

46 Derby Street, Canley Heights

Economic Impact Assessment

July 2014



MacroPlan Dimasi

MELBOURNE

Level 4

356 Collins Street

Melbourne VIC 3000

(03) 9600 0500

BRISBANE

Level 15

111 Eagle Street

Brisbane QLD 4000

(07) 3221 8166

SYDNEY

Level 4

39 Martin Place

Sydney NSW 2000

(02) 9221 5211

PERTH

Ground Floor

12 St Georges Terrace

Perth WA 6000

(08) 9225 7200

Prepared for: Dixon Ong and Sang Ong

MacroPlan Dimasi staff responsible for this report:

James Turnbull, Manager – Retail

Fraser Brown, Consultant - Retail

Table of contents

Executive summary	i
Introduction	v
Section 1: Background	1
1.1 Planning proposal	2
1.2 Fairfield Council Retail/Centres Policy	5
Section 2: Trade area analysis	7
2.1 Trade area definition	7
2.2 Trade area population growth	10
2.3 Socio-demographic profile	12
2.4 Retail demand	14
Section 3: Retail hierarchy	15
3.1 Sub-regional centres	15
3.2 Neighbourhood centres	17
3.3 Local centres	18
Section 4: Economic impacts	19
4.1 Fairfield Retail/Centres Policy – evaluation criteria	19
4.2 Employment impacts	21
4.3 Other community benefits	22

This page has been intentionally left blank.

Executive summary

This report presents an independent assessment of the market need for and economic impacts of a proposed rezoning of land in the Canley Heights Local Centre, in the Fairfield Local Government Area (LGA).

This report has been prepared as part of a planning proposal (prepared by C.C. Weston & Associates) for the subject site located at 46 Derby Street, Canley Heights, that proposes the rezoning of the site from R4 – High Density Residential to B2 – Local Centre, to allow for small scale retail/commercial uses. The subject site area (at 730 sq.m) means that the site can only provide small scale retail/commercial facilities.

The Canley Heights Local Centre is an important commercial centre in the Fairfield LGA, providing a vibrant mix of retail, business, medical, community, cultural, health/fitness and medical uses, located about 2 km west of the Canley Vale train station.

Main trade area population

The main trade area population served by the Canley Heights Local Centre is currently estimated at 32,100 (i.e. in 2014), including 11,700 persons in the key primary sector.

Over the most recent inter-censal period (2006-2011), the main trade area population grew at an average rate of 1.0% per annum, equivalent to 340 persons per year. We estimate the main trade area population to grow at an average annual rate of 0.5% to reach 34,100 by 2026.

Retail floorspace demand

We have examined the current retail demand generated by the Canley Heights main trade area population, to be approximately 70,600 sq.m, including 25,760 sq.m in the key primary sector.

Retail floorspace demand in the main trade area is expected to grow by 4,400 sq.m by 2026, or about 365 sq.m per year, including growth in the primary sector of 1,100 sq.m.

The proposed small scale retail development will help to meet some of this future demand growth as well as satisfying the significant existing retail floorspace demand generated by the main trade area population.

Economic impacts

The proposed development could potentially generate in the order of 34 jobs, including 13 retail jobs and 21 commercial/medical jobs, as well as a further 14 full-time equivalent jobs across the broader economy.

Furthermore, the construction phase of the project could generate 23 temporary jobs, including 9 created directly and a further 14 resulting from multiplier induced effects.

The small scale development would augment the Canley Heights Local Centre, providing additional retail options to serve the current and future residents of the trade area. We expect that the very minor trading impacts experienced by this retail addition will be broadly distributed across the Canley Heights Local Centre businesses, equating to less than 5% of overall annual sales (assuming it trades at a similar level to the Canley Heights retailers on average), with virtually no impacts expected to be absorbed by other centres in the centre hierarchy.

The Canley Heights main trade area population will continue to shop at sub-regional and regional shopping centres (i.e. beyond the Fairfield LGA) for higher order retail and entertainment purposes.

The proposed rezoning of the subject site from R4 – High Density residential uses to B2 – Local Centre, to enable small scale retail and commercial uses, would provide a range of additional community benefits to residents of the surrounding area, including:

- Increased retail choice, convenience and business services for the population of the trade area. The retail/commercial facilities proposed to be provided at the subject site would also serve the surrounding daily workforce in the Canley Heights Local Centre.
- A retention of retail and commercial demand within the locality and a likely consequent reduction in vehicle kilometres travelled by local residents to access convenience based retail facilities.
- A reduction in travel times and distances has indirect benefits like reduced vehicle wear and tear, reduced fuel costs, reduced pollution, reduced traffic congestion, reduced risks of car-accidents, and more time can be spent either working, socialising or undertaking other activities.
- Reinforcement of the retail hierarchy across the Fairfield LGA by providing additional land for retail/commercial facilities in the vibrant/popular Canley Heights Local Centre, without reducing the level of service provision in Canley Heights, anywhere else, nor preventing any retail centres from expanding.

This page has been intentionally left blank.

Introduction

This report presents an independent assessment of the market need for and economic impacts of a proposed rezoning of land in Canley Heights Local Centre, in the Fairfield Local Government Area (LGA).

This report has been prepared as part of a planning proposal (prepared by C.C. Weston & Associates) for the subject site located at 46 Derby Street, Canley Heights, that proposes the rezoning of the site from R4 – High Density Residential to B2 – Local Centre, to allow for small scale retail/commercial uses. The rezoning effectively represents a small expansion of the existing Canley Heights neighbourhood centre.

The report has been prepared in accordance with instructions received from Dixon Ong and Sang Ong, and is structured as follows:

- **Section 1** reviews the local and regional context of the subject site, and provides an overview of the proposed development concept associated with the proposed rezoning.
- **Section 2** reviews the likely trade area served by the Canley Heights Local Centre, including estimation of the current and future population of this trade area, the socio-demographic profile of this population and current and future retail floorspace demand.
- **Section 3** reviews the current composition of the Canley Heights Local Centre and reviews the broader surrounding retail hierarchy across the Fairfield LGA.
- **Section 4** examines the potential economic and net community benefits that could potentially result from the proposed development.

This page has been intentionally left blank.

Section 1: Background

This section of the report reviews the local and regional context of the subject site, and provides an overview of the proposed development concept associated with the proposed rezoning.

Canley Heights is located within the Fairfield Local Government Area (LGA), approximately 5 km north of the Liverpool Central Business District (CBD) and about 15 km south-west of the Parramatta CBD. (Refer Map 1.1)

The Canley Heights Local Centre is an important community/business centre in the Fairfield LGA, providing a vibrant mix of retail, business, medical, community, cultural, health/fitness and medical uses, located about 2 km west of the Canley Vale train station. (Refer Map 1.2).

Throughout this report, the Canley Heights centre is referred to as a Local Centre because it is zoned B2 – Local Centre, although in the Fairfield Retail/Centres Policy 2006 it is classified as a neighbourhood centre.

The subject site is located at 46 Derby Street, just north of the intersection with Canley Vale Road effectively forming part of the Canley Heights neighbourhood centre. The site adjoins a Council owned car-park. The Canley Heights Local Centre includes a substantial provision of convenience based retail facilities, restaurants, cafes and take-away food shops, business services like banks, real estate agents, accountants and lawyers, as well as medical/health related facilities – primarily oriented around Canley Vale Road.