

20 May 2019

Miled Akle
MProjects

Sent via email: miled@mprojects.com.au

Dear Miled,

RE: MELROSE PARK ECONOMIC IMPACT ASSESSMENT (UPDATED)

Planning Proposal (March 2017)

PAYCE prepared a planning proposal to amend the planning controls pertaining to 38-42, 44 and 44A Wharf Road which are located within the Melrose Park Industrial Precinct ("the Site"). It was proposed the Site be rezoned from IN1 General Industrial to accommodate the following land use zones:

- R4 High Density Residential;
- B4 Mixed Use;
- B2 Local Centre; and
- RE1 Public Recreation.

The Planning Proposal was underpinned by a Masterplan, seeking amendments to the following planning controls:

- Building height from 12 metres to 2-18 storeys; and
- FSR from 1:1 to 1.90:1.

The Masterplan envisaged in the order of 5,000 residential units and identified some 30,000sqm of non-residential GFA (comprised of retail, commercial and community uses). The non-residential floorspace is mostly within the Town Centre however with a small amount distributed across the site.

AEC Group (AEC) was engaged by PAYCE to prepare an Economic Impact Assessment (EIA) to analyse the economic impacts likely to result from the proposed planning controls amendments and subsequent redevelopment of the Site. The EIA accompanied the planning proposal which was submitted in March 2017. The Department of Planning and Environment issued a Gateway Determination in September 2017.

The EIA developed estimates of activity for the redeveloped site in a 'steady state' of operations, assuming High and Low occupancy scenario outcomes (predicated on different intensity of occupancy ratios) which were equivalent to between 1,478 and 1,873 direct jobs accommodated on the Site.

Revised Planning Proposal

Since issuance of the Gateway Determination in 2017 PAYCE has worked to comply with its conditions and requirements. A revised masterplan has been prepared for submission as part of a revised planning proposal.

The revised masterplan will accommodate around 5,000 dwellings (including 145 affordable rental housing) and 30,000sqm of non-residential floorspace, expected to accommodate the following uses:

- Commercial - 15,000sqm GFA;
- Retail - 15,000sqm GFA; and

Assuming Low and High occupancy ratios, the revised non-residential floorspace could accommodate between 1,538 and 1,932 direct jobs on the redeveloped site in a 'steady state' of operations.

At assumed high and low occupancy rates, the revised planning proposal accommodates a higher number of workers - 1,538 to 1,932 compared to 1,478 to 1,873 in the March 2017 planning proposal.

The total quantum of non-residential floorspace is unchanged (30,000sqm), however in the revised planning proposal a more intensive use of floorspace is likely (with the removal of community facilities). It is noted that part of the Site is to be dedicated for education purposes (primary or secondary school). Further employment activity could expectedly occur as a result.

The economic impacts assessed in the EIA issued in March 2017 are valid. However given the greater intensity of employment activity facilitated in the revised planning proposal, economic impacts will be more favourable.

We trust the foregoing assists with the revised planning proposal submission.

Yours sincerely

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