PARRAMATTA: OPEN FOR BUSINESS

Parramatta City Council
Vision: Parramatta – the driving force and heart of Australia’s most significant economic region; a vibrant home for diverse communities and a centre of excellence in research, education and enterprise.
With its strategic central location, diverse industry structure, skilled work force and $14.8B annual output, Parramatta is a compelling option for firms looking to access the rapidly expanding Western Sydney economy.

Many companies have invested in Parramatta over the past two decades, finding it a dynamic, supportive and cost-effective business environment in which to grow. This has created critical mass in industry, retail and cultural activity at the centre of the metropolitan area and cemented Parramatta’s role as the premier regional city in Sydney. The continuing mass movement of people into the centre of Sydney and the associated property booms in Meadowbank, Rhodes, Auburn, Blacktown and the Hills are furnishing Parramatta with an educated and skilled workforce that is younger and more multi-lingual than the Sydney average. This is making Parramatta attractive to a new generation of business leaders. Parramatta makes sense for firms like Deloitte, Commonwealth Bank, Suncorp, QBE, News Local, Telstra and AON who are already taking advantage of these shifts.

Parramatta CBD: A bigger role to play in Sydney

2005

Metropolitan Plan designates Parramatta a regional city alongside Penrith and Liverpool

2010

Metropolitan Plan extends Global Arc to Parramatta and nomimates it Sydney’s premier regional city

27,000

Current jobs growth forecast for Parramatta CBD (2036)

47,000

Jobs growth required in Parramatta CBD to match population growth (2036)
Strategic business location
> Parramatta is the geographical centre of Sydney, 24km from the Sydney CBD and the only Sydney centre with a true 360 degree catchment.
> The Global Arc (high value economic corridor of industry, wealth and knowledge jobs) was extended to Parramatta in 2010 making it the conduit between Sydney’s most significant concentration of economic assets and the large and increasingly skilled work force of Western Sydney.
> Parramatta’s centrality makes it the top ranking destination for employees leaving the Hills area for work.
> It is well positioned to become the central hub of an expanded Sydney transport network in the future.

Strong economy
> Parramatta has a diverse economic base with predominance in Health, Finance/Insurance and Government sectors and strong recent growth in the sought-after Professional/Scientific/Technical sector.
> It is the second largest work destination in Sydney employing an estimated 120,000 people in 2011.
> GRP increased 1.4% to $14.8B in 2010/2011, while labour productivity of $62.92/hour was higher than all major urban economies in Australia except Perth as shown in a recent study for Parramatta Council.
> Economic performance is being driven by Parramatta’s high-value sectors: Finance, ICT, Property/Business Services.
> There is significant presence in retail, food, accommodation, education, construction and the cultural industries, signalling the emergence of a vibrant 24 hour inner-city economy.

High-skilled workforce
> The productive forces of Sydney are moving west as established Sydney ages and land around Sydney CBD become unattainable.
> Parramatta’s catchment is becoming denser with renewal along Parramatta River corridor and around the central Sydney zone.
> Parramatta’s population is growing at 3% p.a, 2nd fastest in NSW, three years younger on average than NSW.
> 30% of residents have a degree, higher than Metro Syd (27.7%).
> Links to China and India are growing. Overseas-born Chinese residents make up 5.5% of pop (Syd 2.7%), overseas-born Indian residents make up 4.7% of pop (Syd 1.2%).
> Parramatta is a learning city. UWS will grow to 30,000 students inside 20 years. UNE is opening a CBD FutureCampus. Westmead’s four medical research institutes house 900 PhD students.
Cost-effective office market

> Parramatta is already the 6th largest CBD in the country.
> Its prime office rents ($410) are significantly lower on average than Sydney ($849), North Sydney ($670), St Leonards ($555) and Chatswood ($500).
> There is 57,000sqm of approved green office space deliverable in the CBD within 18 months (with pre-lease) with a further 160,000sqm in the pipeline.
> A-grade vacancies are a historically low 2.1% pointing to strong demand and need for new builds.

Connectivity

> Parramatta is the most accessible centre in Western Sydney.
> It is serviced by train, bus, ferry and cycleways along the Parramatta River with good access to the M4.
> Parramatta station is the fourth busiest on the network with 50,000 people arriving by train each working morning.
> Parramatta Council is active in the transport advocacy area and is pursuing commitment to a Western Sydney Light Rail System and Regional Ring Road to manage transport flows into and around Parramatta.
> Parramatta is shortlisted to become the Sydney stop on a future East Coast Fast Rail.
> Parramatta’s digital connectivity will be bolstered by the rollout of the NBN in 2014.

Cultural appeal

> The city has 150 restaurants, 10 bars, 5 international hotels, the Riverside Theatre, Parramatta Stadium, Rosehill Gardens, conferencing facilities and the second largest retail complex in Australia at Westfield Parramatta.
> It hosts the Sydney Festival, Golden Slipper and Parramasala each year as well as a range of smaller activities throughout the year.
> The Parramatta River runs through the centre connecting a large central park, foreshore area, some of the state’s best heritage assets and nearby Sydney Olympic Park.
> There has been a noticeable change in the CBD retail mix in the last year with a number of boutique cafes establishing in lanes, and Sydney eateries opening in Parramatta for the first time.
Parramatta is experiencing strong demand for office space and has low vacancies in A and B stocks. Fortunately it has DA approved sites ready to commence and a strong pipeline over the next 3–5 years.

57,000 sqm can be delivered within 18 months (with pre-lease). A further 160,000 sqm can be delivered within 24 months. Council owns 8 hectares of CBD land and is in a unique position to drive excellence through careful design of these sites.

The GFC has made high levels of pre-lease a condition of construction. It is important business tenants commit to space and take the lead in building Parramatta.

Comparative commercial rents

<table>
<thead>
<tr>
<th>Commercial rents (Q3, 2011)</th>
<th>Prime (avg)</th>
<th>Secondary (avg)</th>
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<tbody>
<tr>
<td>Sydney</td>
<td>$849</td>
<td>$552</td>
</tr>
<tr>
<td>North Sydney</td>
<td>$670</td>
<td>$535</td>
</tr>
<tr>
<td>St Leonards</td>
<td>$555</td>
<td>$450</td>
</tr>
<tr>
<td>Chatswood</td>
<td>$500</td>
<td>$410</td>
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<tr>
<td>Parramatta</td>
<td>$460</td>
<td>$375</td>
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<tr>
<td>Homebush</td>
<td>$390</td>
<td>$340</td>
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<tr>
<td>North Ryde</td>
<td>$385</td>
<td>$320</td>
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</tbody>
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- **57,000sqm** approved development, deliverable in 18 months
- **160,000sqm** potential development, no change to planning controls, deliverable in 24 months
- **250,000sqm** potential development, no change to planning controls, deliverable within 2–3 years
- **47,000sqm** subject to planning proposal
- **60,000sqm** subject to change in planning proposal
- **17ha** southward extension of the CBD, subject to masterplan

* Figures approximate / Map and timeframes are indicative only
Jobs close to home
As Sydney has grown, congestion and transport pressures have increased in line with the quantum growth of people accessing Eastern and Northern Sydney for work.

There has been a growing awareness of the need for change in the way Sydney functions.

The Metropolitan Plan advances a plan for a Polycentric Sydney; a City of Cities made of multiple centres built on transport nodes and providing high-value employment and other services to large and growing catchment areas.

Parramatta, Penrith and Liverpool are designated cities for the Central and Western sub-regions; Parramatta is the premier regional city.

Lack of critical infrastructure
Population growth in Sydney has outpaced both employment growth and infrastructure provisioning.

Western Sydney is now on track to absorb two-thirds of new growth and expand to 3 million people by 2036 but the transport system has not adjusted to reflect these realities.

A widening jobs deficit is being created. Some 237,000 net additional jobs are required by Western Sydney by 2036 to match population growth and redirect the travel patterns of commuters unable to source employment close to home.

The jobs growth that is occurring is taking place in dispersed locations; in business parks, at a density that is difficult to effectively service by public transport. The dramatic increase in the numbers of people not working in strategic centres and driving to work will continue unless city leaders in business and government recognise the value of compact and efficient cities - and start doing things differently.

The future starts now
City building aimed at limiting the jobs deficit and concentrating economic activity into Sydney’s regional cities must become the number one priority for Greater Sydney.

Business can be part of the recalibration of Sydney, shaping cities to meet the needs of knowledge-orientated employees and providing the investment flows needed to sustain growth over the long term.

In government, choices can be made about the focus for action, and there is a growing chorus of people in business, community and government calling for Parramatta to become the focal point for planning and infrastructure.

Parramatta is the lynchpin that makes the metropolitan system work better.

Getting it right substantially increases the chances of success in partner cities Penrith and Liverpool.

Sydney is changing. Everybody has a role to play.

The future starts now.
Get the facts about the Parramatta business environment.

Our experienced team understands the local and regional economy and can connect you with the business services, networks and opportunities on offer in Sydney’s central city.

For more information or to arrange an appointment, please contact Council’s Economic Development Strategy Unit on 9806 5730 or seggert@parracity.new.gov.au

Parramatta is proud to be working with government, business, investors and the Sydney community to lead the conversation on City Building.