

Orana Mall Dubbo

Economic Impact Assessment: Rezoning of Land from Open Space to Business Purposes

1. BACKGROUND

Renaissance Planning Pty Ltd was commissioned by Bennell & Associates in January 2012 for and on behalf of Comet (Aust) Pty Ltd to undertake an Economic Impact Assessment (EIA) for rezoning car park land at Orana Mall. As indicated in the EIA Brief (Bennell and Associates, 19 January 2012):

“Comet (Aust) Pty Ltd, the owners of the Orana Mall at Dubbo are seeking to purchase the car parking areas shown on the attached plan (refer Figure 3) from Dubbo City Council. As part of the purchase Comet (Aust) Pty Ltd are seeking the rezoning of this land from Open Space to Business Purposes. The car park accommodates 244 vehicles. Dubbo City Council approved the extension of the Orana Mall to provide an additional 3,600 m² of retail floor space and a 10,600 m² suspended parking deck. This extension is currently under construction and the initial works have included the construction of parking on the land currently owned by Council and the subject of this rezoning proposal.

Dubbo City Council has advised that they will consider a Planning Proposal for the rezoning and have requested a Planning Assessment Report to be prepared justifying the proposal. One of the requirements of the Council is the preparation of an Economic Impact Assessment (EIA). This brief is for the preparation of this component of the Planning Assessment Report.”

2. STUDY OBJECTIVES

“The EIA must consider the impact of the provision of additional land in the B2 Local Centre zone on land within the B3 Commercial Core zone (Dubbo Central Business District) and land within the B6 Enterprise Corridor zone. The EIA must consider and justify the proposed rezoning in relation to the following:

- The provisions of the Dubbo Urban Areas Development Strategy 1996 and Review of the Dubbo Urban Areas Development Strategy undertaken in 2006.*
- The provisions of the draft Commercial Areas Development Strategy 2009 prepared by consultants Andrews Neil and the Dubbo Retail Demand Review Addendum document prepared by consultants Hill PDA.” (EIA Brief, op. cit.)*

3. SUBJECT LAND

Orana Mall is a sub-regional shopping centre located approximately 2.5 kilometres east of the Dubbo CBD in western New South Wales (refer Figure 1). The subject land is located at the southern and western edge of the Orana Mall precinct bordering Cobra Street and Wheelers Lane respectively (refer Figure 2). It is a linear strip of land averaging approximately 20 metres in width with a total site area of 8,788 square metres and accommodates 244 car parking spaces (refer Figure 3). It is currently zoned Open Space under the Dubbo LEP and is being developed as a car park consistent with plans prepared by de Groot & Benson (refer Figure 3). As indicated above the proposal is to rezone the land to Business Purposes to form part of the B2 Local Centre Zone.

Figure 1: Dubbo Context Map



Figure 2: Orana Mall and Approved Expansion

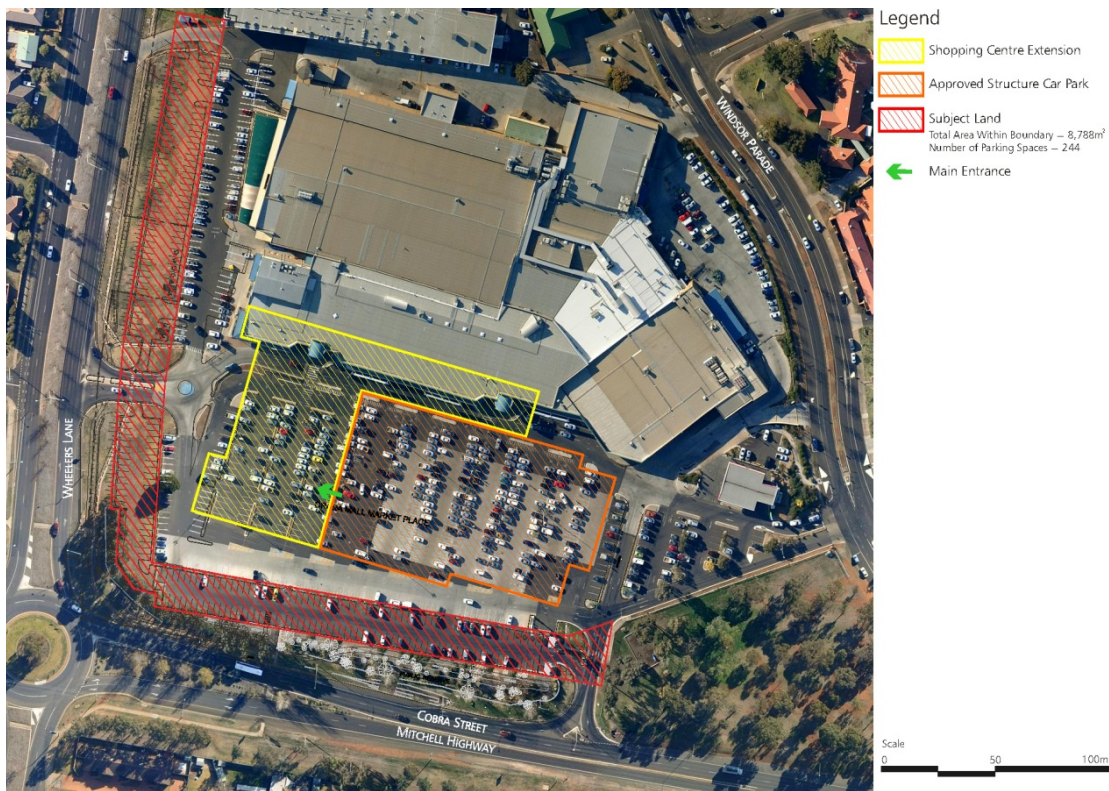
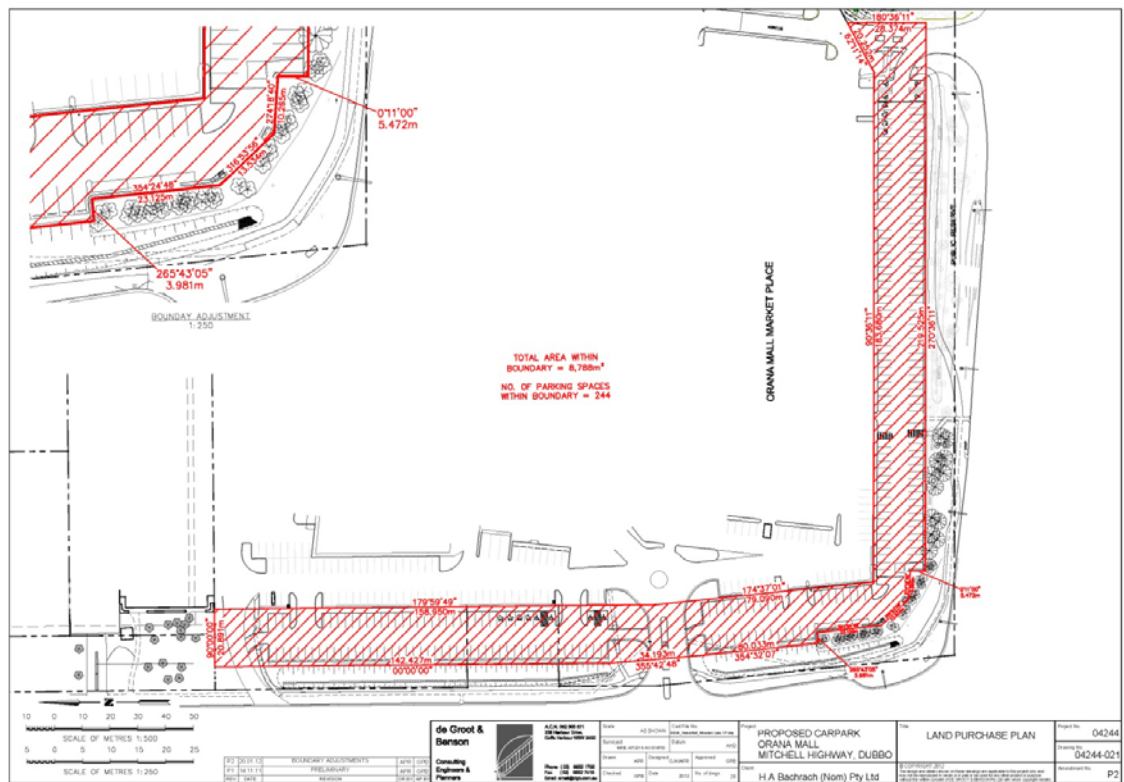


Figure 3: Land Purchase Plan



4. POLICY CONTEXT

The purpose of the policy context is to review the relevant state and local policy in Dubbo to determine the requirements for rezoning the subject site. Local and State planning policy sets the “rules” for current and future activity centre development and the broad background of expectations in relation to the role of Orana Mall and the need to maintain the regional activity centre primacy of the CBD, the role of Cobra Street, the B6 Enterprise Corridor Zone, the neighbourhood centre and commercial strips.

STATE POLICY

DRAFT CENTRES POLICY

A Draft Centres Policy has been prepared by the NSW Department of Planning (April 2009). At the date of this Strategy (February 2012) no revised or final draft is available. The Draft Centres Policy provides:-

- key principles to guide retail activity centre development;
- the recommended planning approach for the establishment of retail activity centre planning and policy in municipalities;
- guidelines for regional and local planning;
- application of the net community benefit test;
- proposals for monitoring and review of activity centre networks;
- definitions of retail and commercial development.

Key Development and Location Principles

The Draft Centres Policy sets out six key principles to guide activity centre location and development. These encompass:-

- **Principle 1 - Retail and commercial activity should be located in centres**
“This principle is designed to bring benefits by managing urban sprawl including:-
 - *helping simulate economic activity by co-locating retail and commercial development;*
 - *ensuring the most efficient use of existing infrastructure;*
 - *providing jobs closer to home (State Plan Priority E5);*
 - *reducing car journeys by co-locating residential, retail and commercial development, with health, education, and community facilities in one location;*
 - *healthier lifestyle opportunities with better walking, cycling and public transport access to goods and services;*
 - *providing a focal point for the community and creating a sense of place”*
(Draft Centres Policy, 2009, pg.2)

- **Principle 2 - Centres should be able to grow and new centres form**

This principle is drafted to ensure that there is sufficient flexibility within the retail commercial system to allow land use changes to respond to changes in market demand and to allow for business growth and new business entries.

- **Principle 3 - Market determines need for development, planning regulates location and scale**

This principle is based on the view that the market is best placed to determine the need for retail and commercial development, and that it is the place of planning to assess the locational benefits of proposed developments. The planning system can play a key role through"-

- *"setting out the broad spatial pattern of growth to help provide certainty for public and private investment;*
- *ensuring the supply of available floorspace accommodates market demand in a way that balances economic, social and environmental objectives;*
- *restricting development that imposes a net cost on society or is poorly designed".*

(Draft Centres Policy, op. cit., page 4)

- **Principle 4 - Ensuring the supply of floorspace accommodates market demand**

The role of the planning system is to ensure that there is sufficiently zoned and appropriately located land to allow the market to function. This entails examining *"the current supply of and future demand for floorspace in different retail and commercial sectors to ensure that the supply of available floorspace in centres always accommodates the market demand."* (refer Draft Centres Policy, op. cit., page 4)

- **Principle 5 - Support a wide range of retail and commercial premises and contribute to a competitive retail market**

This principle is based on the view that there are significant public benefits to allow competition between different types of retailing and between retailing and other activities. The objective is to promote innovation and to provide customers with access to a wide variety of quality products and services at competitive prices.

- **Principle 6 - Contributing to the amenity, accessibility, urban context and sustainability of centres**

This principle is based on the view that *"centres need to be well designed and well integrated with surrounding areas, in particular residential areas, and provide for a range of uses to service the local and/or wider population. If centres are well thought through in urban design terms then the community tends to use centres more and stay longer, creating a sense of community and place and delivering increased patronage for businesses"*

(refer Draft Centres Policy, op. cit., page 4)

To support this principle the view is taken that the *"design of centres also needs to be functional, including:-*

- *allowing easy access whether walking or arriving by car or public transport;*
- *providing for the needs of business with sufficient well located parking;*

- *appropriate infrastructure and facilities for delivery vehicles*" (refer Draft Centres Policy, op. cit., page 4)

The clear extension and implication of this principle is the observation that *"the planning system should consider urban design opportunities and the amenity of centre as part of strategic planning and in the rezoning and development assessments processes"* (refer Draft Centres Policy, op. cit., page 4)

Net Community Benefit

The concept of net community benefit was advanced in the Draft Centres Policy (op.cit.) to provide a consistent framework in the evaluation of major retail and commercial developments where a rezoning is required. The Draft Centres Policy (op.cit.) recommended that the assessment should be prepared by the proponent in conjunction with the relevant planning authority to be submitted to the council prior to submission to the Department of Planning as part of the "Gateway Test". This is a comprehensive evaluation of all of the key issues relevant to the development, prior to commencement of the rezoning process. It was further recommended that the assessment should only evaluate external costs and benefits of the proposal (that is, the externalities). It should not consider private costs and benefits or changes in costs and benefits between individuals and businesses (transfer effects).

The Draft Centres Policy (op.cit.) provides a set of evaluation criteria that should be examined when considering the merits of the proposal against a base case, *"including retaining the existing zoning on the land and/or locating the development on appropriately zoned land in the centre"* (refer Draft Centres Policy op.cit. Section 8) .

"For rezoning proposals for retail and commercial developments, the following key criteria should be examined when assessing the merits of the proposal against the base case:

- *Will the LEP be compatible with agreed State and regional strategic direction for Development in the area (eg land release, strategic corridors, development with 800 metres of a transit node)?*
- *Is the LEP located in a global/regional city, strategic centre or corridor nominated within the Metropolitan Strategy or other regional/sub-regional strategy?*
- *Is the LEP likely to create a precedent or create or change the expectations of the landowner or other landholders?*
- *Have the cumulative effects of other spot rezoning proposals in the locality been considered? What was the outcome of these considerations?*
- *Will the LEP facilitate a permanent employment generating activity or result in a loss of employment lands?*
- *Will the LEP impact upon the supply of residential land and therefore housing supply and affordability?*

- *Is the existing public infrastructure (roads, rail, utilities) capable of servicing the proposed site? Is there good pedestrian and cycling access? Is public transport currently available or is there infrastructure capacity to support future public transport?*
- *Will the proposal result in changes to the car distances travelled by customers, employees and suppliers? If so, what are the likely impacts in terms of greenhouse gas emissions, operating costs and road safety?*
- *Are there significant Government investments in infrastructure or services in the area whose patronage will be affected by the proposal? If so, what is the expected impact?*
- *Will the proposal impact on land that the Government has identified a need to protect (e.g. land with high biodiversity values) or have other environmental impacts? Is the land constrained by environmental factors such as flooding?*
- *Will the LEP be compatible / complementary with surrounding land uses? What is the impact on amenity in the location and wider community? With the public domain improve?*
- *Will the proposal increase choice and competition by increasing the number of retail and commercial premises operating in the area?*
- *If a stand-alone proposal and not a centre, does the proposal have the potential to develop into a centre in the future?*
- *What are the public interest reasons for preparing the draft plan? What are the implications of not proceeding at that time?" (refer Draft Centres Policy op.cit. Section 8).*

Other issues encompassed by the Draft Centres Policy

The other issues encompassed by the Draft Centres Policy include:-

- a suggested typology for activity centres and regional strategies;
- the need for the application of floorspace supply and demand assessments (FSDAs);
- guidelines for the identification of land for retail and commercial development in local planning;
- guidelines for selecting the most appropriate zone in local planning;
- draft definitions of activity, floorspace and land use types.

This information has been noted and where applicable referenced in this EIA. The principles set out in the Draft Centres Policy have been referenced in Section 6 where the Net Community Benefit Assessment has been applied to the proposed rezoning of land.

DRAFT SEPP (COMPETITION) 2010

In July 2010 the NSW Government released a draft policy intended to remove artificial barriers on competition between retail businesses. At this time (March 2011) the policy is still in draft form. The principal aims of the draft policy are:

- to promote economic growth and competition, and

- to remove anti competitive barriers in planning and development.

The key points to the draft policy are that:

- *“the commercial viability of proposed commercial development is not a matter that may be taken into consideration by consent authority for the purposes of determining a development application*”
- *“any such likely impact may be taken into consideration if the proposed development is likely to have an overall adverse impact on the extent and adequacy of facilities and services available to the local community”*
- no restrictions are allowed on the number of a particular type of retail premises, however, development controls may apply to the scale of the development;
- planning instruments which restrict the number of a particular type of retail premises in any particular area will *“not have effect”*.

LOCAL POLICY

DUBBO LOCAL ENVIRONMENTAL PLAN 2011

The Dubbo Local Environmental Plan (LEP) aims to make local environmental planning provisions for land in the City of Dubbo with aims including:

- *“to achieve a city structure that centralizes the central business district by shifting the residential development emphasis to West Dubbo,*
- *to ensure the Dubbo central business district remains the primary commercial centre for the greater region,*
- *to ensure adequate provision is made for the development, establishments and enhancement of cultural, research and medical institutions”*

The Dubbo LEP refers to three key retail and commercial zones which include:

- Zone B1 Neighbourhood Centre
- Zone B2 Local Centre (Orana Mall)
- Zone B3 Commercial Core (Central Business District)
- Zone B4 Mixed Use
- Zone B5 Business Development
- Zone B6 Enterprise Corridor
- Zone B7 Business Park

The objectives of these zones relate to retaining the primacy of the CBD for retail, business, office, entertainment and community uses and include:-

- **Zone B1 Neighbourhood Centre**
 - *“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 the growth of each neighbourhood centre is consistent with the commercial hierarchy of the City of Dubbo” (Dubbo LEP, 2011)*
- **Zone B2 Local Centre (Orana Mall)**
 - *“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 ensure Orana Mall remains primarily a retail centre that allows for land use activities expected to fulfill a local centre role.*
 - *To protect and recognise land within the zone as providing a second order retail focus in the commercial hierarchy of the City of Dubbo.*
 - *To ensure that office premises only form a minor component of the land use activities within Orana Mall” (Dubbo LEP, 2011)*
- **Zone B3 Commercial Core (Dubbo CBD)**
 - *“To provide a wide range of retail, business, office, entertainment, community and other suitable land uses that serve the needs of the local and wider community.*
 - *To encourage appropriate employment opportunities in accessible locations.*
 - *To maximise public transport patronage and encourage walking and cycling.*
 - *To reinforce the role of the Dubbo central business district as the commercial, office and retail core of Dubbo and the region.*
 - *To encourage use of the Dubbo central business district for cultural, entertainment, leisure and dining activities.*
 - *To achieve activation of the river corridor by encouraging land use activities that from Bligh Street.*
 - *To promote active street frontages within the Dubbo central business district by encouraging business and retail development on the ground floor of buildings facing the street.” (Dubbo LEP, 2011)*
- **Zone B4 Mixed Use**
 - *“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 preserve the streetscape and character of land adjoining the Dubbo central business district by encouraging the adaptive reuse of existing buildings for small scale business, office or retail premises that support the district.” (Dubbo LEP, 2011)*
- **Zone B5 Business Development**
 - *“To enable a mix of business and warehouse uses, and bulky goods premises that require a large floor area, in locations that are close to, and that support the viability of centres.*
 - *To identify specific areas for bulky goods retailing” (Dubbo LEP, 2011)*
- **Zone B6 Enterprise Corridor**

- *“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.*
- *To facilitate a mix of business and retail development on the Mitchell, Newell and Golden Highways that services the needs of the travelling public” (Dubbo LEP, 2011)*
- **Zone B7 Business Park**
 - *“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 facilitate the establishment of innovative high technology uses within close proximity to established transport networks” (Dubbo LEP, 2011)*

DUBBO URBAN AREAS DEVELOPMENT STRATEGY, NOVEMBER 1996

The primary goal of the Urban Areas Development Strategy is to monitor the supply and demand for land across five main land use types:

- Residential
- Commercial
- Industrial
- Institutional
- Recreational

Each land use contains a goal and details means of achieving the goal:

Residential:

The Strategy outlines four broad residential types within Central District being:

- Inner urban
 - o Convenient, ready access to services, minimal home maintenance
 - o Within or peripheral to CBD or other centres, such as Orana Mall
 - o May fall within two categories:
 - Business Zone:
 - residential development located above properties in CBD;
 - Commercial zones: not zoned residential
 - Medium Density:
 - medium density development located in residential zones close to CBD
- Suburban
 - o Majority of residential living in the City;
 - o Based around notion of “quarter-acre” block

- Urban fringe
 - o Low density development accessible to City
- Country
 - o Hobby Farms
 - o Villages

The goal of the Strategy is to identify and protect residential neighbourhoods and ensure a sufficient supply of suitable land to meet future residential needs of city based on growing Dubbo population forecasts.

Council acquired large parcel of land on east of the City in late 60s. Since then residential expansion in Dubbo has been largely dictated to by activities of Council and State housing. Council's policy has been to provide controlled development of Council residential, industrial and commercial land, providing an average of 30 percent of the markets' requirements in respect of residential land, relying on the zoning process as management tool. Eastern side of city is now running into barriers and focus should now shift to western side as it provides major opportunities.

Commercial:

Strategy must ensure system of commercial areas works efficiently in the long term within the larger spatial framework of the city. Four types of commercial areas:

- Commercial centres
 - o First Level: CBD (Regional)
 - Objective is to reinforce CBD's existing role and its primacy over other commercial centres
 - o Second Level: Orana Mall (Sub-Regional)
 - Orana Mall is to provide sub-regional retailing focus for East Dubbo and complement the CBD as providing for the regional retailing role of Dubbo
 - o Third Level: Neighbourhood Shopping Centres (Local)
 - Provision of convenience goods and services in to local neighbourhood community in easily accessible location
 - o Fourth Level: Corner stores
 - Objective is to facilitate development of genuine corner stores where they do not compromise effectiveness of existing designated commercial areas
- Commercial strips
 - o Reasonable cost sites for bulky goods and related services
- Tourism precincts
 - o Function is to provide highly accessible focus for tourism related development, gaining the benefits of combined drawing power
- Single use commercial sites
 - o Include Showground, recreational clubs and racing venues.

Industrial

Dubbo is noticeably deficient in the size of the industrial sector in its economic base and employment profile. The Industrial Areas Strategy's goal is to *"ensure the availability of suitable industrial land and infrastructure for the implementation of Dubbo 21 Plan Industrial Development Strategies"*.

Institutional

At present Dubbo is a regional city capable of providing specialist services and facilities not otherwise provided in the region including hospitals, tertiary education and other regional facilities. The purpose of the Strategy is to create a defined institutional precinct dedicated to higher order medical, education and research uses.

Recreational

The final section of the Dubbo Urban Areas Development Strategy relates to creating an interconnected recreational system around the city which would provide linkages around the city, between major nodes, and help to protect environmentally sensitive land.

REVIEW OF DUBBO URBAN AREAS DEVELOPMENT STRATEGY (2006)

The Review of Dubbo Urban Areas Development Strategy (DUADS) was completed as a part of the mandatory 5 year review process set out in the DUADS. The Review examined the operation of each of the land use strategies set out in the DUADS to determine their effectiveness and to provide recommendations for further action.

The relevant findings highlighted from the Commercial Areas Development Strategy (CADS) include the perceived emerging imbalance in commercial development between the CBD and Orana Mall, the increasing demand for suitable locations for Bulky Goods retailers outside the CBD and the challenges associated with maintaining the primacy and competitiveness of the CBD as a Regional Business District. Key recommendations include:-

- *"Restructure of the existing CADS;*
- *Investigation of opportunities for Council to engage in a partnership approach for the planning improvement and management of precincts and activity centres;*
- *Council to accord a priority status to designated precincts deemed to be of City, regional and state significance to ensure optimum planning and progress use improvement;*
- *The establishment of a Priority Precincts Fund to facilitate a program of improvements for these precincts thereby substantially contributing to the safety, amenity and presentation of the City, providing for more attractive environments and enabling improvements to the economic, social and/or environmental conditions of the City and its future communities;*

- *That the City's bulky goods requirements be generally accommodated at a new precinct comprising sections of the Industrial Candidate Area 1 in Wellington Road;*
- *That the existing ratio that specifies allowable additional retail floorspace at Orana Mall in relation to retail floorspace at the CBD and other centres be discarded , and replaced by Development Control Plans and Development Strategies for the CBD, Orana Mall, Neighbourhood Business Centres and the Special Trade Areas; and*
- *That no formal retail floorspace restriction be placed on Dubbo's CBD in the context of preparing a DCP and Development Strategy for the precinct."* (Dubbo City Council, 2006, p.8)

DRAFT COMMERCIAL AREAS DEVELOPMENT STRATEGY (2009)

The vision for the Dubbo Draft Commercial Areas Development Strategy (CADS) includes highlighting Dubbo as a unique economic and social service centre. The CADS Vision seeks to achieve the following key outcomes:-

- To ensure the ongoing vitality of Dubbo as a vibrant regional centre;
- To establish a clear hierarchy of centres;
- To engage the community and stakeholders;
- To guide future development of the city centre;
- To develop strategies for Dubbo's ongoing and future enhancement as a liveable and walkable regional city;
- To provide recommended zonings in line with the new LEP;
- To develop a vision for each of the commercial centres;
- To provide consistent strategic context and development parameters for Council to assess future development proposals.

There are four types of commercial areas in Dubbo including:-

- First Level (Regional Centre) – The Dubbo CBD
- Second Level (Sub-regional Centre) – Orana Mall and Bulky Retail Precinct
- Third Level (Neighbourhood Centres) – Myall Street, Tamworth Street, Victoria Street, Boundary Road, Bourke Street and the Highway Services Precincts
- Fourth Level – Corner Stores

Relevant issues, constraints and opportunities identified in the CADS include:

- "Key Issues
 - o *Orana Mall has the potential to further undermine the retail function or primacy of the CBD;*
 - o *There are opportunities to strengthen transport links to the CBD; and*

- o *The design for Orana Mall to expand and further develop despite its threat to the CBD;*
- **Constraints**
 - o *Fully enclosed centre without amenity to cater for alfresco café dining which appeals to visitors;*
 - o *Size of mall constrained by property boundaries and height;*
 - o *Floorspace of Orana Mall is restricted to being lesser than the floorspace available in the City centre using a complicated calculation;*
- **Opportunities**
 - o *Reinforce Orana Mall's role as a sub-regional centre and provide services that reduce impact on the environment by reducing unnecessary car usage by encouraging bus use and walking;*
 - o *Encourage a relationship between the CBD and Orana Mall to ensure the survival of both and not at the expense of the other;*
 - o *Establish a process to allow for Orana Mall to grow, to accommodate further urban expansion to the south east, subject to the growth and consolidation of the CBD; and*
 - o *Room for further expansion to 33,983m²"*
(Andrews Neil Pty Ltd, 2009, p.42-43)

It is noted that no analysis, rationale or justification is provided to support this comment. Any expansion of this order would necessarily involve major store development which would have a significant trade impact on the CBD.

DUBBO RETAIL & COMMERCIAL DEMAND REVIEW ADDENDUM (Hill PDA, 2011)

The Dubbo Retail & Commercial Demand Review Addendum (DRCDR) provides an update of demand, retail and commercial floorspace in Dubbo CBD over the 2006 to 2020 period. The Addendum provides updates in retail provision and retail modeling for the municipality.

The DRCDR Addendum also made reference to the approved Orana Mall expansion and the potential for additional floorspace stating:

"An expansion of Orana Mall is currently under development which will add a further 3,500sqm of retail floorspace (inclusive of net additional parking) to the existing retail floorspace provided on site. The development will also provide additional vehicle parking. This is due to be completed within the next 18 months. Based on the current LEP, Orana Mall may still have scope for an additional 7,000sqm of retail floorspace under the existing floorspace controls"
(Hill PDA, 2011, p.7)

The Addendum presents the issue of the retail underperformance of the CBD and centres which are over performing (namely Orana Mall). In 2009 Orana Mall reported a turnover of \$161 million with approximately \$354 million captured by the CBD.

“In terms of performance this means that Orana Mall is performing strongest with a turnover of around \$8,000/sqm – 75% greater than that of the CBD (\$4,800/sqm). Excluding bulky goods retailers, Orana Mall accounts for 19% of Dubbo’s occupied retail floorspace but captures 26% of total non-bulky goods turnover in Dubbo.”

(Hill PDA, 2011, p.17)

At present Dubbo Council is considering three development scenarios for the CBD:

- *“Scenario 1 – Proposed extension of the Dubbo Central Business District at gazettal of draft Dubbo Local Environmental Plan 2010;*
- *Scenario 2 – Proposed extension of Dubbo Central Business District between 5 and 10 years from gazettal of draft Dubbo Local Environmental Plan 2010 with expansion to West Dubbo; and*
- *Scenario 3 – Proposed extension of Dubbo Central Business District between 10 and 20 years from gazettal of draft Dubbo Local Environmental Plan 2010 with further extension into west Dubbo”*

(Hill PDA, 2011, p.18-19)

OTHER RELEVANT DOCUMENTS

STATEMENT OF ENVIRONMENTAL EFFECTS - ORANA MALL: DE GROOT & BENSON PTY LTD (NOVEMBER 2009)

In February 2010 de Groot & Benson submitted the amended version of the *Statement of Environmental Effects: Development Application for Retail Development at Orana Mall*. The report assessed the Orana Mall proposal against statutory planning controls in Dubbo.

Traffic and Parking Impact

A detailed traffic assessment was undertaken for the surrounding highway, parade and relevant intersections. It was found that the additional traffic that would be generated for Orana Mall would jump from the existing daily average of 12,644 to 14,645 trips day. The traffic impact statement made the following recommendations:-

1. *“The works to be executed in accordance with the Drawings (refer to report);*
2. *Pedestrian access path from Mitchell Highway be realigned as proposed to provide safe pedestrian access to the development;*
3. *Existing pedestrian access across the one way service road be altered to proposed new alignment so that there is separation of pedestrians, service vehicles and parcel pick up traffic activities;*
4. *Signs warning drivers of pedestrians be erected at the exit driveway to Windsor Parade”*

(de Groot & Benson, 2009, 84)

Environmental Management

The report states that the site is:-

- not in an environmentally sensitive location
- not affected by wilderness
- not considered to contribute to critical habitat
- sufficiently elevated to be clear of flooding and tidal inundation risk
- not considered to be a contaminated site for the purpose of this application as no works will disturb the petrol station area
- not mapped as a bushfire risk or buffer zone.

Socio – Economic Impacts

The report assessed relevant socio-economic impacts and found that the proposal:-

- would have minimal social impacts on the Dubbo CBD as additional retail floorspace would be for specialty retailers who would not otherwise locate in Dubbo;
- would generate 180 jobs during construction and approximately 100 full time jobs once construction was complete;
- the proposal, through developing an existing major retail facility, will have negligible impact on community cohesion;
- will have nil adverse impact on overall access by the community.

In summary, the state and local policies reviewed provide an important framework for retailing and activity centres in Dubbo. The key requirements / outcomes include:

- **NSW Draft Centres Policy**
 - o Locating retail and commercial uses in activity centres.
 - o Allowing the market to determine the size of a centre based on performance.
 - o Planning for the location of retail activity but letting the market determine the need for retail and commercial development.
 - o Ensuring that there is sufficiently zoned and appropriately located land to allow the market to function.
 - o Supporting competitive retail markets.
 - o Designing the centres to contribute to the amenity, accessibility and sustainability of an area.
 - o The importance of locating activity centres in locations which meet the requirements of Net Community Benefit Assessments.
- **Draft SEPP (Competition)**
 - o Aims to promote economic growth and competition and to remove anti competitive barriers in planning and development.
 - o No restrictions are allowed on the number of a particular type of retail premise however, development controls may apply.

- **Dubbo Local Environmental Plan**
 - o Ensure Dubbo CBD remains the primary commercial centre in the region.
 - o Encourage employment opportunities in accessible locations.
 - o Ensure Orana Mall is primarily a retail centre which plays a local centre role.
- **Dubbo Urban Areas Development Strategy (DUADS)**
 - o Aims to monitor the supply and demand of land in Dubbo.
 - o Should identify and protect residential neighbourhoods and ensure sufficient supply of suitable land.
 - o Ensure a network of commercial areas work together to supply sufficient retail / commercial land in Dubbo.
 - o Orana Mall should complement the regional retail role of the CBD.
- **Review of Dubbo Urban Areas Development Strategy (RDUADS)**
 - o Importance of maintaining the primacy and competitiveness of the CBD over Orana Mall.
 - o The City's bulky goods should be located at a new precinct at *Industrial Candidate Area 1 in Wellington Road*.
 - o Development Control Plans should direct additional retail in Dubbo.
 - o That no formal retail floorspace restriction be placed on the CBD.
- **Draft Commercial Areas Development Strategy**
 - o Aims to establish a clear hierarchy of centres and to guide future development of the city centre.
 - o Must ensure that Orana Mall won't undermine the retail function of the CBD.
 - o Opportunity to strengthen transport links between Orana Mall and the CBD.
 - o Encourage a relationship between the CBD and Orana Mall to ensure the survival of both.
 - o Establish a process for Orana Mall to grow in line with urban expansion in the south east.
- **Dubbo Retail & Commercial Demand Review Addendum**
 - o Orana Mall will expand by a further 3,500 square metres of retail floorspace with scope for an additional 7,000 square metres of retail floorspace under the existing floorspace controls.
 - o Orana Mall is currently over performing (approximately \$8,000/ sq m) while the CBD is trading at much lower levels (approximately \$4,800/ sq m).
- **Statement of Environmental Effect – Orana Mall**
 - o The report assessed the expansion of the Mall against statutory requirements and found that:
 - Additional traffic would be generated by the expansion resulting in an additional 2,000 trips per day.
 - There are not likely to be any significant environmental impacts from the expansion.
 - The socio-economic impacts on the Dubbo CBD were assessed to be minimal and an additional 180 jobs would be generated during construction and 100 full time jobs once construction is completed.

An assessment of the consistency with relevant local and state policy is included in the first section of the Net Community Benefit Assessment table (refer Section 6).

5. ECONOMIC EFFECTS

Scope of the Assessment

Consistent with the requirements of the Brief the EIA has assessed the “*impact of the provision of additional land in the B2 Local Centre Zone on land within the B3 Commercial Zone (Dubbo Central Business District) and land within the B6 Enterprise Corridor Zone*” (refer study brief). The EIA has considered this objective within the context of State and Local policies relevant to Dubbo’s activity centre and strategic planning policy.

The assessment has considered:-

- the current and envisaged use of the subject land as set out in the *Economic Impact Assessment: Orana Mall Marketplace Extension* (Refer Bennell & Associates, October 2009, Figure 3) and the Land Purchase Plan prepared by de Groot & Benson for the subject land (refer Project number 04244, Drawing Number 04244-021 as updated 20th January 2012);
- car parking assessments prepared for the Development Application for the Retail Development at Orana Mall (refer Statement of Environmental Effects, de Groot & Benson, February 2010);
- potentials for additional uses on the subject land within the context of the future zoning of the land and the policy context for the EIA.

Economic Assessment: Use of Subject Land as Car Park

The current and envisaged use of the subject land as referenced above is as car parking to serve shoppers and employees of the Orana Mall Shopping Centre, as part of the planned car parking system for the centre. On the basis that the use of the subject land remains as car parking to serve the Orana Mall Shopping Centre the findings for the Economic Impact Assessment (EIA) are as follows:-

- Orana Mall is an established and long standing component of Dubbo’s activity centre network and its role and significance is well recognised in the City’s LEP and supporting strategic policy;
- Proposed extensions to Orana Mall comprising 3,606 square metres in GLA together with a structure car park have been approved including consideration of an EIA for the extensions.
- In this situation, the role of the subject land is to support both an existing centre and approved extensions. **Its role as a car park does not materially change the economic performance of either the existing centre or the proposed extensions**, particularly in light of the observation that the subject land will provide support car parking to supplement the main car parking resources of the shopping centre that will be located in the structure car park.

It may be reasonably concluded, that maintenance of the current and planned future use of the subject land as car park will not result in any economic effect beyond the current role and economic functioning of Orana Mall and the approved extensions.

Economic Assessment: Opportunities for Land Use Change at the Subject Land

As indicated above, in the scope of considerations for the assessment, the analysis has taken note of car parking evaluations prepared for the Development Application in relation to the extensions at Orana Mall by de Groot and Benson (refer 2010 report op. cit.). Their assessment found that:-

- *“there is currently a surplus of 22 car parking spaces on the site prior to starting the new development”* (refer de Groot and Benson op. cit. p.40);
- *“the prescriptive requirements for (the additional retail development) is 148 car parking spaces. Some 153 additional parking spaces are proposed, thus exceeding the minimum requirement”* (refer de Groot and Benson op. cit. p.40, “Schedule”);
- on this basis there are 27 car spaces surplus to statutory requirements excluding car parking to be provided by the subject land;
- the subject land will provide some 244 car spaces (refer Land Purchase Plan, de Groot and Benson op. cit.);
- there would be a total of 271 car spaces surplus to statutory requirements that takes account of historic consents by Council.

In summary, assessments of car parking at Orana Mall by de Groot and Benson found that taking account of current and historic consents by Council there will be approximately 27 car spaces surplus to statutory requirements excluding the car parking to be generated by the subject land. If car parking to be supplied by the subject land is to be taken into account this would appear to indicate that there would be a total of some 271 car spaces surplus to statutory requirements taking account of current and historic consents.

It is emphasised that this does not necessarily mean that this order of surplus reflects potential vacant car spaces, taking account of actual on-site future demands. This would need to be verified by future parking utilisation survey. In a potential future situation where reuse of part of the subject land for purposes other than car parking is to be contemplated it would be desirable to ensure that land was available which was surplus to car parking demands. This needs to take account of parking requirements for Orana Mall and possible differences in the timing of peak demands for other facilities which may be contemplated as a future potential use on part of the subject land (e.g. a family restaurant).

In the short term (over the next 2 to 3 years) the issue of potential opportunities for limited land use change at the subject land afforded by a possible surplus of car parking supply cannot arise due to the likely impacts on the main car park during the construction

phase of the approved extensions. It is highly likely that all of the car parking of the subject land will be required to support the daily parking requirements of the shopping centre and to compensate for temporary losses in car parking supply and access during this period.

In the longer term (post construction of the approved extension and structure car park) the issue of a surplus of car parking supply may arise but in our view, the use of any part of the subject land for purposes other than car parking should require a separate and additional car parking utilisation assessment at the future relevant time, for purposes of clearly identifying the extent of car parking on the subject land that may be surplus to peak car parking requirements. On the basis that any part of the subject land may at a future time be identified as surplus to peak car parking requirements there appears to be limited potential for complementary commercial activities. A review was undertaken of the potential activities that the zone will permit and taking account of the configuration and dimensions of the subject land together with existing uses at the Orana Mall shopping centre site and surrounds, Table 1 shows the potential land uses and why they are / aren't suitable for the subject site.

Table 1: Potential Land Uses

Potential Use	Renaissance Strategic Assessment
Family Restaurant	• Acceptable use for the zone. • Would complement the surrounding uses. • Has a negligible effects on the CBD and surrounding areas. • Would provide employment for 20 – 25 people. • Passive surveillance of Orana Mall after hours. • Positive social outcomes.
Service Station	• Existing service station located on the site (off Windsor Parade).
Medical Centre	• Established medical centre located immediately north of Orana Mall (Western Plains Day Surgery).
Bulky Goods	• Council policy encourages bulky goods developments to locate within the Enterprise Corridor Zone. • Orana Mall is not a preferred bulky goods development location and is not supported by policy. • There are sufficient available sites in existing zoned land in the B6 Enterprise Corridor Zone.
Offices	• Council policy prefers offices to be located in the Central Business District or the B6 Enterprise Corridor Zone.
Shops	• Orana Mall is an established free standing shopping centre. • The approved extensions have continued this structure. • The provision of additional shop floorspace as free standing elements separated from the established centre would be a significant change to the layout of the centre and would require a major design review by Council. • The Brief for the EIA clearly indicated that no major extensions are contemplated in the near future. Any major retail extensions would entail areas beyond the subject land and involve a whole-of-centre re-evaluation.

Subject to the identification of surplus car parking at the subject land and the subsequent availability of land for development, it would appear that a restaurant and related take-away food operation may be an appropriate use that complements the role of the Orana Mall shopping centre, and facilitates a more active street environment with improved after hours surveillance provided by patronage to the facility.

For the purposes of an economic assessment it was assumed that a family type restaurant with a drive through facility could be accommodated on part of the subject land. This would require a building gross floor area (GFA) of approximately 390 square metres with seating capacity for approximately 110 persons. The car parking requirement would be approximately 40 spaces for a free standing drive-through facility with internal and external seating. In summary, taking account of the likely building area requirements for the facility and Council's Policy Code (Standards for Off-Street Parking of Motor Vehicles) there would need to be an allocation of up to 60 car spaces to provide for the potential family restaurant (both as site area for the development and spaces for car parking for the facility).

An indicative economic assessment for this type of facility indicated the following:-

- a recent report prepared for Dubbo City Council (refer Dubbo Retail & Commercial Demand Review Addendum, Hill PDA, 2011, Table 1) indicated in excess of 12,400 square metres GLA were occupied by restaurants and take-away food stores in Dubbo in 2010. It is estimated that the area occupied by restaurants and restaurants with associated drive through facilities is approximately 7,200 square metres GLA;
- a review undertaken for the EIA found that there are approximately 60 restaurants and restaurants with associated drive-through facilities in the City at the present time;
- on this basis and allowing for a higher trade floorspace productivity at the restaurant and take-away facility located on part of the subject land the potential development would have a 3 - 5 per cent impact on relevant trade in the City in the first year of operation;
- These impacts are considered to be normal competitive effects. They would be relatively isolated and are well below any meaningful threshold to cause planning blight and they do not pose any material effect on the City's activity centre policy and the role and future of its hierarchy;
- Typically these types of facilities have high employment densities and it is likely that it would generate approximately 20 - 25 full time, part time and casual positions as on-site employment.

In summary subject to the identification of surplus land within the subject site and detailed site planning evaluations consistent with Council requirements, the assessment indicates that a family type restaurant with associated drive-through facilities would likely generate an economic effect within normal competitive limits and would not alter the recognised and approved role of Orana Mall and its relationship with the Dubbo CBD as the recognised primary centre for the City and its region. It would also not affect the relationship of Orana Mall with the B6 Corridor Enterprise Zone. The facility would likely complement the shopping centre and generate a number of locally significant benefits including employment, a wider choice for resident dining opportunities and contributions to street life activity and passive after hours surveillance.

6. NET COMMUNITY BENEFIT ASSESSMENT

A net community benefit assessment is a broader policy and community based assessment than is traditionally reflected in an economic impact assessment (EIA). It is widely used in planning jurisdictions in Australia because it provides a broader perspective than is usually afforded by an EIA.

The net community benefit assessment undertaken for the subject land considered the criteria set out in the NSW Draft Centres Policy together with policy considerations that assessed the proposal in relation to local policy and relevant state policy.

In summary the proposed zoning change of the subject land from Open Space to Business 2 Zone was assessed in terms of net community benefit and relevant local and state policy (refer Section 4, pages 16-17). The assessment has considered:-

- Use of the subject land solely as a car park;
- Use of the subject land primarily as a car park and the potential for a family restaurant subject to future detailed planning and design and parking considerations.

Assessment Criterion	Issues to be Addressed	Orana Mall Response
Consistency with relevant Local and State Policy	• Retention of the hierarchy of activity centres; • Retention of the established primacy role and competitiveness of the CBD; • Retention of the recognised supporting sub-regional retail role of Orana Mall; • Retention of the bulky goods areas; • Avoidance of duplication of other activities; • Encouraging the relationship between Orana Mall and the CBD to complement both; • Encouraging economic growth and competition. •	Use solely as a car park • The use of the subject land as a car park assists the operation of Orana Mall and the approved extensions; • The role of the subject land as a car park does not materially change the economic performance of either the existing centre or the proposed extensions and does not impact on local or state policy; • The proposed car park will not impact on the activity centre hierarchy in Dubbo as no additional activities are proposed; • Additional car parking will allow more convenient access to Orana Mall . Primary use as a car park. Potential family restaurant use on part of the land subject to detailed planning and parking evaluations • A family restaurant would not impact on the role of the CBD or the established activity centre hierarchy ; • Locating a potential additional use (family restaurant) on the car park land in the future (subject to a separate application process) would encourage competition with the existing take away food outlets (over 60 located in the Dubbo urban centre); • Provides a complementary use to Orana

Assessment Criterion	Issues to be Addressed	Orana Mall Response
		Mall and would provide after hours activities.
Strategic Location	- Contribution of the proposal to the consolidation of the CBD and existing or designated future major, local or convenience centres. - Consistency of the proposal to the existing or future designated role of the subject activity centre. - Extent to which the proposal supports state and local policy.	Use solely as a car park - The rezoning of the subject land from open space to business for the use of car parking will support the primacy of the CBD and the activity centre hierarchy in Dubbo by providing necessary parking to the Sub-Regional Centre (Orana Mall); - The subject land will strengthen the role of the activity centre by providing essential parking provision for the centre whilst it undergoes significant expansions of the centre; Primary use as a car park. Potential family restaurant use on part of the land subject to detailed planning and parking evaluations - The proposal supports the Dubbo Local Environmental Policy through:- - encouraging employment opportunities in accessible locations; - ensuring Orana Mall remains primarily a retail centre that allows for land use activities expected to fulfil a local centre role.
Accessibility	- The extent to which the proposal contributes to improved pedestrian and cycle access to the subject centre or precinct. - The extent to which the proposal contributes to improved access, amenity or safety for travel to the centre by public transport. - The extent to which the proposal can be effectively and safely accommodated to ensure vehicular access for visitors, employees and deliveries.	Use solely as a car park - The subject land will be developed into a car park and will retain the existing walking and cycling path around the Orana Mall site as well as extending the path along the southern edge of the car park to connect the two existing sections of pathway (refer Figure 3); - The additional car park will improve access particularly during the construction period where a substantial amount of the existing car park will be unavailable while the structure car park is developed in stages. Primary use as a car park. Potential family restaurant use on part of the land subject to detailed planning and parking evaluations - The economic effects statement has identified potential for a family restaurant on the site, subject to the meeting of relevant planning, design and parking requirements. This would add to the amenity and safety of the area through passive surveillance of the site, particularly after hours;

Assessment Criterion	Issues to be Addressed	Orana Mall Response
		The additional car parking area will substantially improve vehicular access for all modes of transport.
Opportunity for Choice	- The extent to which the proposal broadens retail and commercial choices and opportunities for residents, consistent with the existing and designated activity centres framework. - The extent to which the proposal contributes to the wider diversity of activities in the subject activity centre or precinct. - The extent to which the proposal specifically contributes to community, health and professional services in the subject activity centre or precincts.	Use solely as a car park - Provision of at-grade parking close to the entrance of the Mall gives customers opportunity for choice when choosing whether to park in the structure car park or at ground level. Primary use as a car park. Potential family restaurant use on part of the land subject to detailed planning and parking evaluations - The long term potential for the subject land could include a family restaurant on the site which would broaden the dining and after hours options in Dubbo creating greater opportunity for choice in the region; - The proposal will contribute to the wider diversity of activities, community, health and professional services by providing parking and additional pedestrian access for people to utilise the stores and services at Orana Mall.
Places for People	- The extent to which the proposal improves the attraction, spaces, services, amenity and environment of the subject centre for people of all ages, that is, the social role and focus of the centre. - The extent to which the proposal contributes to street-based or external pedestrian environments. - The extent to which the proposal contributes to the development of gathering places and spaces in the subject centre or precinct. - The extent to which the proposal makes a contribution to improving the urban design, landscape and architecture of the subject centre or precinct, consistent with its setting and character. - The extent to which the proposal contributes to improved safety and amenity of the subject centre or precinct.	Use solely as a car park - The proposal enhances the street-based and pedestrian environment through completion of the walking / cycling path around the perimeter of the car park area. Primary use as a car park. Potential family restaurant use on part of the land subject to detailed planning and parking evaluations - The proposal contributes to the improved safety and amenity of the area by potentially (if a family restaurant is eventually constructed) attracting patrons to the Mall and surrounds throughout the day and night enhancing potential for passive surveillance.
Economic Viability	The contribution of the proposed development to the long-term trade and viability of the subject centre, consistent with its current or designated	Use solely as a car park The proposal will contribute to the long term trade of the centre by providing parking for customers of the Mall.

Assessment Criterion	Issues to be Addressed	Orana Mall Response
	future role. • Contribution of the proposed development to the generation of a diversity of employment opportunities during the construction and operational phases of the development. • The extent to which the proposed development could cause planning blight through vacancies and disinvestment in the subject centre or in other relevant impact centres. Measures being undertaken in the design, layout, tenancing and staging of the proposed development to mitigate against this potential outcome. • The extent to which the proposed development may cause significant losses in services in the subject centre or in other relevant impact centres; and the extent to which this may in turn diminish the intended roles of the subject centre and other impact centres.	Primary use as a car park. Potential family restaurant use on part of the land subject to detailed planning and parking evaluations • If a family restaurant is constructed at the site it will contribute to the Mall's economic viability as well as providing for 20 – 25 full time, part time and casual jobs; • The assessed trade effects of a family restaurant are negligible in relation to the established hierarchy of activity centres (refer Section 5).
Environmental Sustainability	• Contribution of the proposal to the use of renewable energy sources and the design, layout and construction of the development to minimise its carbon footprint. • Utilisation of solar design and orientation to effect an energy efficient development that minimizes off-site energy requirements. • Use of water sensitive urban design (WSUD) practices in the design, layout and construction of the development.	Use solely as a car park • Detailed site design may provide opportunities for the application of WSUD practices in vegetating the site and collection of storm water. Primary use as a car park. Potential family restaurant use on part of the land subject to detailed planning and parking evaluations • The construction of a family restaurant would provide additional opportunities to incorporate environmentally sustainable initiatives at the site.
Amenity and Safety	• Extent to which the proposed development ensures safety for visitors and workers through its design and layout, its approach to the public realm, and pedestrian spaces and access routes. • The extent to which the proposed development demonstrably minimizes negative amenity impacts on the subject centre and on the general surrounds.	Use solely as a car park • The proposed car park layout plan for the subject land demonstrates a higher level of amenity and safety through the incorporation of the pedestrian pathway and linkages to the extension of the shopping centre. Primary use as a car park. Potential family restaurant use on part of the land subject to detailed planning and parking evaluations • If a family restaurant is constructed at the site the amenity and safety of the Orana Mall precinct would be enhanced with greater opportunities for passive surveillance and better car park amenities.

7. CONCLUSIONS

Following the completion of the economic effects analysis it was found that the proposed rezoning of the subject site from Open Space to Local Centre (B2) will have negligible impacts on Orana Mall, the Central Business District or the B6 Enterprise Corridor. The analysis assessed potential future uses for the subject land and found that the most suitable use would be a family restaurant (subject to a separate application, planning and parking requirements) which would encourage multipurpose trips to the centre and provide passive surveillance for the Mall and surrounds. As demonstrated in the Net Community Benefit Assessment (refer Section 6) the rezoning satisfactorily meets the requirements set out by the NSW Draft Centres Policy by being strategically located, accessible, providing choice in where people park and by improving safety and amenity for the precinct.