

22 March 2019

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Dear Kyou

## REVIEW OF UPDATED PADSTOW PLANNING PROPOSAL - ECONOMIC IMPACT ASSESSMENT

SGS was engaged in February 2019 to review an Economic Impact Assessment (EIA) undertaken by HillPDA as part of a planning proposal for a new development at 1-17 Segers Avenue, Padstow.

The peer review identified primary and secondary concerns regarding the EIA and advised Council to seek clarification. These were:

### Primary concerns

- The EIA had no discussion of the project’s overall ‘net community benefit’
- The EIA conflated economic impact and economic benefit
- There were instances of potential double counting where clarity was sought

### Secondary concerns

- There was a need to disaggregate the current retail floorspace demand rather than report it as a single retail figure
- There was a need to clarify some assumptions made
- There is a need to consider the urban design impact

This additional peer review provides a check against each of these concerns to ascertain whether they have been adequately addressed. This is outlined in the following table that identifies the concern raised, how the EIA has responded and whether this is considered appropriate.

| Identified concern                       | Updated EIA response  | Commentary on appropriateness   |
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| No discussion of ‘net community benefit’ | The revised EIA has included a specific section on a Net Community Benefit test (Section 5.4)   | The EIA provides a summary of the various identified marginal benefits. While it does not specifically aggregate the quantified impacts identified in the EIA, it does present a qualitative comparison against a base case (presumably a ‘do nothing’ scenario). The benefits that are identified are logical. |
| Conflation of impact and benefit         | The revised EIA has changed the language to report ‘impact’ rather than ‘benefit’ in Chapter 5. | This is considered appropriate.   |

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| Potential double counting | The revised EIA has removed the section that quantified retail expenditure from the construction workers during the construction phase (previously Section 5.1.4) | This is considered appropriate |
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| Disaggregate the current retail floorspace demand | The revised EIA has disaggregated the retail supply-demand to the various commodity types and expanded the commentary to focus on what this means in the catchment. | This is considered appropriate. |
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| Clarification of assumptions | The revised EIA addresses some of the request for clarification of assumptions, but not others. | While this does not fully address the requests in the Peer Review, this is not considered materially significant to the findings of the EIA. |
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| Consider the urban design impact | The revised EIA doesn't add any further discussion from the original. | The SGS peer review noted that this is not directly an EIA responsibility and that council should be satisfied that from an urban design perspective the proposal doesn't risk diverting trade away from the existing area. This does not impact on the validity of the EIA and is a question for council's review of other documents related to the planning proposal. |
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While the revised peer review does not fully address every recommendation in the body of SGS's original peer review, the smaller queries raised do not constitute a failure to provide a logical assessment of economic impacts.

Regarding the primary concerns raised, both the conflation issue and double counting have been addressed and the Net Community Benefit summary has been presented to reflect on the benefits above a base case.

On this basis, SGS concludes that the revised EAI sufficiently addresses the major recommendations from the initial peer review.

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