



BENEFITS OF LINDFIELD VILLAGE HUB



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BENEFIT STATEMENT

SGS has been commissioned by Ku-ring-gai Council to prepare a benefit statement that describes the range of economic, social and environmental benefits to be provided by the Lindfield Village Hub (LVH) development. This statement is required to support a Planning Proposal that seeks to amend the KLEP (Local Centres) 2012 by increasing the maximum building height controls and the FSR control to facilitate the future development of the site as a community hub.

The full spectrum of the public benefits associated with each key element of the LVH is described below

Library, community centre and open space benefits

Access to services and programs

The services (i.e. internet access and borrowing books) and programs provided by libraries/community centres are widely acknowledged as the key benefit to the local community. This is a particular benefit to those who could not otherwise afford these services.

Access to meeting and work spaces by local businesses and community groups

Libraries and community centres also provide meeting and work spaces for small business owners and entrepreneurs. This can help lower the start-up costs, so they can devote more time and resources towards building their businesses. Further, meeting spaces in libraries and community centres are often used by community groups as a place to meet and work on projects, events and outreach without paying commercial rates to rent a space.

Social interaction benefits

Libraries and local parks are commonly viewed as neighbourhood hubs and community gathering places, where people can meet and exchange ideas and information.

Increased local amenity

Open space and public parks are widely accepted to increase local amenity. Similarly, the perception of public libraries and the role they play within the community has been identified by a number of studies as increasing the attractiveness and improving the sense of place within the community.

Complement to education institutions

Libraries are often used by students as places to study, to find quiet, and to access resources. It is generally accepted by the research that public libraries are an important complement to educational institutions, such as universities and schools.

Environmental benefits

Another key benefit of libraries is the environmental saving from multiple borrowing/shared use of library print materials such as books and newspapers. Similarly, urban open space also provides a range of environmental benefits, including contribution to air quality, reduction of urban noise pollution and contribution to drainage and storm water controls.

Non-use benefits

In addition to the benefits experienced by library/park users, it is generally accepted that the wider communities can also derive values from these public goods, even if they do not use them directly. These benefits include:

- option value – willingness to pay for the preservation of option for future use;
- existence value – willingness to pay for community facilities and parks, so other community members can benefit from them; and
- legacy value - individuals and communities value maintaining these facilities, so the future generations might benefit from their existence.

Child care centre benefits

Early childhood development benefits

There is wide consensus associating attendance of early childhood education to higher educational attainment (Knudsen et al 2006, Currie and Thomas 2000, Schweinhart et al. 2005, Sylva et al 2004, Duncan and Magunson 2013, Pianta et al 2009) and increased lifetime earnings (Casio and Schanzenbach 2013, Goodman and Sianesi 2005, Campbell et al. 2012, Reynolds et al 2011, Herbst 2014).

Workforce engagement benefits

Pending affordability, the ability to leave a child in high quality child care facilities enables one or both parents to: pursue part-time or full-time work opportunities; move from part-time to full-time work; accept career development opportunities; maintain job skills and continuous employment experience; and earn increased lifetime incomes. Active engagement in the workforce is shown to provide a significant boost to a person's morale and physical and mental health.

Transport benefits

Reduced travel time and vehicle operating costs

The LVH is expected to provide 135 commuter car spaces, which will save commuters' time to find parking and encourage the use of public transport (i.e. park and ride) in lieu of car-based trips to work. This could potentially reduce travel time in peak hours and vehicle operating costs.

In addition, the proposed improvements to existing adjacent roads and new pedestrian crossing will provide improved vehicular and pedestrian access to the retail shops and community facilities to be developed as part of the LVH project. This will reduce the travel time and vehicle operating costs for patrons to the LVH.

Further the co-location of retail shops, community facilities, open space and child care will encourage multi-purpose trips which reduce in-vehicle travel time and vehicle operating costs

Decongestion benefits

The mode shift, multi-purpose trips and improved road access will alleviate traffic congestions particularly at existing pinch points along Pacific Highway. This will reduce the in-vehicle time and vehicle operating costs for other road users.

Environmental benefits

The mode shift and travel time savings for road users will reduce the environmental externalities caused by car travel (i.e. pollution, noise, GHG emissions, etc).

Pedestrian benefits

The new road (i.e. Drovers Way) and the new pedestrian crossing at the intersection of Beaconsfield Parade and Pacific Highway will improve pedestrian connectivity through the centre and reduce walk time around the centre. The improved walkability around the centre will also have flow-on benefits to the local businesses located along both sides of the Pacific Highway. In addition, the proposed new pedestrian crossing, wider and smooth footpaths and public domain work as part of the LVH will improve pedestrian safety and amenities.

Transit-oriented development (TOD) benefits

With the development being less than 400m to the railway and bus station, the LVH delivers several TOD benefits including:

- **Improved travel outcomes** with a mode shift towards the use of public and active transport, which in turn generates reduced resident car dependency, and savings in congestion costs, vehicle operating costs and environmental externalities as described above.
- **Improved health outcomes**, as residents use public and active transport, and exercise more due to increased opportunities for sport and recreation provided by the integration of new parks, open space and public plaza with residential development.
- **Urban consolidation benefits** as the provision of new housing at LVH leads to a reduction in new housing requirement on Sydney's urban fringe, thereby generating savings in non-urban land consumption and fringe infrastructure connection costs.
- **Improved housing choices** for existing and future residents, as the LVH provides a mix of apartments catering for changing demographic needs in the local area (e.g. empty nesters and young families) and provides housing choice and affordability for people who work in other centres along the North Shore line.

DIRECT EMPLOYMENT BENEFITS

Following a meeting with Ku-ring-gai Council on 18/6/19, SGS has been asked to expand our original scope to provide a preliminary assessment of the direct employment that would be generated by the construction and on-going operation of the LVH under the indicative development scenario by AJC which supports the planning proposal.

Construction costs and retail floorspace

Based on the information provided by Council, the LVH under the proposed planning controls is likely to cost around \$50 million more to construct than the development scenario under existing planning controls, providing an additional 3500 sqm of retail floorspace when complete.

The following table compares the retail floorspace (sqm of GFA) of potential development scenarios under the existing planning controls and the proposed planning controls.

TABLE 1: RETAIL FLOORSPACE UNDER TWO DEVELOPMENT SCENARIOS

Development scenario	Retail floorspace (sqm of GFA)
Indicative Development Scenario by SJB Architects under existing planning controls	4636
Indicative Development Scenario by AJC Architects under proposed planning controls	8142
Difference	3506

Source: Information provided by Council.

The higher project cost will support around 127 FTE jobs during the construction phase of the LVH, over and above those jobs expected to be provided by a project under the existing planning controls¹.

Once complete, the additional retail floorspace can be expected to create 50-100 extra jobs located in the LVH precinct, depending on the final tenant mix (e.g. supermarket vs specialties).

These employment impacts do not consider any flow-on or displacement effects in the local economy.

In addition, the indicative masterplan, under the proposed planning controls, will deliver more apartments than the base case, due to the increase in building height and FSR control sought by the planning proposal. We expect the additional residents to be housed in the LVH will inject expenditure into the local economy, thereby creating more employment opportunities. Based on a retail analysis completed by MacroPlan, the new 442 residents to be housed in the LVH under the planning proposal are likely to have a retail spending capacity of around \$7.64 million per annum, which will increase at 2% per annum from 2024 onwards.

However, the employment benefits resulting from the higher apartment yield have not been quantified in this assessment.

¹ It should be noted that these employment benefits have been estimated using ABS labour force and industry output estimates at the national level

Mixed retail and commercial scenario

In June 2020, SGS has been asked by Ku-ring-gai Council to assess the economic and employment impacts of a new LVH development scenario, where the retail component of the project is reduced from 8142 to 5000 sqm (GFA), equivalent to the minimum retail GFA in the proposed DCP control. Under this scenario, the shortfall in retail floorspace of 3142 sqm (being the difference between 8142 and 5000 sqm) will be replaced by commercial floorspace.

The following table shows the additional retail and commercial floorspace under this scenario, on top of the development scenario under existing planning controls.

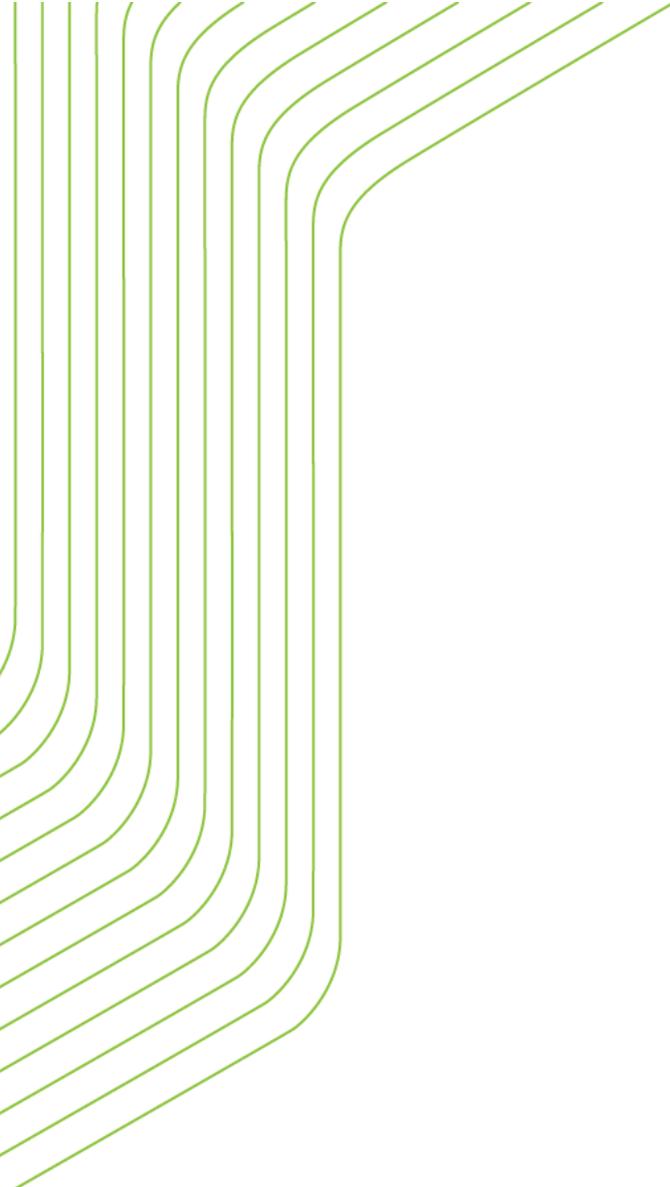
TABLE 2: ADDITIONAL EMPLOYMENT FLOORSPACE UNDER MIXED RETAIL AND COMMERCIAL SCENARIO

Development scenario	Total employment generating floorspace (sqm of GFA)	Additional floorspace (sqm of GFA) on top of the base scenario (i.e. indicative Development Scenario by SJB Architects under existing planning controls)
Retail floorspace	5000	364
Commercial floorspace	3142	3142

Source: SGS calculations based on information provided by Council.

The additional retail and commercial floorspace under this scenario can be expected to create 120 to 140 extra jobs in the LVH precinct. This scenario will support more jobs than the indicative development scenario by AJC modelled in 2019, as the commercial land use tends to have a higher job density than retail land use.

We understand additional car parking in this scenario will be provided for the benefit of community. This will account for car parking attributable to the commercial component being at a lesser rate than the retail component. As a result, the construction costs under the mixed retail and commercial scenario will be equivalent to the estimates prepared for the indicative development scenario prepared by AJC in 2019, resulting in similar employment impacts during the construction phase of the project.



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