

150 Rawson Street, Guildford

Economic Impact Assessment

March 2015

Revised document



MacroPlan Dimasi

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Executive summary

This report provides an analysis of the proposed development of a Dan Murphy's packaged liquor store at 150 Rawson Road, Guildford. It includes a review of the trade area and competitive supply and a summary of the latest development plans for the site. It also provides an assessment of sales potential and the likely impacts resulting from the proposed development, including the implications of this rezoning for the industrial land market in the Parramatta LGA.

The following points summarise our analysis:

- i. The proposed redevelopment underpinning the planning proposal involves the consolidation of the 1,545 sq.m Golfview Hotel to 695 sq.m, and the construction of a new 1,350 sq.m Dan Murphy's packaged liquor store. In total, the proposed redevelopment would add 500 sq.m of GFA.
- ii. The key primary and secondary sectors (i.e. the main trade area), from which the Dan Murphy's store will generate the majority of its sales, contain a resident population of around 229,910.
- iii. The main trade area population is expected to grow to around 260,000 by 2026, at an average rate of 1.0% per annum.
- iv. The trade area population is ethnically diverse, with nearly 54% of main trade area residents born overseas. The majority of these residents originate from Asia (49.4%).
- v. The total retail expenditure generated by main trade area residents is currently \$2.15 billion and is estimated to reach \$2.73 billion by 2026. Food catering and general retail are expected to be the fastest growing categories over the period, with anticipated growth rates of 2.1-2.2% per annum.

- vi. The main packaged liquor competition to the proposed store will come from the nearest large format liquor stores including the Dan Murphy's stores in Wentworthville, Bankstown, Warwick Farm and Strathfield, and the First Choice liquor store in Concord. Smaller liquor stores located throughout the region are expected to provide limited competition.
- vii. Based on the proposed redevelopment of the Golfview Hotel, and surrounding network of competing packaged liquor stores, a Dan Murphy's store at the subject site is estimated to achieve sales in the order of \$14.6 million at 2015/16.
- viii. We expect the store to capture about 11.1% of main trade area packaged liquor expenditure, including market shares of 16.0% within the primary sector and 6.7% within the secondary sectors. Customers from beyond the trade area are estimated to account for 15.0% of estimated sales potential for the store.
- ix. We have examined the impacts that the proposed Dan Murphy's at Guildford may have on the existing competing packaged liquor store network throughout the region. The majority of trading impacts expected from the proposed Dan Murphy's store are likely to be absorbed by the surrounding network of large format liquor stores located beyond the main trade area, with minor impacts expected across the surrounding network of local and neighbourhood centres in the main trade area, and no impacts expected on surrounding centres without a packaged liquor store.
- x. Because liquor stores are typically a small component of a retail centre, and not a key anchor, even if such a store were to close (which is highly unlikely, and certainly not projected to occur in this assessment), this would have a very limited bearing on the overall viability of any centre.
- xi. Estimated individual impacts on specific centres within the competitive hierarchy (excepting Dan Murphy's own stores) are all estimated to be less than 9%, with most falling below 3%, which is not likely to affect the viability of any surrounding centres. Indeed, these projected impacts are normal competitive impacts that are to be expected in any dynamic environment. The magnitude of impacts, coupled with strong future market

growth, indicate that the proposed Dan Murphy's store would be an appropriate addition to the local market.

- xii. The planning proposal is for a site specific change to the Parramatta LEP which will maintain the current IN1 zoning for the site but allow additional uses, to be listed under Schedule 1 – Additional permitted uses in the Parramatta LEP 2011. The proposal requests that tourist and visitor accommodation and retail premises (at a capped size) be added to Schedule 1 to enable the proposed redevelopment. There will be no impact on other IN1 – General Industrial zoned land across the rest of the Parramatta LGA.
- xiii. The proposed redevelopment will create additional employment, above that which currently exists at the site (net addition of 21 full-time equivalent jobs); will provide convenience and increased choice for packaged liquor purchases by trade area residents; will not prevent or inhibit the functionality of the nearby industrial uses; will not sterilise the subject site's ability to accommodate potential industrial uses in the future; and will allow the continued function of the existing hotel, providing food, beverages and entertainment to nearby workers and residents. It will therefore result in a net community benefit.

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Introduction

This report presents an independent assessment of the economic impacts of a proposed rezoning that would allow a Dan Murphy's packaged liquor store to be developed at 150 Rawson Road, Guildford in the Parramatta Local Government Area (LGA). This report also examines the potential implications of this rezoning on the industrial land market in the Parramatta LGA.

The report has been prepared in accordance with instructions from ALH Group Pty Ltd and has regard to Parramatta Council's requirements for an economic impact study, to form part of the planning proposal. The report is structured as follows:

- **Section 1** reviews the local and regional context of the subject site; provides details of the proposed development concept; and reviews the relevant strategic framework, as it relates to industrial and retail development at the subject site;
- **Section 2** examines the likely trade area that would be served by a Dan Murphy's store at the subject site; provides estimates of current and anticipated population levels within the trade area; analyses the socio-demographic profile of the trade area population; and assesses retail expenditure volumes that are, and will be, generated by trade area residents.
- **Section 3** reviews the competitive context within which the proposed Dan Murphy's store at the subject site will operate, including all proposed competitive facilities. This section assesses all surrounding neighbourhood centres, within the immediate vicinity of the subject site, and the broader retail hierarchy in the region.
- **Section 4** assesses the market potential for a proposed Dan Murphy's store at the subject site, examining the potential market shares and sales that such a store could achieve.

- **Section 5** examines the estimated trading impacts of the proposed Dan Murphy's store on the surrounding retail hierarchy, in particular, nearby neighbourhood centres.
- **Section 6** examines other economic impacts associated with the development, including permanent job creation, construction jobs, and jobs supported across the broader supply chain.
- **Section 7** examines the implications for the industrial land market in the region that could be expected to result from the planning proposal at the subject site.

Section 1: Background and strategic context

This section of the report examines the local and regional context of the subject site; provides details of the proposed development; and reviews the relevant strategic framework, as it relates to industrial and retail development at the subject site.

1.1 Local and regional context

The subject site (i.e. the Golfview Hotel) is located at 150 Rawson Road, Guildford, near the intersection with Woodville Road, a major carriageway through the area which connects the M4 Western Motorway with the Hume Highway. The site presents a highly visible, easily accessible location for customers in the region. Map 1.1 shows the regional context of the subject site, while Map 1.2 shows the local context.

The site is located about 6 km south of the Parramatta Central Business District (CBD) within the Parramatta local government area (LGA), at the nexus of several LGAs including Holroyd to the west; Auburn to the west; Bankstown to the south-east; and Fairfield to the south-west.

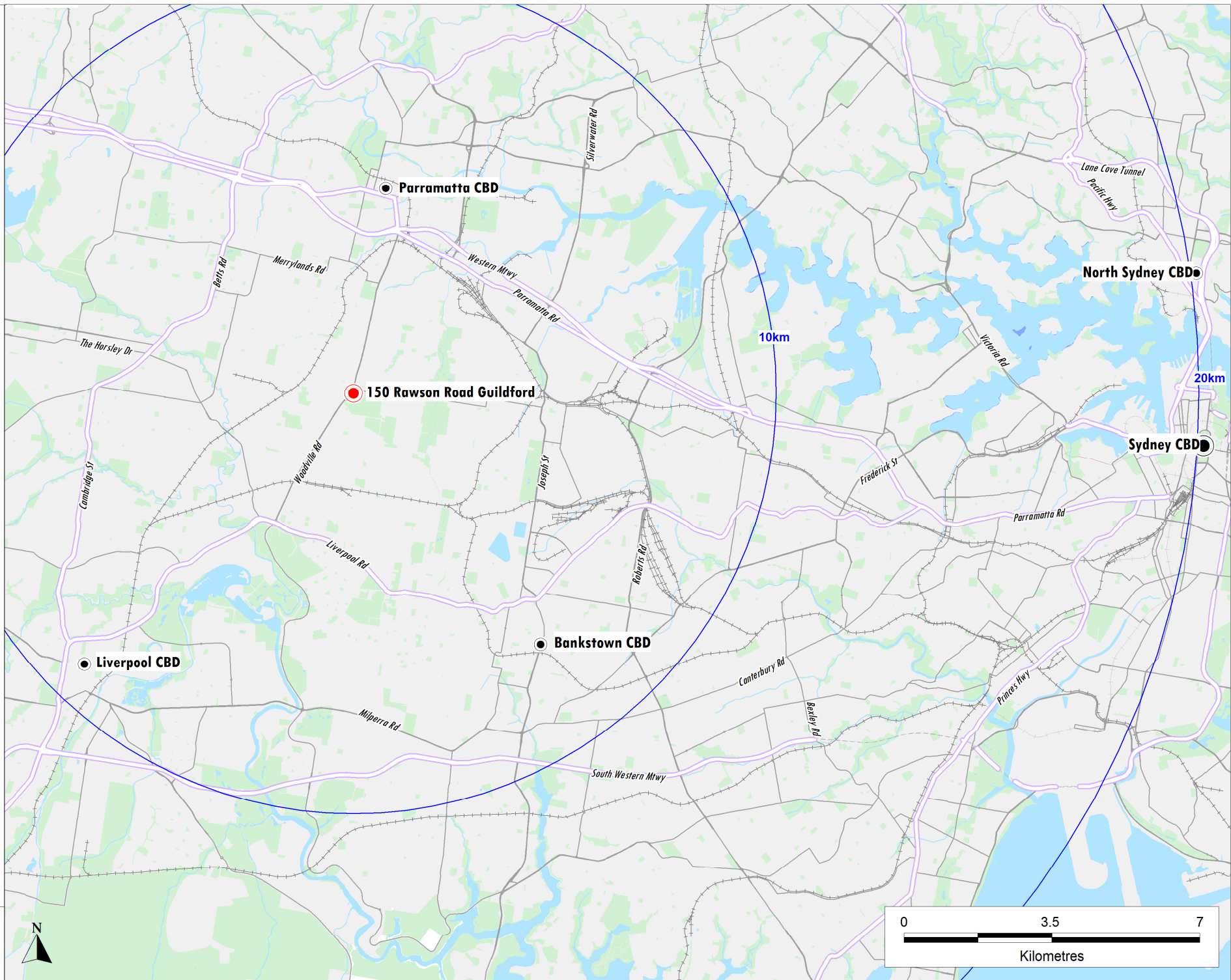
The subject site is currently occupied by the Golfview Hotel, and is presently zoned IN1 – General Industrial in the Parramatta Local Environmental Plan (LEP) 2011. The site forms part of a small industrial precinct, earmarked in the Draft West Central Subregional Strategy as non-strategic, with potential to support other employment uses, due to its isolated nature and the large, strategic precincts at nearby Chester Hill/Granville and Yennora.

The adjacent uses within the industrial precinct include a curtain and blinds wholesale/retail outlet, @Fitness gym, a Supplements Warehouse, a MMA Fight Warehouse, a Kennard's Self Storage, a leather jacket warehouse, a tile and kitchen showroom, and a small industrial business park – which includes a retail/sports clothing outlet and small industrial/business tenants. The Woodville Public Golf Course is located to the immediate west of the subject site, with residential uses to the immediate north and west. (Refer Map 1.3).

Map 1.1

150 Rawson Road Guildford

Regional Context



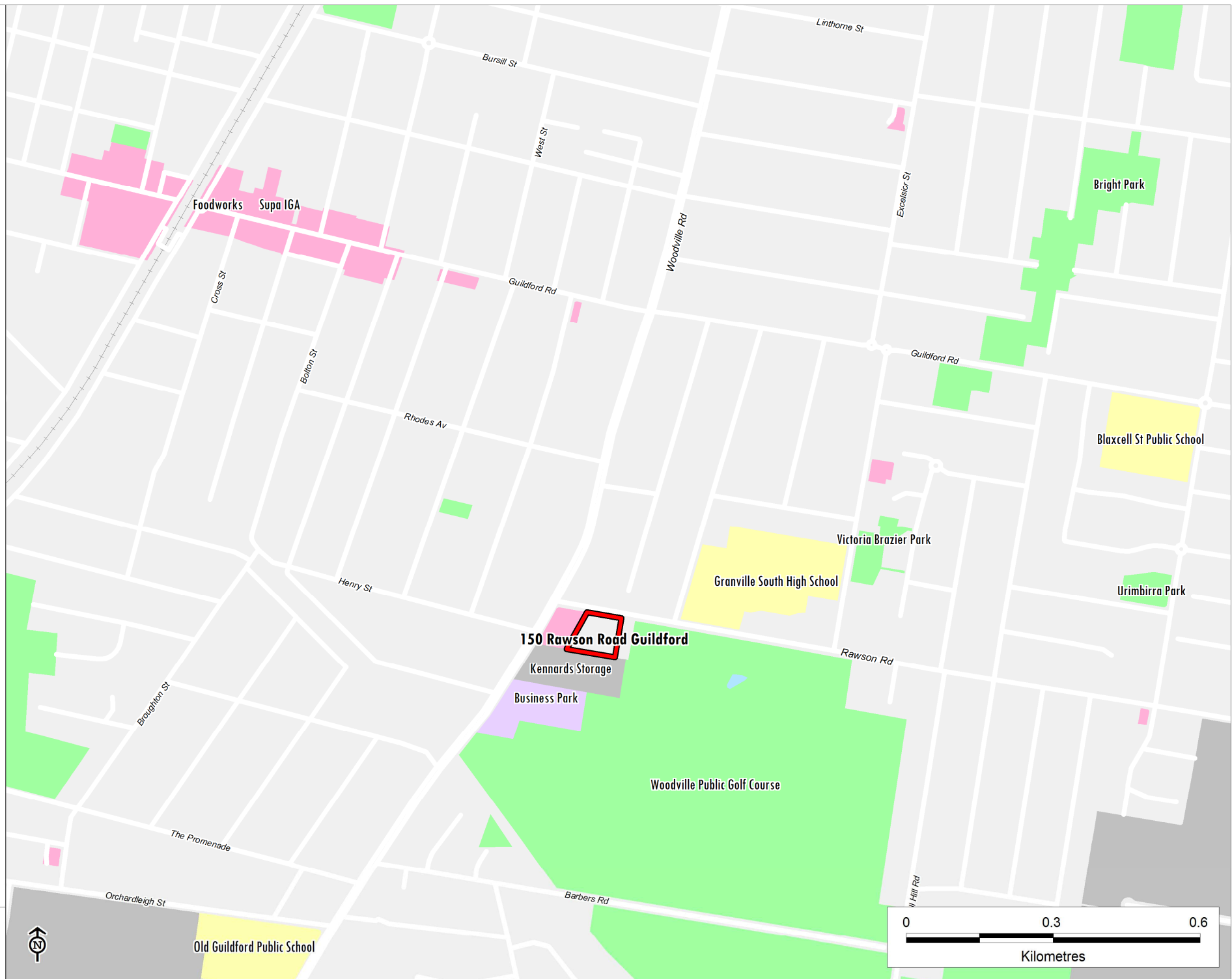
Map 1.2

150 Rawson Road Guildford

Site Location

Legend*

-  Subject Site
-  Retail
-  School
-  Business Park
-  Industrial



Map 1.3

150 Rawson Road
Guildford

Surrounding
Uses

Legend *

 Subject Site



1.2 Current zoning and proposed development

The subject site is currently zoned IN1 – General Industrial, under the Parramatta LEP 2011. The Golfview Hotel presently operates as an existing use. The proponents have submitted a planning proposal that seeks to maintain the current IN1 zoning for the site but allows additional uses, to be listed under Schedule 1 – Additional permitted uses in the Parramatta LEP 2011. The proponents request that tourist and visitor accommodation and retail premises (at a capped size) be added to Schedule 1 to enable the proposed redevelopment.

The proposed redevelopment underpinning the planning proposal is summarised in Table 1.1 and is displayed in Figure 1.1. The current Golfview Hotel provides 1,545 sq.m of gross floor area (GFA), including 1,175 sq.m on the ground floor and 370 sq.m on the first floor. The proposed redevelopment entails the construction of a new 1,350 sq.m Dan Murphy's packaged liquor store, and a reduction of the hotel from 1,545 sq.m to 695 sq.m. In total, the proposed redevelopment would add 500 sq.m of GFA in net terms.

Car-parking at the subject site will reduce by 3 spaces, from 119 to 116 spaces.

Table 1.1		
150 Rawson Road - Proposed Redevelopment		
Use	(sq.m)	GLA*
		(% of total)
Existing Golfview Hotel	1,545	100%
<u>Proposed redevelopment</u>		
Redeveloped Hotel	695	34%
Dan Murphy's	<u>1,350</u>	<u>66%</u>
Total floorspace	2,045	100%
Car parking - existing	119	
Car parking - proposed	116	
Source: i2C; MacroPlan Dimasi		
*GLA = Gross lettable area		

Section 1: Background and strategic context

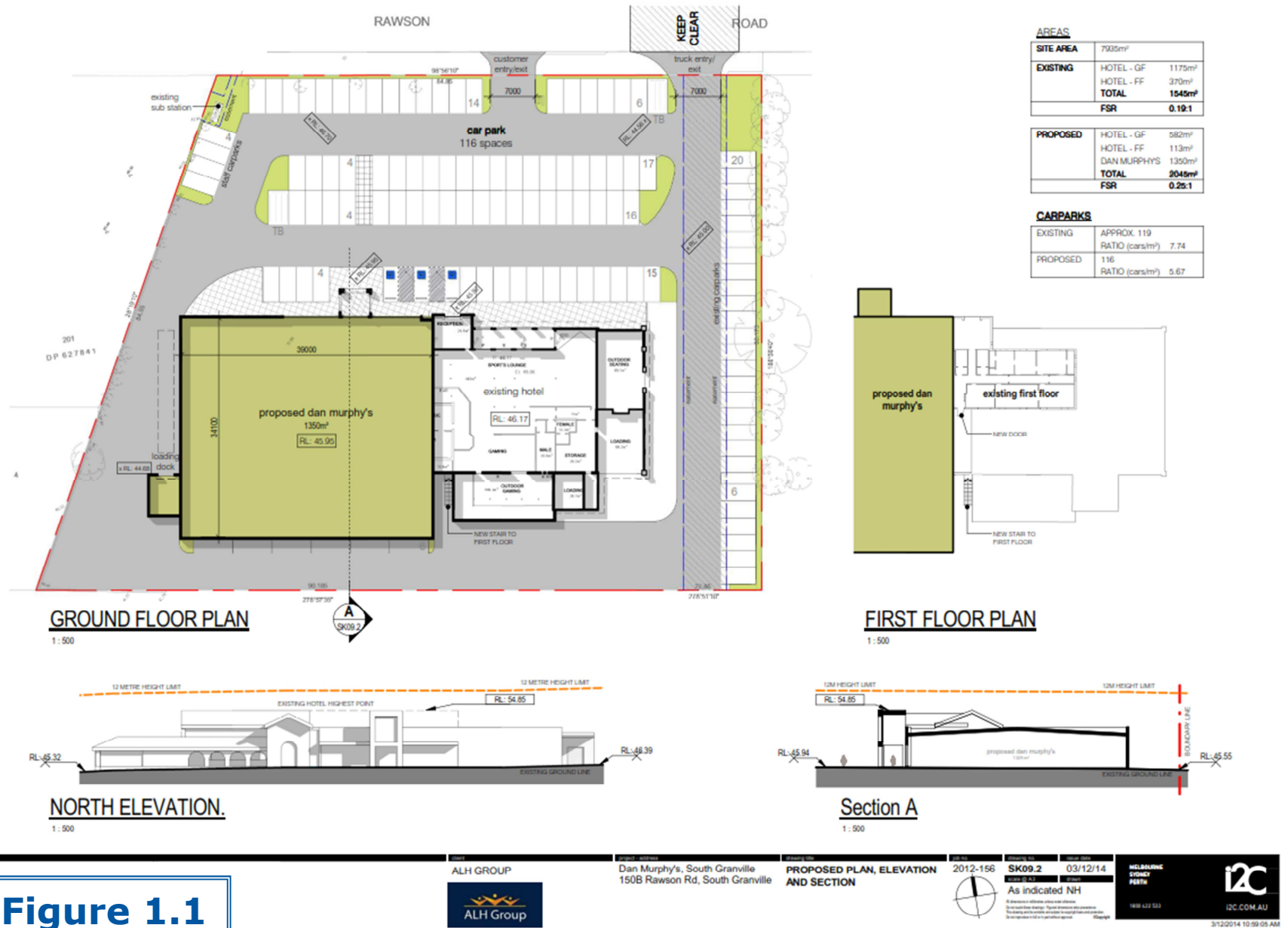


Figure 1.1

1.3 Strategic overview

This section of the report provides an overview of the strategic planning framework as it relates to industrial uses and potential retail uses at the subject site.

Draft Sydney Metropolitan Strategy 2031

This draft Sydney Metropolitan Strategy sets out the vision for Sydney. It incorporates public feedback on the *Metropolitan Transport Plan* and the first five-yearly review of the Metropolitan Strategy to form a single, integrated Metropolitan Strategy for Sydney 2031.

The revised forecasts within this plan, compared with the 2005 edition, anticipate that Sydney's population will grow by 1.3 million to 5.6 million at 2031. To cater for this increased growth, the NSW Department of Planning and Infrastructure (DPI) has recommended the following revised capacity targets:

- 545,000 new dwellings by 2031.
- 625,000 new jobs by 2031.

The retail sector is the largest employer in Sydney and will continue to be one of the most important sectors of the economy, with growth in this sector linked very closely with population growth. The proposed Dan Murphy's liquor store will contribute to meeting future retail floorspace demand, and will provide additional jobs on site as well as across the supply chain.

Draft (Competition) SEPP (2010)

In July 2010, the NSW Government released a state-wide proposed policy which aimed to remove artificial barriers on competition between retail (and commercial) businesses. The policy is still draft and is intended to allow genuine competition between retail businesses, and potentially place downward pressure on prices. The aims of this Policy are:

- To promote economic growth and competition, and

- To remove anti-competitive barriers in environmental planning and assessment.

The key points from this document are that:

- Commercial viability of a proposed development is not a matter to be taken into consideration by the consent authority.
- The impacts of a proposed commercial development on the commercial viability of other commercial developments are not a matter for the consent authority. Although the extent to which the impacts may affect the overall adequacy of facilities and services available to the local community may be taken into consideration (having regard for the proposed development).
- No restrictions on the number of a particular type of retail premises in any commercial development, although regard can be given to the scale of a proposed development.
- No restrictions on the proximity of a particular type of retail premises to another retail premises of that type.

The most notable changes from this policy are the removal of potential restrictions on the quantum of a particular type of store within a defined centre and also the removal of potential restrictions on proximity to a similar retail store type. The intentions of this policy are to restrict existing retailers from 'preventing' suitable market competition within centres and effectively seeking to reduce competition for commercial benefit.

This SEPP still enables appropriate planning to consider the effects of new retail developments upon the current and planned retail and centres hierarchy and whether or not a particular development will result in net benefits to the community.

This economic impact assessment has been prepared for the purposes of ensuring that the consent authority is entirely satisfied that there will be a net community benefit from the proposed development.

Draft Centres Policy (2009)

The NSW DPI prepared the draft Centres Policy in 2009 to assist with future strategic planning for centre development across NSW. The aim of the document was to help *"create a network of vital and vibrant centres that cater for the needs of business, and are places where individuals and families want to live, work and shop."*

The document sets out a range of potential criteria for considering potential sites to accommodate retail floorspace to meet future demand. Generally, the policy sets out a three tiered process for considering future retail.

- Firstly, consideration should be given to nearby business zoned centres (i.e. B1-B4 zoned land).
- Secondly, if no suitable sites exist, then consideration should be given to edge-of-centre locations.
- Finally, if no practical sites exist, then out-of-centre locations can be considered.

The commercial B1 and B2 zoned land within close proximity to the subject site, tends to be either too small (in site area) to accommodate the proposed Dan Murphy's store, or there are no practical sites available that would accommodate the proposed store and also provides sufficient space for at-grade car-parking.

The policy suggests that when considering out-of-centre locations, Councils could consider other business zones (B5-B7) or industrial zones (IN1-IN2). The document advises that when considering industrial land parcels, lower ranked industrial land should be considered, i.e. Category 3 lands, followed by Category 2 lands. The NSW DPI Draft West Central Subregional Strategy (DWCSS), defines the subject site as forming part of a broader precinct of Category 2 land, which means land that can be considered for alternative employment generating uses. In this context, it appears that the planning proposal is consistent with the Draft Centres Policy.

Draft West Central Sub-regional Strategy (2007)

The NSW DPI Draft West Central Subregional Strategy (DWCSS), which remains as a draft, provided a range of actions and objectives for the West Central sub-region, which informed the development of the Sydney Metropolitan Strategy 2031.

Some of the key points of relevance from this strategy in regards to the planning proposal at the subject site are as follows:

- Accommodate 61,000 additional jobs by 2031 (from 2007);
- Protect and enhance employment lands;
- Enhance and support the role of Parramatta Regional City; Major Centres such as Bankstown; and specialised centres such as Olympic Park-Rhodes, Westmead, and Bankstown Airport-Milperra;
- Support and enable the development of smaller centres and key strategic corridors within the sub-region.

This document outlined key centres, corridors and precincts within the subregion for future growth and emphasised the importance of creating jobs and employment within the sub-region. The impacts of the planning proposal on net employment and its effects on the surrounding centres hierarchy are examined later in this economic impact assessment.

The subject site is situated within a small industrial precinct, identified in DWCSS as Guildford South. At the time of the drafting of the DWCSS, the precinct supported small scale light manufacturing and industrial units, in addition to the Golfview Hotel. Because of the small scale and isolated nature of the precinct, the DWCSS earmarked this precinct as having potential for a broader range of employment generating uses. This recommendation was particularly driven by the availability of larger strategic industrial land precincts at nearby Yennora and Chester Hill/South Granville.

Since the DWCSS was prepared, the precinct has maintained its industrial zoning in the Parramatta LEP 2011 and now accommodates several 'non-industrial' uses, including a 24 hour gym, a Supplements Warehouse, a MMA Fight Warehouse and a clothing/sports retailer. The planning proposal would be consistent with the evolution of this precinct and with the intended role and function of the precinct.

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Section 2: Trade area analysis

This section of the report details the potential trade area that could be expected to be served by a proposed Dan Murphy's liquor store at the subject site, including current and projected population levels, the socio-demographic profile of trade area residents and estimates of their retail expenditure capacity.

2.1 Trade area definition

The extent of the trade area or catchment that is served by any shopping centre, or retail facility, is shaped by the interplay of a number of critical factors. These factors include:

- i. The relative attraction of the retail facility or centre, in comparison with alternative competitive retail facilities. The factors that determine the strength and attraction of any particular centre are primarily its scale and composition (in particular the major trader or traders that anchor the centre); its layout and ambience; and car-parking, including access and ease of use.
- ii. The proximity and attractiveness of competitive retail tenants, or centres. The locations, compositions, quality and scale of competitive retail facilities all serve to define the extent of the trade area which a shopping centre or retail facility, is effectively able to serve.
- iii. The available road network and public transport infrastructure, which determine the ease (or difficulty) with which customers are able to access a shopping centre, or retail facility.
- iv. Significant physical barriers which are difficult to negotiate, and can act as delineating boundaries to the trade area served by an individual shopping centre, or retail facility.

The trade area defined for the proposed Dan Murphy's store at 150 Rawson Road, Guildford is illustrated on Map 2.1 and includes a primary sector and four secondary sectors, which are described as follows:

- The **primary sector** extends approximately 3-5 km in most directions from the site, incorporating the suburbs of Granville, Granville South, Auburn, Chester Hill, Fairfield East, Guildford, Old Guildford and Merrylands.
- The **secondary north-east sector** is bounded to the north-east by the M4 Western Motorway, and by railway lines to east and south. This sector includes parts of the suburbs of Granville, Clyde, Auburn and Lidcombe.
- The **secondary east sector** is bounded by the Rookwood Cemetery to the east and the rail line to the south and includes parts of Lidcombe, Berala and Regents Park.
- The **secondary south sector** is bounded by the rail line to the east, the Hume Highway to the south and the Georges River to the west. This sector includes parts of the suburbs of Birrong, Yagoona, Sefton, Bass Hill, Georges Hall, Lansdowne and Lansvale and Villawood.
- The **secondary west sector** is bounded by the Cumberland Highway to the west, and extends to Merrylands Road to the north and includes parts of Fairfield West, Fairfield Heights, Fairfield, Yennora, Guildford West and Merrylands West.

The combination of the primary and secondary sectors is referred to as the main trade area throughout the remainder of this report, extending approximately 5 km in most directions.

The extent of the defined trade area reflects the available road network in the region, as well as the network of similar large format liquor stores across the region, i.e. Dan Murphy's and First Choice Liquor outlets. Dan Murphy's stores typically serve relatively large trade areas, say, compared with a small neighbourhood liquor store, drawing relatively thin market shares across this broader trade area.

The provision of smaller liquor stores and bottle shops has a limited bearing on the potential trade area served by the proposed Dan Murphy's store.

Map 2.1

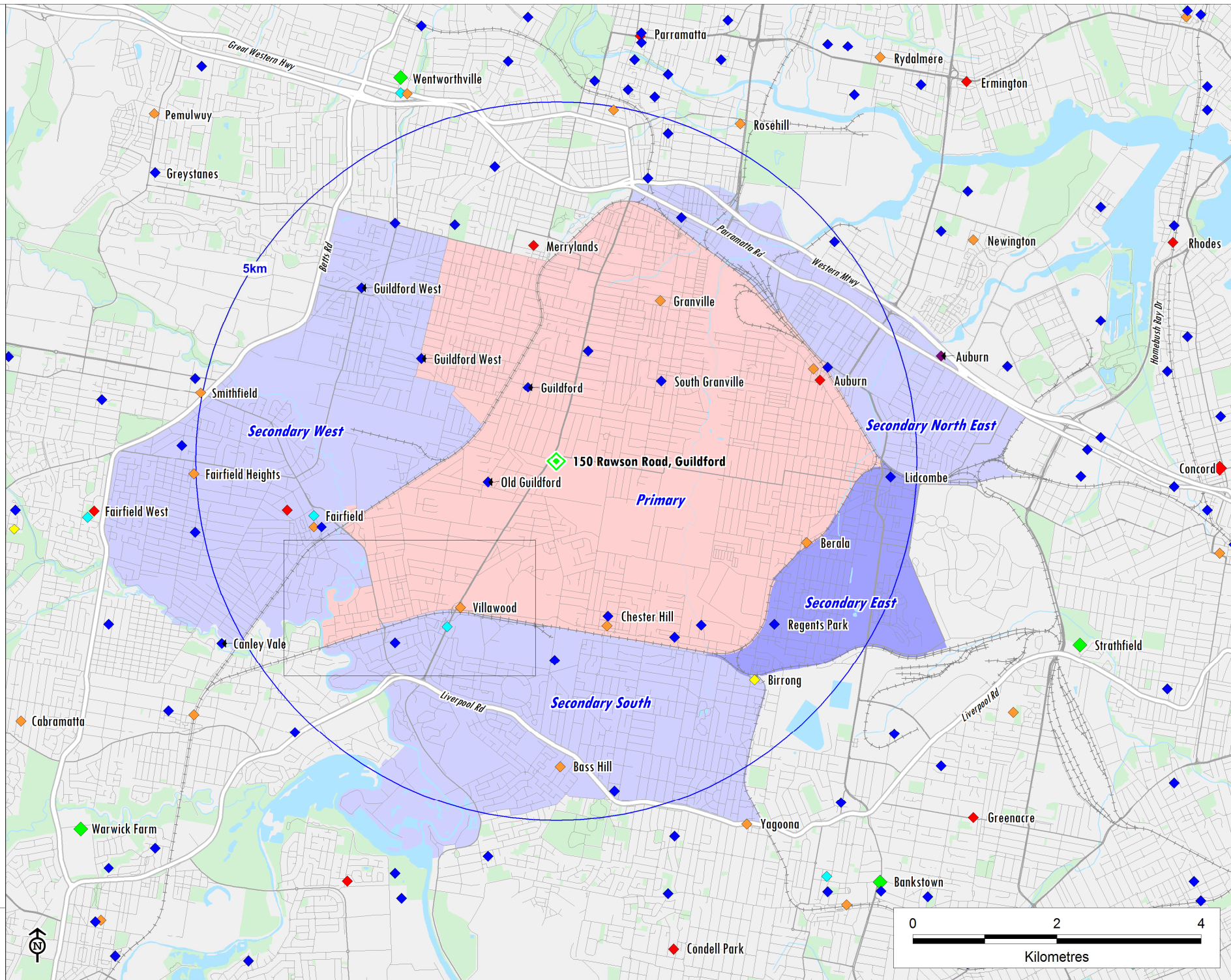
150 Rawson Road Guildford

Trade Area & Liquor Competition

Legend*

- ◆ Dan Murphy's
- ◆ Woolworths Liquor
- ◆ BWS
- ◆ Aldi Liquor
- ◆ IGA Liquor
- ◆ 1st Choice Liquor
- ◆ Liquorland
- ◆ Independent
- ◆ Costco Liquor

* Hollow object indicates
proposed store



2.2 Trade area population

Tables 2.1 and 2.2 detail the existing and projected population levels within the defined main trade area. Our estimates of projected population growth are based on a range of sources, including the following:

- Australian Bureau of Statistics (ABS) Census of Population and Housing data (2001, 2006 and 2011);
- Australian Bureau of Statistics Estimated Resident Population (ERP);
- Australian Bureau of Statistics New Dwelling Approval Data (2006-2013);
- NSW Department of Planning and Infrastructure (DPI) Household and Population projections (2006-2036); and
- Other investigations of future residential development, undertaken by MacroPlan Dimasi.

The main trade area population is estimated at about 229,910 people in 2013, including around 109,160 residents in the main trade area. Over the most recent inter-censal period, between 2006 and 2011, the main trade area population grew at an average rate of 2.1% per annum.

Map 2.2 illustrates the new dwelling approval activity in the region from 2011 to 2013. There has been significant dwelling approval activity in the primary sector, in the form of small scale, infill developments, as well as the secondary north-east and secondary east sectors, including high density development around Auburn, Granville and Lidcombe.

As an established residential region, the main driver of population growth within the trade area will be infill residential development. Some of the larger projects in the development pipeline in the main trade area include:

- **Queen Street Apartments:** is a proposed development of up to 850 residential units and some 200 sq.m of retail floorspace. A rezoning application has been submitted and is awaiting Gateway approval. If approved, the development is expected to be completed by 2019.

- **Kamira Court:** is a proposed redevelopment of the public housing complex on Villawood Road. Of the total 280 units proposed, 111 will be for seniors, with the remaining 169 for private ownership. It is expected to be completed by 2017.
- **Auburn Road Mixed Use Development:** is located at 93-105 Auburn Road, is proposed to provide some 264 apartments and approximately 568 sq.m of retail floorspace. A new development application was submitted in 2013, and construction is expected to commence by mid-2015.
- **East Street Mixed Development:** is a proposed development of up to 208 residential units that is expected to include some 211 sq.m of commercial floorspace. A development application has been submitted and is awaiting approval. If approved, construction is expected to commence by 2015.
- **Villawood Residential, Commercial and Industrial Development:** is an approved Masterplan development that could provide up to 181 dwellings and approximately 8,700 sq.m of industrial/light industrial/commercial floorspace. The development will be staged, beginning in 2015 and is expected to be completed by 2018.
- **Amy, Smith & Maunder Streets Residential Development Site:** is a proposed mixed use development that will include up to 153 residential units, a child care centre and approximately 300 sq.m of retail floorspace. A planning proposal has been submitted to the NSW DPI, for a rezoning of the site. If successful, the project is expected to be completed by 2018.

Taking the above factors into account, the main trade area population is expected to grow to 263,300 by 2026, an increase of 33,350 persons, at an annual average growth rate of 1.0%

The primary sector is expected to increase by 16%, or about 1.2% per annum, to 127,200 persons by 2026.

Section 2: Trade area analysis

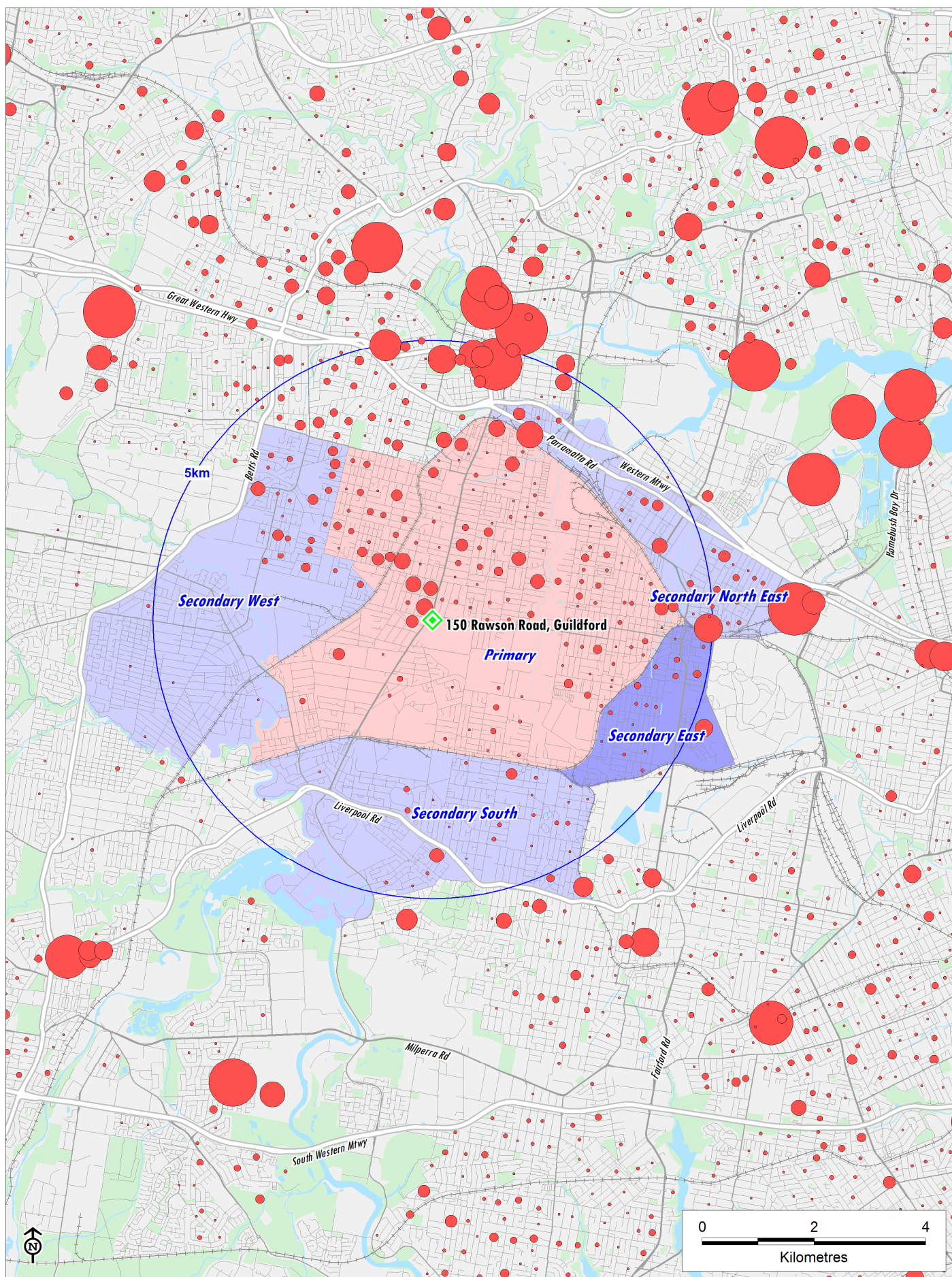
Table 2.1

150 Rawson Road trade area population, 2006-2026*

Trade area sector	Estimated population			Forecast population		
	2006	2011	2013	2016	2021	2026
Primary	93,700	105,560	109,160	113,660	121,160	127,160
Secondary sectors						
• Nth-east	19,450	21,090	21,790	22,690	24,190	25,440
• East	11,560	13,970	14,870	16,070	17,570	18,570
• South	29,760	31,540	32,240	33,290	34,540	35,790
• West	<u>46,160</u>	<u>50,550</u>	<u>51,850</u>	<u>53,050</u>	<u>54,800</u>	<u>56,300</u>
Total secondary	106,930	117,150	120,750	125,100	131,100	136,100
Main trade area	200,630	222,710	229,910	238,760	252,260	263,260
Average annual growth (no.)						
Trade area sector	2006-11	2011-13	2013-16	2016-21	2021-26	
Primary	2,372	1,800	1,500	1,500	1,200	
Secondary sectors						
• Nth-east	328	350	300	300	250	
• East	482	450	400	300	200	
• South	356	350	350	250	250	
• West	<u>878</u>	<u>650</u>	<u>400</u>	<u>350</u>	<u>300</u>	
Total secondary	2,044	1,800	1,450	1,200	1,000	
Main trade area	4,416	3,600	2,950	2,700	2,200	
Average annual growth (%)						
Trade area sector	2006-11	2011-13	2013-16	2016-21	2021-26	
Primary	2.4%	1.7%	1.4%	1.3%	1.0%	
Secondary sectors						
• Nth-east	1.6%	1.6%	1.4%	1.3%	1.0%	
• East	3.9%	3.2%	2.6%	1.8%	1.1%	
• South	1.2%	1.1%	1.1%	0.7%	0.7%	
• West	<u>1.8%</u>	<u>1.3%</u>	<u>0.8%</u>	<u>0.7%</u>	<u>0.5%</u>	
Total secondary	1.8%	1.5%	1.2%	0.9%	0.8%	
Main trade area	2.1%	1.6%	1.3%	1.1%	0.9%	

*As at June

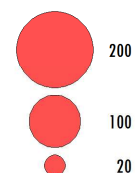
Source: ABS Census 2011; NSW Department of Planning and Infrastructure 2008; MacroPlan Dimasi



Map 2.2: 150 Rawson Road, Guildford

New Dwelling Approvals, 2011 - 2013

New Dwelling Approvals



2.3 Trade area socio-demographic profile

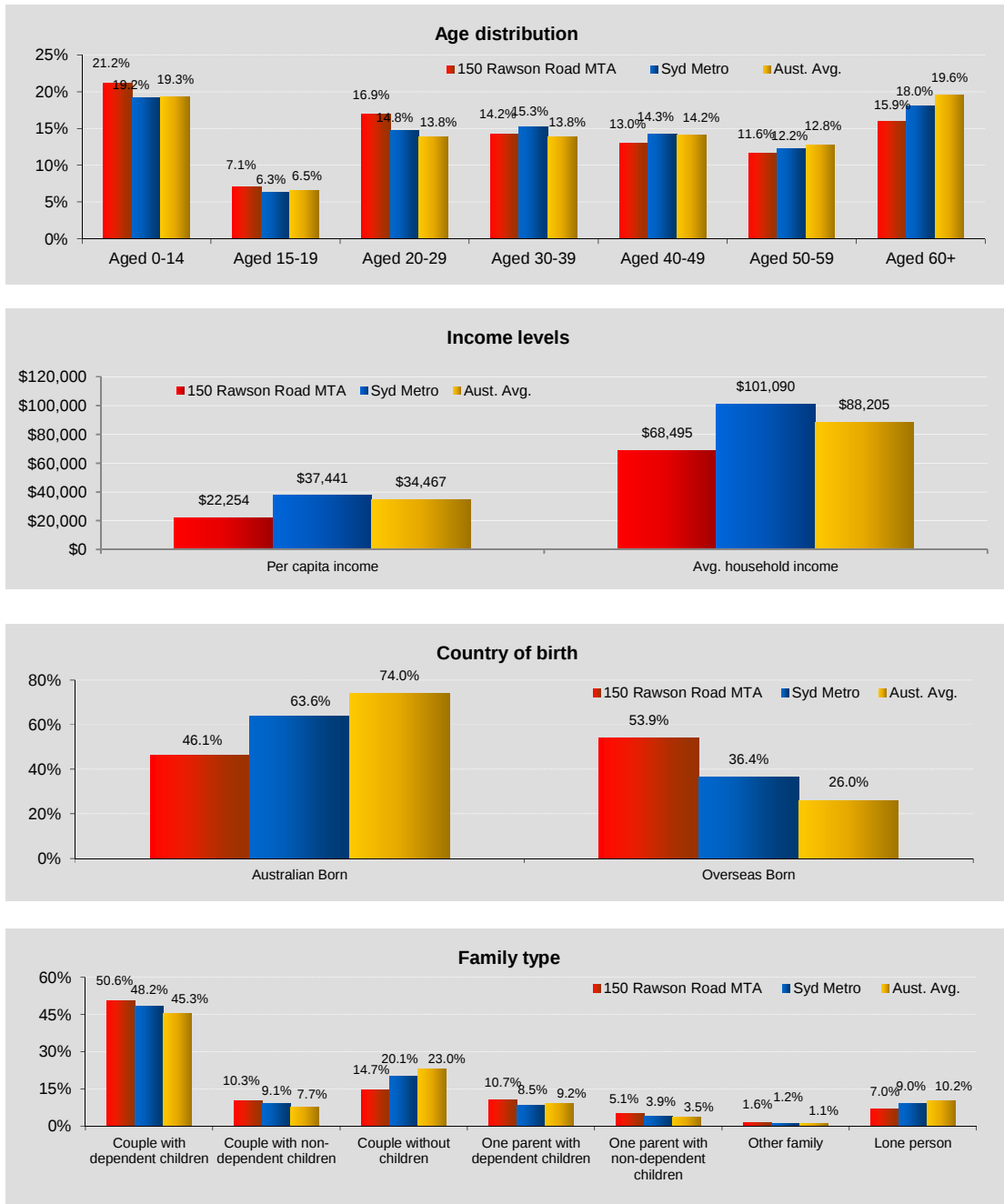
Chart 2.1 and Table 2.2 detail the socio-demographic profile of the main trade area population, compared with respective benchmarks for metropolitan Sydney and Australia. All data are sourced from the 2011 ABS Census of Population and Housing. The socio-demographic characteristics of the main trade area population are distinctly varied between the trade area sectors. The key points to note include:

- Average per capita and per household income levels in the main trade area are noticeably below the respective metropolitan Sydney averages.
- The average age of main trade area residents, at 35.2 years, is slightly younger than the metropolitan Sydney average of 37.1 years. This reflects the high proportion of main trade area residents aged between 0-29 years old (45.2%) compared to the metropolitan Sydney benchmark average of 40.2%, and a lower than average proportion of those aged above 60 years.
- There are an above average proportion of households in rental accommodation across the trade area (39.3%) versus the Sydney average (32.4%).
- The proportion of the main trade area population born overseas, at 53.9%, is much higher than the Sydney average of 36.4%. This is driven by higher than average proportions of persons born in Asia and also in the Middle East.
- A review of the household structure within the main trade area identifies traditional families as the most prevalent household type, with couples with dependent children accounting for 50.6% of all main trade area households.

In summary, the main trade area population is generally younger than average with a higher than average proportion of traditional families. The trade area population is very ethnically diverse, with more than half main trade area residents born overseas. As a relatively low income area, the provision of a Dan Murphy's store, that will offer competitive prices and reduce travel distances, will be well suited to this region and will provide community benefit.

Chart 2.1

150 Rawson Road main trade area - socio-demographic profile, 2011



Source: ABS Census of Population & Housing, 2011; MacroPlan Dimasi

Section 2: Trade area analysis

Table 2.2
150 Rawson Road main trade area - socio-demographic profile, 2011

Census item	Primary sector	Nth-east	Secondary sectors			Main TA	Syd Metro avg.
		East	South	West			
Per capita income	\$21,455	\$23,619	\$26,070	\$23,166	\$21,731	\$22,254	\$37,441
<i>Var. from Syd Metro benchmark</i>	-42.7%	-36.9%	-30.4%	-38.1%	-42.0%	-40.6%	
Avg. household income	\$68,042	\$70,762	\$80,859	\$67,972	\$65,459	\$68,495	\$101,090
<i>Var. from Syd Metro benchmark</i>	-32.7%	-30.0%	-20.0%	-32.8%	-35.2%	-32.2%	
Avg. household size	3.2	3.0	3.1	2.9	3.0	3.1	2.7
<u>Age distribution (% of population)</u>							
Aged 0-14	22.2%	17.9%	19.0%	21.2%	21.2%	21.2%	19.2%
Aged 15-19	7.2%	5.8%	7.5%	7.5%	7.1%	7.1%	6.3%
Aged 20-29	18.1%	23.0%	16.9%	12.9%	14.5%	16.9%	14.8%
Aged 30-39	14.4%	17.3%	14.3%	12.2%	14.0%	14.2%	15.3%
Aged 40-49	12.6%	12.7%	13.5%	13.5%	13.5%	13.0%	14.3%
Aged 50-59	11.0%	11.1%	13.1%	12.6%	12.0%	11.6%	12.2%
Aged 60+	14.6%	12.2%	15.6%	20.2%	17.7%	15.9%	18.0%
Average age	34.2	34.1	35.9	37.5	36.2	35.2	37.1
<u>Housing status (% of households)</u>							
Owner (outright)	28.2%	22.6%	31.2%	34.8%	29.1%	29.0%	31.1%
Owner (with mortgage)	31.4%	28.5%	35.6%	30.4%	29.9%	30.9%	35.7%
Renter	39.8%	48.0%	32.3%	33.8%	40.2%	39.3%	32.4%
Other	0.6%	0.9%	0.8%	1.0%	0.9%	0.8%	0.8%
<u>Birthplace (% of population)</u>							
Australian born	47.0%	29.7%	42.9%	58.1%	44.3%	46.1%	63.6%
Overseas born	<u>53.0%</u>	<u>70.3%</u>	<u>57.1%</u>	<u>41.9%</u>	<u>55.7%</u>	<u>53.9%</u>	<u>36.4%</u>
• Asia	26.4%	52.5%	38.8%	18.3%	18.0%	26.6%	15.5%
• Europe	4.8%	3.9%	5.7%	7.9%	8.7%	6.1%	10.6%
• Other	21.7%	13.9%	12.6%	15.8%	29.0%	21.2%	10.3%
<u>Family type (% of households)</u>							
Couple with dep't children	52.7%	50.6%	51.3%	48.0%	48.0%	50.6%	48.2%
Couple with non-dep't child.	9.9%	8.8%	11.3%	11.1%	10.8%	10.3%	9.1%
Couple without children	14.1%	19.0%	15.4%	14.2%	14.3%	14.7%	20.1%
One parent with dep't child.	10.6%	8.0%	9.2%	11.3%	12.2%	10.7%	8.5%
One parent w non-dep't child.	4.7%	4.1%	4.9%	5.5%	6.0%	5.1%	3.9%
Other family	1.5%	2.7%	1.9%	1.3%	1.6%	1.6%	1.2%
Lone person	6.5%	6.8%	6.0%	8.5%	7.1%	7.0%	9.0%

Source: ABS Census of Population & Housing, 2011; MacroPlan Dimasi

2.4 Retail expenditure capacity

MacroPlan Dimasi estimates retail expenditure capacity generated by the main trade area residents based on information sourced from Market Data Systems (MDS), which utilises a detailed micro simulation model of household expenditure behaviour for all residents of Australia. The model takes into account information from a wide variety of sources including the regular ABS Household Expenditure Surveys, national accounts data, Census data and other information.

We consider MarketInfo data to be an accurate, indeed best available, detailed measure of retail expenditure capacity and behaviour and it is widely relied on in the retail industry. This office has undertaken thousands of retail assessments using actual retail sales turnover data from retailers and shopping centres and numerous customer surveys to understand the expenditure behaviour of shoppers. Total retail expenditure is detailed in a number of categories, as follows:

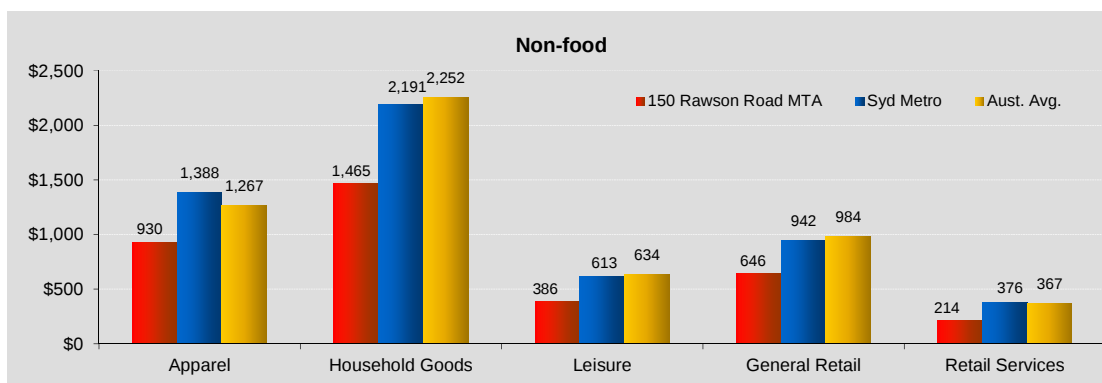
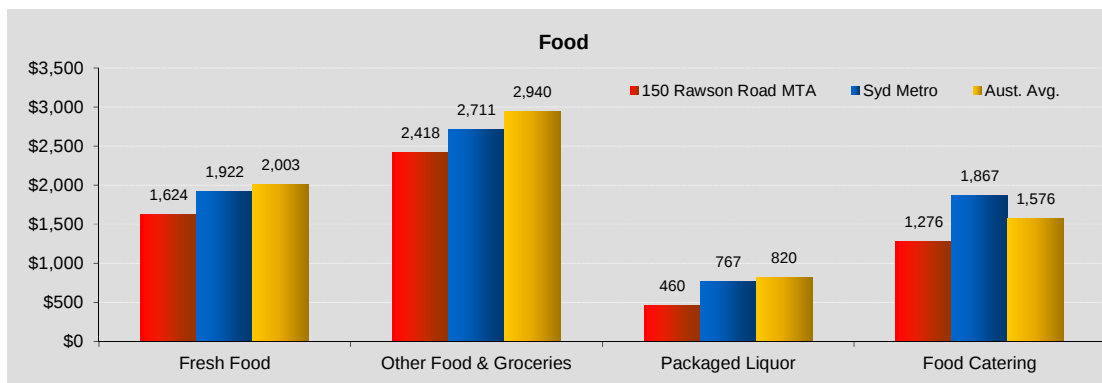
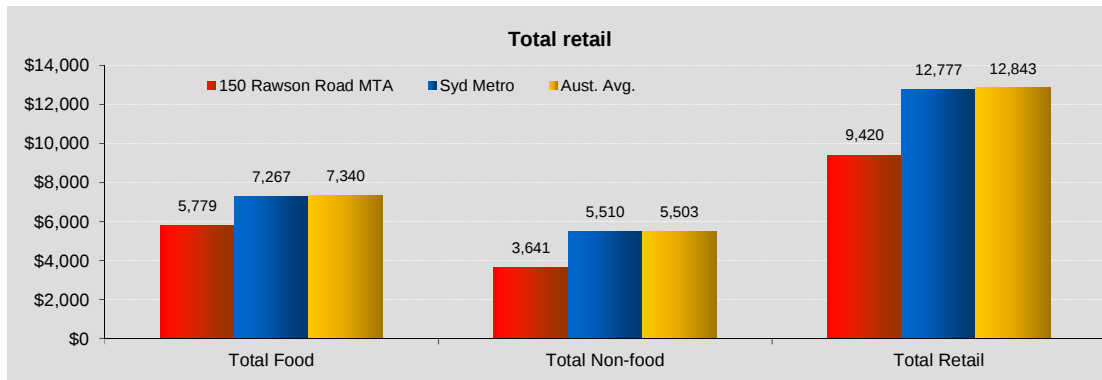
- Take-home food and groceries – goods typically sold in supermarkets and specialty fresh food stores.
- **Packaged liquor – packaged beer, wine and spirits such as those purchased at bottle-shops and liquor outlets.**
- Food catering – cafes, take-away outlets and restaurants, including liquor consumed on such premises.
- Apparel – clothing, footwear, fashion and accessories.
- Household Goods – giftware, electrical, computers, furniture, homewares, and hardware goods.
- Leisure – sporting goods, music, DVDs, games, books, newsagents and film processing/photography.
- General Retail –pharmaceutical goods, cosmetics, toys, florists, mobile phones.
- Retail Services – retail services such as key cutting, shoe repairs, hair and beauty.

Section 2: Trade area analysis

Chart 2.2 details the estimated annual retail expenditure per capita of main trade area residents by retail category, and compares the expenditure capacity to the metropolitan Sydney and Australian averages.

Chart 2.2

150 Rawson Road trade area - retail spending per person, 2012/13*



*Including GST

Source: MarketInfo; MacroPlan Dimasi

Total per capita retail expenditure for main trade area residents is estimated to be 26.2% lower than the metropolitan Sydney benchmark, with expenditure on food being 20.5% below benchmark and non-food expenditure about 33.9% below the metropolitan Sydney benchmark.

Retail expenditure per capita across the main trade area is below metropolitan Sydney averages across all retail categories, which would likely mean that households in the trade area would tend to be price sensitive. Therefore the provision of a large format liquor store offering discounted, as well as mid-range and premium products, would be of benefit to the surrounding community.

Table 2.3 shows that the retail expenditure capacity of the main trade area population is estimated at \$2.15 billion in 2013, including \$1.00 billion within the primary sector. Retail expenditure throughout the main trade area is expected to grow at an average annual rate of 1.9% per annum to reach approximately \$2.73 billion by 2026, with growth in primary sector expenditure of 2.0% per annum.

All expenditure estimates in this report are expressed inclusive of GST, and projections are provided in constant 2012/13 dollars (excluding inflation). The projected total trade area retail expenditure growth of 1.9% per annum over the forecast period includes:

- Total trade area population growth of 1.1% per annum;
- Real increases in retail spending per person of 0.8% per annum.

Table 2.3						
150 Rawson Road main trade area - retail expenditure (\$M), 2013-2026*						
Year ending June	Primary sector	Nth-east	Secondary sectors			Main TA
			East	South	West	
2013	1,000.6	202.5	150.5	320.9	474.0	2,148.5
2014	1,022.4	206.9	155.9	326.5	482.0	2,193.7
2015	1,043.1	211.1	161.0	332.1	488.8	2,236.1
2016	1,064.1	215.3	166.3	337.9	495.8	2,279.4
2017	1,085.8	219.7	171.1	343.3	502.8	2,322.8
2018	1,108.0	224.2	175.5	348.5	509.9	2,366.2
2019	1,131.3	229.0	180.1	353.9	517.3	2,411.6
2020	1,155.7	233.9	184.9	359.5	525.2	2,459.2
2021	1,180.6	238.9	189.8	365.3	533.1	2,507.8
2022	1,204.1	243.8	194.2	371.1	540.9	2,554.1
2023	1,226.3	248.4	198.1	376.9	548.5	2,598.1
2024	1,248.8	253.0	202.0	382.9	556.2	2,642.9
2025	1,271.8	257.8	206.0	388.9	564.0	2,688.4
2026	1,295.2	262.7	210.0	395.0	571.9	2,734.8
<u>Average annual growth (\$M)</u>						
2013-2026	22.7	4.6	4.6	5.7	7.5	45.1
<u>Average annual growth (%)</u>						
2013-2026	2.0%	2.0%	2.6%	1.6%	1.5%	1.9%
*Constant 2012/13 dollars & including GST						
Source: MarketInfo; MacroPlan Dimasi						

Table 2.4 details the estimated retail expenditure volumes of total trade area residents, by key commodity group. Take-home food and groceries (F&G) is the largest retail expenditure category, accounting for about 43% of total available expenditure, followed by expenditure on household goods (15.6%) and food catering (13.6%).

Food catering and general retail expenditure categories are expected to experience the fastest growth over the forecast period, increasing by 2.2% and 2.1% per annum respectively, although FLG is the largest growth category by magnitude, growing at an estimated \$20.4 million per annum.

Table 2.4

150 Rawson Road main trade area - retail expenditure by product group (\$M), 2013-2026*

Year ending June	F & G	Packaged liquor	Food catering	Apparel	Household goods	Leisure	General retail	Retail services	Total retail
2013	922.0	105.0	291.1	212.2	334.1	88.0	147.2	48.9	2,148.5
2014	942.2	107.3	298.3	215.8	339.8	89.7	150.7	49.9	2,193.7
2015	961.3	109.5	305.1	219.1	345.0	91.3	154.0	50.8	2,236.1
2016	980.8	111.7	312.2	222.5	350.3	93.0	157.3	51.7	2,279.4
2017	1,000.3	114.0	319.3	225.8	355.5	94.6	160.7	52.6	2,322.8
2018	1,019.9	116.2	326.4	229.1	360.7	96.2	164.1	53.5	2,366.2
2019	1,040.4	118.6	333.9	232.6	366.2	97.9	167.7	54.4	2,411.6
2020	1,061.9	121.0	341.7	236.3	371.9	99.7	171.4	55.4	2,459.2
2021	1,083.8	123.5	349.6	240.0	377.7	101.5	175.2	56.4	2,507.8
2022	1,104.8	125.9	357.4	243.4	383.2	103.3	178.9	57.4	2,554.1
2023	1,124.8	128.2	364.8	246.6	388.2	104.9	182.4	58.3	2,598.1
2024	1,145.2	130.5	372.4	249.9	393.3	106.5	185.9	59.2	2,642.9
2025	1,165.9	132.9	380.1	253.2	398.5	108.2	189.6	60.1	2,688.4
2026	1,187.1	135.3	388.0	256.5	403.7	109.9	193.3	61.0	2,734.8
<u>Average annual growth (\$M)</u>									
2013-2026	20.4	2.3	7.5	3.4	5.4	1.7	3.5	0.9	45.1
<u>Average annual growth (%)</u>									
2013-2026	2.0%	2.0%	2.2%	1.5%	1.5%	1.7%	2.1%	1.7%	1.9%

*Constant 2012/13 dollars & including GST
Source: MarketInfo; MacroPlan Dimasi

Retail expenditure category definitions:

- F&G: take-home food and groceries, as well as packaged liquor.
- Packaged liquor: take-home beer, wine and spirits.
- Food catering: expenditure at cafes, take-away food outlets and restaurants.
- Apparel: clothing, footwear, fashion accessories and jewellery.
- Household goods: giftware, electrical, computers, furniture, homewares and hardware goods.
- Leisure: sporting goods, music, DVDs, computer games, books, newspapers & magazines, stationery and photography equipment.
- General retail: pharmaceutical goods, cosmetics, toys, florists, mobile phones and pets.

2.5 Packaged liquor expenditure capacity

Table 2.5 shows the packaged liquor expenditure capacity of the main trade area population, disaggregated by trade area sector, and by spend on take-home beer, wine and spirits. As illustrated, there is an estimated at \$105 million in 2013, of which \$49 million is generated by primary sector residents.

Table 2.6 shows that the packaged liquor expenditure throughout the main trade area is expected to grow at an average annual rate of 2.0% per annum to reach approximately \$135.3 million by 2026, an increase of 29%.

All expenditure estimates in this report are expressed inclusive of GST, and projections are provided in constant 2012/13 dollars (excluding inflation). The projected total trade area retail expenditure growth of 2.0% per annum over the forecast period includes:

- Total trade area population growth of 1.0% per annum;
- Real increases in retail spending of 0.9% per annum.

Table 2.5						
150 Rawson Road main trade area - packaged liquor expenditure, 2012/13*						
Category	Primary Sector	Nth-east	Secondary sectors			Total spend (\$M)
			East	South	West	Main TA
<u>Packaged liquor</u>						
Beer	21.6	3.8	3.1	7.5	9.8	45.8
Wine	13.7	2.5	2.4	4.9	6.4	29.9
Spirits	<u>13.7</u>	<u>2.5</u>	<u>2.1</u>	<u>4.8</u>	<u>6.3</u>	<u>29.4</u>
Total liquor	49.0	8.7	7.6	17.1	22.5	105.0
*Including GST						
Source: MarketInfo; MacroPlan Dimasi						

Table 2.6

150 Rawson Road main trade area - packaged liquor spend, 2013-2026*

Year ending June	Forecast liquor spend (\$M)			
	Beer	Wine	Spirits	Total
2013	45.8	29.9	29.4	105.0
2014	46.8	30.5	30.0	107.3
2015	47.7	31.2	30.6	109.5
2016	48.7	31.8	31.2	111.7
2017	49.7	32.4	31.9	114.0
2018	50.6	33.1	32.5	116.2
2019	51.6	33.8	33.1	118.6
2020	52.7	34.5	33.8	121.0
2021	53.8	35.2	34.5	123.5
2022	54.8	35.9	35.2	125.9
2023	55.8	36.5	35.8	128.2
2024	56.9	37.2	36.5	130.5
2025	57.9	37.8	37.2	132.9
2026	58.9	38.5	37.8	135.3
<u>Average annual growth (\$M)</u>				
2013-2026	1.0	0.7	0.7	2.3
<u>Average annual growth (%)</u>				
2013-2026	2.0%	2.0%	2.0%	2.0%
*Constant 2012/13 dollars & including GST				
Source: MarketInfo; MacroPlan Dimasi				

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Section 3: Competition review

This section of the report reviews the surrounding traditional retail hierarchy as well as the competitive network of packaged liquor retailers within which the proposed Dan Murphy's store would operate, including both existing and proposed developments of relevance.

3.1 Packaged liquor competition

Table 3.1 details the competitive packaged liquor retailers in the region, while the previous Map 2.1 illustrates the locations of these facilities. The surrounding network of packaged liquor retailers is of the most relevance when understanding the potential trade area likely to be served by the proposed Dan Murphy's store as well as the potential market shares and sales volumes that such a store could potentially achieve.

Large format

The most relevant competitive facilities to the proposed Dan Murphy's store are other Dan Murphy's stores, and to a lesser extent, First Choice Liquor stores. The closest Dan Murphy's store is located approximately 9.1 km away at Wentworthville, on the Great Western Highway. Other closest stores are located at Bankstown, Warwick Farm and Strathfield. A development application for a new Dan Murphy's store at Moorebank was recently rejected by Liverpool Council, and we therefore expect that this store is unlikely to proceed.

First Choice Liquor has a limited presence in metropolitan Sydney, and there is only one store in the broad region of relevance, at Concord. A new store is under construction at Carlingford, and is expected to be open before the end of 2014. Costco at Auburn also provides packaged liquor for sale, although its range of stock-keeping-units (SKUs) is very limited.

Other packaged liquor

As illustrated on Map 3.1, the surrounding network of smaller liquor stores includes a mix of national brand tenants such as BWS, Liquorland and Aldi, as well as a range of independent outlets including branded ones such as Little Bottler and Super Cellars.

The closest liquor outlets to the subject site are the small Super Cellars at Old Guildford (Broughton Street); Super Cellars in the Guildford town centre; the Aldi and BWS outlets in the B6 zoned land in Villawood, on Woodville Road; BWS and independent outlets in Chester Hill town centre; and the Super Cellars located in the B6 zoned land at Guildford, along Woodville road – opposite Aldi.

Small outlets such as these, ranging from 80 to 200 sq.m, provide a limited range of SKU's, performing an important role and function servicing immediate local catchments, focussed on convenience.

Table 3.1
150 Rawson Road schedule of competing liquor retailers

Centre/Suburb	Liquor traders	Distance by road (km)
Within trade area		
Old Guildford	Super Cellars	1.7
Guildford (Local Centre)	Super Cellars	3.0
Villawood (B6 precinct)	BWS, Aldi	3.1
Chester Hill (Town Centre)	BWS, Chester Hill Liquor	3.4
Guildford (B6 precinct)	Super Cellars	3.6
Carramar	Valore Cellars	4.1
South Granville (Dellwood)	Little Bottler	4.3
Fairfield (Town Centre)	BWS, Aldi, Liquorland, Crescent Tavern Bottleshop	4.5
Sefton	Sefton Cellars, Little Bottler	4.7
Bass Hill	Liquorland, Little Bottler	5.0
Granville (Arida Centre)	BWS	5.2
Guildford West	Little Bottler - Crown on McCredie	5.5
Regents Park	Regents Park Cellars	5.6
Berala	BWS	5.7
Guildford West	Little Bottler	5.8
Birrong	IGA Plus Liquor	5.8
Fairfield West	Little Bottler	6.2
Fairfield Heights	BWS	6.3
Granville	Little Bottler	6.4
Lidcombe	Little Bottler	6.8
Smithfield	Super Cellars	6.8
Auburn (Town Centre)	BWS, Liquorland, Bottlemart	7.0
Auburn	Costco Liquor	9.3
Beyond trade area*		
Wentworthville	Dan Murphy's	9.1
Bankstown	Dan Murphy's	10.2
Warwick Farm	Dan Murphy's	10.4
Strathfield	Dan Murphy's	11.9
Concord	First Choice Liquor	12.5
Proposed		
Moorebank	Dan Murphy's (p)	12.5
Carlingford	First Choice Liquor (u/c)	14.5

**Only includes large format liquor competition*

Source: Cordells; MacroPlan Dimasi

3.2 Retail hierarchy

Table 3.2 provides a summary of the retail hierarchy in the region and Maps 3.1 and 3.2 illustrate the location of these centres. The surrounding retail hierarchy is generally structured as follows:

- Regional centres (including Regional Cities and Major Centres)
- Sub-regional centres (including Town Centres)
- Local Centres (including Village Centres)
- Neighbourhood Centres
- Other specialised centres/precincts (e.g. B5 or B6 zoned land)

At the upper-end of the hierarchy are Parramatta CBD and Liverpool CBD, both classified as Regional Cities according to the NSW DPI, and Bankstown CBD, classified as a Major Centre. All three of these locations accommodate a large enclosed regional shopping centre (i.e. including a department store) and support more than 100,000 sq.m of retail floorspace, in addition to commercial office, residential, education, health and community facilities.

The next tier of the hierarchy includes sub-regional centres, which provide a smaller quantum of retail and employment floorspace than regional centres, serving noticeably smaller catchments in comparison. From a retail perspective they generally include one or more discount department stores, several supermarkets and a range of specialty and mini-major retailers. Fairfield, Merrylands and Auburn town centres are classified as sub-regional centres, as are stand-alone retail centres like Chullora Marketplace and Bass Hill Plaza. The retail node around Costco at Auburn/Lidcombe, which includes the about to be redeveloped Liberty Marketplace, performs the role of sub-regional centre.

Table 3.2

150 Rawson Road - schedule of competing retail facilities

Centre	Retail GLA (sq.m)	Major traders	Dist. by road from 150 Rawson Road (km)
Regional and Major Centres			
<u>Parramatta CBD</u>	<u>224,000</u>		<u>6.8</u>
<u>Westfield Parramatta</u>			
• Existing	134,000	David Jones, Myer, Target, Kmart, Woolworths, Coles	
• Proposed	24,000	1 x dds	
Other Parramatta CBD	90,000	Coles, Aldi, IGA	
<u>Bankstown CBD</u>	<u>97,600</u>		<u>10.0</u>
Centro Bankstown	79,600	Myer, Big W, Kmart, Target, Woolworths, IGA	
Other Bankstown	18,000	Aldi	
<u>Liverpool CBD</u>	<u>130,000</u>		<u>10.0</u>
Westfield Liverpool	85,500	Myer, Big W, Target, Coles, Woolworths	
Other Liverpool	44,500		
Sub-regional centres			
<u>Fairfield Town Centre</u>	<u>58,100</u>		<u>4.5</u>
Neeta City	24,400	Kmart, Coles	
Fairfield Forum	17,700	Big W, Woolworths	
Other Fairfield	16,000	Aldi	
Bass Hill Plaza	18,800	Target, Woolworths, Aldi	5.0
<u>Merrylands Town Centre</u>	<u>60,000</u>		<u>5.4</u>
Stockland Merrylands	54,900	Target, Big W, Woolworths, Coles, Aldi, IGA	
Other Merrylands	5,100		
<u>Auburn Town Centre</u>	<u>37,900</u>		<u>7.2</u>
Auburn Central SC	17,600	Big W, Woolworths	
• Auburn Village	3,800	Coles	
• Other	16,500	Aldi	
<u>Lidcombe/Auburn</u>			9.0
Costco Auburn	14,000	Costco	
Liberty Marketplace (p)	30,000	Kmart (p), Woolworths (p), Aldi (p)	
Chullora Marketplace	17,300	Big W, Woolworths, Aldi	10.7
Other retail in Business Zones			
Villawood B5 Zone	10,000	Aldi	1.9
Guildford B6 Zone	3,000	Aldi	3.2

Source: Property Council of Australia; MacroPlan Dimasi

Section 3: Competition review

Table 3.2A

150 Rawson Road - schedule of competing retail facilities

Centre	Retail GLA (sq.m)	Major traders	Dist. by road from 150 Rawson Road (km)
Local Centres (B2)			
<u>Parramatta LGA</u>			
• Guildford	7,200	Supa IGA, Foodworks	2.8
• Granville	9,200	Foodworks	6.3
<u>Other LGAs</u>			
• Woodville	1,350	Aldi	3.1
• Chester Hill	11,000	Woolworths	3.6
• Sefton	1,500	IGA	4.6
• Berala	4,500	Woolworths	5.7
• Woodburn Rd & Crawford St	2,400		5.7
• Birrong	2,300	IGA	5.9
• Fairfield Heights	3,500	Woolworths	6.3
• Merrylands West SC	1,800	IGA	7.0
• Yagoona	1,800	IGA	7.8
Neighbourhood Centre (B1)			
<u>Parramatta LGA</u>			
• Guildford Rd & Chamberlain Rd	500		2.4
• Excelsior St & Caroline St	200		2.7
• Rawson Rd & Blaxcell St	100		2.9
• Rawson Rd & Ferndell St	2,800		3.1
• Constance St & Excelsior St	550		3.2
• Clyde St & Wellington Rd	650		3.3
• Ferndell St & Everley Rd	120		3.4
• Blaxcell St & Guildford Rd	500		3.5
• Blaxcell St & Dellwood St	600		3.9
• Clyde St & Ostend St	200		3.9
• Farnell St & Excelsior St	250		4.3
• Louis St & The Avenue	100		4.8
• Clyde St & Hudson St	450		4.9
• Merrylands Rd & Railway Terrace	800		4.9
• Farnell St & Blaxcell St	100		4.9
• Randle St & Grimwood St	150		5.0
• Woodville Rd & William St	250		5.1
• Arida Centre	7,000	Woolworths	5.2
• Louis St & Blaxcell St	260		5.2
<u>Other LGAs</u>			
• Roger Bowman Ln & Middleton St	1,000		1.3
• Whitaker St & Broughton St	400		1.5
• Gurney Rd & Woodland Rd	550		1.7
• Campbell Hill Rd & Arlewis St	300		2.6
• Wellington Rd & Cumberland Rd	250		4.6

Source: Property Council of Australia; MacroPlan Dimasi

Map 3.1

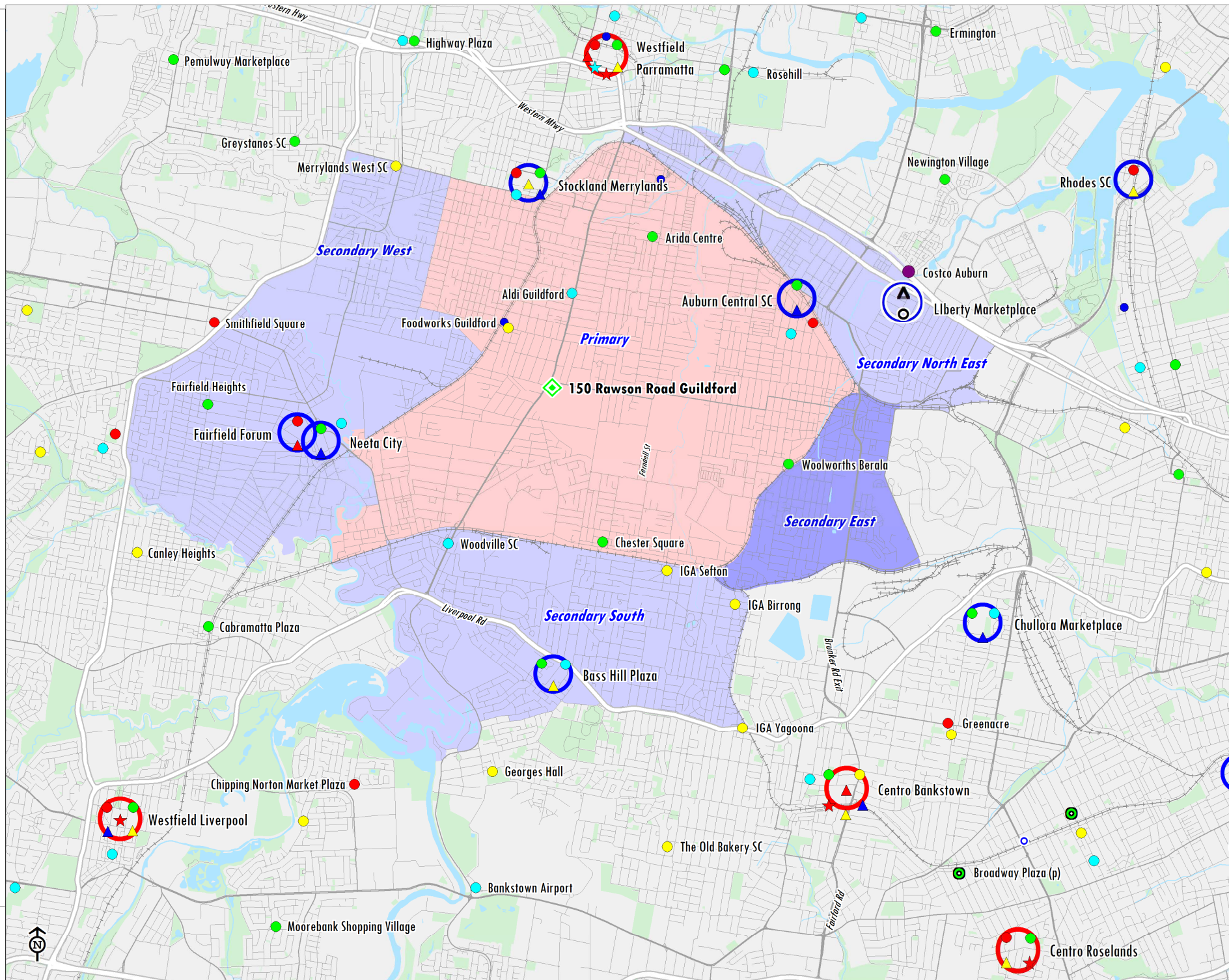
150 Rawson Road Guildford

Trade Area & Competition

Legend*

- Regional Centre
- Sub-Regional Centre
- ★ David Jones
- ★ Myer
- ▲ Big W
- ▲ Target
- ▲ Kmart
- ▲ Unknown DDS
- Woolworths
- Coles
- Aldi
- Supa IGA / IGA
- Other Smkt (inc. Foodworks, IGA Express etc.)
- Unknown Smkt

* Hollow symbols indicate proposed stores



The next tier of centre is the village or local centre, which generally contains one or more supermarkets, one or more liquor outlets, and a range of supporting specialty retail and commercial floorspace. We have classified centres in this category according to whether or not they are zoned B2 – Local Centre in their relevant LEP.

Within the Parramatta LGA, this category of centre includes the Guildford Village Centre (mainly zoned B2) and the Granville Town Centre, which is zoned B2 and B4. Other nearby local centres are situated at Chester Hill, Sefton, Birrong, Berala and Fairfield Heights.

The lowest tier in the retail hierarchy is the neighbourhood centre, which have been so defined if they are zoned B1 – Neighbourhood Centre in their relevant LEP. They tend to include a small set of shops, or commercial premises, ranging from a single convenience store, to the Woolworths supermarket anchored Arida Centre in Granville.

Generally, these neighbourhood centres provide a quite limited number retail shops, aimed at convenience, providing fresh food, groceries, take-away food, cafes, and sometimes non-food offers like pharmacies or newsagents. Most of them do not provide packaged liquor stores, unless anchored by a supermarket.

The closest neighbourhood centres to the subject site include those located at Excelsior and Caroline Streets; at Blaxcell Street and Guildford Road; Clyde Street and Wellington Road; Constance Street and Excelsior Street; and Blaxcell Street and Dellwood Street.

There is also some traditional retailing provided in surrounding enterprise/business development corridors, including the B6 zoned land around Woodville Road in Guildford, which includes an Aldi supermarket, Super Cellars liquor store, and fast-food restaurants; and the B5 zoned land around Woodville Road, at Villawood, which also includes an Aldi supermarket, a BWS liquor store, fast food and bulky goods.

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Section 4: Estimated sales potential

This section of the report reviews the potential market shares and estimated sales that could be achieved by a Dan Murphy's liquor store at the subject site, in order to estimate the potential impacts on the surrounding retail hierarchy.

Table 4.1 summarises the estimated market shares and consequent sales potential for a proposed Dan Murphy's liquor store at the subject site. We have assumed that the store would be constructed and opened prior to June 2015, and thus its first full year of trade would be the 2015/16 financial year. Sales estimates are presented in constant 2012/13 dollar terms throughout this report and include GST.

In estimating the sales potential for the proposed Dan Murphy's store, we have had regard to all of the information set out in the previous sections of the report, and in particular the following:

- The location of the subject site near the intersection of Woodville Road and Rawson Road.
- The existing provision and estimated trading levels of large format liquor stores within and surrounding the trade area.
- The provision of smaller scale liquor stores within the trade area.
- The available population in the main trade area, and in particular the available expenditure on packaged liquor that is generated by this population.

Table 4.1 summarises our estimates of likely sales potential and the estimated market shares, which the proposed Dan Murphy's store, in our view, is likely to attract. We have estimated the store's potential shares of the packaged liquor market for both the primary sector and the combined secondary sectors.

Table 4.1			
150 Rawson Road Dan Murphy's store estimated sales potential (\$M), 2016-2026*			
	2015/16	2020/21	2025/26
Trade area estimated sales potential (11.1% mkt share)	<u>12.4</u>	<u>13.7</u>	<u>15.1</u>
• Primary (16.0% mkt share)	8.4	9.3	10.3
• Secondary (6.7% mkt share)	4.0	4.4	4.8
Plus potential sales from beyond TA (@15.0%)	<u>2.2</u>	<u>2.4</u>	<u>2.7</u>
Total estimated sale potential (incl. GST)	14.6	16.1	17.7
Store sales per sq.m (\$/sq.m)	10,787	11,956	13,125
*Constant 2012/13 dollars including GST			
Source: MacroPlan Dimasi			

We estimate that the proposed Dan Murphy's store at 150 Rawson Road could achieve a total sales volume of \$14.6 million in 2015/16, increasing to \$16.1 million by 2021 at an annual average growth rate of 2.1%.

We estimate that in order to achieve sales of \$14.6 million, a Dan Murphy's store would need to achieve market shares as follows:

- 16.0% of primary trade area packaged liquor expenditure; and
- 6.7% of secondary trade area packaged liquor expenditure.

Approximately 15% of store sales are expected to be generated from beyond the trade area, given the accessibility and prominent location of the site near the intersection of Woodville Road and Rawson Road.

Section 5: Trading impacts on retail hierarchy

This section of the report examines the potential trading impacts on the surrounding retail network that could be expected to result from the provision of a Dan Murphy's store at the subject site. In particular, we have examined the potential impacts on nearby neighbourhood centres surrounding the subject site.

5.1 Trading impacts: relevance and basis

The purpose of an impact assessment is to provide guidance as to whether or not there is likely to be a net community benefit or disbenefit from any proposed development. In particular, if there is a real possibility of some existing facilities potentially being impacted to such a degree that they may be lost to the community and if the service or services provided by those facilities are not at the very least replaced by the proposed new facilities, then a community disbenefit could result.

In order to understand whether any particular centre may be impacted to the extent that its continued viability may be in question, we have estimated specific retail impacts that we expect across the surrounding competitive network were a new Dan Murphy's store to be developed at the subject site as proposed.

These estimates provide indications as to whether the scale of the proposed retail development is reasonable and whether any surrounding centres are likely to be at risk to the extent that the community would suffer a net disbenefit, attributable to the proposed retail development.

In considering likely trading impacts on any individual centre or individual retailer, it must first be acknowledged that such estimation can only realistically expect to provide a broad indication of likely outcomes, since there are many factors which can change in response to any new retail development, and which will have a bearing on the consequent outcomes. The competitive response of each relevant centre or trader is one such factor, as are further redevelopments/improvements which one or more of the competitive network of centres might implement.

In this context, the following factors are relevant when considering the potential trading impacts of the proposed Dan Murphy's liquor store at the subject site:

- Dan Murphy's liquor stores serve broad trade areas, attracting relatively thin market shares from such areas.
- Dan Murphy's stores sell, almost exclusively, packaged beer, wine and spirits, and therefore are not directly competitive with small convenience stores, small supermarkets or large supermarkets that do not sell packaged liquor. Nor are they directly competitive with food catering retail (i.e. cafes, take-away shops and restaurants), apparel stores (i.e. outlet shops, shopping centres) general or leisure retailers (such as newsagents, sports stores, pharmacies etc), or household goods retailers (such as homemaker centres, retail showrooms etc).
- Because such stores operate in quite a specific market segment, as explained above, they tend to have either no impact, or a very negligible impact on surrounding traditional retail centres. Indeed, those centres with no packaged liquor store will absorb no direct trading impacts from the proposed Dan Murphy's store.
- There is a spatial gap for large format, packaged liquor services within the defined main trade area. Indeed, within the primary sector, the range of available liquor options is limited and many of these offers are generally quite small (i.e. 80 to 200 sq.m), with a very limited number of stock keeping units (SKUs) in comparison to a Dan Murphy's store.
- The existing packaged liquor stores in the main trade area will continue to perform an important function – serving their respective surrounding local catchments by providing easily accessible, convenient packaged liquor products.
- A new Dan Murphy's store would increase customer choice, and would reduce travel distances to access a comparable offer, as the closest large format liquor stores are 9-12 km from the subject site. This is because a larger proportion of packaged liquor expenditure would be retained by trade area residents within the trade area.

All of the above factors are taken into account in our estimation of anticipated impacts on the surrounding centre hierarchy, and packaged liquor store network.

5.1.1 Impact methodology

The following factors are typically considered when assessing the potential impacts of the proposed Dan Murphy's liquor store, on the surrounding retail hierarchy:

- The distance of the (impacted) centre, by road, from the proposed development.
- The size of the centre, in terms of total retail floorspace provision.
- More specifically, in this instance, the amount of packaged liquor floorspace available.
- The brand and size of the packaged liquor tenant(s), and the depth of offer provided at these stores.
- The role and function of the centre. For example a centre may be oriented towards convenience retailing, higher order retailing, or may primarily service a worker/transit market.
- Relative accessibility and relative convenience compared with the proposed retail development.
- The estimated performance of the centre (in current sales) and future performance (in the impact year). This accounts for any future developments in the region that may also impact on the future sales of existing centres.
- The share of available expenditure which the centre attracts from the identified main trade area of the proposed development. A centre may not be situated in the identified trade area of the proposed development but its main trade area may extend to include parts, or all of the trade area of the new development. For example, the trade area for a large regional shopping centre typically includes several hundred thousand persons. Such a trade area is likely to include (partially or completely) trade areas for smaller convenience based centres, sub-regional centres, retail strips and stand-alone supermarkets. In the case of Dan Murphy's stores, they tend to serve broad trade areas, and the surrounding network of Dan Murphy's stores would draw varying proportions of business, presently, from the main trade area population of the proposed store.

The following key principles are then relied on when assessing the dollar (and percentage) impacts that are likely to be absorbed by existing facilities/centres:

- The greatest impacts are typically absorbed by the closest comparable retail facilities. For example, a new Dan Murphy's liquor store is generally likely to impact the closest nearby Dan Murphy's stores to the greatest extent, followed by impacts on other large format liquor stores (e.g. First Choice Liquor), and at the lower end of the spectrum, by smaller scale liquor stores, which serve much more limited roles – generally serving local catchments with purchases driven by convenience and affinity with the store.
- Impacts on small local liquor stores, can be expected to be noticeably lower in scale, as these stores only attract a small market share of available main trade area expenditure and perform a different role and function in the hierarchy, often serving the immediate (i.e. walkable/short drive) population surrounding the site. They tend to leverage from co-location with other retail facilities, such as a supermarket, convenience store, or a set of strip shops.

Table 5.1 presents a summary of the key metrics for the surrounding competitive network of centres that would be directly impacted by the proposed Dan Murphy's liquor store, i.e. centres that include a liquor store(s).

Table 5.1					
150 Rawson Road - Estimated Impact on Specific Centres (2015/16)*					
Centres	Distance (km)	Total Centre GLA (sq.m)	Est. liquor GLA (sq.m)	Packaged Liquor Brand (name)	Approx. % of sales from MTA (%)
<u>Large format packaged liquor retailers</u>					
Dan Murphy's Wentworthville	9.1	1,200	1,200	Dan Murphy's	25%
Dan Murphy's Bankstown	10.2	1,200	1,200	Dan Murphy's	20%
Dan Murphy's Warwick Farm	10.4	1,342	1,342	Dan Murphy's	10%
Dan Murphy's Strathfield	11.9	1,200	1,200	Dan Murphy's	15%
First Choice Concord	12.5	1,000	1,000	First Choice	5%
<u>Parramatta LGA - Other impacted centres</u>					
Guildford Village Centre (B2)	3.6	7,200	120	Super Cellars	85%
B6 Land - Guildford Aldi	3.6	3,000	200	Super Cellars	85%
Arida Centre (B1)	5.2	7,000	207	BWS	65%
Blaxcell St & Dellwood St (B1)	4.3	600	80	Little Bottler	95%
Granville Town Centre (B2/B4)	6.4	9,200	120	Little Bottler	65%
<u>Other centres / retail precincts</u>					
Whitaker St & Broughton St (B1)	1.7	400	100	Super Cellars	95%
B5 Land - Villawood	3.1	10,000	350	BWS & Aldi	50%
Chester Hill Town Centre (B2)	3.6	11,000	400	BWS & C' Hill Cellars	60%
Berala Town Centre (B2)	5.7	6,900	150	BWS	55%
Fairfield Town Centre (B4)	6.2	58,100	700	Aldi, BWS, Liquorland	33%
Auburn Town Centre (B4)	7.0	37,900	600	L'land, BWS & Bottlemart	50%
Other centres/BTA					
Total					
*Constant 2012/13 dollars & including GST					
NB: GLA = Gross lettable area; MTA = Main trade area; exp = expenditure					
Source: PCA Shopping Centre Directory; MacroPlan Dimasi					

This table summarises the distance of each centre or store from the subject site; the amount of retail floorspace at the centre; the amount of packaged liquor floorspace at the centre; and the brand/s of packaged liquor tenants. We have then also estimated the proportions of sales, in 2012/13, for each centre that are generated from the main trade area of the proposed new Dan Murphy's store.

5.1.2 Estimated impacts

Table 5.2 shows the estimated trading impacts that we expect across the surrounding network of centres, expressed in dollar terms and also in percentage terms, as a share of sales that would be expected without the development in the year 2015/16. We have estimated the percentage trading impacts by following the following methodology:

- First, the sales potential of the proposed Dan Murphy's store is estimated at \$14.6 million in its first year, as detailed previously (i.e. 2015/16).
- Sales are then estimated across the surrounding competitive supply network as at 2012/13 based on detailed inspections of the various facilities, plus other known public information. For the various established Dan Murphy's and First Choice liquor stores, for the purposes of this impact assessment, we have adopted an average turnover level per sq.m reflecting the typical performance of each chain as we understand it, from public statements and other available information. These average turnover levels are \$12,000 per sq.m for Dan Murphy's stores and \$10,000 per sq.m for First Choice liquor stores.
- Potential sales for the surrounding competitive supply network in 2015/16 are then estimated, assuming the proposed Dan Murphy's development does not occur.
- Sales for all competitive centres as at 2015/16, if the proposed Dan Murphy's development were to occur, are finally estimated.
- An assessment of likely trading impacts is then made by comparing the estimated sales potential for each centre with and without the proposed Dan Murphy's store.

Table 5.2 presents the estimated distribution of impacts across the surrounding competitive network.

As outlined in the impacts methodology in Section 5.1.1, typically, Dan Murphy's liquor stores generate the largest impact at the closest similar retail offers, i.e. other Dan Murphy's stores and to a lesser extent, First Choice Liquor stores.

Table 5.2
150 Rawson Road - Estimated Impact on Specific Centres*

Centres	Est. sales	Projected 2015/16		Est. Impacts	
	2012/13 (\$m)	Without Development	With Development	(\$m)	(%)
<u>Large format packaged liquor retailers**</u>					
Dan Murphy's Wentworthville	14.4	14.8	12.3	-2.5	-17.0%
Dan Murphy's Bankstown	14.4	14.8	12.8	-2.0	-13.6%
Dan Murphy's Warwick Farm	16.1	16.6	15.5	-1.1	-6.8%
Dan Murphy's Strathfield	14.4	14.8	13.3	-1.5	-10.2%
First Choice Concord	10.0	10.3	10.0	-0.3	-2.9%
<u>Parramatta LGA - Other impacted centres</u>					
Guildford Village Centre (B2)	44.8	46.1	45.7	-0.4	-0.8%
B6 Land - Guildford	25.0	25.8	25.1	-0.7	-2.6%
Arida Centre (B1)	69.5	71.6	71.1	-0.5	-0.7%
Blaxcell St & Dellwood St (B1)	3.7	3.9	3.6	-0.3	-6.8%
Granville Town Centre (B2/B4)	49.7	51.2	50.9	-0.4	-0.7%
<u>Other centres / retail precincts</u>					
Whitaker St & Broughton St (B1)	3.0	3.1	2.8	-0.3	-8.8%
B5 Land - Villawood	61.9	63.8	63.4	-0.4	-0.6%
Chester Hill Town Centre (B2)	85.7	88.3	87.9	-0.5	-0.5%
Berala Town Centre (B2)	54.6	56.2	56.1	-0.2	-0.3%
Fairfield Town Centre (B4)	290.5	299.3	298.9	-0.5	-0.2%
Auburn Town Centre (B4)	227.1	227.1	226.7	-0.5	-0.2%
Other centres/BTA				<u>-2.8</u>	<u>na</u>
Total				-14.6	na

*Constant 2012/13 dollars & including GST

**Only includes floorspace for large format liquor tenant (i.e. not surrounding centre)

Source: Shopping Centre Council; MacroPlan Dimasi

The remaining sales impacts will be distributed fairly broadly across the surrounding retail network. Because most liquor stores within the trade area draw only a thin share of the total main trade area liquor expenditure, the impacts on these stores will be minor, ranging between 0.2% and 8.8%. A further 20% of the total impact would likely be distributed across other liquor stores, not specifically referenced in the table, with specific impacts on any one centre expected to be negligible.

These impacts are considered to be both acceptable in a normal competitive environment, and temporary in nature, with impacts across all centres expected to dissipate within one to two years, given the projected population and retail market growth expected across the trade area.

5.2 Impacts on surrounding retail hierarchy

As detailed in the analysis in Tables 5.1 and 5.2, the majority of trading impacts expected from the proposed Dan Murphy's store are expected to be absorbed by the surrounding network of large format liquor stores located beyond the main trade area, with minor impacts expected across the surrounding network of local and neighbourhood centres in the main trade area, and no impacts expected on surrounding centres without a packaged liquor store.

Because liquor stores are typically a small component of a retail centre, and not a key anchor, even if such a store were to close (which is highly unlikely, and certainly not projected to occur in this assessment), this would have a very limited bearing on the overall viability of any centre.

Having regard to the above analysis, the individual impacts on specific centres within the competitive hierarchy (excepting Dan Murphy's own stores) are all estimated to be less than 9%, with most falling below 3%.

The projected impacts are normal competitive impacts that are to be expected in any dynamic environment. The magnitude of impacts, coupled with strong future market growth, indicate that the proposed Dan Murphy's store would be an appropriate addition to the local market. It will not alter or impact the existing centres hierarchy surrounding the site nor the role and function of future planned centres across the hierarchy. Furthermore, such impacts should be considered in conjunction with the economic benefits that convenience retail development at the subject site will also generate.

Section 6: Other economic benefits

This section of the report examines the net community benefits of the planning proposal that would allow the development of a Dan Murphy's liquor store at the subject site.

The expected economic and related social benefits will include improved shopping choice, more competitive (i.e. lower) pricing and reduced private vehicle trip distances.

Other benefits will include employment that will be created during the construction phase of the project, ongoing employment created on site as well as additional employment supported through the supply chain.

6.1 Estimated employment impacts

The development of the proposed Dan Murphy's store, and consolidation of the existing Golfview Hotel, will result in additional permanent employment on-site as well as further jobs through the supply chain, across industries servicing the new liquor store, such as transport workers, wholesalers and the like.

Furthermore, the construction phase of the project will support temporary construction jobs as well as additional jobs through the broader economic supply chain, such as building material suppliers, development consultants and the like (i.e. multiplier impacts).

Table 6.1 illustrates the estimated net increase in direct employment that would be created if a Dan Murphy's store were to be developed at the subject site. We have relied upon various data sources including data from ALH Group, retailers, the ABS, several state and local government agencies, as well as 30 years of experience in preparing assessments of this nature to estimate the employment impacts.

Table 6.1

150 Rawson Road - estimated future additional employment in store

Type of use	Estimated employment per '000 sq.m	150 Rawson Road	
		GLA (sq.m)	Employment* (persons)
Existing Golfview Hotel	8	1,545	12
<u>Proposed redevelopment</u>			
Redeveloped Hotel	14	695	10
Dan Murphy's	17	<u>1,350</u>	<u>23</u>
Total proposed development		2,045	33
Net additional employment			21

*Employment is number of full-time equivalent jobs

Source: ALH Group; MacroPlan Dimasi

The existing Golfview Hotel supports an estimated 16 jobs at present. The redevelopment entails a reduction in the size of the hotel, including the removal of the accommodation facilities. The existing hotel includes much underutilised space, while the additional staffing required to service the accommodation facilities is likely to be minimal. Therefore, the proposed consolidation of the hotel is expected to result in the loss of only a few jobs (est. 2 full-time equivalent jobs).

According to ALH Group, the Dan Murphy's store could support around 30 jobs when it is fully operational, of which about half would be full-time and about half would be part-time. Assuming that a part-time job equates to around 50% of a full-time job, this would equate to around 23 full-time equivalent jobs. These additional jobs would well and truly offset the very minor 'loss' or 'transfer' of jobs at the hotel and the overall redevelopment would result in the net addition of 21 full-time equivalent jobs at the subject site.

Table 6.2 provides an estimate of the total additional employment that would be created as a result of the proposed redevelopment, including both on-going direct and indirect employment from the construction phase of the project.

Table 6.2

150 Rawson Road - estimated future additional centre employment levels*

Original stimulus	Direct employment (long-term)	Direct employment (const'n period)	Supplier employment <i>multiplier effects</i>	Total	
Centre employment ¹	21		8	29	
Construction of project (\$4.5m. est. capital costs)		19	31	50	Job years ²

* Employment totals include both full-time and part-time work

1. Indicates the estimated number of net additional ongoing jobs as a result of the proposed development

2. Indicates the estimated number of jobs over the life of the construction project, for the equivalent of one year

Source: ALH Group; MacroPlan Dimasi

To calculate the likely total economic stimulus that can be attributed to the proposed supermarket, both due to the direct employment which it will create, and also due to its construction, we have had regard to ABS Australian National Accounts input/output multipliers.

ABS Input/output multipliers measure general economic flows between industry sectors. There are several types of input/output multipliers that can be relied upon and we consider for the basis of estimating fairly small scale, and localised impacts, that *employment* multipliers are most suitable for estimating the employment effects of the proposed expansion.

According to ALH Group, the construction costs of the project are estimated to be \$4.5 million, with the development expected to be completed within a period of one year.

We therefore estimate employment resulting from the construction of the project to be about 50 jobs for that year, including around 19 created directly and a further 31 resulting from multiplier induced effects.

As previously outlined, direct net employment resulting from the proposed redevelopment is expected to be 21 jobs. Based upon ABS employment multipliers for the relevant industries we estimate this would also lead to an additional 8 multiplier induced jobs.

6.2 Other economic/social benefits

The proposed redevelopment, including a new Dan Murphy's store at the subject site will result in a range of other economic and community benefits. The key benefits, summarised below, include:

- **Increased choice, convenience and amenity for the population of the main trade area.** The addition of a new Dan Murphy's store, offering an extensive range of beer wine and spirits in a large self-service and air-conditioned premises, with expert service and convenient car-parking, will clearly result in greater service provision for the main trade area population that the store will serve. The store's location, close to the intersection of a key arterial road – Woodville Road, and a key connector road – Rawson Road, makes it particularly accessible for main trade area residents.
- **Savings on time and fuel for main trade area residents** due to a much closer provision of large format liquor for main trade area residents. As previously indicated, the closest nearby large format liquor stores are located 9-12 km from the subject site.
- **New investment in the site**, that will include consolidating and revitalising the current Golfview Hotel, will also **enhance the attractiveness** of this entertainment facility for surrounding residents.

Section 7: Industrial land implications

This section of the report examines the implications for the industrial land market in the region that could result from the planning proposal. The proponents are seeking a site specific amendment to the Parramatta LEP 2011, which would be reflected in the Schedule 1 Additional permitted uses of the LEP. Specifically, the proposal seeks to maintain the IN1 – General industrial zone for the site, while allowing tourist and visitor accommodation and retail (capped) uses.

The *Productivity and Prosperity* chapter of the Sydney Metropolitan Strategy 2031, sets policies and actions to promote Sydney's future economic prosperity, and sets minimum job targets for each sub-region across the city. There are various objectives set out within this chapter that aim to achieve the over-arching goal of productivity and prosperity.

Of particular relevance is *Objective 13: Provide a well-located supply of industrial lands*. Within this objective are five key policies, the fifth being "proposals to rezone existing industrial lands must be consistent with the Industrial Lands Strategic Assessment Checklist". This section of the report examines the consistency of the proposal against the six key checklist criterion and we have summarised our findings below:

- **Is the proposed rezoning consistent with State and/or council strategies on the future role of industrial lands?**

As previous outlined in Section 1.3 of this report, the subject site forms part of the Guildford South industrial precinct in the DWCSS, which is not considered to be a strategically important industrial precinct in the sub-region. Indeed, the precinct has been categorised to support alternative employment uses. Therefore the proposed rezoning, which will increase local employment, is consistent with the employment lands strategy for the sub-region.

- **Is the site:**

- **near or within direct access to key economic infrastructure?**

- **contributing to a significant industry cluster?**

The subject site forms part of the Guildford South industrial precinct which is not considered to be a strategically important industrial precinct. The precinct has evolved to support a broad range of employment uses, including retail, showrooms, industrial/business park units and a gym. The proposed development will add to employment within the precinct.

The precinct is not located proximate to major economic infrastructure such as a port, airport, or major rail facility, although it is located only 4km south of the M4. The precinct does not rely on its access to the M4 for its continued success, leveraging on its highly accessible location near the intersection of Rawson Street and Woodville Road.

- **How would the proposed rezoning impact the industrial land stocks in the subregion or region and the ability to meet future demand for industrial land activity?**

Because the planning proposal seeks a site specific change to the Parramatta LEP, there will no impact on other IN1 – General industrial zoned land across the rest of the Parramatta LGA. Indeed, the proposed amendment does not seek to change the zoning of the site, merely to allow additional permitted uses, which means the overall provision of industrial land within the Parramatta LGA will remain unchanged with the planning proposal.

The subject site is occupied by non-industrial uses at present. The Golfview Hotel, as an existing use, would be able to remain operational at the site, irrespective of the site's zoning. The proposed development under-pinning the planning proposal involves a reduction of the existing hotel, and the development of a new Dan Murphy's liquor store. Clearly, there would be no reduction in the provision of industrial facilities in the region because there are none at the site presently.

The subject site area is only 0.7 hectares, as compared to approximately 591 hectares of land zoned Industrial in the Parramatta LGA (2011 ELDP Update). It therefore accounts for only 0.12% of all industrial land in Parramatta.

Under the planning proposal, the site would continue to have the potential to support industrial uses in the future. Indeed, the proposal would improve the site's rating against the IN1 – General industrial zone objectives. The five objectives of the IN1 – General industrial zone in the Parramatta LEP 2011 are listed below.

- 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 facilitate a range of non-industrial land uses that serves the needs of workers and visitors.

The proposed redevelopment will create additional employment, over and above that which currently exists at the site; will not prevent or inhibit the functionality of the nearby industrial uses; will not sterilise the subject site to accommodate potential industrial uses in the future; and will allow the continued function of the existing hotel, providing food, beverages and entertainment to nearby workers and residents.

- **How would the proposed rezoning impact on the achievement of the subregion/region and LGA employment capacity targets and employment objectives?**

The proposed redevelopment will create additional employment, over and above that which currently exists at the site, and will improve the overall functionality of the surrounding employment uses within the Guildford South precinct.

Section 6 of this report shows that the proposed redevelopment will result in an estimated net addition of 21 jobs, a further 8 jobs through the supply chain, as well as a further 50 temporary construction related jobs across the economy.

- **Is there a compelling argument that the industrial land cannot be used for an industrial purpose now or in the foreseeable future and what opportunities may exist to redevelop the land to support new forms of industrial land uses such as high-tech or creative industries?**

The site could be used for industrial uses now, and in the future. However, it is located within the Guildford South industrial precinct, which is not considered to be a strategically important industrial precinct, and has been recommended to accommodate a broader range of alternative employment generating uses (i.e. non-industrial). The surrounding mix of uses at in this precinct is generally non-industrial and new forms of industrial uses are not consistent with the evolution of the precinct. Importantly, the planning proposal would result in an improved employment outcome at the subject compared with the current situation.

- **Is the site critical to meeting the need for land for an alternative purpose identified in other NSW Government or endorsed council planning strategies?**

As previously discussed in Section 1.3 of this report, the site forms part of the Guildford South industrial land precinct in the DWCSS. This precinct has been identified as non-strategic in the DWCSS, and has been identified as having the potential to accommodate alternative employment generating uses in the future. Indeed, this precinct currently supports a range of non-industrial tenants, including retailers, wholesalers, retail showrooms, a gym and the Golfview Hotel. The subject site is not earmarked as part of any significant future residential or commercial precinct by Parramatta Council or NSW DPI.

In summary, the planning proposal would have no impact on the available supply of IN1 – General industrial zoned land in the Parramatta LGA; will improve the site's rating against the zone objectives; and will enhance overall functionality of the Guildford South industrial precinct.



