanding the lack of obvious sites to accommodate expansion.

Regents Park currently lacks a supermarket despite being defined as a Small Village Centre like Newington and Berala which have such facilities. It is situated adjacent to the LGA boundary and thus serves a trade area which extends beyond the Auburn West precinct and the LGA.

Council should be supportive of opportunities to increase retail floorspace in this centre, including a supermarket, to meet demand and support the role and function of Regents Park. The petrol filling station on Amy and Terrace Streets could be suitable for redevelopment although is not sufficiently large to accommodate a full-line supermarket with parking. The car park to the northern end of the centre off Regents Street could be a prime site to facilitate an expansion of the centre.



8.4.3 Auburn East



Lidcombe is the only major centre in the Auburn East precinct. It is defined as a Town Centre but currently lacks a full-line supermarket or DDS. It is currently not fulfilling a Town Centre role based on the definition in the Draft West Central Subregional Strategy which states that a Town Centre should provide one or two supermarkets in addition to a wider range of non-retail services. The difficulty in Lidcombe is that site ownership in the centre appears to be fragmented.



Auburn East has immediate demand for an additional full-line supermarket and by 2031 two additional full-line supermarkets are likely to be sustainable (dependent upon their size). Although deemed to be more or less in equilibrium in 2013, overall retail demand will grow over the next 20 years to reach some 13,700sqm by 2031.

The redevelopment of the Dooley's Catholic Club is recognised by Forecast.id as delivering 220 dwellings between 2023 and 2027. A redevelopment of this site would be an opportunity to deliver additional retail floorspace in the centre including a supermarket on a large consolidated site. However, there is a short-term need to deliver retail floorspace.

From a pure retail perspective, the industrial lands to the east (Precinct 2) could be a candidate to accommodate a potential expansion of the Lidcombe centre, subject to an assessment of the extent to which this contributes to the employment and supporting service need of the LGA and the Subregion in its current form.

There is a planned retail centre at Botanica. This is a small centre without a significant retail anchor or supermarket and will make a limited impact on absorbing demand growth.

The Lidcombe Power Centre approved proposal would meet the majority of retail need in Auburn East over the next 20 years if it were to be delivered.

Consistent with the advice provided for Auburn West, opportunities to provide retail floorspace as part of residential developments should be supported.

8.5 Key Implications

Having undertaken the retail demand and capacity assessment, the key implications regarding the provision of additional retail facilities is provided below. These key implications have been utilised to inform Chapter 0 of the Strategy.

- **Northern Auburn**
Should the proposed centres (Carter Street, Wentworth Point and Sydney Olympic Park) not eventuate into delivery, there is a need for Council to plan for additional retail facilities in Northern Auburn. Planned/proposed centres and existing zonings should have capacity to absorb forecast demand over the next 20 years.
- **Auburn West**
Opportunities to provide an additional one or two full-line supermarkets should be supported. The optimum location for such facilities is Auburn Town Centre and Regents Park. A rezoning to facilitate such development in Regents Park could be justified in terms of demand.

Opportunities to provide appropriate retail in conjunction with high density residential development should be supported.

- **Auburn East**

Council should seek to enable the development of a full-line supermarket and DDS in Lidcombe Town Centre in the short to medium term to support its role in the retail hierarchy. This could include consideration of sites for rezoning and consolidation of the centre on land adjacent to the existing zoning.

Opportunities to provide appropriate retail in conjunction with high density residential development should be supported.

In line with population growth (not just in Auburn but across Metropolitan Sydney), demand for bulky goods floorspace will be commensurate. Although demand for bulky goods floorspace is not required to be planned for as part of centres policy, it is necessary to recognise that they benefit from the ability to cluster - bulky goods clusters prolific along major arterial corridors like Parramatta Road.

While not required to expressly provide for bulky goods floorspace, Council should be cognisant of future demand, the need for these uses to cluster and accordingly retain employment corridor lands to accommodate these and other uses. Recognising that this type of facilities serve large trade areas that extend beyond LGA boundaries, demand and supply is more appropriately assessed at a subregional rather than at an LGA level.



9. Recommendations for Industrial Lands

The importance of the Auburn LGA as a significant location for industrial lands serving the wider Metropolitan region is well understood. Auburn's central location in Metropolitan Sydney, with its extensive supply of broadacre industrial lands, helped determine its target of 12,000 additional jobs in the 2008 draft West Central Subregional Strategy. Key areas such as Clyde and Silverwater created a significant agglomeration of industrial lands, in combination with areas such as Camellia and Rydalmere in Parramatta LGA, and constituted the second most important employment destination after Global Sydney.

Industrial lands play an important role in generating lower and semi-skilled jobs and as such, Auburn Council requires a strategy to retain the most strategic of these lands and provide the policy settings to allow renewal and intensification of other underused or run-down sites in the LGA.

Ensuring a well-located supply of industrial lands remains an action of the recent A Plan for Growing Sydney. Action 1.9.2 of The Plan aims to "support key industrial precincts with appropriate planning controls" and foreshadows an analysis of Sydney's industrial land stocks to identify key industrial precincts. The findings of this analysis are to be used to protect some industrial lands from conversion to other uses through improved planning controls and for industrial activities in other areas to be assisted to 'evolve' to more intense commercial activities. The Plan foreshadows updating the Industrial Lands Strategic Assessment Checklist as the mechanism for checking all new proposals for the conversion of industrial zoned land.

Figure 18 of The Plan identifies Auburn as one of only 15 councils in the Metropolitan Region (which contains 41 councils), having more than 200ha of land currently zoned for industrial purposes, testament to its important role in the industrial future of the city.

9.1 Guiding Principles

The Industrial/Business precincts in the Study Area range in scale from Silverwater at over 152ha to the smaller precincts of Auburn Central in Queen St at 6.3ha and the areas north and south of Rookwood Cemetery at a combined 5.4ha. Policy recommendations for each nominated industrial precinct recognise that each plays a different role and requires a different approach.

The viability and sustainability of lands for continued industrial use is underpinned by their ability to:

- Be directly accessed off major arterial roads and highways.
- Operate in a conflict-free environment (e.g. unrestricted truck access).
- Cluster with other businesses/industry.

Where access issues and land use conflicts are not able to be resolved, industrial lands will in the long term struggle to be competitive.

It is worth providing comment on uses which are considered inappropriate in industrial areas. In common with earlier work undertaken by Hill PDA on employment lands in Auburn (Auburn Employment Lands Study 2008), sensitive land uses such as child care centres would not be appropriate in industrial areas. The incidence of noise, fumes and industrial activities are not compatible with the care and play environment required for young children.

In addition, Places of Public Worship are not a land use considered appropriate in industrial areas. There is neither specific need nor rationale for such uses to be located within industrial areas. They would only serve to displace or reduce land stocks available for genuine employment generating uses aimed at improving the local economy. Instead, such uses should be directed to other more suitable zones within or close to transport and local centres.

As the changing employment profile of Auburn changes as foreshadowed, a range of business uses for industrial lands needs to be considered, however with the proviso that these alternate uses should not compromise the operations of current occupiers to precipitate their relocation.

Overall, it is recommended that Council:

- Protect and retain large clusters of functional employment lands. Due to the evolving nature of manufacturing activities i.e. traditional manufacturing continues to decline and high technology and specialised industries are expected to increase in significance, it is important that planning controls are flexible enough to encourage and enable this transition. Surplus capacity in these clusters of functional employment lands will enable future employment growth to be accommodated.
- Support businesses located in fragmented and 'orphaned' industrial sites. Maintain those isolated precincts which are performing a functional employment role for as long as they are required by businesses in-situ. Institute flexible planning controls to support businesses so as not to precipitate their relocation. In the long term investigate alternative land uses, as those fragmented precincts that abut residential will conceivably struggle to attract new occupiers, particularly when the current occupiers vacate.

Flexible planning controls are key to assisting industries and businesses as they continue to transition in a time of structural economic change. An inability to meet business need will invariably result in high levels of vacancy and undermine viability and sustainability.

- **Conversions and subdivisions**
Large premises that may be vacated by businesses can struggle to be re-absorbed by the market unless they are able to be adapted and repositioned, in many cases as a number of smaller tenancies. In some cases owing to existing construction and building configuration, flexibility in approvals could be crucial to feasibility.
- **High tech and office-based uses**
As the needs of businesses and industry are diverse, in some cases greater office content may be required and in other cases a reduction in office content. Many businesses combine a variety of functions within their premises, including research and development (R+D), marketing, administration, warehousing and distribution, etc. and would be assisted by an ability to consolidate functions.
- **Parking and internal circulation, loading requirements**
Some tenants have a requirement for 'private' loading and circulation areas and depending on the age and layout of an industrial facility, the space may struggle to be competitive unless feasible modifications can be made to meet occupier need.
- **Retail showrooms**
In areas that operate at a more local level, the ability to accommodate a retail component could assist occupiers accommodate multiple business functions. "Industrial retail outlets" serve this purpose, however in many instances products may no longer be physically manufactured on the site. The current standard instrument provisions in this respect are acknowledged to be limiting.

Current minimum lot size requirements for industrial lands range from 1,500sqm to 7,000sqm (in Carter Street). No recommendations are made for revision.

The use of lands for employment purposes has an impact on Council's fiscal base, employment generating lands attracting much higher rate levies than residential lands.

9.2 Planning Policy Recommendations

Listed below are the policy recommendations for each precinct. Where it has been recommended that some precincts are rezoned an indicative timeframe has been provided. The timeframes used have been categorised the following way:

- Short term - within next 5 years.
- Medium term - within 10-15 years.
- Long term - within next 20 years.

9.2.1 Queen Street (Precinct 1)

This site at just over 6ha is one of the smaller industrial areas in the Auburn LGA. Its location immediately south of Auburn Town Centre provides an important opportunity, at least in part, to extend the Town Centre. This advice departs from that provided in the earlier report commissioned by Council and undertaken by Hill PDA in 2008. In this earlier report, the retention of the entire site for Light Industry was recommended. The advice offered below takes a longer term view in that the opportunities for Auburn Town Centre to renew and extend into the future must be planned for and the northern end of this site provides just this opportunity.

An appropriate zoning for an extension to the Town Centre would be B4 Mixed Use, providing increased opportunity to deliver not only sought-after residential close to Auburn Train Station, but also provide scope for other land uses such as shops, professional services and commercial offices to allow for the extension of the Town Centre and generate more local employment.

The southern part of the precinct contains an industrial strata complex which provided smaller, affordable units. Redevelopment of the middle section of the site for these smaller style units should be promoted and the entire southern section of the Queen St precinct should remain as IN2 Light Industrial.

Table 9.1. Recommendation for Precinct 1

Sub-precinct	Area (ha)	Current	Recommendation	Comments	Timeframe
Queen Street	6.31	IN2 Light Industrial FSR 1:1	Retain IN2 Light Industrial and FSR 1:1 in southern portion below the junction with Louisa Street	Southern portion to remain IN2 Light Industrial to support thriving industrial strata units in the Sydney Business and Technology Centre with extension prospects into the industrial site immediately to the north.	Short Term
Eastern side of railway line at Gelibolu Parade		IN2 Light Industrial FSR 1:1	Retain IN2 Light Industrial zone FSR 1:1	Eastern portion of the precinct should be retained IN2 to support existing businesses.	

Source: AECOM

In summary, planning policy recommendations for Precinct 1 are to:

Retain the southern portion bordering Helena Street and Queen Street area as IN2 Light Industrial to support and extend existing local employment.

Retain the eastern portion on Gelibolu Parade as IN2 Light Industrial to support existing businesses.

9.2.2 Lidcombe South (including Marsden Street) (Precinct 2)

Precinct 2 comprises around 7.7ha of land zoned IN2 Light Industrial to the east and south east of Lidcombe Town Centre. It was not identified in the draft West Central Subregional Strategy as an area with strategic value but had instead the potential to allow a wider range of employment uses.

The northern part of the precinct above James Street, the Marsden Street precinct, adjoins Lidcombe Town Centre. The remaining IN2 Light Industrial area below James St is generally performing well and should be supported as providing a good source of local employment.

The southern area of this site is within the Flood Planning area per the Auburn LEP.

Table 9.2. Recommendation for Precinct 2

Sub-precinct	Area (ha)	Current	Recommendation	Comments	Timeframe
Lidcombe South	8.4	IN2 Light Industrial FSR 1:1 and R4 High Density Residential	Retain IN2 Light Industrial in the south of the precinct (south of James Street)	Current planning proposal for the land north of James St is in train and as such recommendation made relates only to land south of James.	Short Term – Medium Term

Sub-precinct	Area (ha)	Current	Recommendation	Comments	Timeframe
		FSR 1.7:1 (heights to 18m)			
		FSR 2.0:1 (heights to 20m)			

Source: AECOM

In summary, planning policy recommendations for Precinct 2 are to:

This precinct adjoins Lidcombe Town Centre and the northern section is currently the subject of a planning proposal.

Retain IN2 Light Industrial for southern part of the precinct below James Street.

9.2.3 Silverwater (Precinct 5)

Silverwater is Auburn's pre-eminent - and indeed one of Metropolitan Sydney's most important - industrial estates. Located close to the M4, Silverwater provides employment in manufacturing and wholesale trades as well as ancillary clerical and administrative employment, technicians, tradespeople and managers.

It is a precinct that should be protected from incursions by non-employment uses as it provides an on-going source of high density employment in companies such as Chubb Oktek and Kerrick Industrial Equipment.

The tight supply of land and premises in this precinct keeps prices buoyant, and there is a good offering of smaller units with more than 50% less than 1,000sqm in site area. A degree of flexibility is recommended in accepting office-based or more high-tech industries in Silverwater to maintain the levels of activity the precinct currently enjoys.

A considerable portion of this site, in particular the areas around Millennium Court and Egerton St, is within the Flood Planning area associated with Duck River.

Table 9.3. Recommendation for Precinct 5

Sub-precinct	Area (ha)	Current	Recommendation	Comments
Silverwater	152.8	IN1 General Industrial FSR 1:1	Retain IN1 General Industrial FSR 1:1	The IN1 General Industrial zone allows a wide range of employment possibilities in Silverwater from general to high tech and more office based industries.

Source: AECOM

In summary, planning policy recommendations for Precinct 5 are to:

Retain as IN1 General Industrial and promote the precinct as Auburn's most important industrial area.

Adopt a flexible approach to considering a range of employment/industrial uses that may have different access and floorspace requirements, e.g. office-type floorspace, loading and circulation requirements.

9.2.4 Lidcombe West (Precinct 6)

Lidcombe West was identified in the draft West Central Subregional Strategy as an industrial precinct of strategic importance to be retained for industrial purposes. It is considered that this assessment is unchanged. The precinct comprises a contiguous and well-located industrial area south of the M4 close to Silverwater with Tooheys Brewery occupying a large proportion of this active precinct.

Much of this site is within the Flood Planning area identified in the Auburn LEP.

Table 9.4. Recommendation for Precinct 6

Sub-precinct	Area (ha)	Current	Recommendation	Comments
Lidcombe West	43.0	IN1 General Industrial FSR 1:1	Retain IN1 General Industrial FSR 1:1*	Important industrial precinct, well located to transport and well-occupied.

Source: AECOM

*There are several sites along St Hilliers Road (south of Hall Street) which, despite their IN1 zoning, are presently improved with and occupied as commercial uses. Given existing use and improvements, it is unlikely that these buildings will be used as, or developed into industrial buildings *per se*. Council could consider permitting office premises on those sites as an additional permitted use in Schedule 1 of the Auburn LEP 2010, or rezone the sites B6 Enterprise Corridor, which permits office premises and a range of other uses, including bulky goods premises and light industrial development, which are compatible with the adjoining developments.

In summary, planning policy recommendations for Precinct 6 are to:

Retain as IN1 General Industrial and promote the precinct as one of Auburn's most important industrial areas.

Existing use and improvements influence future use and redevelopment prospects. In order to facilitate the sustainability of land use, recognition of existing uses and future development prospects would assist these uses respond to market demand over time.

Adopt a flexible approach to considering a range of employment/industrial uses that may have different access and floorspace requirements, e.g. office-type floorspace, loading and circulation requirements.

9.2.5 South of Rookwood (Precinct 7a and 7b)

These two small parcels of industrially zoned land are in an isolated position close to the rail line. They are considered only useful for small scale enterprises or storage needs associated with either the University of Sydney Lidcombe Campus close by or Rookwood Cemetery and as such the IN1 General Industrial zoning or other employment zone is considered appropriate for the foreseeable future.

Table 9.5. Recommendation for Precinct 7

Sub-precinct	Area (ha)	Current	Recommendation	Comments
South of Rookwood	2.6 over 2 sites	IN1 General Industrial FSR 1:1 SP2 Infrastructure	Retain IN1 General Industrial FSR 1:1 SP2 Infrastructure	Important industrial precinct, well located to transport and well-occupied.

Source: AECOM

In summary, planning policy recommendations for Precinct 7 are to:

Retain as IN1 General Industrial and SP2 Infrastructure until such time as is necessary to consider alternate zonings to facilitate amalgamation with adjoining lands.

9.2.6 Regents Park (Precinct 8)

Regents Park was identified in 2008 in the draft Subregional Strategy to be retained for industrial purposes being of strategic importance. It is one of the larger industrial precincts in Auburn and the only one in the south of the LGA. Regents Park provides a variety of different types and scales of industrial premises and is generally well-occupied according to analysis undertaken for this Study. Its high proportion (85%) of lots of less than 5,000sqm make it an ideal and more affordable start-up location appealing to businesses in the south of the LGA and beyond, towards Bankstown.

Its scale and varied unit sizes make it a valuable industrial precinct for the future, in a location accessible to public transport.

Table 9.6. Recommendation for Precinct 8

Sub-precinct	Area (ha)	Current	Recommendation	Comments
Regents Park	78.8	IN1 General Industrial FSR 1:1 IN2 Light Industrial FSR 1:1	Retain IN1 General Industrial FSR 1:1 IN2 Light Industrial FSR 1:1	Only large industrial precinct in the south of the LGA. The IN2 Light Industrial zone permits a range of uses, hence its retention is recommended.

Source: AECOM

In summary, planning policy recommendations for Precinct 8 are to:

Retain as large industrial precinct zoned IN1 General Industrial providing a wide range of premises close to transport in the southern part of the LGA.

Retain IN2 Light Industrial along the eastern portion of the precinct.

Caution is recommended when considering planning proposals that envisage component/s of residential uses, particularly so as they do not conflict with long term viability of uses in Precinct 8.

Adopt a flexible approach to considering a range of employment/industrial uses that may have different access and floorspace requirements, e.g. office-type floorspace, loading and circulation requirements.

9.2.7 Clyburn (Precinct 9)

Clyburn was also identified in 2008 in the draft Subregional Strategy to be retained for industrial purposes due to its strategic importance. Still performing a key function for maintenance and railway marshalling yards, Clyburn remains a key part of Auburn's employment lands future. The restricted access through residential areas to the precinct is a limiting factor to both future industrial and any alternative uses for the site.

Lands with a good road/rail interface are scarce now in Sydney, and it is likely that Clyburn will remain a key part of Auburn's employment land and rail operations within metropolitan Sydney. Therefore it is critical that the future needs for the rail yard should be considered to ensure rail operations are not undermined in the future. The state government's Plan for Growing Sydney and the Ports and Freight's Strategy both require the use of land use buffers to freight yards, including the Clyde Marshalling Yards. As such in the short-medium term (i.e. next 5-10 years) the precinct could conceivably continue to be used as a freight marshalling yard as well as other transport and logistics uses.

Access Improved and Strengthened

In the much longer term, closer to the end of the 20 year planning horizon envisaged in this Strategy, subject to improved access either from Parramatta Road and Rawson Street in the north or from Manchester Road in the south, an intensification of employment uses could be considered. Potential land uses include warehouse or distribution centres, hardware and building supplies, landscaping material supplies or other uses that support the viability of bulky goods premises along the Parramatta Road B6 Enterprise Corridor, for instance by providing back-of-house operations for a use along Parramatta Road.

In the much longer term and with these access issues resolved, Clyburn could operate in conjunction with Auburn West as a highly productive employment area to accommodate employment growth and its evolving nature. It is however stressed that this is a very long term scenario as the Clyburn precinct continues to be valuable for industrial purposes with the rail operations likely to remain as a permanent feature of the precinct.

Access Issues Not Resolved

Should access issues be unable to be resolved and access remains poor and traversing residential areas, it is likely that lands will remain in their present form, accommodating large warehouses and sheds. In this scenario, new industrial uses are unlikely to be attracted to the precinct.

Owing to the precinct's close proximity to established residential areas, the precinct is likely to appeal more to business users who respond to population growth and play a local service role, rather than business/industrial users who respond to economic activity in the broader

region. Uses could include respite day care centres, commercial premises, community facilities, childcare centres and health services facilities.

In this scenario, residential uses could be considered to complement the provision of and contribute to the viability/vitality of business floorspace, particularly in the portion of the precinct closest to existing residential uses, subject to resolution of interface and amenity issues with the marshalling yards.

Operational Requirements of Clyde Marshalling Yards

In either scenario (whether access to the precinct can or cannot be improved), the integrity and operational requirements of the Clyde Marshalling Yards should be foremost in the consideration of alternate uses.

A portion of this site is within the Flood Planning area associated with Duck River.

Table 9.7. Recommendation for Precinct 9

Sub-precinct	Area (ha)	Current	Recommendation	Comments	Timeframe
Clyburn	48.6	IN1 General Industrial FSR 1:1	Retain IN1 General Industrial, FSR 1:1 In the much longer term, if current uses cease and access issues are able to be resolved, consider accommodating uses that support the viability of bulky goods premises along the Parramatta Road B6 Enterprise Corridor. If access issues are unable to be resolved, consider planning controls that would permit business users who respond to population need and play a local service role. FSR 1.5:1	An important industrial site to retain IN1 zoning. In the much longer term a mixed business zone could either support the Parramatta Road B6 Enterprise Corridor (assuming current access issues are resolved) or support population growth and service the needs of the local population (should current access issues remain). In either scenario, the integrity and operational requirements of the Clyde Marshalling Yards should be foremost in the consideration of alternate uses.	Long Term - following resolution of access and land use conflict issues.

Source: AECOM

In summary, planning policy recommendations for Precinct 9 are to:

Retain as IN1 considering its strategic importance with good access to rail spur lines and corresponding support role as marshalling yards.

In the longer term consider a B5 Business Development zone subject to resolution of access and land use conflict issues and provided a change of zone will not prejudice the operations of ongoing rail uses.

9.2.8 Lidcombe East (Precinct 10)

Precinct 10 is another site identified in 2008 in the draft Subregional Strategy to be retained for industrial purposes being of strategic importance. This assessment remains true being a large, well-located and well maintained precinct with good levels of occupancy. The precinct has direct access off Parramatta Rd and has a number of modern industrial units making it an important site to protect and support for a wide range of future industrial purposes.

Table 9.8. Recommendation for Precinct 10

Sub-precinct	Area (ha)	Current	Recommendation	Comments
Lidcombe East	30.0	IN1 General Industrial FSR 1:1	Retain IN1 General Industrial FSR 1:1	Important industrial precinct to be retained and protected for future employment growth

Source: AECOM

In summary, planning policy recommendations for Precinct 10 are to:

Retain as IN1 General Industrial and promote the precinct as one of Auburn's important industrial areas.

Adopt a flexible approach to considering a range of employment/industrial uses that may have different access and floorspace requirements, e.g. office-type floorspace, loading and circulation requirements.

9.2.9 Church Street, Rookwood (Precinct 11)

These two small areas off industrially zoned land, not far from Lidcombe Town Centre, are currently well used and valued as industrial land. A more appropriate use is difficult to contemplate and as such they are recommended for retention under this zoning.

Table 9.9. Recommendation for Precinct 11

Sub-precinct	Area (ha)	Current	Recommendation	Comments
Church Street, Rookwood	2.8	IN1 General Industrial FSR 1:1	Retain IN1 General Industrial FSR 1:1	Industrial considered the most appropriate use for these two isolated parcels

Source: AECOM

In summary, planning policy recommendations for Precinct 11 are to:

Retain these two small, awkwardly located, parcels as IN1 General Industrial.

9.2.10 Auburn West (Precinct 12)

This precinct abuts Parramatta Road to the south and could benefit from improved accessibility provided by the proposed WestConnex motorway. Lying to the north of the Clyburn precinct, the retention of the IN1 portions of the precinct are recommended in the short term, however in the medium to longer term, if present uses are no longer viable and cease, allowing a mix of business uses could be considered.

Lands to the rear (away from Parramatta Road) could accommodate uses such as hardware and building supplies, landscaping material supplies, etc. and those that would support the Parramatta Road B6 Enterprise Corridor. Lands fronting Parramatta Road could accommodate a range of employment uses, akin to other parts along Parramatta Road.

The longer term scenario could unlock the potential of Auburn West to work in conjunction with the Clyburn site for new employment uses with large floorplate requirements, and those that support the B6 Enterprise Corridor.

Businesses in the B6 Enterprise Corridor zone of the precinct (part of the Parramatta Road corridor) such as major homewares and bulky goods retailers, will continue to benefit from more exposure on the Parramatta Rd but as stated, amenity improvements will help improve conditions for workers and shoppers alike and stimulate growth.

A portion of this site is affected by the Flood Planning area associated with Duck River.

Table 9.10. Recommendation for Precinct 12

Sub-precinct	Area (ha)	Current	Recommendation	Comments	Timeframe
Auburn West*	28.7	IN1 General Industrial FSR 1:1 and	Retain IN1 and B6 portions in the short to medium term	Maintain IN1 zoning. However in medium to long term if existing uses cease, consider a mix of business uses along the	Medium Term – Long Term

Sub-precinct	Area (ha)	Current	Recommendation	Comments	Timeframe
		B6 Enterprise Corridor FSR 1:1 FSR 1.5:1 (bulky goods, entertainment facilities, function centres, registered clubs) FSR 3:1 (office, hotel, motel)	In the medium to longer term facilitate a mix of business uses not dissimilar to other lands that front Parramatta Road. FSR 1:1, 1.5:1, 3:1 subject to uses Consider uses that would support the Parramatta Road B6 Enterprise Corridor, FSR 1.5:1 in the southern portion	Parramatta Corridor and supporting business uses to the rear opposite Clyburn. Any rezoning should not prejudice the ability of present occupiers to viably operate, nor precipitate their relocation off site.	

Source: AECOM

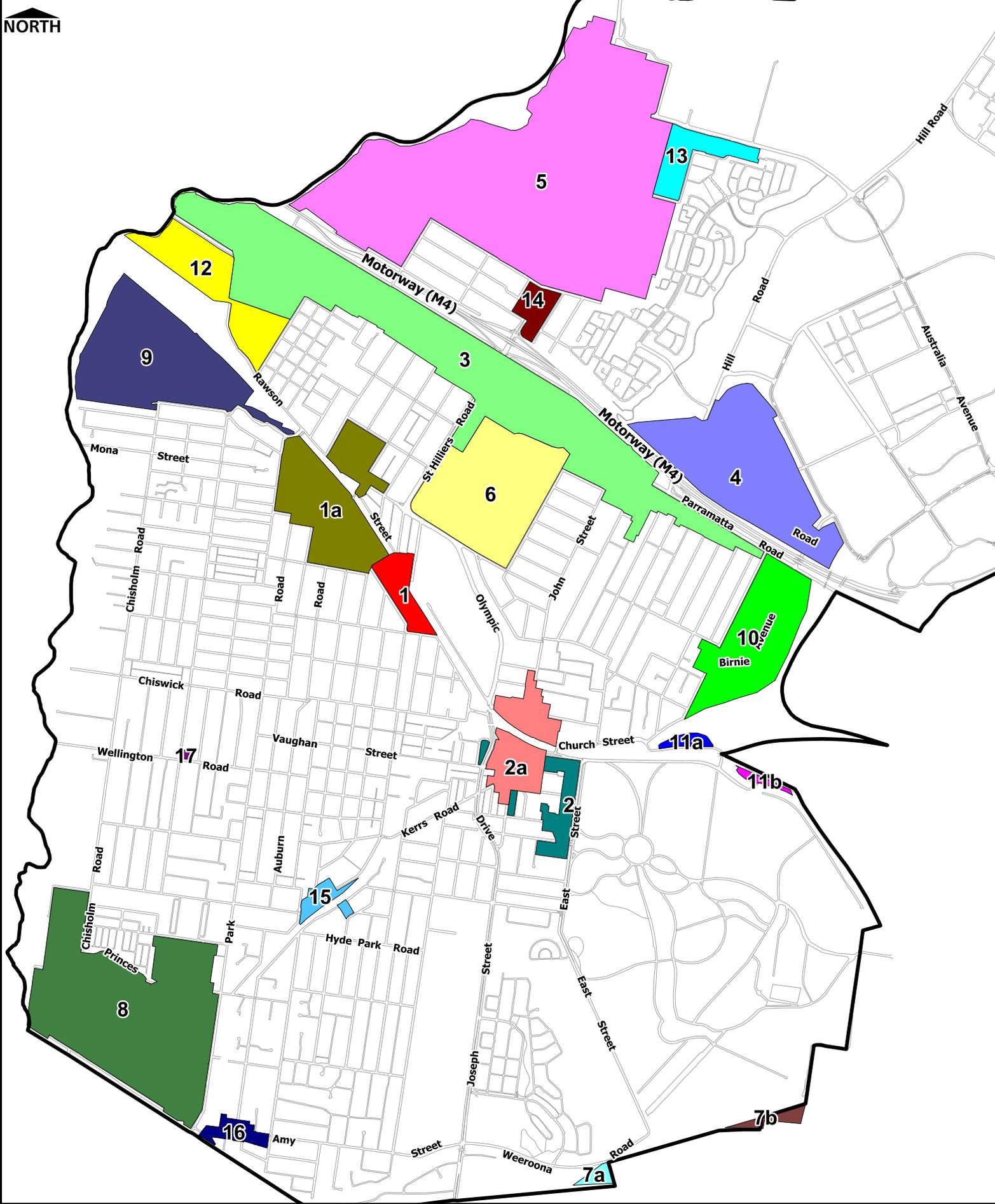
*Owing to distinct employment and land use characteristics of the existing B6 and IN1 zones, the B6 portion of the precinct should be incorporated within Precinct 3, the Parramatta Road B6 Enterprise Corridor (as shown in Figure 9.1).

In summary, planning policy recommendations for Precinct 12 are to:

Retain the respective IN1 and B6 zones in the short to medium term.

In the medium to longer term consider a mix of business uses in the northern portion (lands that front Parramatta Road) that would strengthen the Parramatta Road B6 Enterprise Corridor and a mix of business uses that could support the Parramatta Road B6 Enterprise Corridor in the southern portion. Consider this only in the event a rezoning does not impede the ability of present occupiers to operate viably, nor precipitate their relocation off-site.

Figure 9.1: Recommended Alignment of B6 portion from Precinct 12 to Precinct 3



LEGEND

Precincts

1	15	4
10	16	5
11a	17	6
11b	1a	7a
12	2	7b
13	2a	8
14	3	9

Auburn City Council Precincts



Map projection: UTM
 Coordinate System:
 GDA/MGA 1994 Zone 56

File Name: ACC Precincts
 Date Created: 25/06/2015

9.3 Assessment Criteria for Proposals that are Inconsistent

To guide evaluation and determination of planning proposals that are inconsistent with the Strategy, the following items are recommended for consideration.

Table 9.11. Assessment Criteria for Inconsistent Planning Proposals on Industrial Lands

No.	Criteria	Rationale
1	Is the site near or within direct access to key economic infrastructure such as a major arterial road?	Direct access is key to viability and future sustainability of employment lands.
2	Does the site form part of a significant industry cluster?	If the site is part of a 'significant' employment cluster (i.e. serviced by good and direct access, no land use conflicts), the 'integrity' of a large cluster should be protected.
3	Are there access issues and land use conflicts?	Ability of the employment cluster to operate sustainably is related to quality of access and ability to operate in a conflict-free environment
4	Would the proposal impact the continuation of activities on adjacent or nearby industrially zoned lands to the detriment of those activities?	Impact on other viable industry/businesses should be examined
5	Does the proposed rezoning impact the industrial land stocks in the subregion and thus the ability to meet future demand for industrial land activity at subregional level?	The maintenance of sufficient industrial land stocks within the Subregion is important for the future economic prosperity of the wider metropolitan region.
6	Would the proposal inhibit the achievement of Auburn's capacity targets and employment objectives?	Is employment proposed to be accommodated and if so, what is the nature of that employment
7	Can the lands be used for another industrial purpose now or in the foreseeable future?	This is related to the lands' ability to attract alternate occupiers should current occupiers vacate the site
8	Are there opportunities to redevelop the land to support new forms of industrial land uses such as high-tech or creative industries?	There could be opportunities for employment intensification within the site

Source: AECOM

10. Recommendations for Business Lands

Business zones play an important role in providing future employment for Auburn's growing population and help meet the demand for future retail. The current centres will need to plan for expansion into the future to meet the shopping and commercial needs of Auburn's growing population, constituting the main priority for policy makers over the next 20 years.

Where a Business zone is applied to a town or village centre it is important that the commercial prospects of that centre are not compromised by the encroachment of residential development. Town Centres need to be able to grow and not become 'walled-in' by high density residential development. The B4 zone in particular in its application through the ALEP in connection with Auburn and Lidcombe Town Centres, currently allows developments to be entirely residential in nature, not providing any retail or commercial floorspace which would provide valuable job opportunities. As such it is recommended that ground floor retail/commercial uses should be a requirement of all B4 developments except where the scale of development is too small.

The proposed new WestConnex Motorway presents the opportunity to revitalise the 22kms of the Parramatta Rd. Some parts of the Road are likely to see reductions in traffic, particularly freight traffic. However, at the western end of the corridor, where Auburn LGA is located, the benefits are likely to centre on improved connectivity to the wider metropolitan region provided by WestConnex, and the greater attractiveness of business premises on this stretch of the corridor. As such this will remain an important place for business and larger retail outlets making the B6 Enterprise Corridor zoning with B5 beyond the immediate corridor, the most appropriate in lieu of industrial zoning.

10.1 Guiding Principles

The Auburn LEP should include provisions for retail and commercial uses to be required in all but the smallest new developments in the B4 Mixed Use zone to ensure future centre expansion possibilities to meet projected growth.

While successive government policy has advocated for in-centre retailing, in many cases the scope for additional retailing is limited due to the developed nature of centres and the fragmented ownership patterns. In those instances it is a better community outcome that retailers are accommodated elsewhere in an out-of-centre location which can evolve into a centre over time, rather than not be provided at all.

Due to the developed nature of centres and fragmented ownership patterns, cross-subsidisation by other uses (often residential) is necessary to development to be feasible. Where possible, appropriate retail within high density residential should be supported.

The Strategy has had regard to some guiding principles in its recommendations for business zones and centres:

- **Established centres and new centres**
While successive government policy has advocated for in-centre retailing, in many cases the scope for additional retailing is limited due to the developed nature of centres and the fragmented ownership patterns. In those instances it is a better community outcome that retailers are accommodated elsewhere in an out-of-centre location which, has the potential to evolve into a centre over time, rather than not be provided at all.
- **Cross-subsidisation by other uses** (often residential)
Due to the developed nature of centres and fragmented ownership patterns, cross-subsidisation by other uses (often residential) is necessary to development to be feasible. Where possible, retail within high density residential should be supported.
- **Ground floor retail**
While the notion of street activation is commendable, depending on location and position within a centre, ground floor retail can be met with market resistance and prolonged periods of vacancy. That said, as centres grow, it is important there is future capacity to accommodate retail/commercial growth.

It is recommended that ground floor retail be required (as per the standard instrument template), however exceptions could be made where a site may be too small in a poor position that ground floor retail is not feasible.

Requiring ground floor retail 'as of course' will also help ensure that centres are not 'walled-in' by high density residential, precluding further expansion in the future.

- **Surplus capacity**

Surplus lands capacity in business zones and centres will help stem landbanking and alleviate the tension between land uses, all of which are not helpful for feasible development. As an example in the B6 Enterprise Corridor zone, the availability of lands enables the market to respond to market demand and market cycles, accommodating a range of bulky goods and non-bulky goods uses as appropriate.

- **Bulky goods**

The B5 and B6 zones permit a range of uses including bulky goods. While bulky goods uses typically cluster, they serve a larger trade area extending across several municipalities. There is no planning requirement to plan for these uses through the centres policy, effectively leaving the market to respond to market need. A wide range of uses are permitted in the B5 and B6 zones - bulky goods only one of those uses.

Bulky goods/LFR floorspace is an important part of the offer demanded by residents and such uses should be encouraged by Council where there is sufficient demand. Preservation and consolidation of existing bulky goods/ LFR clusters within the LGA will allow new entrants to access the market and existing operators to develop and expand where required, bulky goods/LFR operators having a lesser ability to acquire sites compared to other higher turnover retail operators. This will support economic development and be positive for the consumer.

Retain enterprise corridor lands to enable employment growth to be accommodated as Auburn and Metropolitan Sydney's population continues to grow. These enterprise corridor lands not only serve to accommodate bulky goods uses, they also accommodate a range of other uses, allowing for flexibility for markets to respond to need.

In line with planning policy, Council should continue to limit retail floorspace and as far as is possible, encourage retail to locate within established or new centres. No revision to the current commercial precinct along Parramatta Road is suggested.

10.2 Planning Policy Recommendations

Listed below are the policy recommendations for each precinct. Where it has been recommended that some precincts are rezoned and indicative timeframe has been provided. The timeframes used have been categorised the following way:

- Short term - within next 5 years.
- Medium term - within 10-15 years.
- Long term - within next 20 years.

10.2.1 Auburn Town Centre (Precinct 1a)

As the largest and eponymous Town Centre of the Auburn LGA, Auburn Town Centre needs to explore opportunities for expansion both in terms of denser development in existing commercial areas, and rezoning of new supplementary areas on its periphery. The split nature of the Centre either side of the rail line is common in Sydney but inhibits the creation of a cohesive centre. Nonetheless, the creation of a livelier Town Centre and stronger economy on both sides of the tracks around the train station is achievable.

To the south of the Auburn Town Centre boundary, on Queen Street, the opportunity exists to rezone the northern part of the Queen Street industrial precinct to provide new land for residential, retail and commercial purposes to extend the existing Town Centre. A zone that sends a strong message that land around the Town Centre is important for economic purposes not only residential would be beneficial.

Opportunities for redevelopment should also be promoted within the existing Town Centre, along South Parade, Queen Street and Rawson Street in the existing B4 Mixed Use zoned area. The revitalisation of Auburn Shopping Village through facilitation of a new supermarket should be considered as well as encouragement of more dense and diverse retail and commercial developments in the Town Centre. Work undertaken in 2012 through an Urban Design Study for Auburn and other centres in the LGA would be valuable to revisit for site-by-site options.

Some local amenity improvements have already benefitted the character and attractiveness of Auburn and the centre can play to its multi-cultural strengths in promoting new retail and commercial uses that will have wide regional appeal.

Table 10.1. Recommendation for Precinct 1a

Sub-precinct	Current	Recommendation	Comments	Timeframe
Auburn Town Centre	B4 Mixed Use zone across the central and majority of the Town Centre a building height of 38m and FSR of 5:1 applies Queen St - building height of 49m and FSR of 3.75:1 or 5:1 Other areas - transitioning to residential have FSRs of 2.4:1 or 3.6:1 respectively	B4 Mixed use zone with retail and commercial uses in Centre core. FSR 5:1 tapering to 2.4:1	Auburn has capacity to further densify the B4 zone in the existing Town Centre as well as secure additional land for a mixture of retail, commercial and residential purposes at its southern borders.	Short Term

Source: AECOM

10.2.2 Lidcombe Town Centre (Precinct 2a)

Lidcombe Town Centre, like Auburn, is a split centre straddling the rail line. It is a good size with opportunities to extend further east on the south side, in the Marsden St Precinct as identified earlier in this report. This will generate more life, activity and employment opportunities and provide a site for a new supermarket for Lidcombe which is currently without a retail format of this type. It will also stimulate more economic activity in what is a highly accessible centre with great potential for growth and renewal.

To the north of the railway line the Catholic Club and adjacent sites provide opportunities for replanning this part of the Town Centre to create more commercial and employment opportunities through urban renewal.

Work undertaken in 2012 through an Urban Design Study for the LGA which included specific options for Lidcombe would be valuable to revisit for more site-by-site analysis.

Table 10.2. Recommendation for Precinct 2a

Sub-precinct	Current	Recommendation	Comments	Timeframe
Lidcombe Town Centre	B4 Mixed Use zone FSR 5:1 Majority of town centre 32m or 36m, with small areas of 60m.	B4 Mixed Use zone FSR 5:1	Lidcombe has opportunities to expand and like Auburn could benefit from more dense retail and commercial development through redevelopment.	Short Term

Source: AECOM

10.2.3 Newington Business Park and Local Centre (Precinct 13)

A small thriving employment area adjacent to the Silverwater industrial area, in the north of the LGA, with relatively small lots between 0.5ha and 1ha in area. Newington is meeting a growing demand for sites accommodating the co-location of office and warehousing operations and could accommodate some higher density business uses.

A much longer term possibility could be the relocation of Silverwater Correctional Centre releasing a large area to the north for a potential extension of the business park.

The adjacent shopping centre services a wide area including Sydney Olympic Park and Wentworth Point as it has a reasonably sized supermarket which other nearby localities lack.

Table 10.3. Recommendation for Precinct 13 and 13a

Sub-precinct	Current	Recommendation	Comments
Newington	B7 Business Park zone B2 Local Centre zone FSR1.2:1	B7 Business Park zone B2 Local Centre zone FSR1.2:1	Small, thriving employment area and local shopping centre with longer term capacity for future growth.

Source: AECOM

10.2.4 Berala Village (Precinct 15)

This lively small centre in the south of Auburn, also split by the rail line, provides a good range of local shops and services including a recent Woolworths store.

Opportunities exist to increase the density of development of the village centre on the south side of the rail line and to extend the B2 Local Centre zone to provide new business premises along Campbell Street with the possibility of shop top housing.

A current Planning Proposal for Berala Village seeks to up-zone residential land in the village and extend the village centre via a B2 Local Centre Zone on both sides of the rail line. The blocks selected on the south side of the centre along Campbell Street are in line with short term recommendations in this report; although care is required not to limit future expansion possibilities by rezoning land close against the B2 zone for high density residential along Berala Street.

The blocks identified on the northern side also provide future opportunities for growth but it is suggested this be for the longer term as the effect will be to lengthen and stretch the village, whereas the southern extension reinforces the tighter village core.

Care is needed to avoid constraining the future growth of the village centre through the use of the high density residential R4 zone close to the B2 periphery, so avenues for future expansion need to be carefully considered.

The Village is within the Flood Planning Area identified in the Auburn LEP.

Table 10.4. Recommendation for Precinct 15

Sub-precinct	Current	Recommendation	Comments	Timeframe
Berala	B2 Local Centre FSR 2:1	B2 Local Centre zone - extended on south side along Campbell Street. FSR 3:1 to stimulate investment and development activity (this is in line with technical studies that accompany the planning proposal)	Berala is a successful village centre that has capacity to expand particularly on the south side which will reinforce the focus of the village around the station. A current Planning Proposal for Berala Village seeks to up zone residential land in the village and extend the village centre via a B2 Local Centre Zone. The blocks selected on the south side of the centre along Campbell Street are in line with recommendation in this report; although care is required not to limit future expansion possibilities by rezoning land close against the B2 zone for high density residential along Berala Street. The blocks identified on the northern side also provide future opportunities for growth but it is suggested this be for the longer term as the effect will be to lengthen and stretch the village, whereas the southern extension reinforces the tighter village core.	South Berala – Short Term North Berala – Long Term

Source: AECOM

10.2.5 Regents Park Village (Precinct 16)

This village centre is not performing as effectively as Berala. Opportunities should be exploited particularly on the north side of Amy St, close to the train station, for development of a significant retail offering for the village, such as a supermarket. This would create a strong magnet for other new retail uses and bring life to an underperforming centre.

More dense mixed residential/ commercial/ retail development should be encouraged to help bookend the centre and stimulate business interest along the entire length of the village spine.

Table 10.5. Recommendation for Precinct 16

Sub-precinct	Current	Recommendation	Comments
Regents Park	B2 Local Centre FSR 2:1	B2 Local Centre zone - extended on north side of Amy Street close to the station for a significant retail offering to improve centre activity FSR 3:1 to stimulate investment and development activity, in line with that proposed in Berala	In accordance with the Regents Park Study a review of the feasibility of the planning controls in the B2 Local Centre zone (including FSR, height and car parking requirements) should be undertaken to identify opportunities to expand the capacity of the centre and potentially accommodate a supermarket.

Source: AECOM

10.2.6 Wellington Road/Cumberland Road Neighbourhood Centre (Precinct 17)

A small area of shops with a petrol station in the west of the LGA providing some opportunity for the growth of additional retail or local services to serve the local area.

Table 10.6. Recommendation for Precinct 17

Sub-precinct	Current	Recommendation	Comments
Wellington Road	B1 Neighbourhood Centre FSR 1.2:1	B1 Neighbourhood Centre FSR 1.2:1	Small neighbourhood centre serving local convenience role with some capacity for growth.

Source: AECOM

10.2.7 Parramatta Road Corridor (Precinct 3)

The application of a B6 Enterprise Corridor Zone along the Parramatta Rd Corridor is considered appropriate as it encourages commercial and industrial development along this busy road. Uses such as car yards, bulky goods centres and building supplies are evident and well-suited to the corridor.

Following construction of the proposed WestConnex motorway, the stretch of Parramatta Road through Auburn is likely to become more attractive for business as accessibility between Sydney and Western Sydney is improved through more direct Motorway access.

In addition, this precinct is likely to become busier and is therefore unlikely to ever be a suitable location for residential uses or convenience shopping. These uses would be more appropriately located close to, but off the corridor in a local or neighbourhood centre, but with easy access to the corridor for transport connections.

This principle of restricting convenience retail to walkable or accessible centres remains important to support the draw of local centres where this kind of shopping is the mainstay.

The eastern and western ends of Parramatta Road in the LGA are within the Flood Planning area per the Auburn LEP.

Table 10.7. Recommendation for Precinct 3

Sub-precinct	Area (ha)	Current	Recommendation	Comments
Parramatta Road	84.5	B6 Enterprise Corridor FSR 1.5:1 (bulky goods, retail, clubs) 3:1 (office, hotel, motel). Retail uses are permissible with consent in the Commercial Precinct.	Retain B6 Enterprise Corridor FSR 1.5:1 (bulky goods, retail, clubs) 3:1 (office, hotel, motel).	The policy settings are considered correct in this area.

Source: AECOM

In summary, planning policy recommendations for Precinct 3 are to:

Retain as B6 Enterprise Corridor to enable the market to respond to market need to deliver a variety of permitted land uses.

10.2.8 Silverwater Road (Precinct 14)

Located along the busy multi-laned Silverwater Road, Precinct 14 is zoned B6 Enterprise Corridor.

The analysis in Chapter 8 identified that Council should plan for additional retail facilities in the event several major retail proposals with the potential to deliver 3-4 supermarkets do not eventuate. In this regard, a new neighbourhood centre (including retail land uses) could be considered and may be located west of Silverwater Road (and include land between Beaconsfield and Carnarvon Streets but limited to the west by Deakin and Hume Parks and the open space between them). This presents an opportunity to accommodate a broad range of retail/commercial uses that would service the surrounding area including the neighbouring Silverwater employment precinct.

In light of planned and imminent provision of retail/commercial uses in a number of locations (Sydney Olympic Park, Wentworth Point and Carter Street in the longer term) the role of this new centre is envisaged to be one of local convenience. In contrast, the recently refurbished Lidcombe Power Centre approximately 2km to the southeast along Parramatta Road is expected to perform a higher order retail role.

A B1 Neighbourhood Centre zone is recommended. A supermarket of up to 2,000sqm and ancillary retail and commercial uses of another 1,000sqm-3,000sqm could establish a local convenience retail offer that would serve the immediate and surrounding catchment. A clustering of retail uses would promote viability and sustainability of the new centre.

An overall masterplanned approach to this new centre would be necessary to establish the bulk, scale and orientation of the buildings and ensure the benefits of links to the existing open space are capitalised upon.

With the implementation of the B1 Neighbourhood Centre zone, residential development will be permitted. As such, it is acknowledged that the residential amenity along Silverwater Road is somewhat lacking (it is subject to noise and air pollution etc.). As such, if residential is to be permitted in this precinct it is suggested that the land which fronts Silverwater Road be maintained for business uses (as envisaged by the B6 Enterprise Corridor zone) and that residential is limited to that which is required to enable viable development to a centre.

Furthermore, the precinct should be masterplanned to ensure linkage to the existing open space and establish the orientation of buildings. This would help mitigate against conflicts with the industrial area to the north. It could serve to improve the viability of the B6 zone to the east, as the overall attractiveness of this part of Silverwater would be enhanced. The B6 zone does not envisage this kind of local character, being designed to accommodate uses appropriate in busy road corridors. Instead renewed efforts to improve the local amenity to attract and retain new businesses are recommended, but is a challenge on this very busy thoroughfare.

Table 10.8. Recommendation for Precinct 14

Sub-precinct	Area (ha)	Current	Recommendation	Comments
Silverwater Road	3.9	B6 Enterprise Corridor FSR 1.5:1 (bulky goods, entertainment facilities, function centres, registered clubs) FSR 2:1 (office, hotel, motel)	Retain B6 Enterprise Corridor FSR 1.5:1 (bulky goods, entertainment facilities, function centres, registered clubs) FSR 2:1 (office, hotel, motel) B1 Neighbourhood Centre to the west between Carnarvon and Beaconsfield Streets A supermarket and associated specialties could be accommodated in 3,000sqm-5,000sqm GFA.	Opportunity to create a new centre with improved amenity and residential and local shopping and commercial uses close to the Parramatta Road and the Silverwater Industrial area. Masterplanning of the precinct is required, which could plan for the transition of the B6 lands to a new centre.

Source: AECOM

In summary, planning policy recommendations for Precinct 14 are to:

Retain as B6 Enterprise Corridor apart from area to the west between Carnarvon and Beaconsfield Streets where a B1 Neighbourhood Centre zone could unlock opportunities for retail/commercial and residential uses close to the Parramatta Road corridor providing a focus for future growth around a new centre.

Recommended Retail Hierarchy

A recommended retail hierarchy is as follows:

Table 10.9. Recommended Retail Hierarchy

Hierarchy	Centre
Specialised Centre	Sydney Olympic Park - Rhodes
Town Centre	Auburn
	Lidcombe
Village Centre	Berala
	Newington
	Regents Park
	Wentworth Point Wharf
	Sydney Olympic Park
	Carter Street
Neighbourhood Centre	Botanica
	Wentworth Point
	Wellington Road
	Silverwater
	New centre in Precinct 14

Source: AECOM

The retail hierarchy is not rigid. It should be flexible allowing centres to evolve into higher order centres over time, should there be sufficient demand. The hierarchy seeks to promote retail development.

New centres should also be added in as they eventuate. Proposals which would change the ranking of centres or deliver new centres should be considered on their merits.

10.3 Assessment Criteria for Proposals that are Inconsistent

To guide Council's evaluation and determination of planning proposals that are inconsistent with the Strategy, the following items are recommended for consideration.

Table 10.10. Assessment Criteria for Inconsistent Planning Proposals on Business Zoned Lands

No.	Criteria	Rationale
General		
1	Would the proposal impact the achievement of West Central subregional economic or employment targets?	The proposal should contribute to the objectives established for economic and employment growth for the West Central Subregion. Recognising the finite supply of existing business zoned lands, a proposal that facilitates the intensification of business floorspace would contribute to accommodating employment growth.
2	Does the proposed rezoning impact business land stocks in the subregion and thus the ability to meet future demand for business land activity at subregional level?	The maintenance of sufficient business zoned land stocks within the Subregion is important for the future economic prosperity of the wider metropolitan region. Business land that is part of a Local Centre would play a larger role than business land within a neighbourhood centre and should be considered in that context.
3	Would the proposal impact Auburn's ability to meet future local demand for business zoned employment land?	Auburn must ensure an adequate supply of business zoned land to meet the economic and employment needs of its population. This could involve an intensification of business lands which facilitates floorspace for a greater number of employees. A proposal should have regard to impact on the future viability and expansion prospects of nearby employment uses.
4	Would the proposal impact the achievement of employment targets and objectives?	Is employment proposed and if so what is the nature and quantum of that employment. Would it accommodate employment that supports Auburn's future population and economic growth?
5	Would the proposal detract from or undermine the overall viability of established centres?	The continued viability and prosperity of existing centres should be considered in terms of acceptable impact.
B1 Neighbourhood Centre, B2 Local Centre, B4 Mixed Use		
6	Would the proposal enhance the economic and local service function of the centre?	How many local jobs are proposed as part of the proposal and how does it meet the local service needs of the community.
7	Would the proposal provide for growth of the centre to service a larger population and possible progression in the retail hierarchy?	Providing for the economic growth of the centre enables change over time to cater for future population growth. Where driven by significant population growth, would a proposal result in growth and reclassification of the centre.
8	Would the proposal provide for more retail, commercial and local service employment opportunities?	Local shopping and business uses, including local service uses will be increasingly important to provide job opportunities locally for a growing population.
B6 Enterprise Corridor		
9	Is the site near or within direct access of key economic infrastructure such as a major arterial road?	Good access is important for the viability and future sustainability of Business lands, from the point of view of employees, suppliers and customers. Viable clusters of business lands in strategic locations should be nurtured and allowed to prosper.
10	Does the site contribute to a significant business cluster and would the rezoning prejudice the future of that cluster to continue to operate viably and effectively?	Loss of a major element of a significant business cluster can weaken the viability of the remaining parts of the cluster, resulting in a decline in employment opportunities and the overall health of the local economy.
11	Would the proposal provide for more retail, industrial, commercial or local service employment opportunities?	This would provide a positive strengthening of the local economy and boost local employment.

No.	Criteria	Rationale
12	Would the proposal detract from nearby established centres?	The ongoing success of proximate local or town centres should be considered. New initiatives to support and promote existing centres as a result will be important.
B7 Business Park		
13	Would the proposal enhance the economic and service function of the business park?	It will be important for land in Business Park zone in Auburn to be supported so as to meet current and future economic and employment needs.
14	Would the proposal provide for the growth of the business park to service a larger population in the future?	As the population grows so too do business and service needs. Depending on business activity, Business Park lands can grow to either accommodate more floorspace or greater intensity of use.
15	Would the proposal provide for more core economic activity such as office and light industrial uses?	As businesses and their floorspace requirements evolve, so too do buildings and the accommodation they offer. It will be important to ensure business needs continue to be met for ongoing investment appeal and economic success.
16	Would the proposal provide ancillary facilities such as retail and other services that do not detract from the core uses of the business park?	A limited amount of ancillary uses will be necessary to support the sustainable function of Business Parks and ensure their attractiveness to tenants and occupiers.

Source: AECOM

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Appendix A: Employment Lands Study (2008)

The Employment Lands Study (Hill PDA, 2008) suggested the following guiding land use principles and recommendations:

- Industrial uses and their needs are not homogeneous. A range of employment precincts with varying site characteristics and levels of affordability should be retained to meet the requirements of a range of industries i.e. urban support services, high tech manufacturing, distribution and warehousing. This will also ensure that Auburn's employment lands have a complementary rather than competitive relationship to secure investment.
- Auburn's geographic relationship and supply of employment lands will ensure that the LGA continues to be an attractive location for industrial uses seeking proximity to inner city, middle Sydney and western markets.
- The retention of traditional industries and emerging new industries should be protected in Auburn through clear planning and economic policies that seek to avoid rezoning speculation and the associated property value increase that pushes industry out of an area owing to declining viability. Significant losses in land zoned for employment uses will tip the balance of supply versus costs thereby increasing its value and outpricing smaller businesses or those that are more price sensitive in Auburn. This will exacerbate the industrial suburbanisation trend and the loss of this valuable employment generator from the LGA.
- The loss of manufacturing in industrial jobs within Auburn will adversely affect demand for spin off businesses within the service economy therefore impacting a range of employment categories in the LGA.
- Maintaining the affordability of industrial property prices in Auburn is particularly pertinent in light of 'higher value' uses such as residential that compete with industrial uses for space particularly within inner ring suburbs such as Auburn. This competition is likely to only increase as housing affordability continues to mount as an issue and demand for housing in close proximity to centres and transport grows.
- The growing number of commercial jobs and businesses within Auburn will have implications to the character of Auburn's employment lands and town centres. In accordance with DP&E objectives, the strength of centres should be supported and enhanced. Accordingly commercial uses suited to centre locations should be prioritised for these locations.
- Commercial uses not suited to town centres may however seek locations in suitably zoned employment lands (i.e. zone B6 Enterprise Corridor, B5 Business Development or B7 Business Parks). The characteristics of these businesses should be clearly defined in criteria established and agreed by the Council and DP&E.
- There is a growing potential for conflict between industrial uses and residential, particularly where new residential developments begin to encroach on existing industrial precincts. Careful planning and design will be required to minimise conflict.
- Stand-alone residential development should not be permitted within industrial zones. Residential that is ancillary to an industrial use may be permitted where it can be proven that it is essential to the effective operation and function of an industrial business and will not be occupied by a family.
- Child care facilities should be permitted with consent within the IN2 Light Industry zone only where it can be shown that through mitigation measures there will be no adverse impacts to the health and well-being of occupants nor the function and viability of surrounding industrial uses. Child care facilities should not be permitted within the IN1 General Industry zone.
- Places of worship should not be permitted within industrial zones as they may have an adverse impact to their employment generating function.

- Residential uses should not be permitted within Enterprise Corridor Zones or along the Parramatta Road Corridor for environmental and economic reasons.
- Whilst significant job growth has been forecast for Auburn, it is considered a forecast that can only be achieved if the right conditions are established within the LGA to facilitate the growth of business and to attract new business. To achieve this it will be important to carefully plan for the changing character of Auburn's employment generating industries and labour forces.



Appendix B: Employment Precinct Profiles

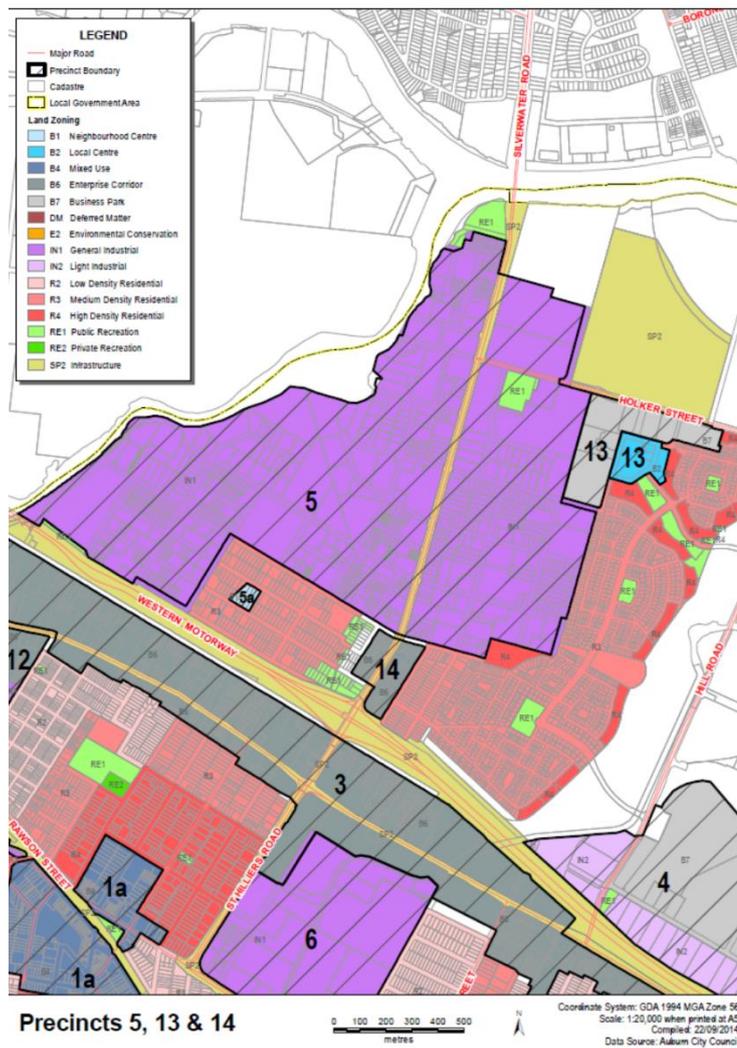
Northern Employment Areas

Geographical Area: Employment Zones that fall into the **Homebush Bay-Silverwater SA2** Area. These are the employment areas that are to the northern side of Parramatta Road which bisect the LGA.

Silverwater (Precinct 5, 13, 14)

Due to their geographic context, for the purpose of this analysis the Silverwater employment lands are grouped to include Precincts 5, 13 and 14.

Figure B.1. Map of Silverwater (Precincts 5, 13 and 14)



Source: AEC

The Silverwater Industrial Area (Precinct 5) is one of the region's largest clusters of industrial IN1 lands, with more than 150ha of contiguous land. The Newington Business Park (Precinct 13) is adjacent to Precinct 5 in its northwest corner and comprises a small pocket of business park lands (B7) with several campus style developments and the Newington Marketplace (B2) with a supermarket and several specialities.

The Silverwater Correctional Facility is just to the north of Precinct 5. Just to the south of Precinct 5 is the 'Silverwater Road corridor' (Precinct 14) which accommodates land zoned B6 Enterprise Corridor.

Description

Precinct 5 (Silverwater)

The Silverwater Industrial Area is Auburn's premier industrial estate, containing a mix of old and new one and two storey office/warehouse developments. There are new developments along Derby Street to the west of Silverwater Road with a mix of built form on the eastern side of the precinct. Zoned IN1 General Industrial, permissible densities are FSR 1:1.

Several large and institutionally owned estates are located therein, including Silverwater Precinct, Central West Industrial Estate, Triple M Industrial Estate, Slough Business Park and Mills Waterfront Estate. Select number of food and beverage outlets are found in this precinct, including Subway and coffee shops.

Precinct 13 (Newington Business Park)

Just west of Newington residential area, Precinct 13 incorporates the Newington Business Park, a part of which is owned and managed by Goodman. The precinct is occupied by a mix of tenants including Bose, IAG Research, NSW Food Authority and Hirotech. The built form is new and well maintained, a combination of warehouse and office floorspace. The Newington Marketplace is located adjacent incorporating a Woolworths supermarket. Currently zoned B7 Business Park and B2 Local Centre, permissible FSRs is 1.2:1.

Precinct 14 (Silverwater Road)

Located on either side of Silverwater Road, this precinct is comprised of several rows of old cottages and several older commercial buildings occupied by drycleaners and a printing company. Currently zoned B6 Enterprise Corridor, permissible FSRs range from 1:1, 1.5:1 and 2:1 subject to use.

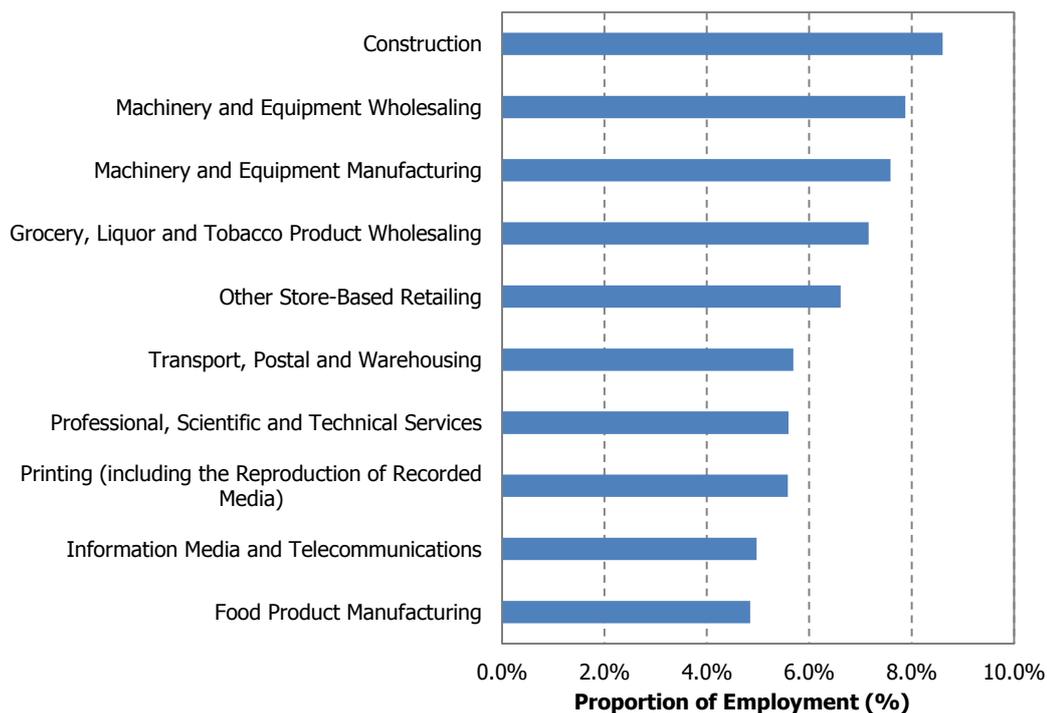
Employment and Business Activity

Businesses in the Silverwater precinct employed almost 10,500 employees in 2011, giving the precinct an employment density of 63.1 employees/ha. Almost half (49.6%) of all employment in the Silverwater precinct was in the sectors of manufacturing and wholesale trade. All other sectors formed less than 10% of total employment.

The industrial composition of the precinct resulted in high proportions of clerical and administrative workers, technicians and trades workers and managers in the area. Together, these three occupational groups formed 56% of total employment. White and blue collar workers formed over 90% of all employment in the area.

Business activity is dominated by construction, wholesaling and manufacturing activities, together accounting for more than 30% of activity. The breakdown of employment by industry at the 2-digit level indicate that top 10 industries of employment are:

Figure B.2. Top 10 Employers by Industry (2-digit level ANZSIC)



Source: ABS (2012a)

This is illustrated by key occupiers that include:

- Precinct 5 - Chubb, Oktek, Marble Matters, Kerrick Industrial Equipment, Kennards.
- Precinct 13 - Bose, Robotic Automation Technology, NSW Food Authority, IAG Research Centre.
- Precinct 14 - Cedray, dycleaners, printing company.

Competitive Features

The Silverwater Industrial Area is one of the Inner/Central West region's prime industrial areas, providing centrally located and well accessible industrial and employment floorspace. The following observations emerge:

- **Tight supply of stock**
Supply is relatively tightly held with strong leasing demand for smaller industrial units. Testament to the strong demand, a recent lease for a 225sqm unit achieved an annual net rent of \$210/sqm (minimal incentives), the lessee paying almost 20% premium in excess of market rent which is \$160/sqm-\$180/sqm. The tight supply of stock in Silverwater results in sale prices achieved well in excess of reserve at auctions.
- **Separate and buffered from residential areas**
One of the major driving factors that underpins the success and popularity of Silverwater is its relatively 'separate' nature from residential areas, thereby making land use conflicts a minimal issue.
- **Focus on more office-type uses**
While Silverwater is competitively well placed in the market, it is understood there is a growing tendency for more office-type uses to be located within buildings, this potentially restricted by existing planning controls.
- **Small average lot size**
Even though Silverwater is broadly considered to be successful, the relatively small average lot size of 0.3ha limits its capacity in the future for redevelopment and renewal. More than 50% of lots in the precinct are less than 1,000sqm in size.

Like Silverwater, the Newington Business Park is equally sought after, attracting many prominent and strong covenants. Research suggests an underlying market demand for

more accommodation like that which is provided in the business park, i.e. campus style developments providing for both office and warehouse-type uses. Average lot sizes in this precinct are slightly larger at 1ha, with 50% of lots sized between 0.5ha and 1ha.

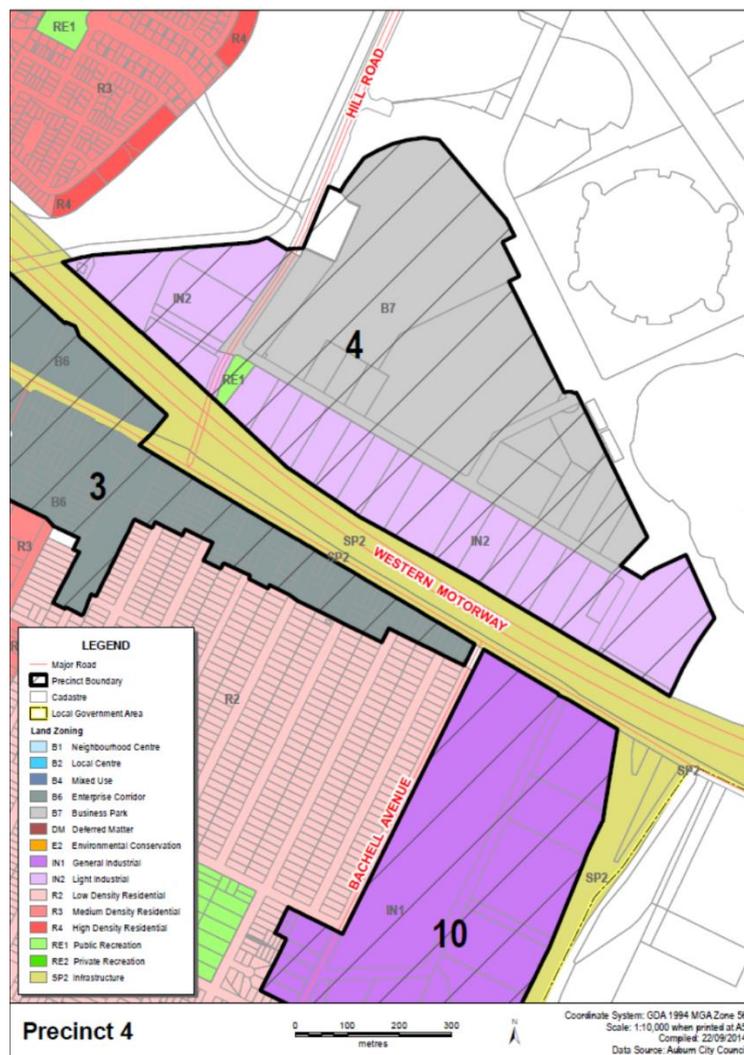
Homebush Bay (Precinct 4)

Just to the southwest border of Sydney Olympic Park and accessible directly from the M4 Western Motorway, this precinct incorporates a mix of older and new warehouse/office buildings. The precinct measures almost 50ha and is characterised by larger lots (average lot size of 1.2ha).

Currently subject to a proposed Urban Activation Precinct (UAP) designation, this precinct is also known as Carter Street precinct. The northern part of the precinct is zoned B7 Business Park while the southern portion of the precinct bounded by Carter Street and the M4 Western Motorway is zoned IN2 Light Industrial.

Given the impending change of use expected to be effected across this precinct, its competitiveness as an industrial/employment precinct is *not* considered. The current employment/economic structure is discussed for informational purposes.

Figure B.3. Map of Homebush Bay (Precinct 4)



Source: AEC

Description

The north western portion of the precinct is comprised of newer developments including the IBC Business Estate, Homebush Corporate Park and Homebush Bay Industrial Estate, all of which are managed by Goodman.

Predominant uses in the area are logistics companies with various occupiers including the Rural Fire Services Headquarters and Lang O'Rourke. Occupation is dominated by logistics and distribution uses. While many transport logistics occupiers have shifted their focus to the Outer West region in recent times, research suggests that many such logistics and distribution users still require a central location within which to service the metropolitan area. These include users like Grays Online, TNA, Tetra Pak, etc.

The north eastern portion of the precinct comprises several hospitality establishments including the Ibis Hotel and Quest serviced apartments, these located above ground floor retail and servicing visitors to Sydney Olympic Park.

The southern part of the precinct (along Carter Street) is comprised of older industrial buildings, some of which are need of upgrade and refurbishment.

Employment and Business Activity

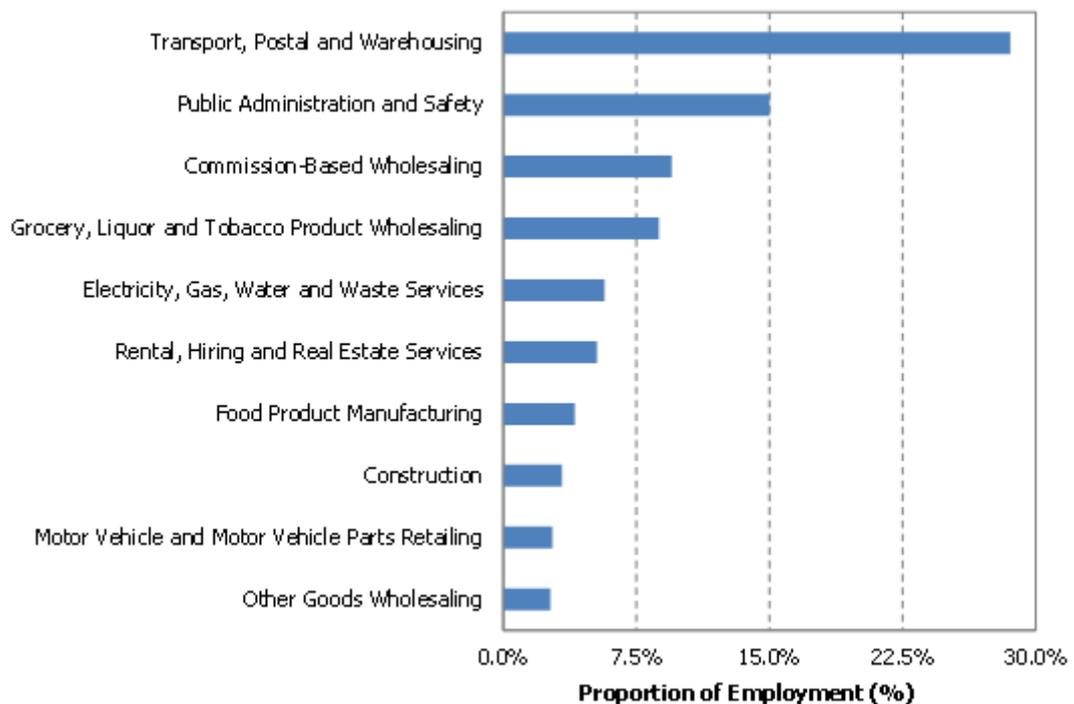
The Homebush Bay precinct employed approximately 1,600 workers in 2011, and had an employment density of approximately 32.2 employees/ha. This outcome reflects the overall impact of transport and bulky goods retailing employment types in the catchment.

The most prominent sectors by employment were transport, postal and warehousing, wholesale trade and retail trade. Together these three sectors employed two-thirds of employees. Clerical and administration workers were the most prominent occupation of workers in the precinct (at 29.3% of all employees), followed by machinery operators and drivers (16.8%) and managers (16.4%). As a result, white collar workers were the most prominent employment type in the precinct at over 60% of employment.

The dominance of logistics and distribution uses is illustrated by occupiers that include: Grays Online, Super Retail Group, Swire Cold Storage, Frozen Logistics, Sutton Parts.

Top 10 industries of employment are shown in the figure below:

Figure B.4. Top 10 Employers by Industry (2-digit level ANZSIC)



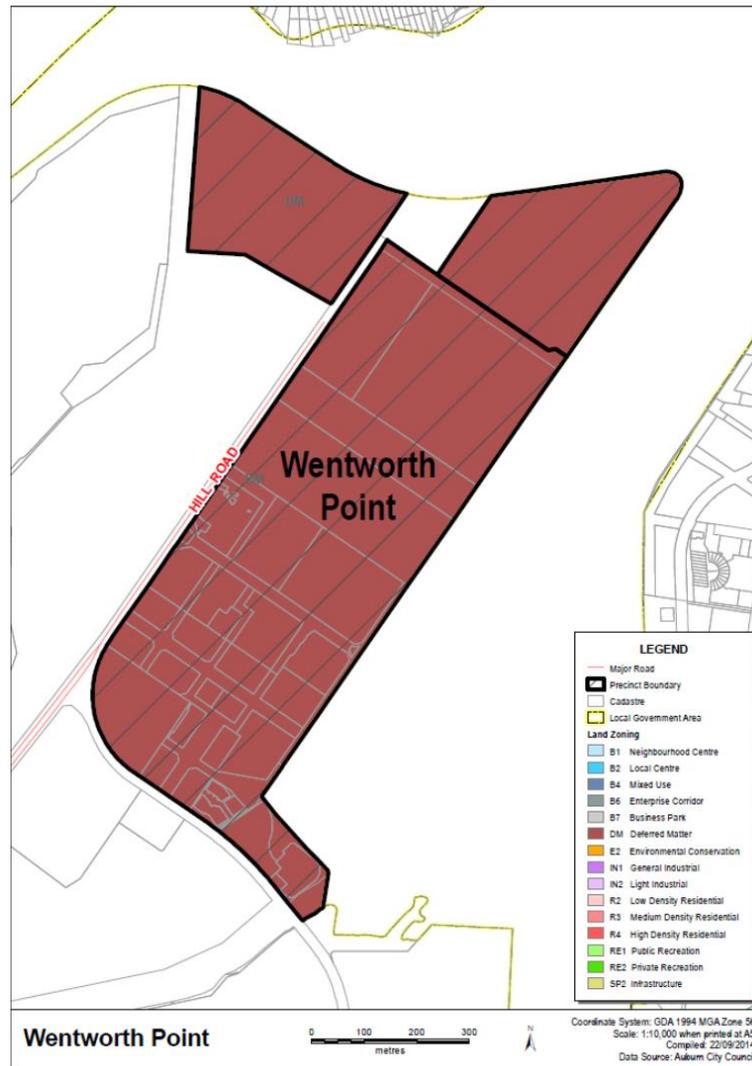
Source: ABS (2012a)

Wentworth Point

Formerly the site of various industrial and commercial uses (plywood manufacturing, warehouse for Hyundai cars and transport depot), the precinct has been declared an Urban Activation Precinct and is subject to a new suite of planning controls.

Given that rezoning of the precinct is now complete, its competitiveness as an industrial/employment precinct is *not* considered. The current employment/economic structure is discussed for informational purposes only.

Figure B.5. Map of Wentworth Point



Source: AEC

Description

Wentworth Point has been redeveloped from former industrial lands over the years to accommodate high density residential and mixed uses. Ground floor retail uses are occupied by restaurants, cafes and personal services. The retail and commercial in the area is well occupied and services the local residents.

Employment and Business Activity

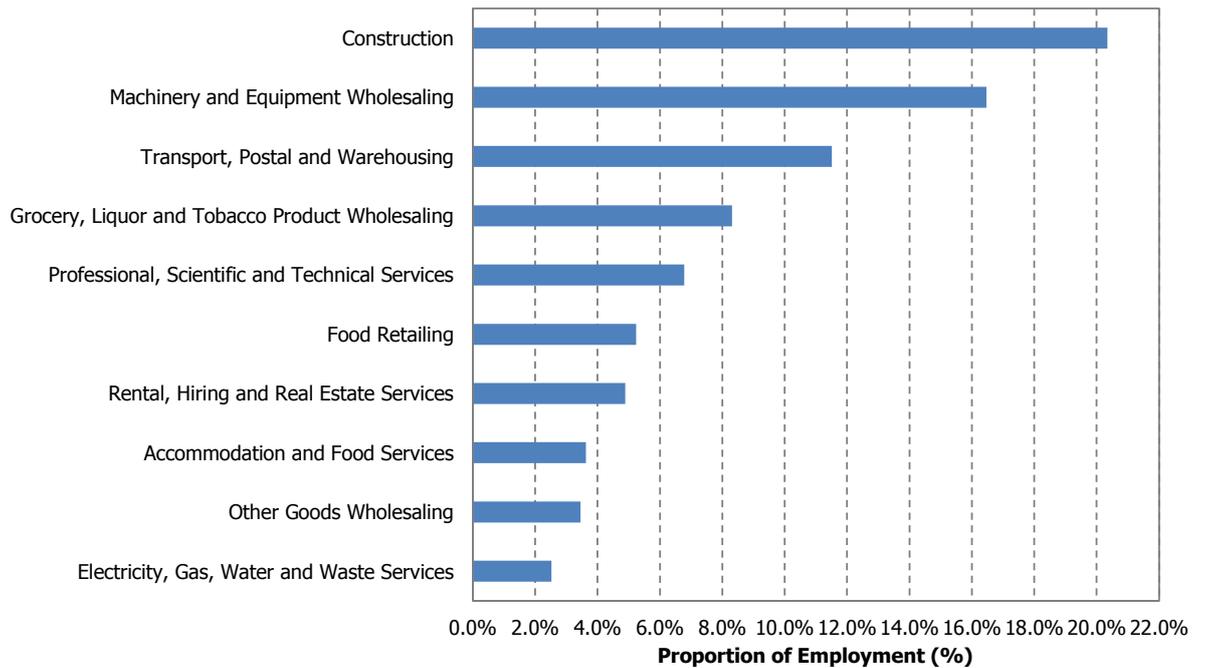
For the employment analysis the Wentworth Point Destination Zone (114734051) does not align exactly with the employment areas but also includes a large portion of the Newington Nature Reserve Wetland. Given that there is no formal employment on these adjoining lands, the nominated destination zone is considered to accurately represent the Precinct 15 Wentworth Point Employment Area.

In 2011, businesses in the Wentworth Point precinct employed approximately 650 employees, equating to an employment density of approximately 10.2 workers/ha. The key industries in the precinct (by employment) were wholesale trade (29% of total employment), construction (20.3%) and transport, postal and warehousing (11.5%). Almost a quarter (24.1%) of employees in the precinct were clerical and administrative workers. A further 18.8% were professionals and 16.6% were managers.

There are parts of the precinct that still accommodate employment uses, occupiers include Walcon Maritime, Simmons Lumber Yard, Boral, General Cranes, TNT Logistics.

Top 10 industries of employment are shown in the figure below:

Figure B.6. Top 10 Employers by Industry (2-digit level ANZSIC)



Source: ABS (2012a)

The future of Wentworth Point is as a residential area. Its waterfront location at the tip of the peninsula certainly makes it attractive for residential living.

Owing to local resident growth that will occur over the coming years as residential development approaches capacity, population-related employment uses will underpin the demand for retail and commercial floorspace in the precinct. These could include *inter alia*, retail, health care and education uses.

West Auburn Employment Areas

Geographical Area: Employment Zones that fall into the **Auburn SA2** Area. These are the employment areas that are to the south of Parramatta Road in the West of the catchment.

Central Auburn (Precinct 1 & Town Centre)

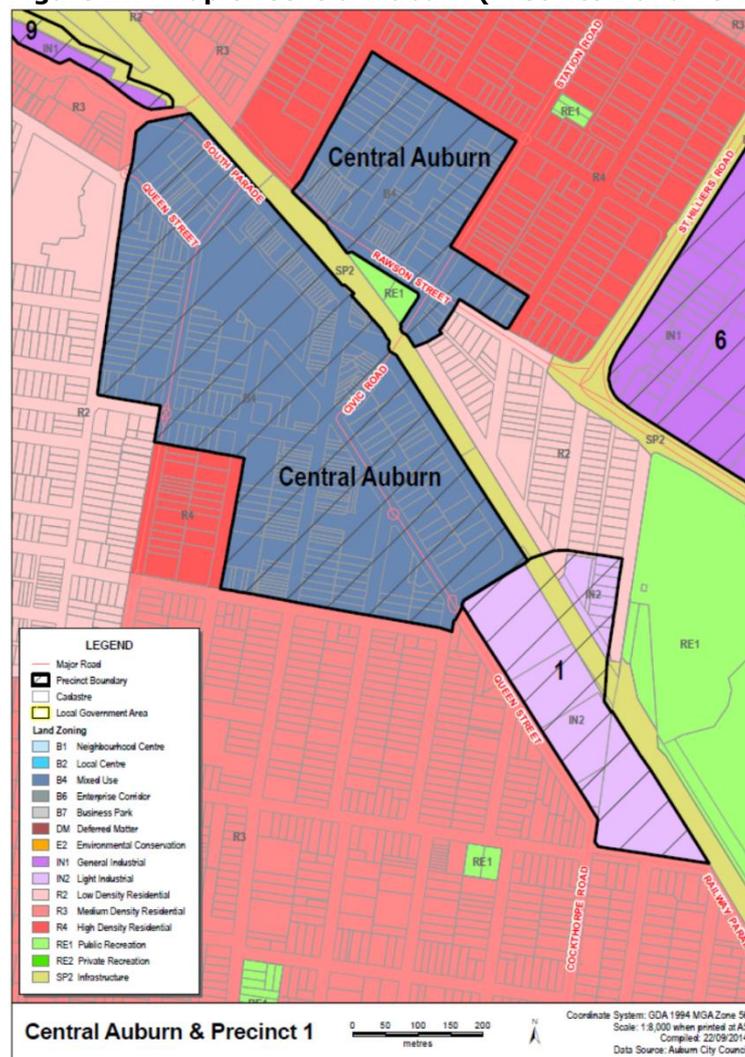
Due to their geographic context, the Central Auburn employment lands are grouped to include Precinct 1 and Auburn Town Centre.

It should be noted that Destination Zones used to analyse employment data do not align directly to these precincts and represent a much larger area that includes the areas that extend south to Water Street, bounded to the west by Park Road and an additional area that is bounded by from Edgar Street and Cumberland Road.

As a result the Central Auburn catchment includes the Auburn Town Centre and Precinct 1 employment but also includes a large representation of:

- **Health employees:** Employed at Auburn Hospital (Hargrave Road) and St Joseph's Hospital and Village (Normanby Road), St Vincent's Hospital and Mater Health (Alice Street).
- **Education employees:** Employed at a range of learning institutions in the catchment including Auburn Public School (Auburn Road), Trinity Catholic College (Park Road), Amity College (Queen Street), Al-Faisal College (Auburn Road) and others.

Figure B.7. Map of Central Auburn (Precinct 1 and Town Centre)



Source: AEC

Description

Precinct 1 (Queen Street)

Precinct 1 comprises an older style industrial pocket of land located parallel to the train line, bound on the east by the train line and on the west by Queen Street. This precinct adjoins the Auburn Town Centre on its southeast. The precinct is currently subject to an IN2 Light Industrial zone and an FSR of 1:1.

There are three main blocks within this precinct (bound by the train line in the east and Queen Street in the west).

- In the northwest (bordering Marion Street), the precinct is improved with large, older style office and warehouse buildings and is well occupied by several businesses.
- The middle section of the precinct is comprised of several warehouse/office buildings that are dilapidated and in need of upgrade.
- In the southeast (bordering Helena Street), the precinct is improved with an industrial strata complex that appears to be generally well occupied.

Auburn Town Centre

Focused around the Auburn train station, the town centre is comprised of various streets incorporating strip retail as well as several enclosed shopping malls. The town centre is zoned B4 Mixed Use with varying densities ranging from FSR 2.4:1 to 5:1.

The core of the town centre is the area between Queen Street and South Parade, directly opposite the Auburn train station (southwest of the station). The precinct is characterised by two storey buildings and offers older style, dated accommodation occupied by a range of retail and commercial businesses.

There are several enclosed shopping malls in the town centre:

- **Central Auburn** (corner of Queen Street and Harrow Road), anchored by Big W and Woolworths.
- **Auburn Shopping Arcade** (Auburn Road).
- **Auburn Shopping Village** (corner Auburn Road and Queen Street), anchored by Coles.

A pedestrian square on Queen Street accommodates cafés, restaurants and specialty stores as well as personal services.

Rawson Street (northeast of the train station) is characterised by a range of retail strip shops which are dated and run down in appearance. Pedestrian activity is notably less in this northern portion of the town centre which also does not benefit from a retail anchor. A number of mixed use residential buildings have been developed here.

Properties on the fringe of the town centre typically comprise residential uses, mix of houses and apartment blocks. The Trinity Catholic College is a co-education catholic school offering education from Years 7 to 12 located on Park Road. Various places of worship are found in the Town Centre, including the Auburn Gallipoli mosque, Australia's largest mosque.

Employment and Business Activity

The precinct accommodates predominately food uses which include specialty food operators such as butchers, deli, liquor store and bakeries as well as cafes and restaurants. The strip shops also offer many commercial business offering professional services such as real estate agents, the upper levels of the strip shops are generally occupied by solicitors and accountants utilising the upper levels for office space.

The Central Auburn precinct employed approximately 3,357 workers in 2011, at an employment density of 30.5 employees/ha.

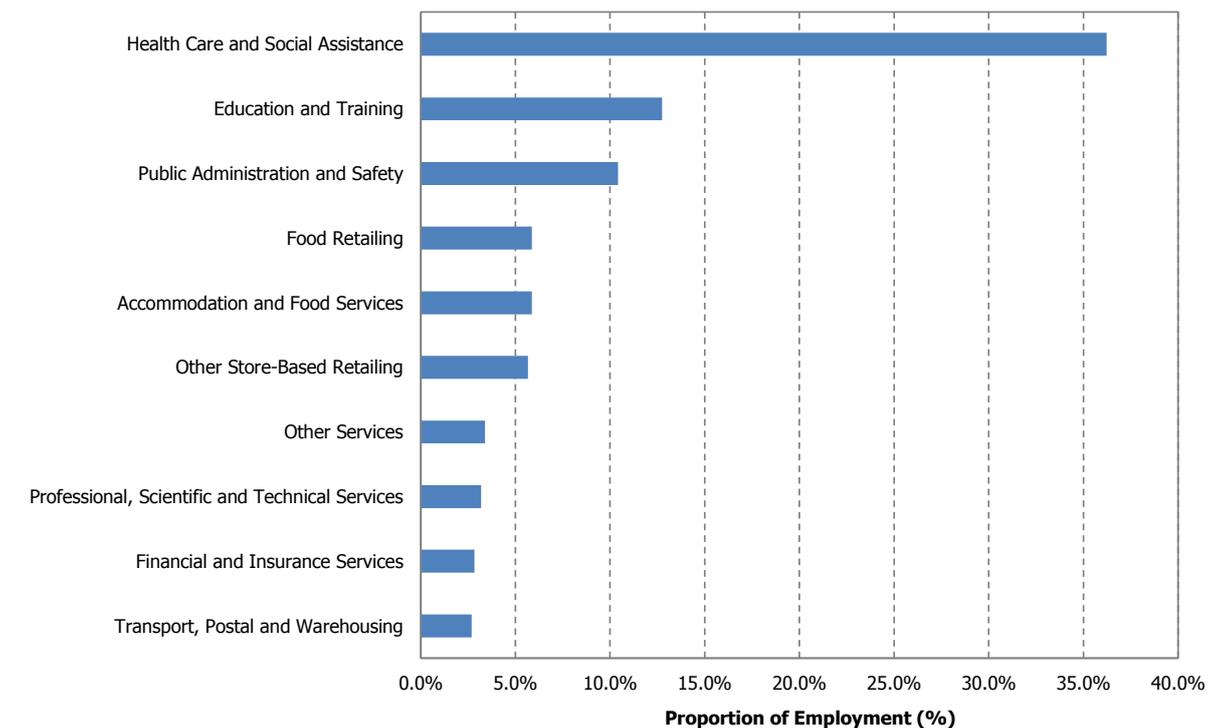
The majority of employees (36.2%) were employed by the health care and social assistance sector. This is due to the presence of a number of major health care facilities in proximity to the Auburn Town Centre including: Auburn Hospital (Hargrave Road), St Joseph's Hospital and Village (Normanby Road), St Vincent's Hospital and Mater Health (Alice Street)

and a range of allied health services including such as medical imaging, general medical centres and optometrists.

The only other sector to employ more than 10% of total employment in the region was education and training at 12.7%, likely associated with the schools located in the catchment and TAFE premises on Percy Street. As a result of this economic structure, the majority (56.2%) of employees employed in the area were professionals followed by clerical and administrative workers (12.1%). Overall, 73% of workers were in white collar occupations.

Top 10 industries of employment are shown in the figure below:

Figure B.8. Top 10 Employers by Industry (2-digit level ANZSIC)



Source: ABS (2012a)

Competitive Features

The Auburn Town Centre is the Study Area's heart of commercial and retail activity. Several shopping arcades and enclosed centres are located therein, anchored by Woolworths, Aldi and Big W. A number of factors underpin the success of the town centre, including:

- Central and accessible location on major public transport and road networks.
- Strong population growth in and around the town centre, particularly with medium and high density residential developments.
- Supermarket and effective clustering of retail offer, particularly on the south side.

The southern portion of the town centre is notably more prominent, enjoying greater levels of commercial and retail activity than the northern side of the train station. The valuable nature of land within the town centre makes it challenging for redevelopment and further densification to occur.

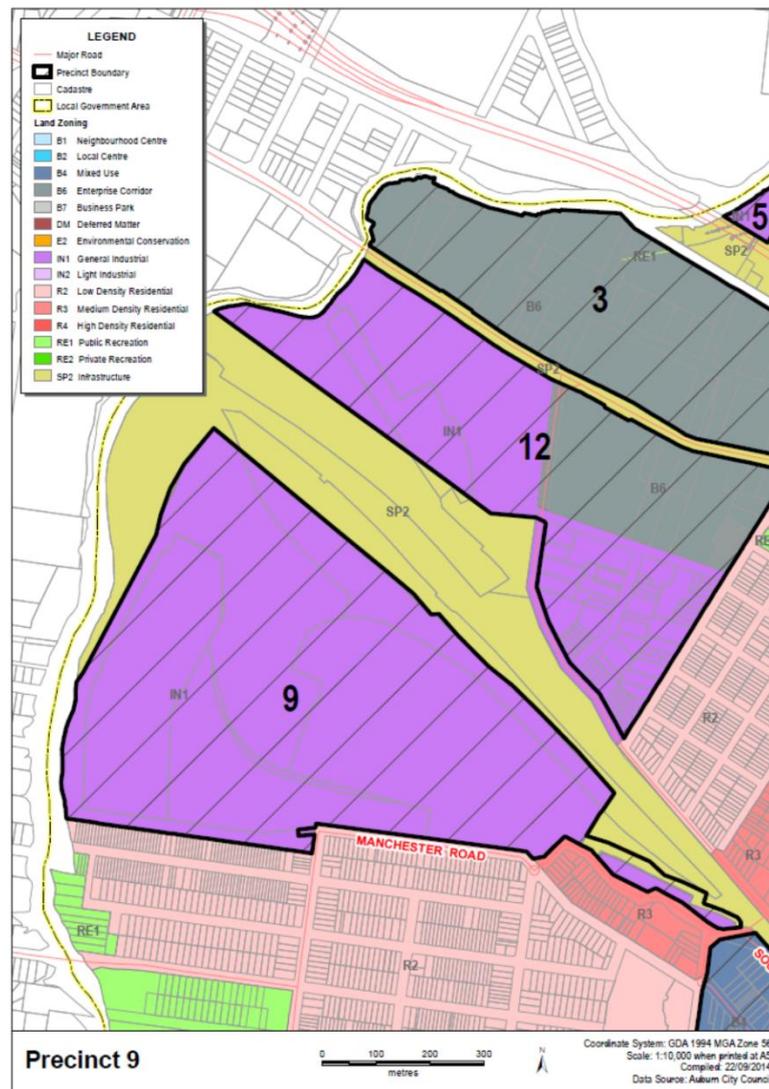
Queen Street (Precinct 1) is a small pocket of industrial lands bordered for the most part south of the railway line by residential uses. This can be a significant disadvantage particularly with restricted access to the precinct. That said, uses that are more 'office' in nature have less potential to conflict with residential uses. The triangular portion of the precinct to the north of the railway line is bordered partially by residential but adjoin the sporting precinct of Lidcombe Oval. This portion of the precinct appears well occupied.

Clyburn (Precinct 9)

Abutting the railway line, this precinct is for the most part accessible via residential streets and is subject to an IN1 General Industrial zone and a density of FSR 1:1.

The Precinct 9 Employment Catchment (designated by Destination Zone 114724023) does not align directly with the boundary of Precinct 9 but also includes some residential areas (R2 zone) to the south of Precinct 9. As there is very little employment in this additional zone the employment statistics are considered to be suitable and representative of Precinct 9 for the analysis.

Figure B.9. Map of Clyburn (Precinct 9)



Source: AEC

Description

In proximate location to major arterial road M4 Western Motorway, this precinct comprises the Clyde Marshalling yards. Large older style warehouses in the southeast portion of the precinct are occupied by RailCorp, Bluescope Steel distribution facility also located in the precinct amid vacant parcels of land.

Employment and Business Activity

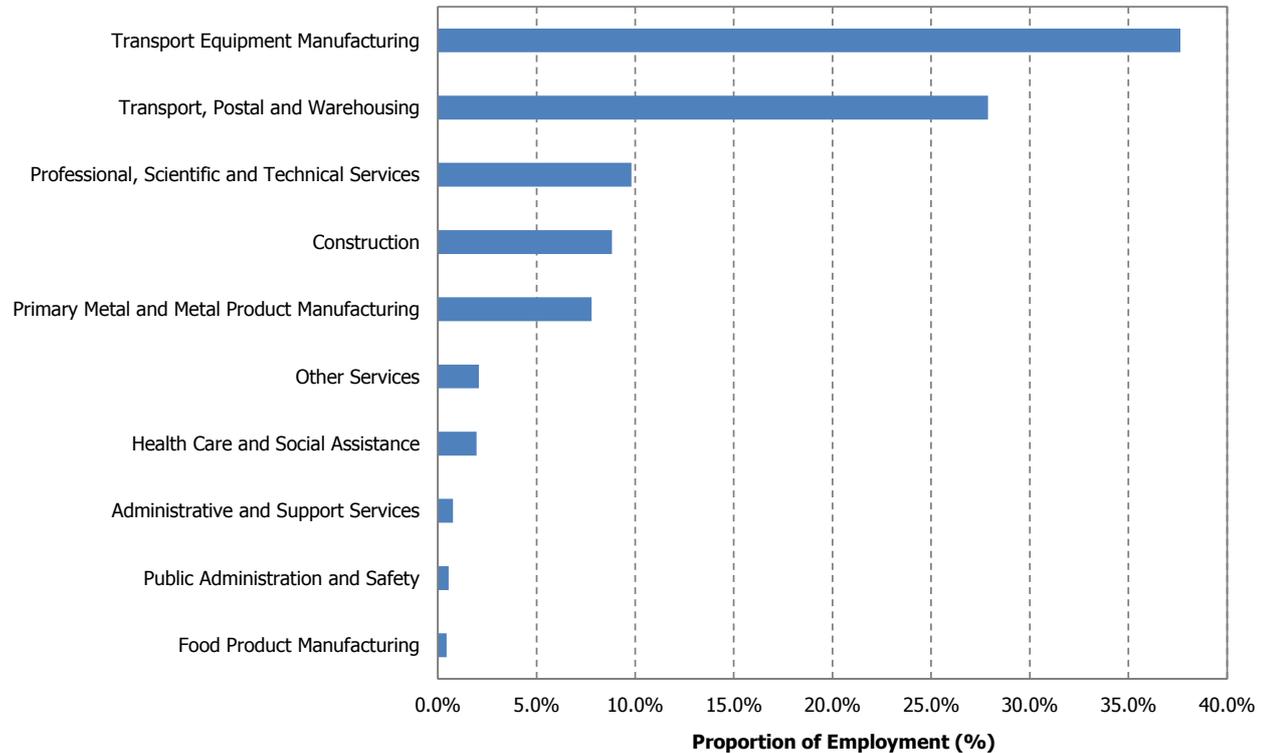
Also known as the Clyde Marshalling Yards, the Clyburn precinct is a manufacturing-based precinct, employing approximately 900 workers and with a density of 18.5 employees/ha, consistent with the large proportion of the precinct that is unimproved. In 2011,

manufacturing formed 45.7% of employment and transport, postal and warehousing formed 27.8%. Aligning with this industrial structure, the most prominent occupational type in the region was blue collar workers, reflecting the high proportion of employees who were technicians and trades workers (37.4% of all workers).

Occupiers include RailCorp, UGL/UniPart and the Auburn maintenance centre and stabling project.

Top 10 employers by industry include:

Figure B.10. Top 10 Employers by Industry (2-digit level ANZSIC)



Source: ABS (2012a)

Competitive Features

The future of this precinct is important as part of Sydney's wider freight plan. Under the NSW Freight and Ports Plan, Clyde is confirmed as one of Sydney's Intermodal Terminals within the metropolitan freight network. Page 115 of the Plan for Growing Sydney identifies the Clyde Intermodal Terminal at the northern end of one of Sydney's major freight activity precincts running from Clyde, south to Chullora and Enfield. Land uses within and close to this precinct will therefore reflect its pre-eminent role in the economic life of the region.

Lands within this precinct are one of the rare remaining vacant parcels of land zoned for industry/employment. Average lot sizes are the largest in the Study Area (4.4ha) with 45% of lands within the precinct sized larger than 1ha. The low intensity of improvements also make it an attractive proposition for potential future development.

The major drawback for the success of this precinct as an industrial area is current access through residential areas which presents land use conflict issues.

Existing industrial markets which are successful are generally observed to have strong spatial and functional links to the region's extensive transport networks.

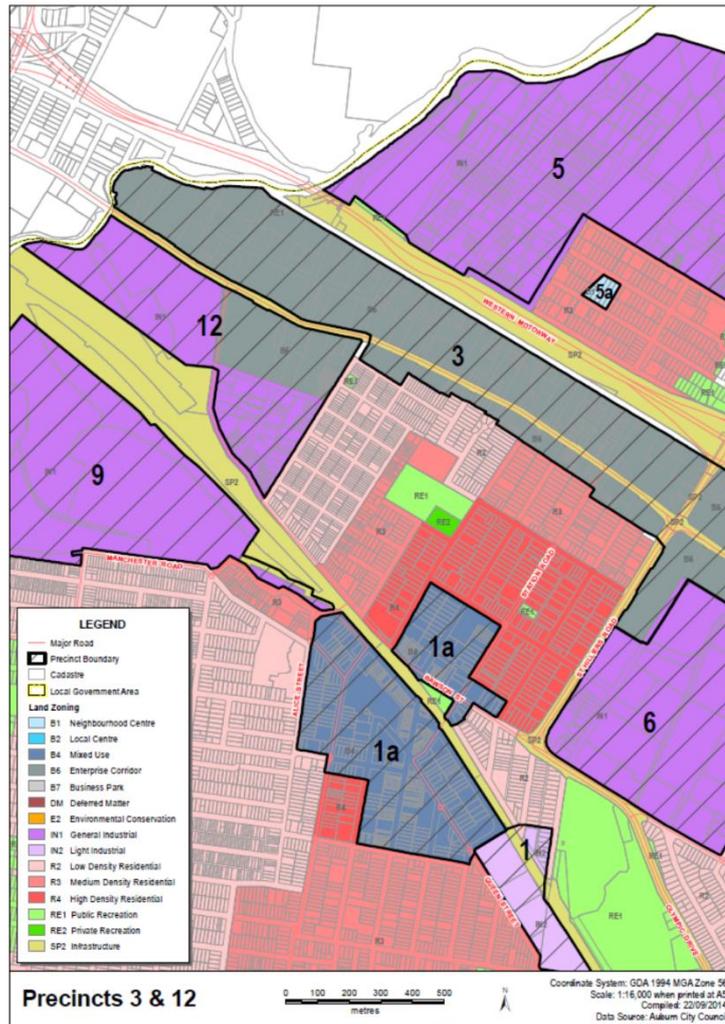
Access to transport infrastructure is an important and necessary pre-condition for viable and sustainable industrial development, hence the precinct's location within with primary access predominantly past residential areas puts it in a disadvantageous position.

Auburn West & Parramatta Road - West (Precinct 12 & 3)

Auburn West (Precinct 12) is comprised of a mix of heavy and light industrial uses, several office buildings and single cottages. The north western portion of Precinct 12 is zoned IN1 General Industrial while the north eastern portion fronting Parramatta Road is zoned B6 Enterprise Corridor.

Parramatta Road (West of Silverwater Road) (part of Precinct 3) accommodates a variety of retailers (including bulky goods retailers, showroom retail, restaurants and takeaway food outlets), car yards and service centres, industrial suppliers and some commercial uses. The precinct is subject to a B6 Enterprise Corridor zoning and FSRs of 1:1, 1.5:1 and 3:1.

Figure B.11. Map of Auburn West and Parramatta Road West (Precinct 12 and 3)



Source: AEC

Description

The Auburn West precinct (Precinct 12) includes older 2 storey office/warehouse developments with sporadic newer buildings observed throughout. Large industrial facilities are also located here, including those occupied by Boral and Cement Australia. There are also older detached dwellings in the precinct. The majority of the precinct is occupied by manufacturing and logistics users including Cement Australia and Boral Cement.

Portions of Precinct 12 that address Parramatta Road, are characterised by a number of bulky goods showrooms and retail properties including Clive Peeters, Officeworks and Coco Republic.

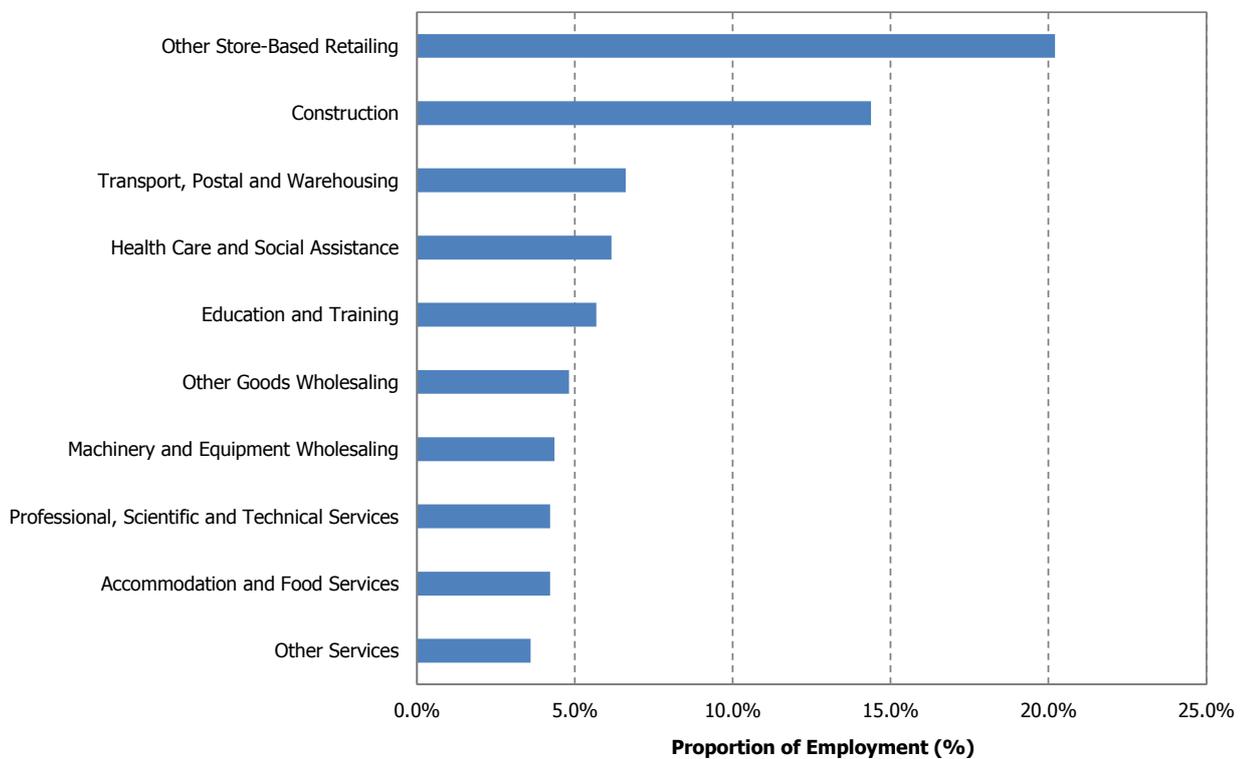
The precinct offers good exposure for many retailers with high traffic flow along Parramatta Road as a main arterial road. Lot sizes vary along Parramatta Road as there are larger lots and lots occupied by smaller strata units.

Employment and Business Activity

The Auburn West and Parramatta West catchment employed approximately 2,900 employees in 2011, and with an estimated density of 40.1 employees/ha. Compared to several other precincts in this study, the Auburn West and Parramatta Road precinct, was relatively diverse with four industries employing more than 10% of total employment (bulky goods retail trade, wholesale trade, construction and manufacturing). Aligning with the fact that retail trade was the most prominent employing industry was the prominence of sales workers and managers in the precinct. Almost 50% of all workers in the precinct were employed in white collar occupations in 2011.

Top 10 employers by industry include:

Figure B.12. Top 10 Employers by Industry (2-digit level ANZSIC)



Source: ABS (2012a)

Competitive Features

Owing to current built form in parts of the precinct, an impression of isolation and understatement is conveyed. Informal discussions with leasing agents active in the area indicate that this location factor and limited worker amenity makes it challenging for offices to gain market interest. The lack of public transport is less of an issue for industrial properties. Proximity to and easy access to Parramatta Road makes this precinct an attractive location for businesses connected with the Parramatta Road Corridor.

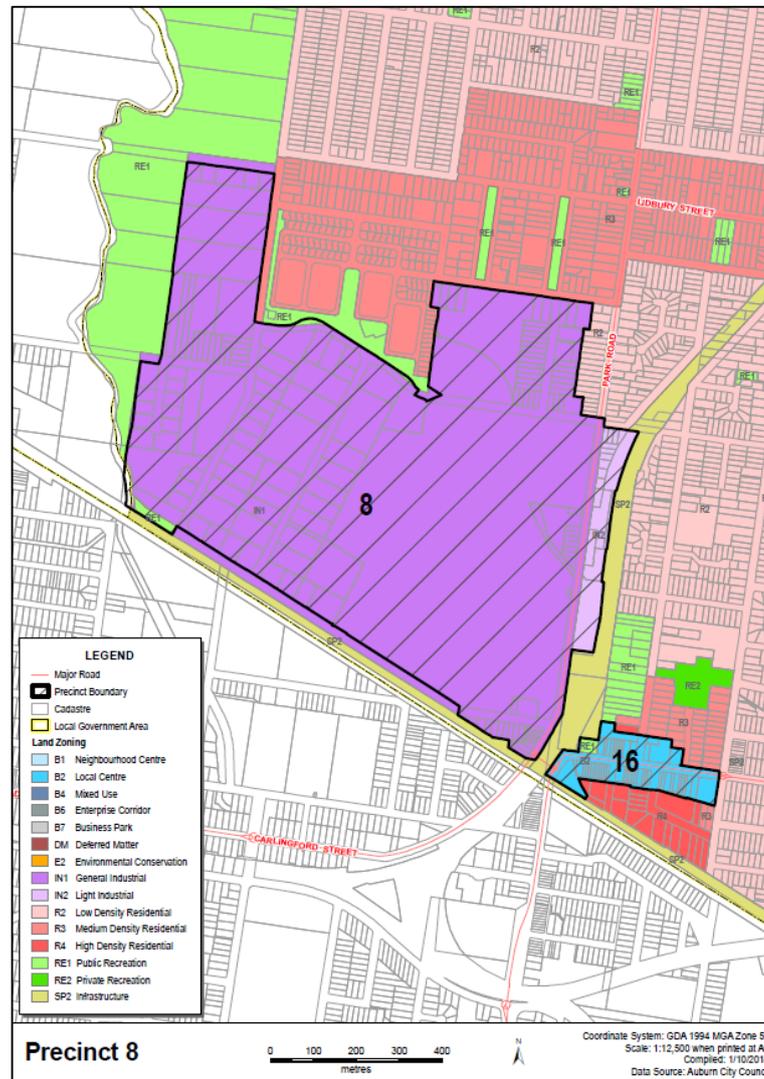
Many industrial properties within this precinct are ageing and could benefit from an opportunity to intensify their use. The slightly larger lot sizes in the precinct (average of 1ha) make it less challenging to redevelop, however more than 60% of lots are less than 5,000sqm in site area.

Regents Park (Precinct 8)

The Precinct 8 Employment Catchment (designated by Destination Zones 114724018 and DZ 114774069) does not align directly with the boundary of Precinct 8 but also includes

some residential areas (R2 zone) to the north of Precinct 8. As there is very little employment in this additional area the employment statistics are considered to be suitable and representative of Precinct 8 for the analysis.

Figure B.13. Map of Regents Park (Precinct 8)



Source: AEC

Description

Subject to an IN1 General Industrial zone and FSR of 1:1, the Regents Park Industrial Precinct comprises a range of uses and built form, the majority of the precinct owned and managed by Dexus. There are a number of new office/ warehouses in the western portion of the precinct.

There is a mix of freestanding warehouses and industrial strata developments. The northern end of the precinct has older industrial stock but is generally well occupied, located at Chisolm and Everly Roads. There are new townhouses to the north of the precinct.

Several vacant blocks of land are visible in the area with a number of small developments recently completed and under construction.

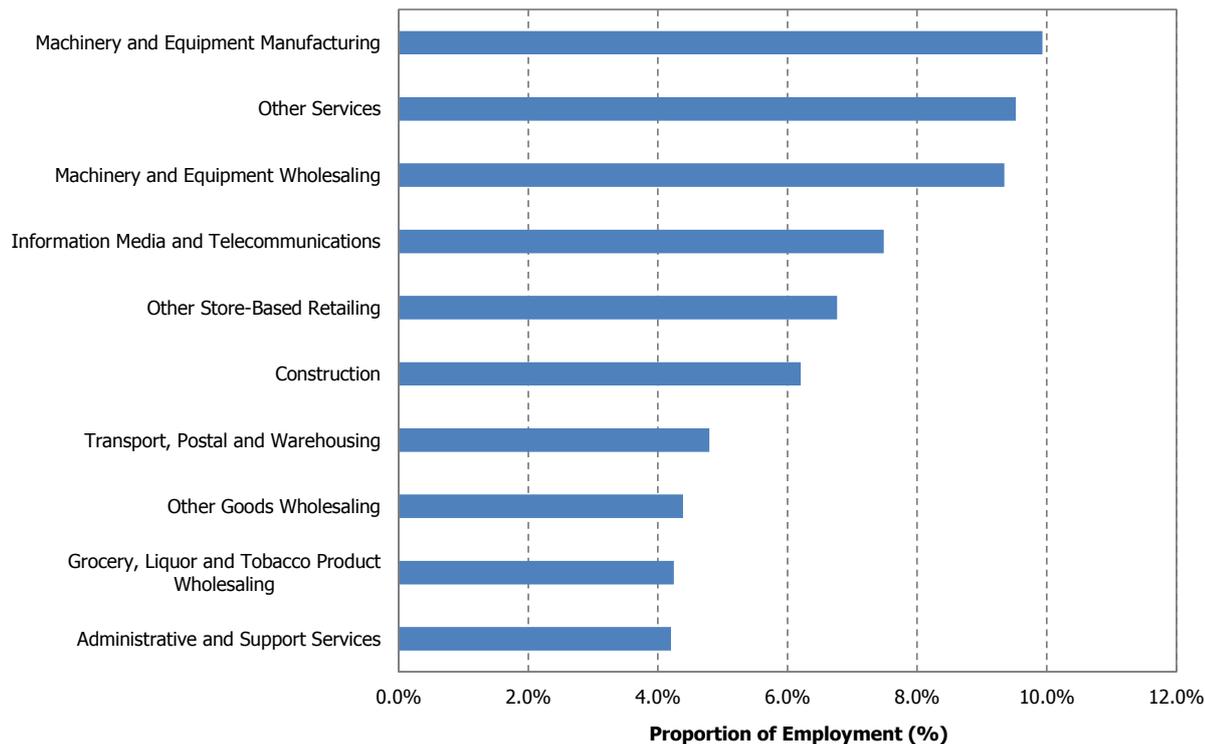
A strip of IN2 Light Industrial zone lands are on the eastern periphery of the precinct, these currently occupied by sporadic workshop type buildings and some strata units.

Employment and Business Activity

Businesses in the Regents Park precinct employed approximately 3,000 workers in 2011, resulting in an employment density of 38.1 employees per ha, considerably lower (almost half) than Silverwater. Together, manufacturing and wholesale trade employed almost 50% of workers in the region. The most prominent manufacturing sector is machinery and equipment manufacturing (over 35% of all manufacturing). There is a fairly even representation of white collar and blue collar workers in the precinct. Together, these groups account for 92.7% of employees.

Top 10 employers by industry include:

Figure B.14. Top 10 Employers by Industry (2-digit level ANZSIC)



Source: ABS (2012a)

Competitive Features

By virtue of its location away from the 'central core' of the Inner/Central West region, Regents Park is perceived as a marginally less desirable location with access through various residential areas. The attraction of an Inner/ Central West region is its centrality to metropolitan Sydney, in which Regents Park is disadvantaged. This is reflected in rents paid and prices achieved, some 5%-10% lower than Silverwater or Lidcombe.

Notwithstanding its distance from the 'central core' of the Inner/Central West region, Regents Park appeals to users whose key service markets are in the southern portion of the Sydney metropolitan region.

The relatively small average lot size (0.5ha) is a limiting factor on the precinct's ability to redevelop and renew over time, particularly as more than 85% of lots are less than 5,000sqm in size.

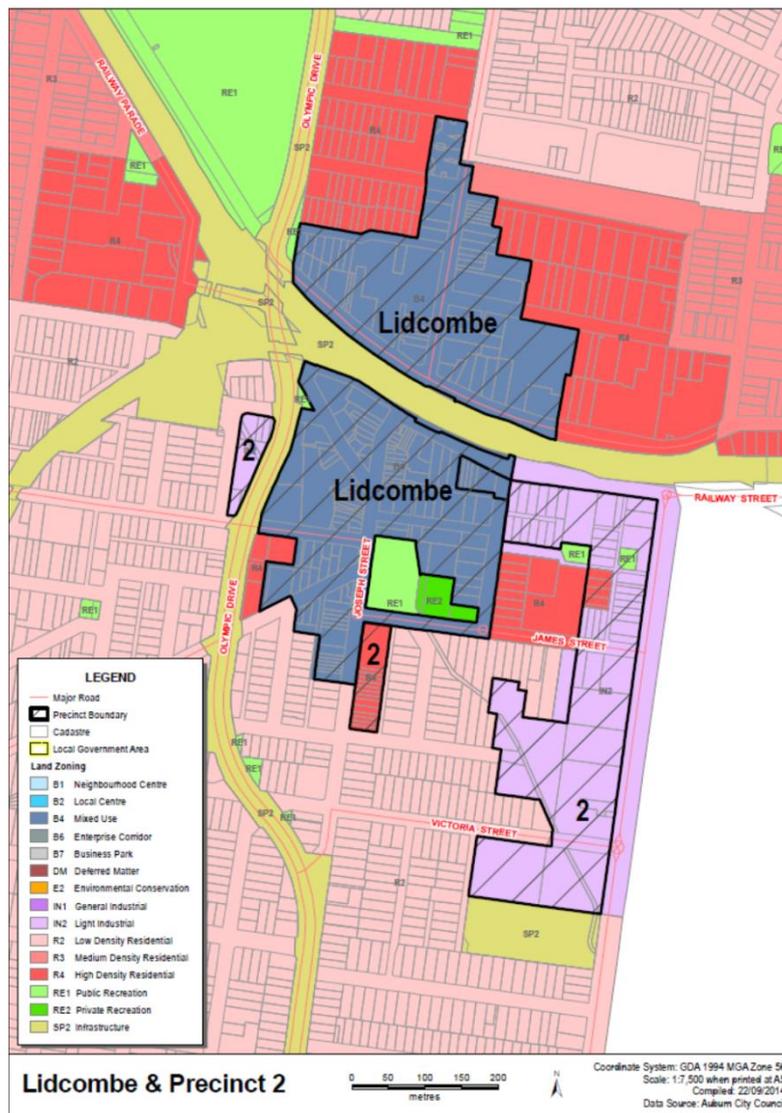
Central Auburn Employment Areas

Geographical Area: Employment Zones that fall into the **Lidcombe Regents Park SA2** Area. These are the employment areas that are to the south of Parramatta Road in the Central part of the catchment that runs to the south.

Lidcombe South (Precinct 2 & Town Centre)

The Lidcombe South Employment Catchment does not align directly with the boundary of Precinct 2 and Lidcombe Town Centre but also includes some residential areas (R2 zone) to the north and south of the Lidcombe Town Centre. As there is very little employment in this additional area the employment statistics are considered to be suitable and representative of Precinct 2 and the Lidcombe Town Centre for the analysis.

Figure B.15. Map of Lidcombe South (Precinct 2 and Town Centre)



Source: AEC

Description

Lidcombe Town Centre

The Lidcombe Town Centre is bisected by the train line, the southern side of the precinct generally improved with older stock occupied by commercial uses (real estate agents, professional services), some personal services (e.g. hair salons) with a selection of cafés, restaurants and takeaway shops. This portion of the town centre is generally well occupied

and also accommodates a pub. The retail offer is focused on Joseph Street, with some residential development at the corner of Joseph and Vaughan Streets.

The town centre is zoned B4 Mixed Use and is subject to an FSR of 5:1.

The northern portion of the precinct is busier and incorporates the large Dooley Catholic Club on Church Street and the Lidcombe Hotel. John Street is the main focus of retail strip activity and is well occupied with a variety of restaurants and cafés, speciality food and non-food retailers. Ongoing residential development is observed to occur between Board and Ann Streets on John Street.

Mixed use buildings on Mary Street provide for ground floor retail/commercial tenancies, one of which is a medical centre.

Lidcombe South (Marsden Street)

Precinct 2 is characterised by a number of older style industrial buildings, is generally well occupied and incorporates bulky goods uses, manufacturing type uses with an RAAF base adjoining it.

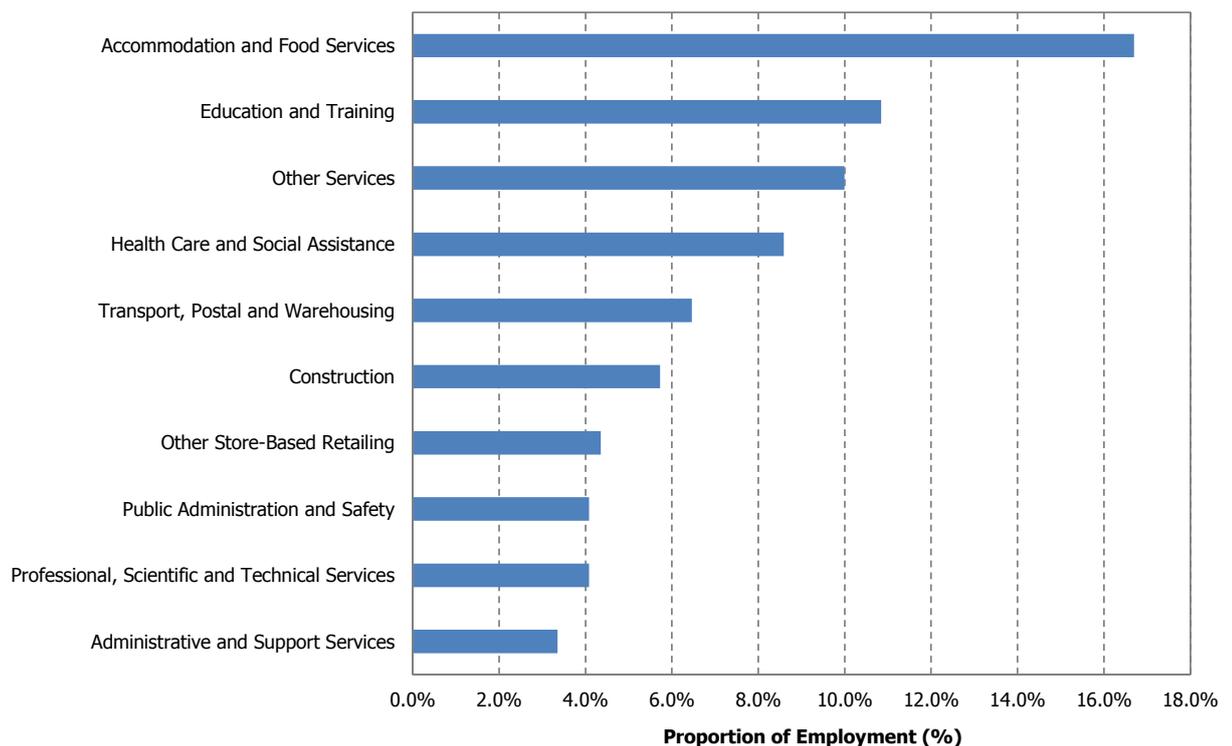
Currently subject to an IN1 General Business zone (FSR of 1:1) and R4 High Density Residential (FSR 1.7:1 and 2:1), the precinct abuts existing residential area on its west.

Employment and Business Activity

The Lidcombe South precinct employed approximately 1,600 employees in 2011, at an employment density of 82.0 per ha, a high density reflective of its economic structure.

Top 10 employers by industry include:

Figure B.16. Top 10 Employers by Industry (2-digit level ANZSIC)



Source: ABS (2012a)

The most prominent sectors by employment were accommodation and food services, education and training and other services. However, the precinct also has considerable manufacturing (machinery and equipment and non-metallic minerals manufacturing) and health care and social assistance employment.

Almost 50% of workers are in white collar occupations, and the remainder of workers were fairly evenly split between blue collar and service worker roles.

Competitive Features

From its economic structure, it can be observed that the Lidcombe town centre plays a strong service role with dozens of food-based retailers and commercial uses (high proportion of people employed in accommodation and food services). Despite the absence of a supermarket, the location of Lidcombe at a major train interchange has resulted in high levels of pedestrian and foot traffic.

The northern part of the town centre (north of the train station) suffers from poor occupancy at ground level particularly moving away to the north.

The future growth of the Lidcombe town centre will be underpinned by its continued densification. Increased residents in the town centre have implications for future retail and commercial uses.

The Lidcombe South (Marsden Street) precinct is disadvantaged by its location in close proximity to residential uses. The proposed rezoning of the northern portion of the precinct to R4 High Density Residential will reduce the size of the precinct further, potentially implicating the future viability of the precinct for industrial uses. Average lot sizes in the precinct are small (0.1ha) with 84% of lots under 1,000sqm in size.

Lidcombe West & Parramatta Road - East (Precinct 6 and Precinct 3)

Lidcombe West (Precinct 6) is located on the southern side of Parramatta Road and to the east of St Hilliers Road. Like many of the other precincts in the Study Area, Lidcombe West offers good access from major arterial roads. The precinct accommodates a mix of newer and older warehouse and industrial sites, some of which are strata industrial units.

The Parramatta Road corridor stretches for more than 4km through the Study Area between Bachell Avenue in Lidcombe and Duck Street in Silverwater. Built form comprise a mix of bulky goods warehouses and showroom retail as well as a mix of new and old office and warehouse buildings.

The Lidcombe West and Parramatta Road Employment Catchment does not align directly with the boundary of Precinct 3 and Precinct 6 but also includes some residential areas (R2 zone) south of Precinct 3 (and in line with the boundary of Precinct 6). As there is very little employment in this additional area the employment statistics are considered to be suitable and representative of Precinct 6 and Precinct 3 (east) for the analysis.

Figure B.17. Map of Lidcombe West and Parramatta Road East (Precinct 6 and 3)



Source: AEC

Description

Lidcombe West is zoned IN1 General Industrial and with an FSR of 1:1. The precinct benefits from wide roads and is typically dominated by larger lot sizes occupied by larger warehouse office facilities, however there are also some smaller strata developments. There are several vacancies in the precinct however most are within strata industrial units.

Occupiers in the precinct include Kennards Self Storage, BevChain Logistics, Thomas and Betts and Co. Tooheys Brewery occupy a large proportion of the precinct, brewing and distributing products from their site.

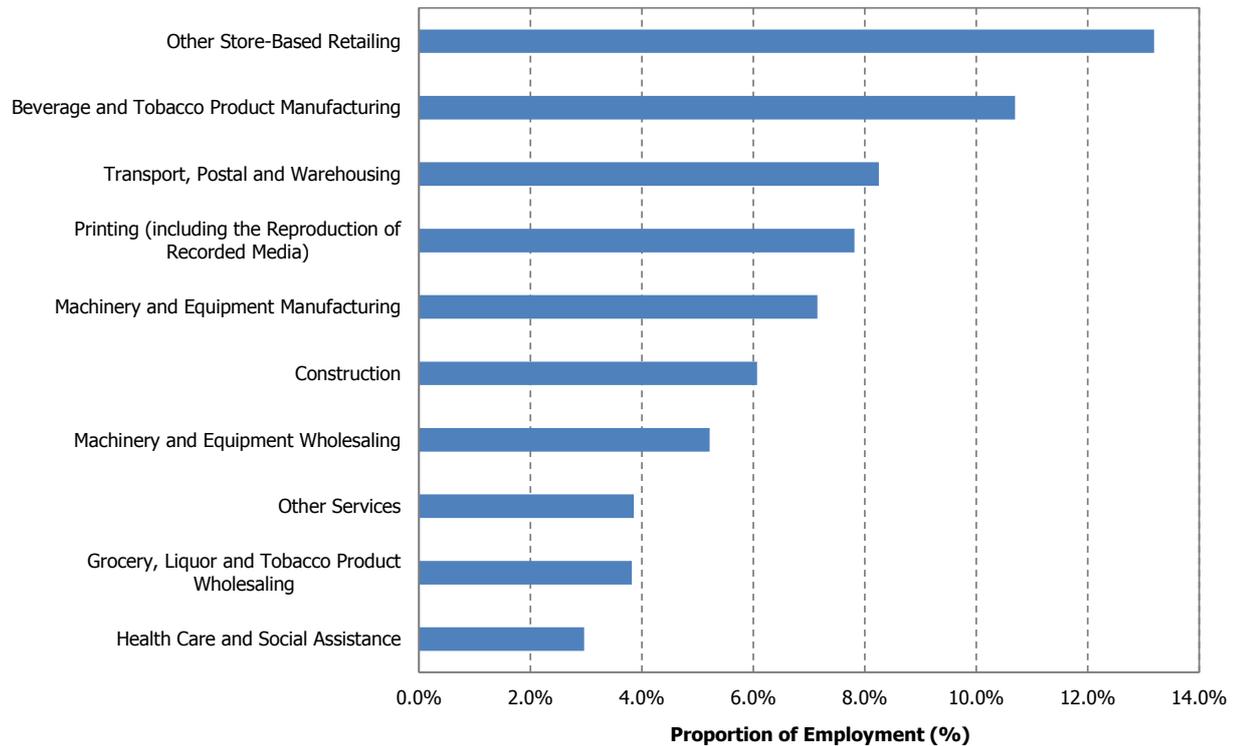
Parramatta Road is characterised by bulky goods retail operators as well as factory outlets and takeaway food outlets. Prominent occupiers include Costco and Bunnings. Several commercial buildings front Parramatta Road, particularly around its intersection with Silverwater Road. The corridor is zoned B6 Enterprise Corridor and with an FSR of 1:1.

Employment and Business Activity

The Lidcombe West and Parramatta Road (East) precinct employed approximately 4,200 workers in 2011, with an employee density of 49.3 employees per ha. Most of these employees were employed in the manufacturing (including beverage and tobacco manufacturing and printing), retail trade and wholesale trade sectors which together formed 67% of total employment. White collar roles were most prominent in the precinct (at 44.7%), a further 37.7% of employees were in blue collar roles.

Top 10 employers by industry include:

Figure B.18. Top 10 Employers by Industry (2-digit level ANZSIC)



Source: ABS (2012a)

Competitive Features

Lidcombe West is presently occupied by relatively large occupiers on average lot sizes of 1ha. The precinct is well presented and benefits from excellent access to and from Parramatta Road and Silverwater Road.

Given that many of the occupiers in the precinct are sizable and are comprised of distribution and logistics users, it is conceivable that in time some occupiers will move to the Outer West where 24/7 access is unrestricted.

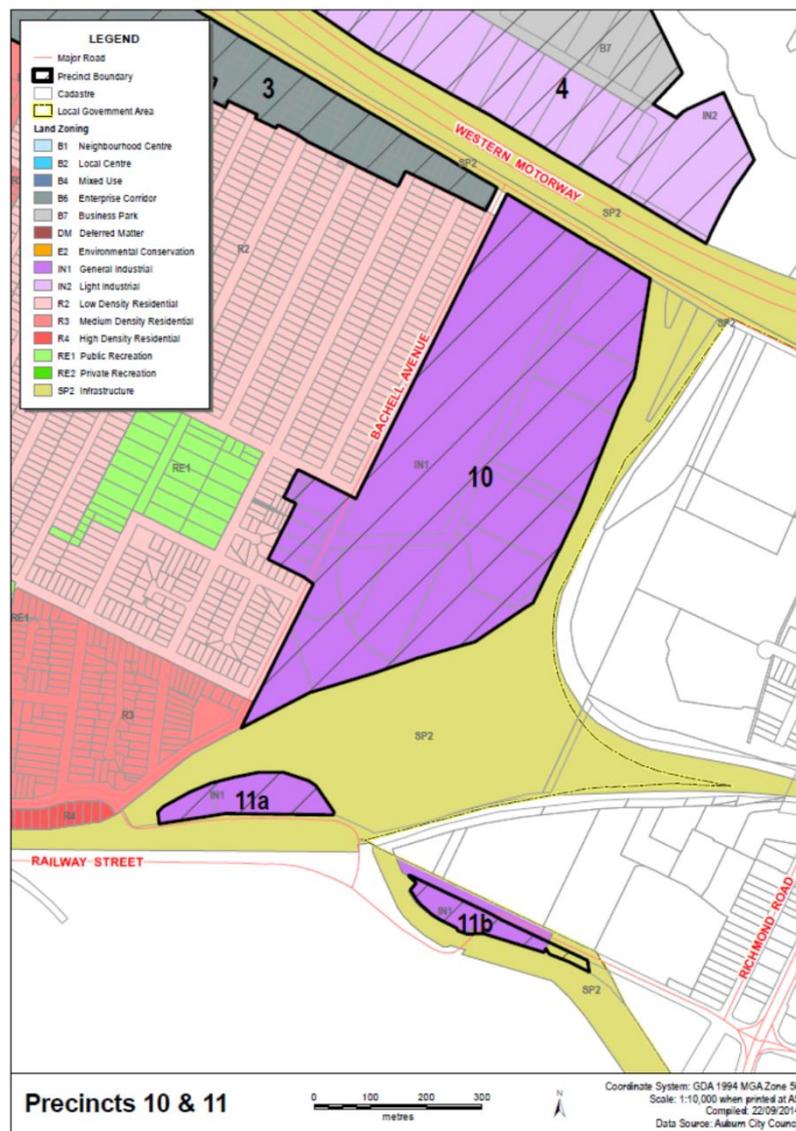
The larger lot composition of the precinct, where more than 35% of lots exceed 1ha, provides greater flexibility for large buildings to be subdivided in the future.

Lidcombe East & Church Street (Precinct 10 & Precinct 11)

The Lidcombe East industrial precinct (Precinct 10) is currently zoned IN1 General Industrial with an FSR of 1.5:1. The Church Street precinct (Precinct 11) is comprised of two separate slithers and is subject to similar zoning and density controls.

The Lidcombe East and Church Street Employment Catchment does not align directly with the boundary of Precinct 3 and Precinct 6 but also includes the special use zone (SP2) that sits between Precinct 10 and Precinct 11. As there is very little employment in this additional area the employment statistics are considered to be suitable and representative of Precinct 10 and Precinct 11 for the analysis.

Figure B.19. Map of Lidcombe East and Church Street (Precinct 10 and 11)



Source: AEC

Description

Lidcombe East (Precinct 10) borders Parramatta Road in the north and offers relatively new industrial/warehouse accommodation. It is generally well occupied, incorporating the Lidcombe Business Park which is modern industrial estate owned and managed by Goodman.

Occupiers in Precinct 10 include DHL, DB Shenker, Nippon Express, Toll and Kuehne + Nagel and Linfox, Woolworths, Metcash, Tesco, Co-Operative Group, Wesfarmers (Coles & Bunnings), Amazon, Zalando, Net-A-Porter, Grays Online, Mazda, BMW, Daimler and Volkswagen. Other occupiers include De Costi Seafoods, Synnex and Nick Scali.

Church Street precinct (Precinct 11) is comprised of two separate slithers of land, incorporating a mix of old and new office/warehouse developments. Several buildings therein are of modern construction. The precinct is well occupied located just east of the Lidcombe town centre and north of Rookwood.

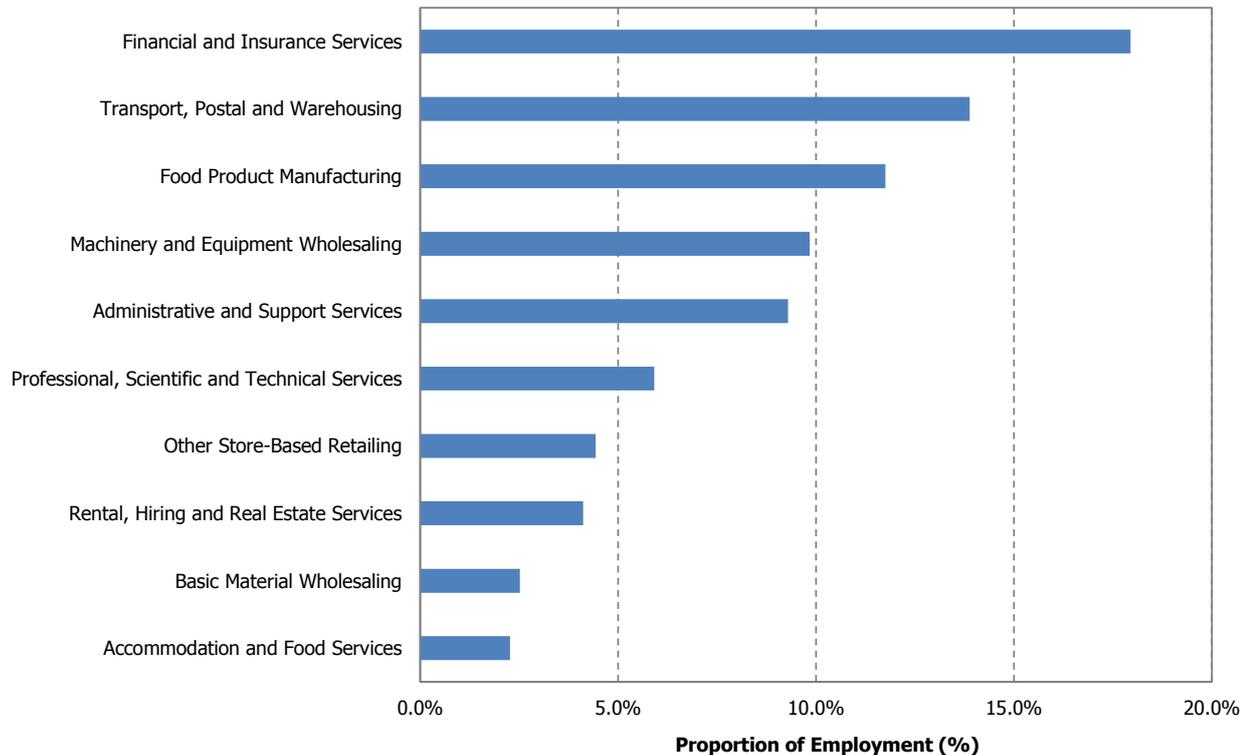
Occupiers in Precinct 11 include Cleaners Room, Fletcher Insulation and AWA.

Employment and Business Activity

Businesses in the Lidcombe East and Church Street precincts employed approximately 1,900 employees in 2011 at a density of 57.7 employees per ha. The most prominent employing sectors in the precinct were manufacturing (18.4%) and financial and insurance services (18.0%). The majority of workers (55.1%) were employed in white collar roles which a further 37.1% were employed in blue collar roles.

Top 10 employers by industry include:

Figure B.20. Top 10 Employers by Industry (2-digit level ANZSIC)



Source: ABS (2012a)

Competitive Features

Lidcombe East has an excellent position in the market, underpinned by the following factors:

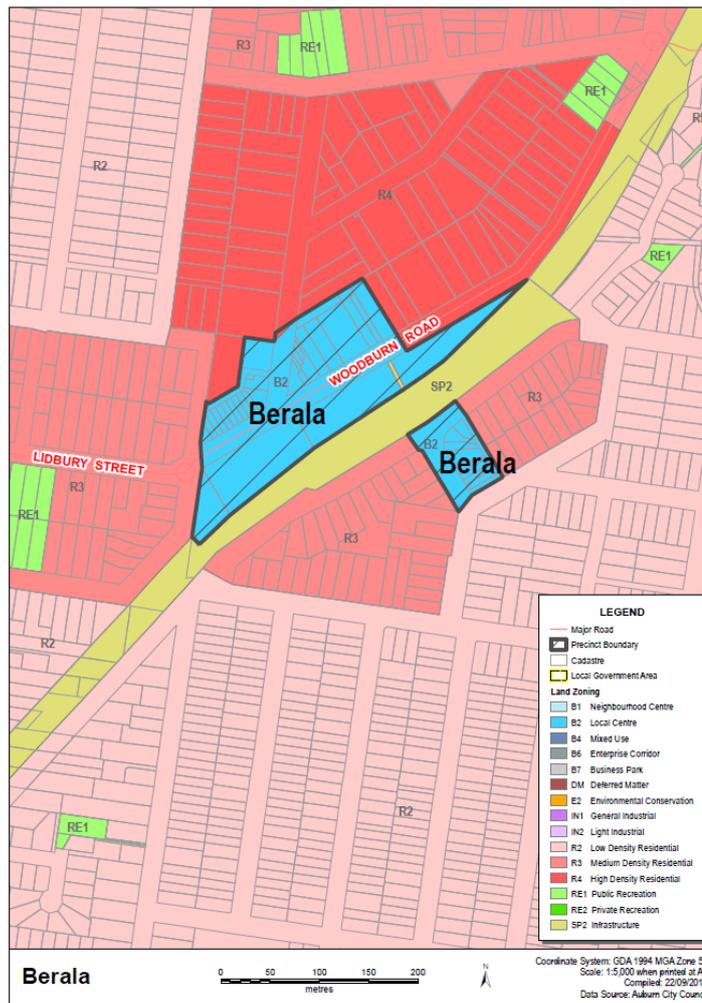
- Direct access off Parramatta Road without having to traverse residential lands.
- Investment grade stock offering quality accommodation.
- Large lots, enabling potential subdivision or densification in the future.

The central location of these precincts are prime examples that illustrate the desirability and popularity of the Inner/Central West region.

Berala Village Centre

The Berala Village Centre Employment Catchment does not align directly with the boundary of the Berala Centre but also includes a much broader residential zone that crosses the boundaries of Destination Zones 114744070 and 114744068 and includes residential and public recreation zones that surround the Berala Centre (zoned B2). As there is very little employment in this additional area the employment statistics are considered to be suitable and representative of the Berala Village for the analysis.

Figure B.21. Map of Berala Village Centre



Source: AEC

Description

Berala Village Centre is focused around the Berala train station, the centre containing strip shops and a Woolworth and BWS which are relatively new. While relatively small and servicing the local area, there is a large pub/hotel therein.

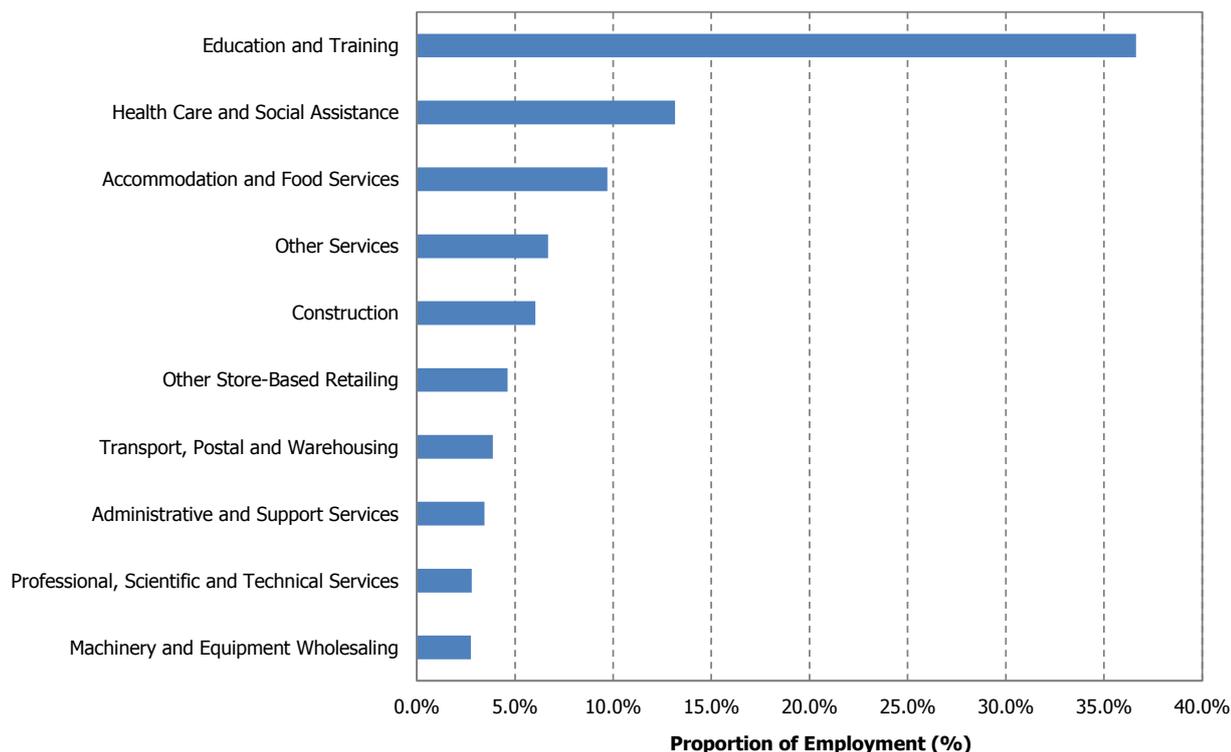
To the east of the train station, a small cluster of retail shops that accommodate about 10 businesses which include several hairdressers, a real estate agency and child care facility in addition to a bakery and other small retailers.

Employment and Business Activity

The Berala Village Centre is a relatively small precinct in Auburn. In 2011, the precinct employed approximately 500 workers and is primarily a population-driven economy. Employment density is at 196 per ha. Over a third (36.6%) of these workers were employed in the education and training sector due to the presence of the Berala Public School and other educational facilities in the catchment. A further 13.1% of workers were employed in the health care and social assistance sector. As a result, approximately 60% of employees were employed in a white collar role and 23.4% in a blue collar role.

Top 10 employers by industry include:

Figure B.22. Top 10 Employers by Industry (2-digit level ANZSIC)



Source: ABS (2012a)

Competitive Features

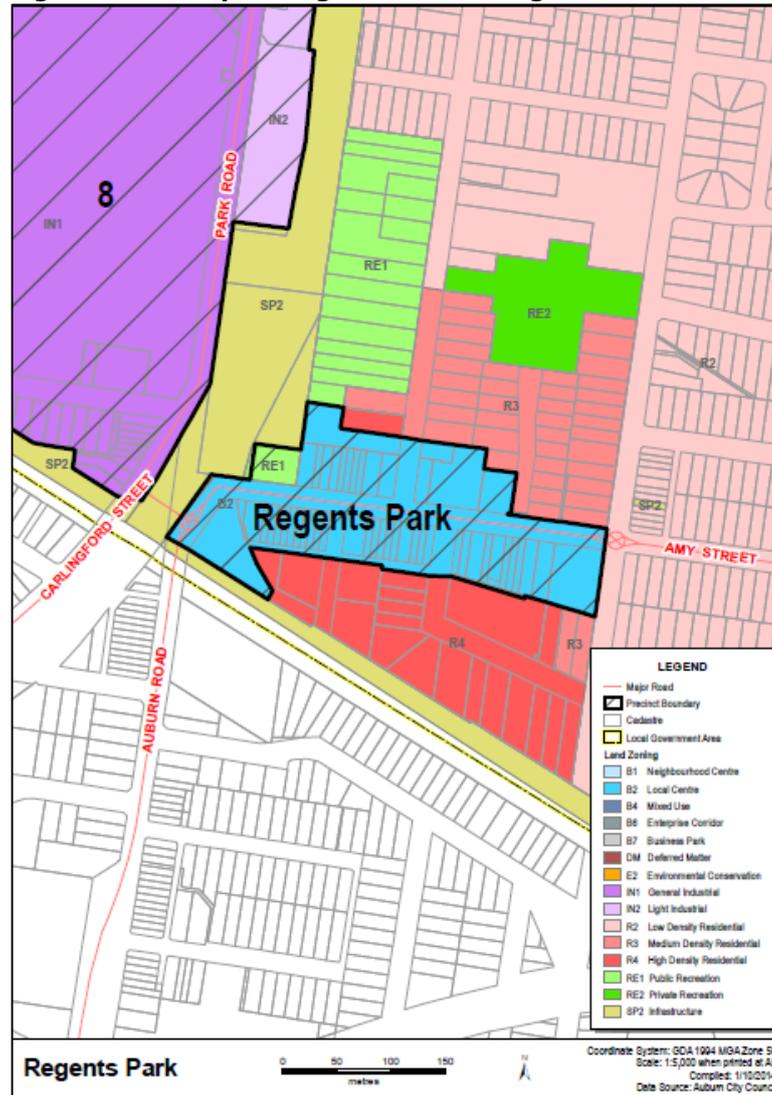
Berala is a small centre focused on either side of the train station. For a centre that incorporates a Woolworths supermarket it is considered small with only a handful of associated retailers. Occupancy rates are good with no vacancies observed. Given the access and limited amount of retail floorspace, Council’s proposal to expand the B2 Local Centre boundaries will help to address the tight supply situation.

Regents Park Village Centre

Regents Park Village Centre is located on the eastern side of the train line and public transportation to the area is serviced by the Regents Park train station.

The Regents Park Village Centre Employment Catchment does not align directly with the boundary of the Regents Park Centre but also includes a much broader residential zone that is presented by Destination Zone 114744066. As there is very little employment in this additional area the employment statistics are considered to be suitable and representative of the Regents Park Centre for the analysis.

Figure B.23. Map of Regents Park Village Centre



Source: AEC

Description

Regents Park Village Centre is focused along Amy Street just east of the Regents Park train station, comprising many strip shops which are occupied by a range of commercial users such as solicitors and real estate agents as well as other professional services.

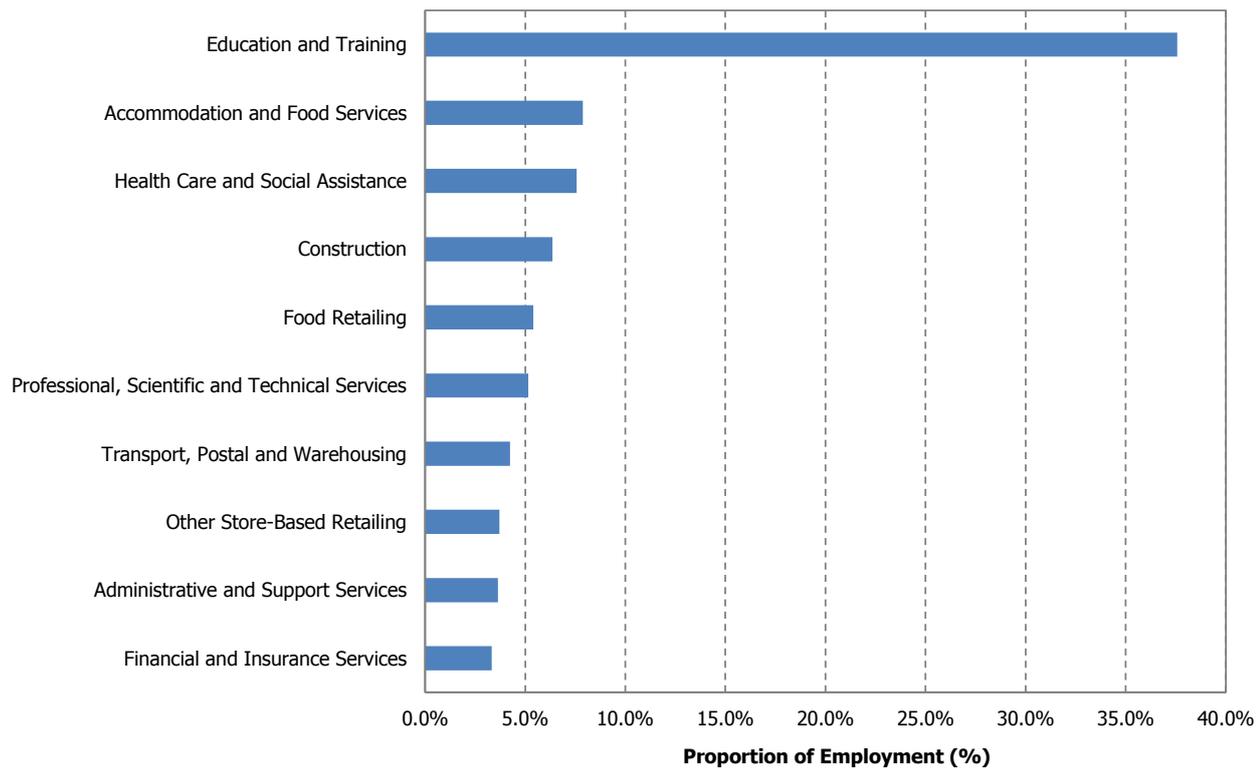
Specialty food retailers include a grocer, bakery and butcher. The Regents Park Hotel is located on Amy Street, is adjacent to the library which is close to the train station. The opposite side of the train line on Park Road accommodates a hairdresser and a few small takeaway shops/ restaurants.

Employment and Business Activity

In 2011, approximately 300 workers were employed in the Regents Park Employment Zone. The centre is primarily a population-driven economy. Approximately 37.6% of these workers were in the education and training sector (due to the close proximity of Regents Park Christian School and day care centres) and a further 11.8% were employed in the retail trade sector (employed directly within the Town Centre). As a result, 63.3% of workers in the broader catchment were white collar workers.

Top 10 employers by industry include:

Figure B.24. Top 10 Employers by Industry (2-digit level ANZSIC)



Source: ABS (2012a)

Competitive Features

Despite being on a train line and benefitting from the Regents Park train station, this centre is somewhat isolated from the broader region and is observed to largely play a convenience role. Recent medium density residential developments in the area have conceivably increased demand for retail goods and services.

There are a variety of retailers located in this centre, with a number of vacancies observed on the fringe of the town centre. The layout and configuration of the centre (multiple strip shops on small lots) limits the growth potential of the centre.

South East Employment Areas

Geographical Area: Employment Zones that fall into the **Rookwood Cemetery SA2** Area.

Sites South of Rookwood (Precinct 7)

Note that the sites in the south of Rookwood currently have no employment use function, however have been included as part of the study as potential zones for future use. As such, the analysis in the Chapter provides a summary of employment and business activity within the broader area to assist in understanding the potential role and function of the Rookwood sites within the broader Auburn LGA Employment Lands Study.

The Rookwood South Sites are bounded to the north by the Rookwood Cemetery and the University of Sydney Lidcombe Campus and the rail corridor to the south.

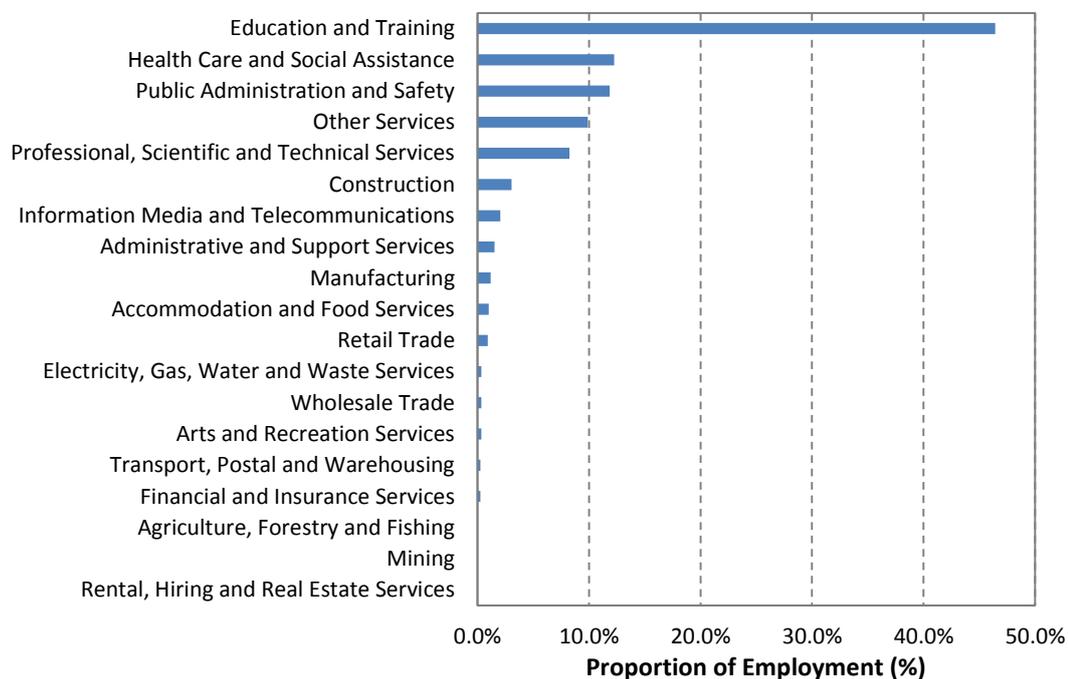
Description

Business activity in proximity to the south Rookwood sites is primarily the University of Sydney at the Lidcombe Campus and some associated campus business activity such as population, student and business services that would service the university.

Employment and Business Activity

In 2011, approximately 1,100 workers were employed in the Sites South of Rookwood. Almost half (46.4%) of these employees were employed in the education and training sector with a further 12.3% in health care and social assistance and 11.8% in public administration and safety. The majority (72.2%) of workers were employed in white collar roles and professionals were the most common occupation in the precinct.

Figure B.25. Employment by Industry, 2011



Source: ABS (2012a)

Competitive Features

The isolated and 'orphaned' nature of this precinct limits their future use potential. Amalgamation and use with adjacent sites as an extension to those employment uses are logical possibilities.

Appendix C: Business Survey Results

Business Profile

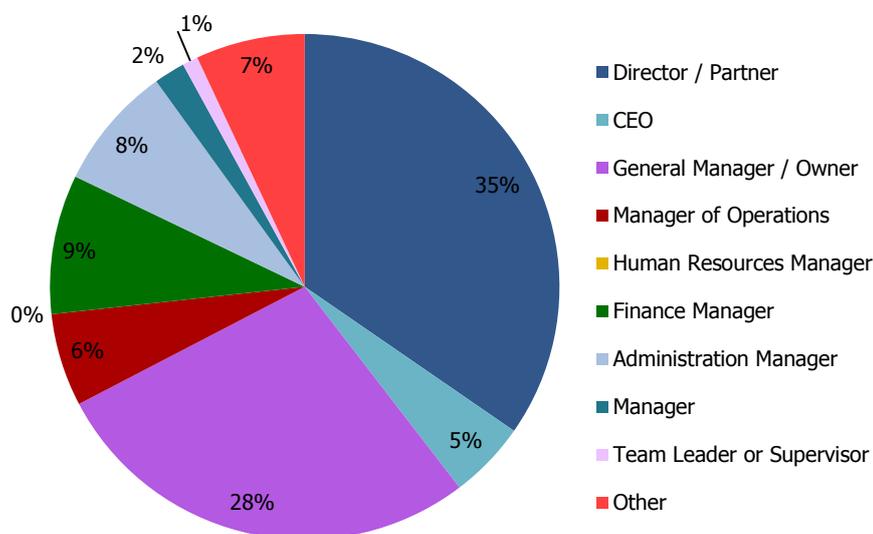
Type of Business

The majority of businesses surveyed were not a home business (78.6%) in comparison to those that were a home business (21.4%).

Role/Position of Respondent

The majority of respondents to the survey were either the Director/Partner (35%) or General Manager/Owner (28%) of the business they were responding on behalf of.

Figure C.26: Role/Position of Respondent



Number of Full Time Employees (FTE) at the Business Premises

The majority (48%) of businesses surveyed employed between 1-4 staff at their current business site. Approximately 28% of businesses employed between 5-19 FTE⁷ staff and a further 17% of responding businesses employed between 20-99 FTE staff. Very few (approximately 7%) of businesses employed more than 100 employees.

Change in FTE in last 2 years

The majority (67%) of businesses surveyed indicated that the number of FTE staff working at their site had *remained about the same* over the last two years. A further 21% indicated the number of FTE staff had *increased, decreased or remain about the same* in the last two years and 12% stated that their amount of staff had *decreased*.

Change in FTE in next 2 years

The majority (64%) of businesses surveyed indicated that the number of FTE staff working at their site is expected to remain about the same over the next two years. A further 33% indicated the number of FTE staff is expected to increase and 3% indicated they expected to see a decrease.

⁷ FTE = Full Time Equivalent, which equates to one employee working for 38 hours each week.

Business Location and Accommodation

Business Type

The survey results demonstrate that the large majority of businesses in the Study Area are industrial/warehouses (40%). This is followed by other (30%), commercial/office (22%) and retail shop (8%). It should be noted that a large proportion of those who answered "other" should be categorised as industrial, commercial/office and retail. As such, this may have skewed the survey results to show a higher proportion of "other" uses than is appropriate. With this aside, those who answered "other" typically nominated medical services and health services, (i.e. medical centre and physiotherapy), places of worship, and child care, sports venue, education and pub.

Head/Principal Office

Overwhelmingly (90%) of businesses surveyed were from the head/principal office.

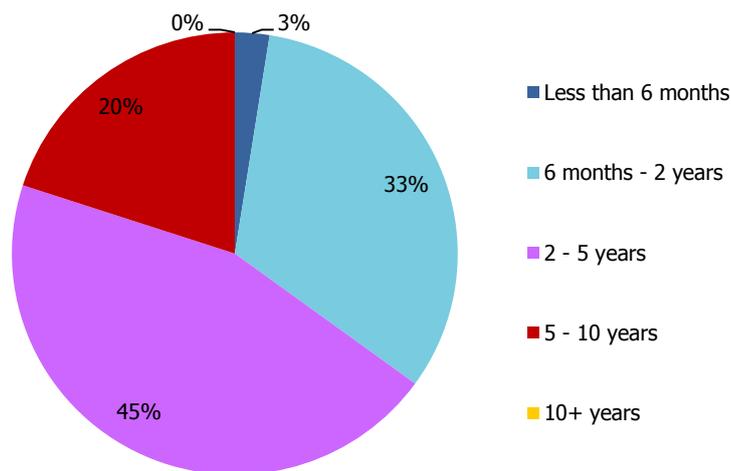
Owner Occupied/Leased

The majority of respondents (57%) lease their premises. A further 43% of respondents owned their premises.

Duration of Lease

Those who are leasing their site tended to have a lease which expires in 2-5 years (45%) or 6 months to 2 years (33%).

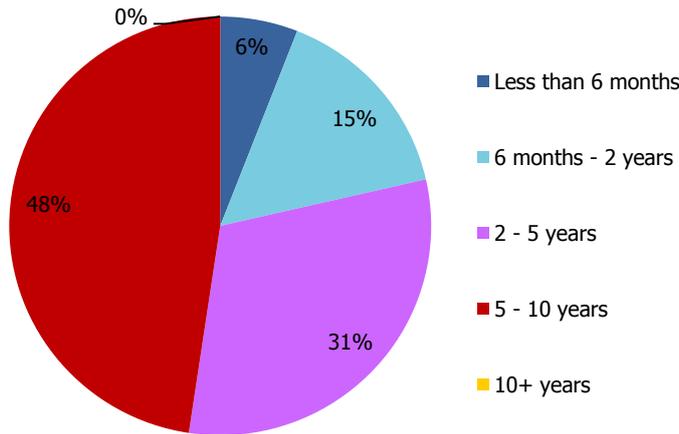
Figure C.2: Duration of lease



Period business has been operating from current location

The majority of respondents have been long-term residents of the Study Area, with 48% of respondents indicating they had been in their current location for 5-10 years. A further 31% of respondents indicated they had been in their current location for 2-5 years.

Figure C.3: Period business has been operating from current location

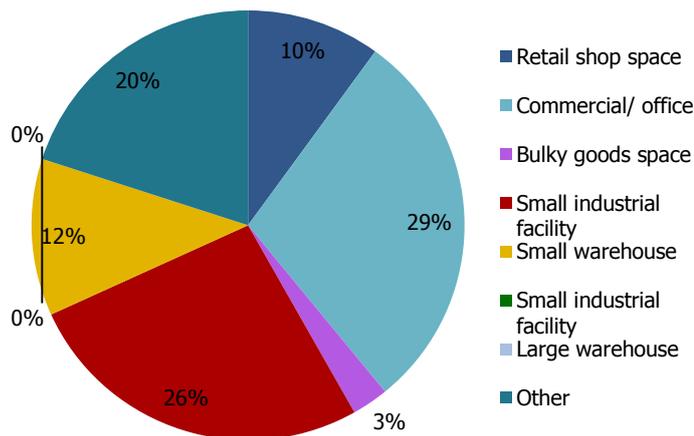


Configuration of Accommodation

The survey results demonstrate that the majority of respondents occupy commercial/office (29%), small/industrial facility (26%) and other (20%).

Those who selected "other", typically provided the following responses: home office, medical facilities, hotel and place of worship.

Figure C.4: Configuration of Accommodation



Suitability of Accommodation

The majority of survey respondents stated that the current configuration of their business accommodation was suitable for their needs (71%).

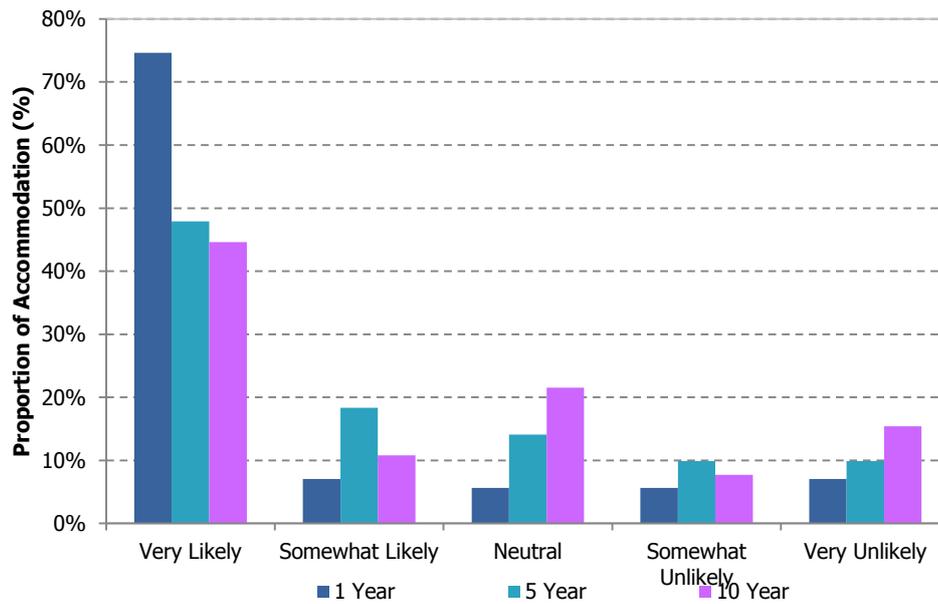
A further 29% of survey respondents stated their accommodation wasn't suitable. Of those that stipulated their accommodation wasn't suitable, 40% of respondents stated that insufficient floorspace was the main reason.

Likelihood of Remaining in Current Location

Overall, respondents have indicated they are very likely to remain in their current location. In one year's time, approximately 75% of respondents indicate it is very likely they will still be in their current location. In five years' time, approximately 48% of respondents indicate it is very likely they will still be in their current location.

Certainty surrounding their location falls as the time frame is extended, and 45% of respondents indicate they are very likely to remain in their current location in 10 years' time.

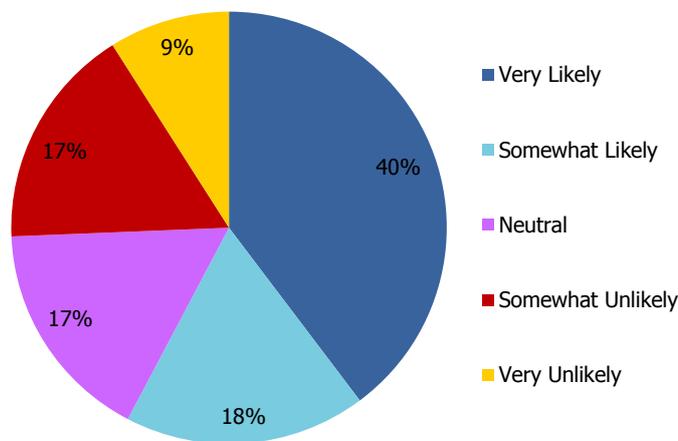
Figure C.5: Likelihood of Remaining in Current Location



Future Business Movement

Businesses who gave a score less than “very likely” on the above question indicated any move from their current site would be very likely to move within the Auburn LGA (40%).

Figure C.6: Business movement within the LGA



The survey results demonstrate that over the next 10 years, 44% of businesses are likely to stay within the Auburn LGA, 26% would stay within the South West Sydney region and 27% would move somewhere within the Greater Sydney Region.

Impact of Infrastructure Initiatives

Survey respondents were asked how important they thought a range of infrastructure/investment initiatives would be to their business e.g. delivery of WestConnex, urban revitalisation of Parramatta Road, improved local public transport network, greater supply of retail facilities etc. The table below demonstrates the responses that were received.

Table C.1. Responses to Infrastructure Initiatives

	Very Important	Somewhat Important	Neutral	Not Very Important	Not at all Important
Delivery of WestConnex Project	29%	34%	24%	5%	7%
Urban Revitalisation of Parramatta Road	35%	31%	22%	5%	7%
Improved local public transport network	48%	34%	11%	4%	3%
Greater supply of convenience retail facilities such as supermarkets	24%	32%	19%	13%	11%
Greater supply of food and beverages such as takeaways, cafes and/or restaurants	17%	30%	30%	9%	13%
Greater supply of other additional shops/retail services	19%	30%	26%	9%	15%
Greater supply of housing in the immediate vicinity	26%	20%	22%	13%	19%
Greater supply of short term visitor accommodation	11%	23%	30%	16%	20%
Greater supply of amenities such as gyms and child care services	13%	32%	30%	12%	13%
Improvement to the overall look and presentation of the Auburn LGA	34%	37%	15%	7%	7%
Improved road conditions and/or configuration	61%	27%	10%	1%	1%
Access to high speed broadband	63%	17%	14%	2%	4%

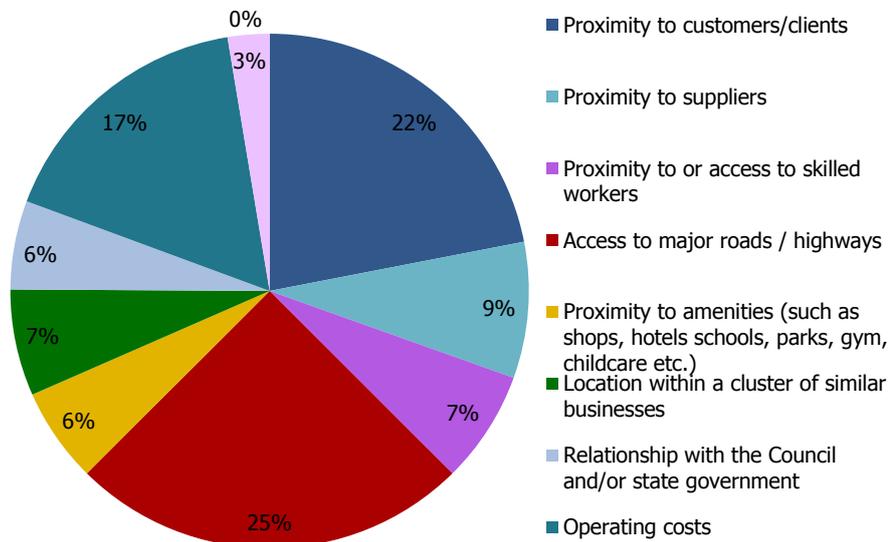
Source: Online Business Survey (AEC)

Location Advantages and Disadvantages

Strengths and Weaknesses of Current Location

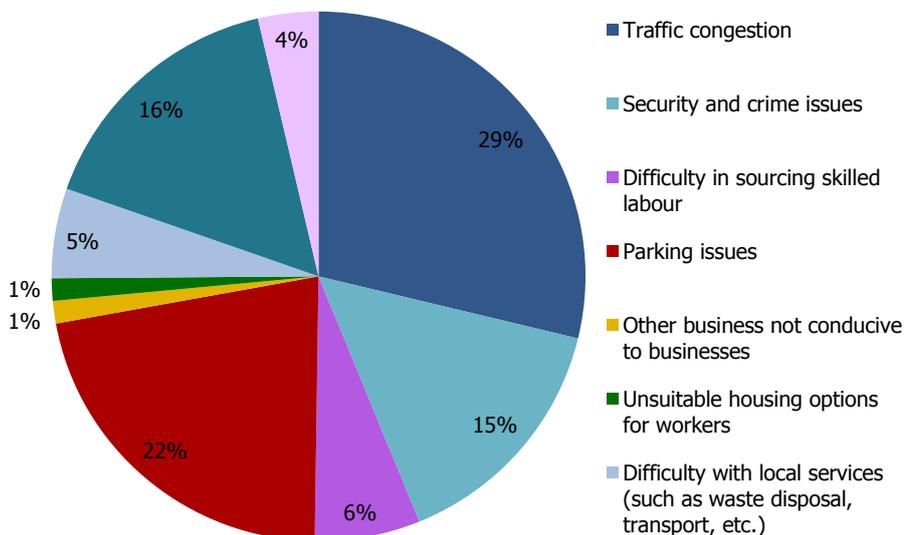
Businesses surveyed cited the most prominent strengths of their current location as: access to major roads/ highways (25%), proximity to customers/ clients (22%) and operating costs (17%).

Figure C.7. Strengths of Current Location



Businesses cited the most prominent weaknesses of their current location as: traffic congestion (29%), parking issues (22%) and rising rents/operating costs (16%).

Figure C.8. Weaknesses of Current Location



Suggestions for Improving Auburn LGA

Survey respondents were asked to provide guidance on what Auburn Council could do to assist businesses operating in their current location. The survey respondents provided the suggestions listed in the table below.

Overall, there was an overwhelming response regard traffic and parking issues within the Study Area. It was suggested by survey respondents that more parking is needed due to parking stations being at capacity, lack of adequate parking near train stations which means commuters are competing for parking in residential streets.

Table C.2. Suggestions for Improvement

Category	Suggestions
Traffic Access/Transport	Better traffic network
	Increase car parking
	Improvement in congestion
	Improve public transport
	Remove parking restrictions
	Provide free parking for business owners
	Changes to road layout at the centre of Auburn are problematic
	Better management of heavy goods traffic flows in and out of Bevchain
Broadband/ IT	Higher speeds and bandwidth
	Optical connectivity
Aesthetics	Clean up the area (rubbish, pollution, graffiti etc.)
	Revitalize shopping areas
Crime and Safety	Increase safety in the area
	Greater police presence
Land Use and Mix	Simulate more industrial development in the area
	Create more office space
	Allow places of worship to locate in industrial zones
	Rezone some commercial areas for high rise residential
	Rezone part of Duck Street for commercial offices
Remove red tape for development approvals	
Costs	Lower cost of land
	Lower rental prices
	Increase cost effectiveness of business
Processes / Council Role	Make DA approvals for small businesses more efficient
	Reduce rates

Source: Online Business Survey (AEC)

Appendix D: Property Market Assessment

Industrial Land Uses

Regional Overview



Sydney's industrial market is commonly defined by five regions known as the Outer West, Inner/Central West, South West, North/North West and South regions. These five regions have been defined geographically with consideration to factors such as access to transport and services, and the nature of existing and future industrial and employment lands. Investors and developers alike evaluate investment opportunities in the context of the five regions, hence it is useful for this analysis to have regard for this broad market context.



The Study Area falls within the Inner/Central West region which also includes Chullora, Strathfield, Rydalmere and Villawood.



The long term outlook for the Sydney industrial market is positive, tenant activity and demand for industrial property particularly strengthening over the last 18 months. Demand from large logistics and warehousing users has driven most of the market activity in the industrial property market.

Investment from institutional investors has been healthy with strong volumes of capital in search of prime grade assets with strong covenants and long lease durations.

The changing nature of industry drivers and a shift from production and manufacturing to more assembly and logistics oriented operations has resulted in changing requirements for industrial floorspace. Growing demand for warehouse and distribution facilities has focused activity in regions like the Outer West where large allotments are available at competitive prices. Equally, the transition of many operations from a lower value adding activity to a higher order function has often seen office floorplates (as part of total GFA) increase in many facilities.

Major infrastructure projects (e.g. North West Rail Link, WestConnex) will undoubtedly contribute to transport accessibility in the outer regions. The recent announcement by the Federal Government that a second airport will be located at Badgerys Creek will incorporate a number of road upgrades to improve accessibility to the M7 and M4 motorways. These measures are expected to assist with a gradual migration of industrial users further west. Notwithstanding, demand for industrial floorspace close to Sydney airport and Port Botany is expected to remain (Knight Frank, 2014).

The Employment Lands Development Program (DP&E, 2014b) provides information on overall employment (industrial) lands supply in the Sydney region. The proportion of developed against undeveloped lands enables land use planners to monitor and ensure that employment lands capacity to accommodate economic growth is adequate.

The quantum of zoned employment lands across seven metropolitan Sydney subregions is summarised below.

Table D.1: Zoned Employment Lands by Subregion (ha)

Subregion	January 2012			January 2013			January 2014			Net Change Jan 2013- 2014
	Undeveloped	Developed	Total	Undeveloped	Developed	Total	Undeveloped	Developed	Total	
Central	184.3	1,292.1	1,476.5	121.6	1,408.7	1,530.3	45.8	1,432.1	1,477.9	-52.5
North	35.6	345.3	380.9	25.7	314.7	340.3	19.1	312.5	331.6	-8.7
South	154.9	771.4	926.3	141.1	761.5	902.6	73.0	823.2	896.2	-6.4
South West	800.5	3,238.6	4,039.1	647.8	3,346.4	3,994.2	715.1	3,459.1	4,174.2	180.0
West	831.1	1,060.5	1,891.7	733.5	1,058.1	1,791.6	754.2	1,056.9	1,811.1	19.5
West Central	1,473.9	3,157.1	4,631.0	1,464.2	3,104.6	4,568.8	1,356.3	3,241.2	4,597.6	28.8
Central Coast	1,139.3	909.5	2,048.8	1,156.2	885.3	2,041.5	1,123.1	916.3	2,039.4	-2.1
Sydney Region Total	4,619.6	10,774.5	15,394.2	4,290.0	10,879.3	15,169.3	4,086.6	11,241.4	15,328.0	158.7

Source: DP&E (2014b)

As a proportion of the West Central subregion's total industrial lands, Auburn comprises approximately 8.6% or 397.7ha (DP&E, 2014b). It is important to note that between January 2012 and January 2014 employment lands within the Auburn LGA decreased by 4.2ha.

The growing demand for warehouse and distribution facilities has focused activity in regions like the Outer West (e.g. Eastern Creek, Erskine Park, Wetherill Park) where large allotments are available at competitive prices along major transport nodes.

Areas like Auburn with smaller allotments and less availability of large allotments at competitive prices has resulted in smaller warehouse developments and strata titled industrial complexes. These development types cater to a mix of needs of local businesses who require proximity to major road transport networks and local/national manufacturing/ distribution businesses. The central location of Auburn provides very attractive access to the immediately surrounding LGAs as well as the broader metropolitan market.

In comparison to the Outer West, average price and rent levels in the Inner/Central West region are marginally higher, demonstrating the attractiveness of the location.

Table D.2: Sydney Industrial Market Indicators

Precinct	Ave. Net Rent (\$/sqm)		Ave. Land Value (\$/sqm)		Ave. Core Market Yield (%)	
	Prime	Secondary	<5,000sqm	1-5ha	Prime	Secondary
Outer West	104	93	352	285	7.75-8.25	8.50-9.50
Inner/Central West	118	102	509	309	7.75-8.25	8.75-9.50
South West	95	82	310	227	8.00-8.50	9.00-9.75
North	159	134	595	475	8.25-9.00	9.00-9.75
South	147	124	1,175	900	7.25-7.75	8.00-8.75
Sydney Average	124	107	390*	274*	7.75-8.50	8.75-9.50

*Average of Outer West, Inner/Central West and South West
Source: Knight Frank (2014)

The above hierarchy of rents and prices has implications for investment and development activity, with the Outer West region disclosing lower yields amid low land values as markets factor in an element of anticipated future capital growth.

The Study Area in Context

Land use and built form generally respond to market need, providing accommodation for the activities associated with industry activity. There is a range of uses accommodated within a diverse range of built forms. Many of the older style factories demonstrate the legacy of the Study Area's focus on traditional manufacturing activity.

While still comprising a large proportion of employment activity in the Study Area, the role of traditional manufacturing has been evolving. Overall employment in manufacturing, wholesale trade and transport has declined in recent years, however, this may or may not directly translate to a decrease in demand for industrial premises.

Depending on the individual circumstance, the overall demand for space may not have changed, even though fewer people are employed within the space. The addition of new machinery, automation, new technology or new design could provide a business the opportunity to increase productivity and profitability. Naturally, in other circumstances, the decline in employment would translate through to a decline in the particular business. That said, in some instances industries have transitioned to a higher order, producing greater output with less labour, i.e. effectively representing a shift from labour to capital.

There are moderate levels of development activity observed in the Study Area, generally characterised by land subdivisions and warehouse/office developments. Small scale alterations and additions to existing improvements are also observed albeit limited in nature. The area is gradually transforming, with many a traditional and/or heavier industrial use, being replaced with light industrial uses (many of which with higher office content).

Owing to its proximity to major thoroughfares of Parramatta Road and the M4 Western Motorway as well as the large population catchment and high traffic volumes, many bulky goods retail showrooms can be observed along the Parramatta Road corridor, showcasing homewares, building materials (tiles, air conditioners, roofing materials) and consumer goods (alarm systems, pet supplies, automotive parts).

Market and Leasing Activity

Market yields and capital values achieved in the Study Area suggests a dominance of activity by owner occupiers. A function of a tightly held market, research identifies that properties brought to the market for sale are generally well sought after both by businesses that play a local service role and those that service the wider metropolitan market.

Market rents and capital values achieved in the Study Area indicate a clear segmentation in the market for prime grade space over secondary grade space. Older industrial stock (aged more than 25 years and with low height clearances) struggles to be filled even at discounted rents.

There have been a number of notable transactions in the Study Area in the last 12 months. Selling agents have identified a consistent turnover of smaller industrial units, particularly as owner occupiers seek out accommodation in a low interest rate environment. As a consequence of a competitive owner occupier segment of the market, investment yields have notionally compressed, reducing the attractiveness of property to potential investors.

While there is a distinction in the type of industrial space and demand profile between the various precincts in the Study Area, the following broad observations may be made.

- **Large allotments (>5,000sqm)**

These are focused in the central portion of the Study Area (Lidcombe East, Lidcombe West, Carter Street and parts of Silverwater), these areas characterised by wide roads and building setbacks with abundance of onsite grade parking available. These larger allotments are generally improved with a mixture of modern, prime grade floor space as well as older but functional manufacturing/ warehouse space.

Demand is driven by occupiers with a long history in the area (25 years+) who may have a need to expand as well as businesses from other areas in the Central West region (e.g. Rydalmere and Meadowbank) who may be upgrading and/or expanding.

- **New, modern warehouse/office buildings**

There are several new developments that have been recently completed in the Study Area. While take-up has been a gradual process these new buildings are understood to be generally well received.

Modern warehouse/office buildings in Regents Park, Newington Business Park and Lidcombe (East and South) as well as in Silverwater reportedly received good market response, particularly those properties within affordable price points between \$500,000 and \$1,000,000. Demand is observed to be predominantly driven by owner occupiers of small to medium businesses.

- **Small industrial strata units**

There is generally good demand for smaller industrial strata units from distribution and other businesses that play a local service role with a range of industrial strata developments. The configuration and layout is important, demand depending on user requirements to container loading and storage.

- **Older and ageing warehouses/workshops**

There is a moderate amount of ageing secondary stock in the Study Area, these buildings most vulnerable to vacancies. While many of these buildings are aged and in need of refurbishment/upgrade, they are not obsolete with property values in many cases not as yet approaching land values.

Where the space fronts a main road, many old industrial premises have been converted to include some element of retail or mixed use in pursuit of a higher and better use. Examples of these can be witnessed along Parramatta Road. In instances where older industrial stock does not benefit from good exposure, prolonged vacancies are relatively common. This is a problem not unique to the Study Area but across metropolitan Sydney.

- **Vacant allotments**

There is limited amount of vacant blocks available for sale. Several vacant blocks along George Young Street in Regents Park have sold in the last 12 months to owner occupiers seeking to build customised office/warehouse accommodation. While Precinct 9 (Clyburn) has the highest average allotment size in the Study Area, owing to its location adjoining residential areas and restricted access, market appeal of vacant blocks, despite their scarcity in the Study Area, is limited.

Some observations may be made with respect to the various types of industrial floorspace in the Study Area:

- **Manufacturing floorspace** that may be older in age but still functional has sold for prices between \$1,200/sqm and \$1,500/sqm of building area at the lower end of the spectrum (Regents Park) and between \$1,500/sqm and \$2,000/sqm at the higher end of the spectrum (Silverwater and Lidcombe).
- **Older style manufacturing floorspace** that is older in age (>50 years) and with low clearance heights struggles to generate market interest and can be subject to protracted marketing periods. There are several such properties in Silverwater that are on the

market and remain unsold at quoting prices of between \$1,500/sqm and \$2,000/sqm of building area.

- **Newly developed warehouse/office space** has sold for prices between \$2,000/sqm and \$2,500/sqm of building area, with units sized between 100sqm and 300sqm dominating market demand and activity.
- **Serviced vacant industrial blocks** have sold in the region of:
 - \$400/sqm to \$500/sqm (1,000sqm-2,000sqm); and
 - \$300/sqm to \$350/sqm (>5,000sqm).
- **Market yields** typically range between 8% and 9%, with tighter yields (7.0%-7.5%) observed for newly completed space and those with secure covenants.

Land use and intensity of use generally underpins land values. This is due to the different end sale values achievable when sites are redeveloped. The following illustrates:

- **Vacant industrial sites** (zoned IN1 or IN2) range between \$300/sqm and \$500/sqm of site area, with sites with nominal improvements in premium locations (e.g. Silverwater, Lidcombe East and Lidcombe West) selling for between \$1,000/sqm and \$1,200/sqm of overall improved site area.
- By contrast, vacant enterprise corridor sites (zoned B6) are generally achieving \$1,000/sqm of site area.

While a dominance by owner occupiers in terms of market activity is noted, there are more than 14 industrial estates in the Study Area owned by institutional property investors. The accommodation offer is diverse, rents ranging from \$100/sqm to \$140/sqm depending on size and nature of the space. The table below outlines the corresponding accommodation offer.

Table D.3: Institutional Property in the Study Area

Estate (Site Area)	Description	Owner (Site Area)
St Hilliers Estate 79-99 St Hilliers Road Auburn	<ul style="list-style-type: none"> • Large business park known as St Hilliers Estate • 2 large buildings with 26,000sqm lettable area • Major tenant Made in China 	DEXUS (3.5ha)
Centrewest Industrial Estate Silverwater Road Silverwater	<ul style="list-style-type: none"> • Industrial estate known as Centrewest Industrial Estate • 6 large buildings with 12 individual units • 17,800sqm lettable area • Major tenant Chubb Security 	DEXUS (2.4ha)
Dexus Industrial Estate Egerton Street Silverwater	<ul style="list-style-type: none"> • Industrial estate known as Dexus Industrial Estate • 6 large buildings with 18,200sqm lettable area • Major tenant Enersys Australia 	DEXUS (8.8ha)
391 Park Road Regents Park	<ul style="list-style-type: none"> • Large industrial estate with 20 warehouse and office buildings, on-site management, café/recreation • 20 large buildings with 42,700sqm lettable area • Accommodation ranges from 700sqm-28,000sqm 	DEXUS (32.6ha)
Campus Business Park 350 Parramatta Road Homebush West	<ul style="list-style-type: none"> • Modern industrial estate with heritage features • On-site café and 24 hour security • 8 buildings with mix of office, showroom and office/warehouse (91,198sqm) • Accommodation ranges from 300-4,000sqm 	Goodman (12ha)
Homebush Corporate Park 1-5 Carter Street Homebush Bay	<ul style="list-style-type: none"> • Modern warehouse/commercial building with residual development land • 49,400sqm lettable area • Major tenant NSW Rural Fire Services Headquarters 	Goodman (1.88ha)
IBC Corporate Centre 29-33 Carter Street Lidcombe	<ul style="list-style-type: none"> • Warehouse with residual development land • 57,900sqm lettable area • Major tenant Grays Online 	Goodman (12.85ha)
Homebush Corporate Centre 23 Uhrig Road Homebush	<ul style="list-style-type: none"> • Standalone warehouse/office space • 5,100sqm lettable area 	Goodman (0.7ha)
Lidcombe Business Park 31 Birnie Avenue	<ul style="list-style-type: none"> • Modern industrial estate/business park • 7 freestanding buildings with 79,700 lettable area 	Goodman (10.7ha)

Estate (Site Area)	Description	Owner (Site Area)
Lidcombe		
Homebush Corporate Park 15 Carter Street Homebush	<ul style="list-style-type: none"> • Modern office building • Refurbished office, warehouse and production facility 	Goodman (3.61ha)
Slough Business Park 2 Slough Avenue Silverwater	<ul style="list-style-type: none"> • Modern industrial estate with office/warehouse units • 10 freestanding buildings with 69,700sqm lettable area • Accommodation ranges from 700-3,000sqm 	Goodman (7.28ha)
Homebush Bay Industrial Estate 35 Carter Street Homebush	<ul style="list-style-type: none"> • Freestanding warehouse facility • 8,900sqm lettable area 	Goodman (1.2ha)
4 Holker Street Newington	<ul style="list-style-type: none"> • Modern hi-tech data centre • 7,400sqm lettable area 	GPT
83 Derby Street Silverwater	<ul style="list-style-type: none"> • Freestanding warehouse with associated office space • 3 units currently leased to a single tenant • 17,000sqm lettable area 	GPT (3.19ha)

Source: Dexus (2014), AMP (2014), Goodman (2014), ISPT (2014)

The various estates owned by institutional investors combine a range of uses, they are generally more modern facilities and typically contain a higher proportion of office space therein.

Retail/Commercial Land Uses

Retail floorspace is most sought after on the southern side of the train line in both Auburn and Lidcombe town centres. This is reflected in price levels as well as lower vacancy rates witnessed therein. Retail floorspace is tightly held with not much by way of available stock.

Auburn Town Centre

AEC research and enquiries with local leasing agents reveal that leasing conditions in the town centre have been reasonably strong, primarily due to a constrained supply and steady demand for retail trade. A floorspace survey revealed minimal vacancy rate of less than 3%, indicative of market appeal.

Retail rents within the town centre are between \$400/sqm and \$1,000/sqm depending on location, size and amenity. Smaller retail units (circa 40sqm) can lease for as much as \$800/sqm-\$1,000/sqm in gross annual rent, particularly if they are located between Queen Street and South Parade. The strength of the retail market particularly for well-located properties, can further be witnessed through strong capital values achieved (in excess of \$7,000/sqm of lettable area). At these rates, new development would be possible subject to the availability of suitable sites.

A major driver of leasing activity is demand for professional suites, research suggesting gross rents achieving between \$350/sqm and \$400/sqm for good quality accommodation and between \$250/sqm and \$300/sqm for older, inferior quality stock. Small office suites are reportedly the most popular commercial space, with units between 20sqm and 50sqm the most marketable and commanding the highest per square metre rents.

Existing commercial floorspace in Auburn is generally of secondary grade and inferior quality. While good quality, contemporary office space is sought after, there is market resistance to older stock with such buildings experiencing prolonged vacancies.

While some buildings may offer commercial accommodation on the first floor, the lack of lift or disabled access is a deterrent to some tenants. There is anecdotal evidence that in the absence of suitable commercial space, tenants take up space in other markets such as Burwood and Parramatta.

Lidcombe Town Centre

Lidcombe's retail and commercial market is largely driven by the densification of sites in and around the town centre to include residential uses. A floorspace survey indicated

minimal vacancy rate to be around 4%, indicative of the desirability of space within the centre.

Notably dominated by Korean businesses, retail floorspace, particularly in the southern portion of the town centre is tightly held with minimal levels of vacancy. As a result of its tightly held market there has been a dearth of sales transactions the nature of market activity mostly in the form of leasing activity. By way of example a two-level property at 17 Joseph Street was leased almost immediately when it was on the market, achieving a gross rent of over \$300/sqm of building area. Considering the relatively large dimensions (320sqm), the rent is indicative of the strength of the market.

The northern portion of the town centre struggles in comparison with lower rents and higher vacancies. Several new mixed use developments at the northern edge of the town centre (beyond Board Street) provide ground floor retail and commercial space however these are often subject to protracted vacancies. The absence of anchor or 'high impact' tenants on the northern side of the train line is a major factor.

Berala and Regents Park Village Centres

There have been limited transactions in Regents Park and Berala, owing to limited supply and a tightly held market.

Berala is a better performer than Regents Park, characterised by a zero vacancy rate and higher prices paid. The relatively small limits of the centre have impeded the growth potential of the centre, resulting in a constrained supply.

Council's resolution to progress with a rezoning of the Berala Centre to effectively broaden the limit of the B2 Local Centre zone will conceivably open opportunities for growth.

Regents Park is a modest centre by comparison to the above centres, largely a function of the absence of a supermarket or an anchor. The current mix of retailers is comprised of many non-food retailers and small scale commercial uses. Regents Park also has the highest vacancy with almost 15% vacant shopfronts.

Parramatta Road Corridor

Property performance in the Parramatta Road Corridor is mixed. While high profile bulky goods destinations like the Lidcombe Power Centre and Auburn Megamall are visible and generate high levels of patronage, pockets within the corridor that suffer from obsolescence and high vacancy levels. These are primarily small lots in fragmented ownership.

A number of commercial buildings along Parramatta Road are well sought after, the strength of commercial demand illustrated by a number of ongoing commercial development proposals.

Newington Business Park

Office and warehouse accommodation in Newington Business Park is well sought after, understood to attract blue chip occupiers, with capital values achieving up to \$3,000/sqm of building area. In contrast, office accommodation in less accessible and more 'isolated' locations such as along Highgate Street and Rawson Street in Auburn West, capital values are in the order of \$2,000/sqm of building area.

Development Activity

Development activity in the Auburn LGA is dominated by mixed use residential rezoning and development proposals as the market responds to underlying pent up demand for dwellings in an undersupplied market.

There is limited development activity ongoing in the employment precincts. While not many in number the following is a selection of non-residential proposals helpful in understanding the drivers of viable development and market activity.

- **George Young Street and Other Industrial Development**

A proposed development at 13 George Young Street in Regents Park has been approved for the construction of a cold storage warehouse distribution facility. This site and

several other vacant sites in the precinct have been purchased by owner occupiers to build customised facilities. Site purchase prices have been circa \$350/sqm of area.

Other such individual developments are also observed to be ongoing in the Study Area, driven by strong owner occupier demand particularly in a low interest environment.

- **Adderley Street and Silverwater Road Commercial Buildings**

A development proposal has been approved at 11-13 Silverwater Road in Auburn on a site measuring some 1,650sqm. The site is within the Parramatta Road Corridor precinct and is zoned B6 Enterprise Corridor. The proposal includes the demolition of two single level factories and construction of a new 6 storey commercial building (4,100sqm GFA) to an FSR of 2.5:1.

A development application has been submitted at 88-90 Adderley Street in Auburn on a site measuring 890sqm. The site is also located within the Parramatta Road Corridor precinct and is zoned B6 Enterprise Corridor. The proposal envisages demolition of two cottages and construction of a part 2/part 3 storey commercial building.

Both the above sites were purchased about four years ago for between \$900/sqm and \$1,000/sqm of site area.

- **Bulky Goods/Retail Expansions**

A development application for additions to the Lidcombe Power Centre (92 Parramatta Road, Lidcombe) has been approved. The proposal envisages a reconfiguration of ground and first floors to establish a mix of retail and bulky goods tenancies including a supermarket, discount department store, bulky goods retailers and specialties.

Development approval has been granted to Red Yard Complex (100 Parramatta Road, Auburn) for construction of a new building to contain seven new retail tenancies.

- **Residential/Retail Mixed Use Development**

A development application for a mixed use development at 13-15, 19-21 John Street in Lidcombe has been submitted. The proposal envisages demolition of existing retail shops, shop top housing and public carpark to make way for construction of a nine storey building to comprise 96 units, ground floor supermarket and retail tenancies.

Market Findings and Future Demand

Several key themes emerge from our market appraisal of the Study Area and the wider Inner/Central West region.

Industrial floorspace

While rents, prices and yields achieved across the Study Area depend on individual property characteristics and location, overall they are higher than price levels that currently prevail in the Outer West region.

Notwithstanding the shrinking employment role of traditional manufacturing over the last decade, employment lands across the Study Area has generally performed well. Centrally located industrial floorspace is sought after by a wide range of businesses, from those that play a local service role to national logistics and distribution operators and high-technology manufacturing businesses.

Some large transport logistics and distribution operators will locate in the Outer West region where prices are more competitive. That said, owing to the central location that the Study Area offers, many such transport and distribution businesses are still found in Auburn, e.g. in Silverwater, Homebush and Lidcombe.

Small, modern industrial units (<500sqm) are popular among owner occupiers and are driving a high proportion of market activity. A number of relatively new industrial strata complexes have been developed in Regents Park, Silverwater and Newington Business Park. These typically combine a mix of uses with a higher office content.

Following the vacating of some large buildings (>10,000sqm GFA), these buildings have been partitioned into smaller units of accommodation to facilitate their marketability. The manner in which some buildings are configured may not necessarily lend themselves to being feasibly subdivided into smaller tenancies. These buildings can struggle to be reabsorbed by the market.

In addition, sites with ageing and obsolete buildings, poor/restricted access and those located within residential areas that could be subject to land use conflicts typically experience protracted vacancies. Those sites that enjoy good exposure addressing a main road are better able to mitigate against the deterioration of building fabric by being able to be converted into uses with a retail focus. This has been witnessed along Parramatta Road.



Retail floorspace

Research indicates the four main retail centres in the Study Area (Auburn, Lidcombe, Berala and Regents Park) are overall performing well with the exception of Regents Park with higher than average vacancy levels.



Strong population growth in the LGA underpins strong demand for retail goods and services, however lower than average income levels impact on disposable incomes and capacity for retail spend.

Market signals across the Study Area suggest tightly held retail property markets, suggesting an undersupply of well-located retail space. The challenge with intensifying retail use in existing town centres is invariably for the feasibility of redevelopment to be sufficiently attractive to displace existing uses and make way for development.



Commercial floorspace

Owing to the evolving nature of manufacturing and other traditional industrial activities and in order to transition, higher office component can be required to incorporate increased use of technology that is more capital than labour intensive. This observation does not include large floorplate users such as logistics and transport distribution operators that do not typically require much commercial space.

Good quality commercial floorspace is limited in the major centres (Auburn and Lidcombe) with market demand 'escaping' to locations like Burwood and Parramatta. Research identifies present and steady demand for office suites to accommodate professional services. This demand conceivably underpins several small office building proposals underway in the Parramatta Road Corridor.

Notwithstanding the overall demand for commercial floorspace, those commercial buildings in isolated locations offering minimal worker amenity can struggle for market acceptance.

As a corollary of broader economic and market conditions, the following land use activity is expected to continue:

- A broad range of industrial/employment uses that support assembly, warehouse and distribution, transport and logistics for those businesses that fill local service roles and those that have broader regional catchments.
- Modern industrial and warehouse units (with higher office content) in response to high land values and demand from small business.
- Attempted conversion of traditional/obsolete manufacturing space into higher and better use, e.g. residential, retail, showroom retail.
- Affordable price points will continue to drive the majority of market activity, i.e. smaller industrial units and commercial suites.
- Well-located retail floorspace to cater for the needs of the burgeoning population.
- With limited vacant sites in contiguous ownership available for Greenfield development, development types that feature higher intensity of use (and higher office content) will drive renewal and development activity in the employment precincts.

As older stock becomes obsolete and building values decline to approach land values, these properties will be attractive and ready for redevelopment, however, this is unlikely to occur in the short to medium term. That said, part of the appeal of employment precincts in the Study Area is the range of floorspace and accommodation offer that suit many budgets and user requirements.

Appendix E: Opportunity Assessment

An opportunity assessment has been undertaken of the Auburn LGA to assist in identifying future opportunities for the study area and its employment precincts.

The analysis includes:

- Location Quotient Analysis
- Cluster Mapping
- Journey to Work Data Analysis
- Strategic Asset Assessment

Location Quotient Analysis

In order to demonstrate the specialisation of the economy, location quotients based on employment have been calculated. The location quotients demonstrate the degree to which a local or regional economy is specialised by examining the proportion of employment (by industry sub-sector) compared to a larger economy (Australian economy). Location quotients can be used to indicate strengths and weaknesses of a local or regional economy (i.e. its natural competitive advantage).

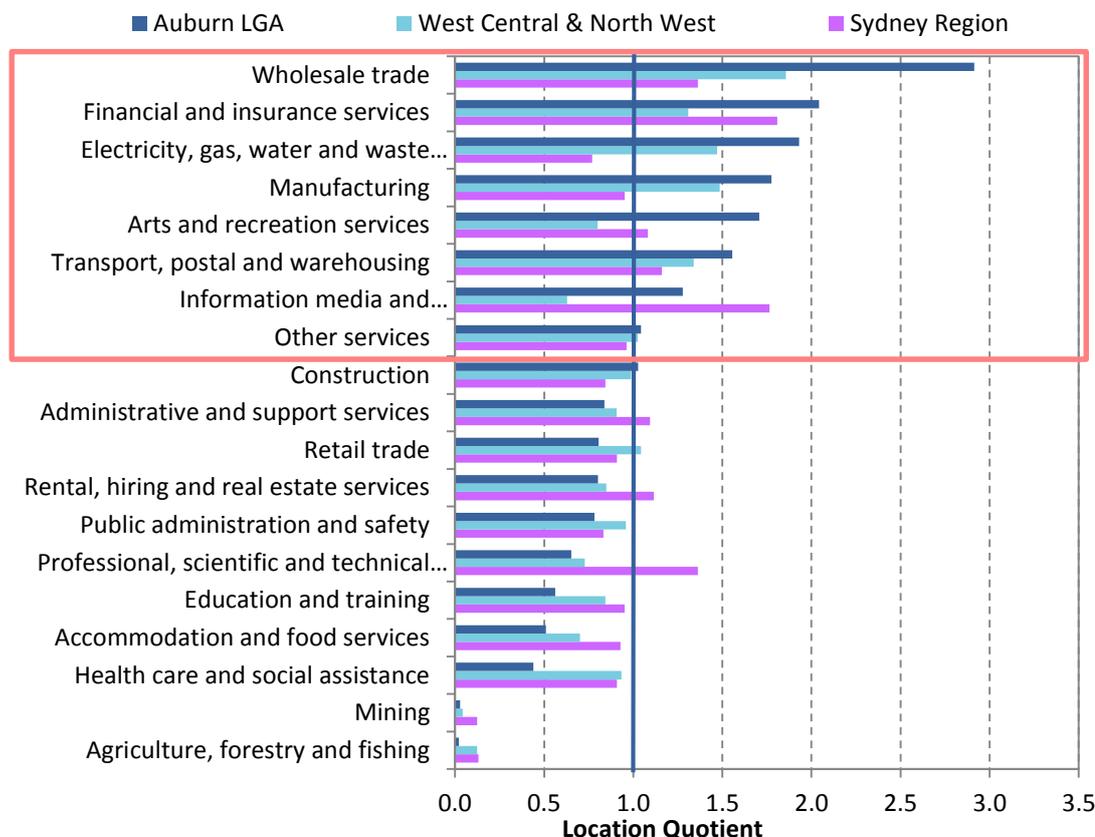
For this project, the analysis has compared the Auburn LGA, the broader West Central and North West Sub-Region (comprising the LGAs of Auburn, Blacktown, Holroyd, Parramatta and The Hills) with the Australian economy.

A location quotient of "1" means that the economies being compared have an equal share of employment (compared to the Australia) for a specific industry sector, thus no potential advantage either way. A location quotient above "1" indicates a specialisation of labour and therefore an area of potential competitive advantage. If the location quotient is below "1", the area has a weakness in this particular industry sector.

The figure below shows that Auburn has a clear specialisation in finance and insurances, industrial sectors (wholesale trade, manufacturing and transport postal and warehousing). The Study Area also shows specialisation in other business and population based services such as electricity, gas and water supply, information media and telecommunications services, as well as arts and recreation services.

The following graphs depict the sector's location quotients in major sectors.

Figure E.1: Location Quotients, 1-Digit ANZSIC, Auburn LGA, 2011



Source: ABS (2012a)

Cluster Mapping

Cluster mapping builds on the location quotient analysis by portraying the regional location quotients against national industry estimated employment growth over time (from 2011 to 2016). By incorporating industry growth, cluster mapping allows for the identification of growth opportunities in specific industry sectors, where a natural competitive advantage already exists against a backdrop of an expanding sector nationally.

Industry clusters located above the "1" on the vertical axis indicate an existing industry concentration (strength or competitive advantage, as discussed previously) within the region being examined. The national industry employment growth estimate for 2011-12 to 2015-16 (IBIS World, Various) is plotted along the horizontal axis, with 0% growth over the five years creating a midline. The further to the right of this central horizontal axis, the faster the industry is expected to expand. Similarly, the farther to the left of the zero percent midline, the faster it is expected to shed jobs during this five year period. The size of the cluster (circle/ blob) in the map demonstrates the size of the local workforce in that industry sector.

The cluster maps presented in the following figures suggest the following potential industries of opportunity for the Study Area:

- Finance and Insurance Services.
- Manufacturing sectors of:
 - Food product and beverage manufacturing.
 - Machinery and equipment manufacturing
- Wholesale.

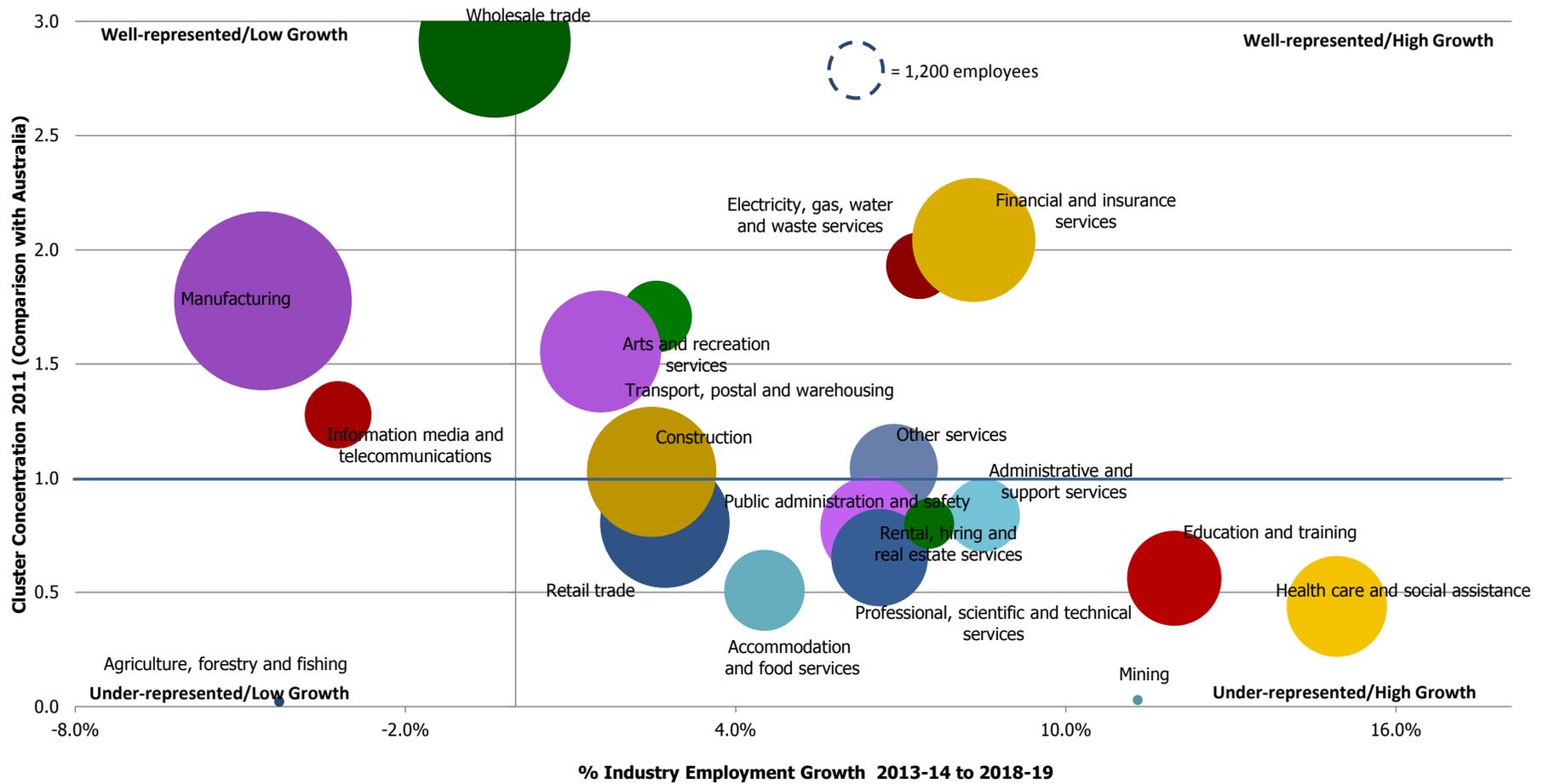
- Transport postal and warehousing.
- Electricity, gas, water and waste services.
- Education and training.
- Professional, scientific and technical services.
- Health care and social assistance.

This opportunity assessment was carried out to identify future opportunities for the Study Area utilising AEC's bespoke tools.

- Location quotient analysis of employment by industry data indicates that Auburn LGA has an existing specialisation across a range of sectors including manufacturing, wholesale trade and transport postal and warehousing as well as more business and service based industries such as finance and insurance, electricity, gas, water and waste services and information media and telecommunications.
- As traditional manufacturing activities continue to decline, more knowledge-based, high technology and specialised industries are expected to increase in significance. These industries/businesses will seek to leverage knowledge and labour by locating in a central metropolitan location. The high-value add nature of these industries suggest that manufacturing is beneficial to the LGA.
- The cluster mapping analysis shows that while manufacturing is a low growth area, it is nevertheless an opportunity for Auburn given that it is already highly represented by this industry. The nature of employment in this industry is expected to evolve in a similar manner as it (manufacturing) transitions into one of a more knowledge-based and specialised nature. This sector is further supported by the wholesale trade and transport, postal and warehousing sectors.

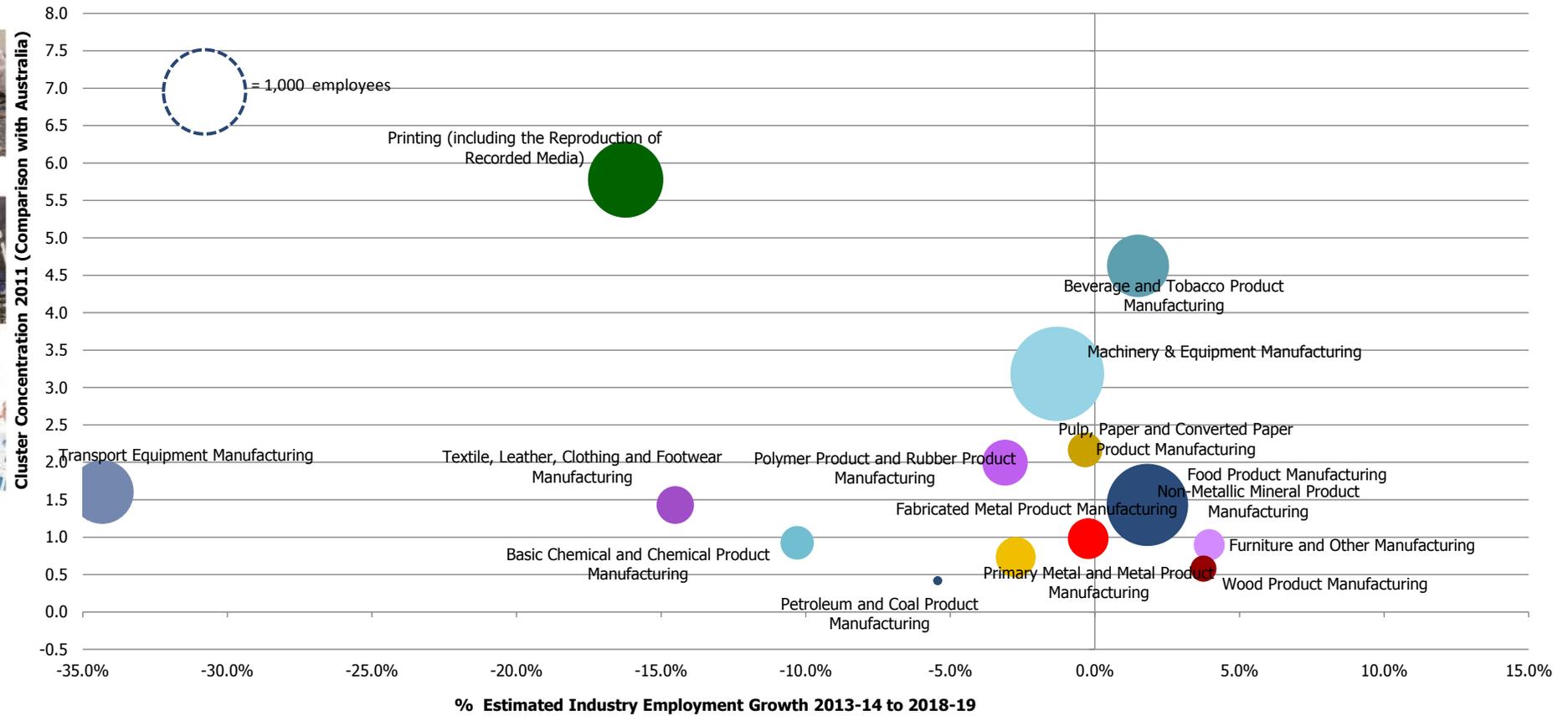


Figure E.2. Cluster Map, 1-Digit ANZSIC, Auburn LGA



Source: ABS (2012), IBIS World (Various)

Figure E.3. Cluster Map, 2-Digit ANZSIC Manufacturing, Auburn LGA



Source: ABS (2012), IBIS World (Various)

Appendix F: ANZSIC Titles

ANZSIC 2006 TITLES

AGRICULTURE, FORESTRY AND FISHING



- Agriculture
- Aquaculture
- Forestry and Logging
- Fishing, Hunting and Trapping
- Agriculture, Forestry and Fishing Support Services

MINING



- Coal Mining
- Oil and Gas Extraction
- Metal Ore Mining
- Non-Metallic Mineral Mining and Quarrying
- Exploration and Other Mining Support Services

MANUFACTURING



- Food Product Manufacturing
- Beverage and Tobacco Product Manufacturing
- Textile, Leather, Clothing and Footwear Manufacturing
- Wood Product Manufacturing
- Pulp, Paper and Converted Paper Product Manufacturing
- Printing (including the Reproduction of Recorded Media)
- Petroleum and Coal Product Manufacturing
- Basic Chemical and Chemical Product Manufacturing
- Polymer Product and Rubber Product Manufacturing
- Non-Metallic Mineral Product Manufacturing
- Primary Metal and Metal Product Manufacturing
- Fabricated Metal Product Manufacturing
- Transport Equipment Manufacturing
- Machinery and Equipment Manufacturing
- Furniture and Other Manufacturing

ELECTRICITY, GAS, WATER AND WASTE SERVICES

- Electricity Supply
- Gas Supply
- Water Supply, Sewerage and Drainage Services
- Waste Collection, Treatment and Disposal Services
- Construction
- Building Construction
- Heavy and Civil Engineering Construction
- Construction Services

WHOLESALE TRADE

- Basic Material Wholesaling
- Machinery and Equipment Wholesaling
- Motor Vehicle and Motor Vehicle Parts Wholesaling
- Grocery, Liquor and Tobacco Product Wholesaling
- Other Goods Wholesaling
- Commission-Based Wholesaling

RETAIL TRADE

- Motor Vehicle and Motor Vehicle Parts Retailing
- Fuel Retailing
- Food Retailing
- Other Store-Based Retailing
- Non-Store Retailing and Retail Commission-Based Buying and/or Selling

ACCOMMODATION AND FOOD SERVICES

Accommodation
Food and Beverage Services

TRANSPORT POSTAL AND WAREHOUSING

Road Transport
Rail Transport
Water Transport
Air and Space Transport
Other Transport
Postal and Courier Pick-up and Delivery Services
Transport Support Services
Warehousing and Storage Services

INFORMATION MEDIA AND TELECOMMUNICATIONS

Publishing (except Internet and Music Publishing)
Motion Picture and Sound Recording Activities
Broadcasting (except Internet)
Internet Publishing and Broadcasting
Telecommunications Services
Internet Service Providers, Web Search Portals and Data Processing Services
Library and Other Information Services

FINANCIAL AND INSURANCE SERVICES

Finance
Insurance and Superannuation Funds
Auxiliary Finance and Insurance Services

RENTAL, HIRING AND REAL ESTATE SERVICES

Rental and Hiring Services (except Real Estate)
Property Operators and Real Estate Services

PROFESSIONAL, SCIENTIFIC AND TECHNICAL SERVICES

Professional, Scientific and Technical Services (Except Computer System Design and Related Services)
Computer System Design and Related Services

ADMINISTRATIVE AND SUPPORT SERVICES

Administrative Services
Building Cleaning, Pest Control and Other Support Services

PUBLIC ADMINISTRATION AND SAFETY

Public Administration
Defence
Public Order, Safety and Regulatory Services

EDUCATION AND TRAINING

Preschool and School Education
Tertiary Education
Adult, Community and Other Education

HEALTH CARE AND SOCIAL ASSISTANCE

Hospitals
Medical and Other Health Care Services
Residential Care Services
Social Assistance Services

ARTS AND RECREATION SERVICES

Heritage Activities
Creative and Performing Arts Activities
Sport and Recreation Activities

Gambling Activities

OTHER SERVICES

Repair and Maintenance

Personal and Other Services

Private Households Employing Staff and Undifferentiated Goods- and Service-Producing Activities of Households for Own Use





Brisbane	Level 5, 131 Leichhardt Street Spring Hill QLD 4000	PO Box 942 Spring Hill QLD 4004	T +61 7 3831 0577
Darwin	Level 1, Paspalis Centrepoint Building 48-50 Smith Street Mall Darwin NT 0800		T +61 8 8943 0600
Melbourne	Level 13, 200 Queen Street Melbourne VIC 3000	GPO Box 4500 Melbourne VIC 3001	T +61 3 8648 6586
Perth	Level 2, 580 Hay Street Perth WA 6000 Australia	PO Box 2576 St Georges Terrace Perth WA 6831	T +61 8 6555 4940
Sydney	Level 3, 507 Kent Street Sydney NSW 2000	PO Box Q569 QVB Post Office Sydney NSW 1230	T +61 2 9283 8400
Townsville	233 Flinders Street East Townsville QLD 4810	PO Box 5804 Townsville QLD 4810	T +61 7 4771 5550
Bangkok	Level 11 Glas Haus Building 1 Soi Sukhumvit 25, Sukhumvit Road Wattana, Bangkok 10110 Thailand		T +66 2 402 8400
Shanghai	46F Hongkong New World Tower, 300 Huahai Road Central 200021 China		T +8621 6135 2310