



Barden Ridge Neighbourhood Centre

Economic Impact Assessment

December 2012

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Executive Summary

Fabcot Pty Ltd is seeking to amend the planning controls pertaining to land at 152 Old Illawarra Road, Barden Ridge, to permit the development of a neighbourhood shopping centre. This would involve the construction of a Woolworths supermarket to serve the day-to-day needs of the surrounding local community. The development will also include provision for specialty retailing as well as all requisite car parking, signage and landscaping.

Urbis has been asked to analyse two possible development scenarios for the site, with the development assumed to commence trading in 2015:

- A 2,785 sq.m supermarket plus 530 sq.m. specialty shops; and
- A 3,800 sq. m supermarket plus 200 sq.m. specialty shops.

Both scenarios are physically able to be accommodated on the land in question. The planning controls being sought for the site would permit either scenario therefore the economic impacts of both options have been considered. The site is currently zoned "Zone 10 Neighbourhood Centre Zone".

The current Main Trade Area Population for the proposed development is estimated as **12,130** of which the Primary Trade Area accounts for around 35% or 4,200 persons.

By 2016 the Main Trade Area population is forecast to reach **12,250** and **12,550** by 2026.

Future development of lands at Heathcote Ridge may provide up to **2,400** new dwellings in the western part of the Primary Trade Area along Heathcote Road. If approved, the Heathcote Ridge development could result in an additional **370 - 400** people per annum on average within the Primary Trade Area from 2016 onwards. For the purposes of this assessment we have excluded development at Heathcote Ridge from our assessment, however we recognise that should the land be appropriately zoned in future then this has the potential to significantly add to the demand for new retail facilities in the area.

The Main Trade Area population is typified by Australian born, young affluent family households with high levels of home ownership and mobility. Main Trade Area residents as a whole spend more per capita in the retail sector than the Sydney average, at \$12,191 per capita compared to the Sydney average of \$11,742 representing a +4% difference.

Current total Food & Grocery spending by the Main Trade Area is estimated at **\$54.3m**, which is forecast to increase to **\$55.8m** in 2016 and **\$59m** by 2026. Including liquor the total Food Liquor and Grocery spend in 2012 is **\$63.3m** which is expected to grow to **\$65m** by 2016.

The majority of retail centres within Sutherland shire are situated beyond the Main Trade Area. Existing centres within or on the periphery the Main Trade Area include Menai Marketplace, Menai Central and Bangor shopping centre.

Menai Marketplace is anchored by a 4,300 sq.m Woolworths supermarket and a 6,500 sq.m Big W Discount Department Store (DDS) and also contains 43 specialty stores. The Centre is a high performing asset in its class - in the recent Shopping Centre News 2012 Mini Guns publication Menai Marketplace was ranked fourth out of 166 similar sized shopping centres in terms of \$ turnover and 49th in terms of average turnover per sq.m. The centre provides a total of 14,350 sq.m retail floorspace.

Menai Central shopping centre is located on the southern side of Menai Road opposite Menai Marketplace, also 2.5km to the north of the subject site. It contains two supermarkets – a standalone ALDI and a Super IGA as well as a number of specialty tenants including Dan Murphy's, Dick Smith, Fruit World, KFC and Domino's Pizza as well as a doctor's surgery and pharmacy. Menai Central provides around 6,500 sq.m retail floorspace.

Bangor Shopping Centre is located at the corner of Yala and Menai Roads 4km to the north east of the subject site. It contains a 1,320 sq.m IGA supermarket as well as 2,050 sq.m specialty shops within an enclosed mall, and a tavern. The centre provides 3,400 sq.m retail floorspace in total.

Our analysis of current supermarket performance indicates that existing supermarket floorspace (principally Woolworths at Menai Marketplace) is trading at above average level, and in the event that competitive impacts of a new supermarket were to drive turnover rates across all supermarkets down to national average levels then current spending levels could support a further **1,758 sq.m** of supermarket floorspace.

Urbis estimates that a 4,000 sq.m Neighbourhood Centre at Barden Ridge anchored by a 3,800 sq.m Woolworths has the potential to achieve sales of **\$23.5m** in 2016. A 3,315 sq.m Neighbourhood Centre anchored by a 2,785 sq.m Woolworths has the potential to achieve sales of **\$20.4m** in 2016.

For a 4,000 sq.m Neighbourhood Centre impacts relative to pre-expansion 2016 turnover would be below -10% for Menai Marketplace Menai Central, and below -5% for Bangor Neighbourhood Centre. Typically impacts of around -10% are considered to be manageable.

For a 3,315 sq.m Neighbourhood Centre are forecast impacts relative to pre-expansion 2016 turnover would also be below -10% for Menai Marketplace and Menai Central, and below -5% for Bangor Neighbourhood Centre.

Menai Marketplace performs strongly at present, and impacts on this centre would be focused on the existing Woolworths. Impacts on Woolworths would be accepted by the company as part of its overall network strategy. Post impact, Menai Marketplace could still be expected to achieve overall retail sales that are significantly higher than the average rate for a single DDS-based Sub Regional Shopping Centre.

Impacts on Menai Central reflect the likelihood that Barden Ridge would compete with Menai Central for “overspill shopping” particularly during peak periods of congestion at Menai Marketplace. Impacts on Dan Murphy’s at Menai Central would also be accepted by Woolworths as part of its overall network strategy.

ALDI, Super IGA, Dick Smith and Dan Murphy at Menai Central are all strong national retailers all of which are well positioned to respond to emerging competition in the market place.

The actions that existing retailers take will determine the eventual impact on each of them, and furthermore the actions which they each take will also determine the eventual impact on other retailers. The key planning consideration is whether centres can continue to provide for the needs of the community which they serve and to ensure that new development does not fundamentally undermine the viability and role of existing and planned centres.

It is also important to recognise that the relevance of an economic impact assessment in planning terms relates essentially to the broader issue of net community benefit. The effects of new competition on individual businesses are not a relevant planning consideration. The relevant consideration in planning terms relates to the ongoing ability of centres to continue to provide for the needs of the community which they serve, and to ensure that new development does not fundamentally undermine the viability and role of existing and planned centres.

From a town planning perspective, the proposed development of a Neighbourhood Centre at Barden Ridge is positively aligned with the relevant outcomes and actions in local and state town planning strategies and policies. The proposed development would occur within an existing Business Centre zone which is ideally located to provide a walkable catchment for the majority of Primary Trade Area residents within Barden Ridge. By facilitating a minor amendment to existing planning controls the current zoning for the site can facilitate the market demand for a new supermarket and specialty shops.

Economic benefits associated with the proposed development include:

- Employment (direct and indirect): as noted above, the proposed development could provide between 146-167 operational jobs (depending on the final retail mix) as well as 142 direct and indirect jobs through construction.
- Shopper convenience: The proposal will offer highly convenient neighbourhood shopping, particularly for Primary Trade Area residents at Barden Ridge.
- Sustainability: Increasing retail provision for Barden Ridge residents will reduce their need to travel for grocery shopping.

- Price Competition: Broadening the retail offer within the Main Trade Area has the potential to result in price savings for residents, as existing retailers may respond positively to strengthen their market share.

Introduction

Urbis has been commissioned by Fabcot Pty Ltd ("The Proponent") to consider the economic impact of a proposed new neighbourhood centre retail development at 152 Old Illawarra Road, Barden Ridge.

The purpose of this Economic Impact Assessment (EIA) is to determine the potential impacts of a new Neighbourhood Centre on existing and planned retail centres within the locality.

The remaining sections of this report outline the following analysis:

- Section Two – considers the site in its local and regional context;
- Section Three - identifies likely trade area for a new Neighbourhood Centre at Barden Ridge and provides an assessment of current and forecast population and retail spending trends as well as the demographic profile of residents;
- Section Four– reviews the retail hierarchy in the region of relevance to the proposed development, noting competing centres;
- Section Five – outlines our assessment of the economic need, demand and impact of the proposed development. Section Five also provides turnover forecast and commentary on the likely market share of the development.
- Section Six – considers the extent to which the proposed development is consistent with relevant endorsed local, regional and state strategic plans or town planning policies.

1 Site Context and Development Details

1.1 SITE DESCRIPTION

The subject site is legally identified as Lot 101, DP 1028645, and is known as 152 Old Illawarra Road, Barden Ridge. It is located on the corner of Old Illawarra Road and New Illawarra Road with frontage to both these roads and has a total area of 9,383 sq.m.

The site is located in Barden Ridge on the urban fringe of the Sutherland Shire Local Government Area (LGA). The site is currently vacant of structures and contains mainly bushland regrowth.

FIGURE 1 – SUBJECT SITE



1.2 SURROUNDING LAND USE

Key features surrounding the subject site include:

- Land to the north-east of the site, across Old Illawarra Road, contains the Menai Anglican Church and associated car parking.
- The area further to the east is residential in character and comprises mainly detached low density housing.
- Land directly to the south-east of the site is vacant land owned by Council (previously identified for use as a Scout Hall).
- The Lucas Heights Community School is located further to the south.
- The Ridge Sporting Complex is located to the west and north-west of the site, across New Illawarra Road.

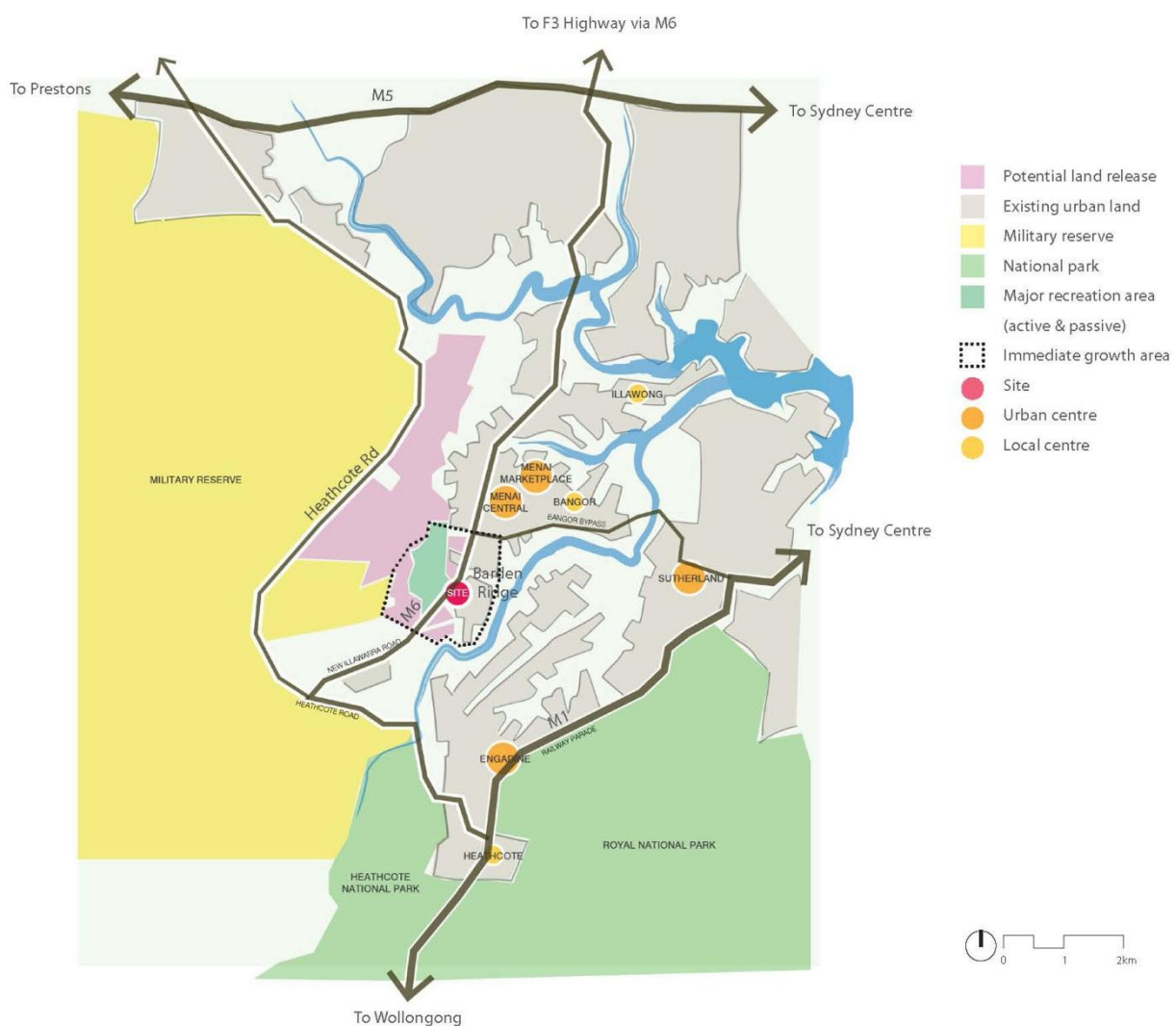
1.3 LOCATIONAL CONTEXT

Key contextual features of the site include:

- Proximity to residentially zoned areas to the south and the east;
- Proximity to several future potential land release areas to the north, south, and west, as indicated by Draft South Sub Regional Strategy;
- Close to major transport routes, including the M1 Princess Highway and the M5 Motorway;
- New Illawarra Road has replaced Old Illawarra Road as a result of the upgrading of the road network by the RTA during the last 10 - 15 years. This upgrading will continue with expected increases of traffic volume on New Illawarra Road;
- From Heathcote the road continues south towards Wollongong as the Princess Freeway. From Hornsby the road continues north towards Newcastle as the Sydney - Newcastle Freeway. This locates Barden Ridge and the site on the route from Wollongong to Newcastle.

The nearest retail facilities are currently provided at Menai Central, approximately 2.5km to the north of the site. Residents must therefore travel outside the suburb to serve their day to day shopping needs.

FIGURE 2 – LOCATIONAL CONTEXT



1.4 PROPOSED DEVELOPMENT

Fabcot is seeking to rezone the subject site to permit the development of a neighbourhood shopping centre. This would involve the construction of a Woolworths supermarket to serve the day-to-day needs of the surrounding local community. The development will also include provision for specialty retailing as well as all requisite car parking, signage and landscaping.

Urbis has been asked to analyse two possible development scenarios for the site, assumed to commence trade in 2015:

- A 2,785 sq.m supermarket plus 530 sq.m specialty shops; and
- A 3,800 sq. m supermarket plus 200 sq.m specialty shops.

The 2,785 sq.m supermarket configuration has been considered as it reflects the retail floorspace mix that was previously submitted to Sutherland Shire Council in Development Application DA11/0834.

The 3,800 sq.m supermarket configuration represents an optimal layout from Woolworths perspective in terms of providing a full range of products and an enhanced customer experience.

Both scenarios are physically able to be accommodated on the land in question. The planning controls being sought for the site would permit either scenario therefore the economic impacts of both options have been considered.

2 Trade Area Analysis

2.1 TRADE AREA DEFINITION

The Trade Area refers to the area in which an existing or proposed centre or retailer is most likely to draw custom. The size and scale of trade areas vary due to the geographical context of the retail development in question. Other factors which may define a trade area include:

- The strength, range and appeal of the subject centre;
- The proximity, composition and quality of competing retail facilities;
- The presence of similar retail centres as well as the general provision of retail space within the area;
- The accessibility of the centre including the road and transport network, as well as access to ample parking; and
- Physical barriers such as freeways, rivers/lakes, bushland and drive times.

With regard to the above factors, the adopted trade area for the proposed Barden Ridge Neighbourhood Centre has been based on ABS SA1 Statistical Areas surrounding the subject site. The extent of the Trade Area in this case is largely determined by the geography of the area (including the presence of the Holsworthy Military Reserve and Woronora Reserve), existing residential areas, as well as road connectivity and travel times to competing centres in the vicinity.

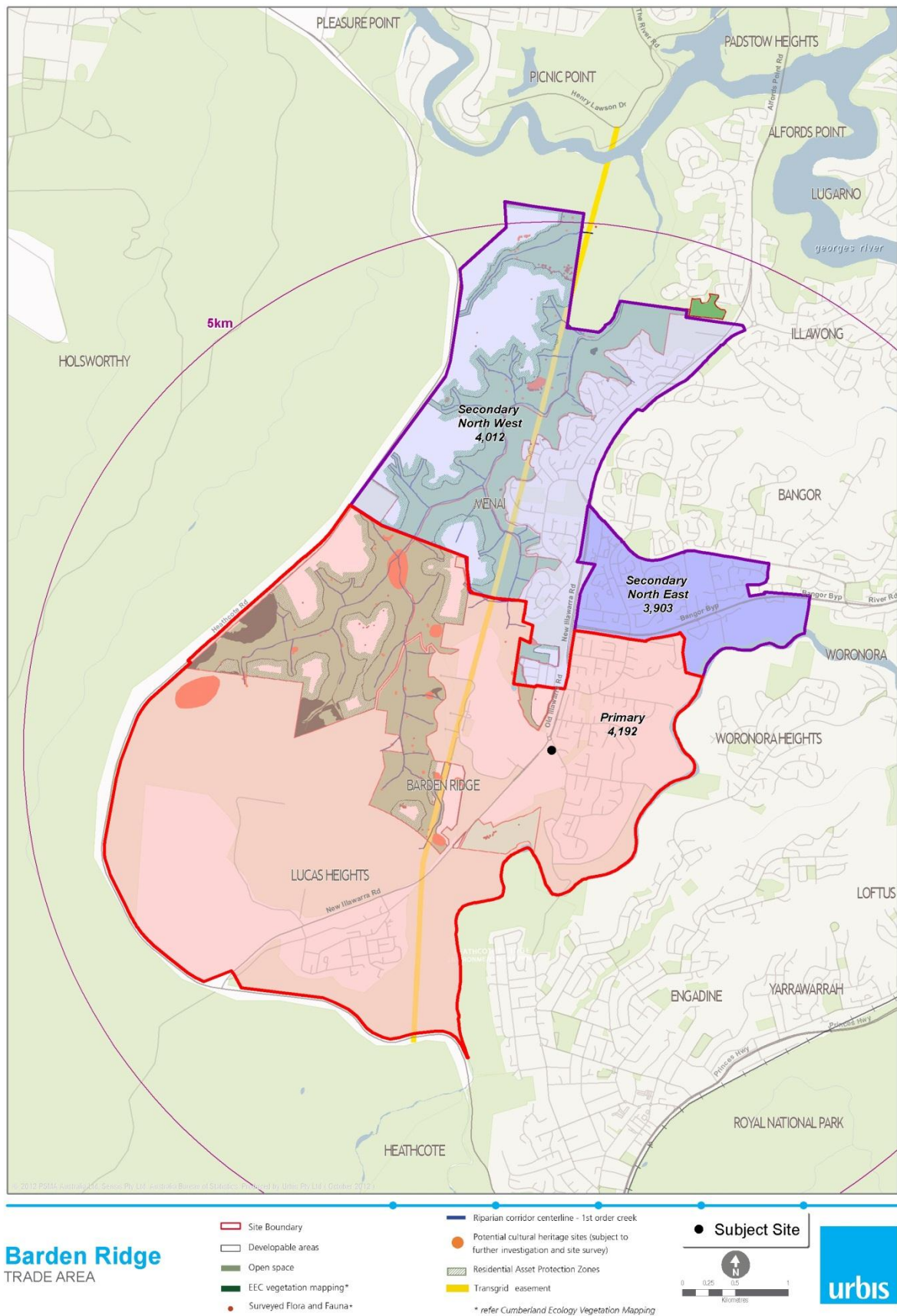
Three sectors have been defined as follows:

- A **Primary Trade Area** containing the suburbs of Barden Ridge and Lucas Heights. The Primary Trade Area extends to the north as far as the Bangor Bypass, to the south as far as Lucas Heights, to the east as far as Woronara Reserve and to the west as far as Heathcote Road. The majority of land to the west of New Illawarra Road is currently bushland, but the Trade Area map shows how this land could be developed over time if the Heathcote Ridge Masterplan is implemented.
- A **Secondary North East Trade Area** which includes the southern portion of Menai between Menai Road to the North and the Bangor Bypass to the south.
- A **Secondary North West Trade Area** which includes the south eastern portion of Menai as well as the south western portion of Menai to the west of Old Illawarra Road.

These three sectors comprise the Main Trade Area from which a Neighbourhood Centre on the subject site is likely to draw the majority of its trade. In addition, a proportion of trade may be drawn from beyond the Main Trade Area, particularly given the proximity of the site to New Illawarra Road and the Ridge Sporting Complex which is likely to draw visitors from a broad area.

The Main Trade Area is shown in Figure 3.

FIGURE 3 – BARDEN RIDGE PROPOSED NEIGHBOURHOOD CENTRE: MAIN TRADE AREA



2.2 TRADE AREA POPULATION

Using the Main Trade Area defined above we can determine the current population and forecast expected growth within the region. Urbis has prepared population forecasts for the proposed trade area taking into account the following sources:

- Information from the 1991, 1996, 2001, 2006 and 2011 Census of Population and Housing;
- New Dwelling Approvals (NDAs) in the region over the ten years to September 2011;
- Official population projections published in April 2010 by the New South Wales Department of Planning as well as the NSW Draft Subregional Strategy;
- Official population projections by Transport Zone published by the NSW Bureau of Transport Statistics; and
- Information on Cordell Connect pertaining to new and emerging residential projects in the area.

From the data in Table 1 we can surmise the following:

- Limited population growth is forecast across the Main Trade Area as there are no committed large scale planned residential developments at present, and a lack of developable land.
- The current Main Trade Area Population is estimated as **12,130** of which the Primary Trade Area accounts for around 35% or 4,200 persons.
- By 2016 the Main Trade Area population is forecast to reach **12,250** and **12,550** by 2026.
- This equates to population growth of 30 persons per annum across the Main Trade Area, with the relative splits between the Primary and Secondary Trade Areas remaining constant over the period.

The exception to this scenario would involve the potential development of lands at Heathcote Ridge, which is proposed to provide up to **2,400** new dwellings in the western part of the Primary Trade Area along Heathcote Road. A State Significant Site application for this development has been lodged with the Department of Planning and Infrastructure. If approved, the Heathcote Ridge development could result in an additional **370-400** people per annum on average within the Primary Trade Area from 2016 onwards. This additional growth would assume early commencement, a 20 year build programme and average household sizes in line with the current Trade Area average.

For the purposes of this assessment we have excluded development at Heathcote Ridge from our assessment, however we recognise that should the land be appropriately zoned in future then this has the potential to significantly add to the demand for new retail facilities in the area.

TABLE 1 – BARDEN RIDGE TRADE AREA POPULATION: 2001-26

Trade Area Population

BARDEN RIDGE, 2001-2026

Trade Area Sector	Estimated Residential Population				Forecast Population		
	2001	2006	2011	2012	2016	2021	2026
Primary Trade Area	5,200	5,300	4,190	4,200	4,240	4,290	4,340
Secondary Trade Area							
• Secondary North East	4,020	4,030	3,900	3,910	3,950	4,000	4,050
• Secondary North West	3,170	2,980	4,010	4,020	4,060	4,110	4,160
Total Secondary	7,190	7,010	7,910	7,930	8,010	8,110	8,210
Main Trade Area	12,390	12,310	12,100	12,130	12,250	12,400	12,550

Average Annual Change (No.)

	2001-06	2006-11	2011-12	2012-16	2016-21	2021-26
Primary Trade Area	20	-222	10	10	10	10
Secondary Trade Area						
• Secondary North East	2	-26	10	10	10	10
• Secondary North West	-38	206	10	10	10	10
Total Secondary	-36	180	20	20	20	20
Main Trade Area	-16	-42	30	30	30	30

Average Annual Change (%)

	2001-06	2006-11	2011-12	2012-16	2016-21	2021-26
Primary Trade Area	0.4%	-4.6%	0.2%	0.2%	0.2%	0.2%
Secondary Trade Area						
• Secondary North East	0.0%	-0.7%	0.3%	0.3%	0.3%	0.2%
• Secondary North West	-1.2%	6.1%	0.2%	0.2%	0.2%	0.2%
Total Secondary	-0.5%	2.4%	0.3%	0.3%	0.2%	0.2%
Main Trade Area	-0.1%	-0.3%	0.2%	0.2%	0.2%	0.2%

1. As at June.

Source : ABS Cdata 1991, 1996, 2001, 2006 & 2011; ABS, Regional Population Growth, Australia 2010-2011 (3218.0);
DP&I, Transport Data Centre, Cordell Connect; Urbis

2.3 DEMOGRAPHIC CHARACTERISTICS

The demographic characteristics of the Main Trade Area population are shown in Table 2. The information reflected in Table 2 is based on 2011 Census data and is benchmarked against Sydney SD.

The key feature of this analysis is that the Main Trade Area population is typified by Australian born, young affluent family households with high levels of home ownership and mobility. This is confirmed by the following statistics:

- Average household income in the Primary Trade Area (\$134,189) is 42% above the Sydney average. Across the Main Trade Area average household income is 25% above the Sydney average overall.
- Average per capita income in the Primary Trade Area (\$51,029) is 6% above the Sydney average. Across the Main Trade Area average personal income is 5% above the Sydney average overall.
- The average age across the Main Trade Area is 34 compared to the Sydney average of 37.

- The proportion of family households in the Primary Trade Area (76%) and across the Main Trade Area as a whole (69%) is higher than the Sydney average (47%);
- Some 93% of households in the Primary Trade Area and 87% of all Main Trade Area households are either owned or being purchased compared to the Sydney average of 68%.
- 78% of households across the Main Trade Area own two or more cars compared to the Sydney average of 48%; and
- 82% of residents in the Main Trade Area are Australian born, compared to 64% across Sydney as a whole.

TABLE 2 – BARDEN RIDGE MAIN TRADE AREA: SOCIO ECONOMIC CHARACTERISTICS, 2011

Key Socio-Economic Characteristics of the Trade Area Population, 2011

BARDEN RIDGE

Characteristics	Primary TA	Secondary North East	Trade Area North West	Total	Main TA	Sydney Average	Australia Average
Household Income							
\$Nil	1%	1%	0%	0%	1%	2%	2%
\$1-\$20,800	3%	6%	8%	7%	5%	10%	12%
\$20,800-\$52,000	11%	16%	18%	17%	15%	24%	29%
\$52,000-\$78,000	12%	16%	11%	14%	13%	16%	17%
\$78,000 - \$104,000	12%	14%	12%	13%	13%	13%	13%
\$104,000 - \$130,000	13%	13%	14%	14%	13%	9%	9%
\$130,000-\$156,000	17%	14%	15%	15%	15%	11%	9%
\$156,000-\$182,000	14%	12%	10%	11%	12%	6%	5%
\$182,000-\$208,000	7%	3%	5%	4%	5%	3%	2%
\$208,000 plus	11%	5%	8%	6%	8%	6%	4%
Average Household Income	\$134,189	\$108,748	\$113,443	\$111,061	\$118,364	\$94,428	\$82,357
Var'n from Sydney Avg.	42.1%	15.2%	20.1%	17.6%	25.3%	0.0%	-12.8%
Var'n from Australian Avg.	62.9%	32.0%	37.7%	34.9%	43.7%	14.7%	0.0%
Average Household Size	3.5	3.0	3.2	3.1	3.2	2.7	2.6
Per Capita Income (Persons aged 15 - 64) (%)							
\$Neg/Nil	12%	10%	11%	10%	11%	12%	10%
\$1 - \$20,800	21%	19%	24%	22%	22%	22%	24%
\$20,800 - \$41,600	20%	19%	21%	20%	20%	21%	23%
\$41,600 - \$78,000	24%	29%	25%	27%	26%	26%	27%
\$78,000 +	23%	24%	19%	21%	22%	19%	16%
Avg. Per Cap. Income (aged 15-64)	\$51,029	\$53,654	\$47,211	\$50,254	\$50,525	\$48,077	\$45,060
Per Capita Income Var'n	+6.1%	+11.6%	-1.8%	+4.5%	+5.1%	+0.0%	-6.3%
Age Distribution							
Aged 0-14	22%	23%	22%	22%	22%	19%	19%
Aged 15-19	12%	8%	10%	9%	10%	6%	7%
Aged 20-34	16%	17%	17%	17%	17%	22%	21%
Aged 35-49	23%	24%	22%	23%	23%	22%	21%
Aged 50-64	22%	19%	24%	22%	22%	17%	18%
Aged 65-79	4%	8%	4%	6%	5%	9%	10%
Aged 80+	1%	1%	1%	1%	1%	4%	4%
Average Age	33	35	34	35	34	37	38
Dependency Ratio ¹	27%	32%	27%	29%	29%	32%	33%
Household Composition (%)							
Couples with no children	16%	25%	21%	23%	21%	24%	27%
Family with children <15	40%	40%	36%	38%	39%	29%	28%
Family with children >15	36%	22%	33%	27%	30%	18%	15%
Total Family (with children)	76%	62%	69%	65%	69%	47%	43%
Group Household	1%	1%	1%	1%	1%	4%	4%
Lone Person	6%	12%	9%	10%	9%	23%	24%
Other	1%	0%	0%	0%	1%	1%	1%
Housing Status							
Owner ²	36%	31%	33%	32%	33%	31%	33%
Purchaser ³	57%	57%	46%	52%	53%	36%	36%
Renter ⁴	7%	12%	21%	16%	13%	32%	30%
Housing Costs							
Loan Mortgage Repayments (mon	\$2,471	\$2,388	\$2,470	\$2,425	\$2,441	\$2,424	\$2,003
% Households in Mortgage Stress	0.0%	1.6%	1.8%	1.7%	1.1%	3.0%	2.7%
Rent Payments (weekly \$)	\$628	\$493	\$332	\$397	\$432	\$397	\$308
% Households in Rental Stress ⁴	0.0%	1.7%	8.5%	5.1%	3.4%	7.8%	6.9%
% Households in Housing Stress	0.0%	3.3%	10.3%	6.7%	4.6%	10.9%	9.7%
Car Ownership							
% 0 Cars	1%	2%	3%	3%	2%	12%	9%
% 1 Car	12%	27%	22%	24%	20%	40%	37%
% 2 Cars +	87%	71%	75%	73%	78%	48%	54%
Labour Force							
Labour Force Participation	0%	0%	0%	0%	0%	0%	0%
% Unemployed	0%	0%	0%	0%	0%	0%	0%
Birthplace							
Australian Born	84%	79%	82%	80%	82%	64%	74%
Overseas Born	16%	21%	18%	20%	18%	36%	26%
• Asia	3%	5%	3%	4%	4%	14%	8%
• Europe	6%	7%	7%	7%	6%	9%	9%
• Other	7%	9%	8%	9%	8%	14%	9%

1. Dependency ratio refers to the proportion of the population between 0-14 and over 65 years.

2. 'Other' Tenure Types have not been included.

3. As a percentage of household income.

4. The Affordable Housing Taskforce (established by the ACT government) has defined people as having difficulty in accessing affordable housing if they are in the lowest

Source : ABS Census of Population and Housing 2011, Cdata 2011; Urbis

2.4 TRADE AREA SPENDING

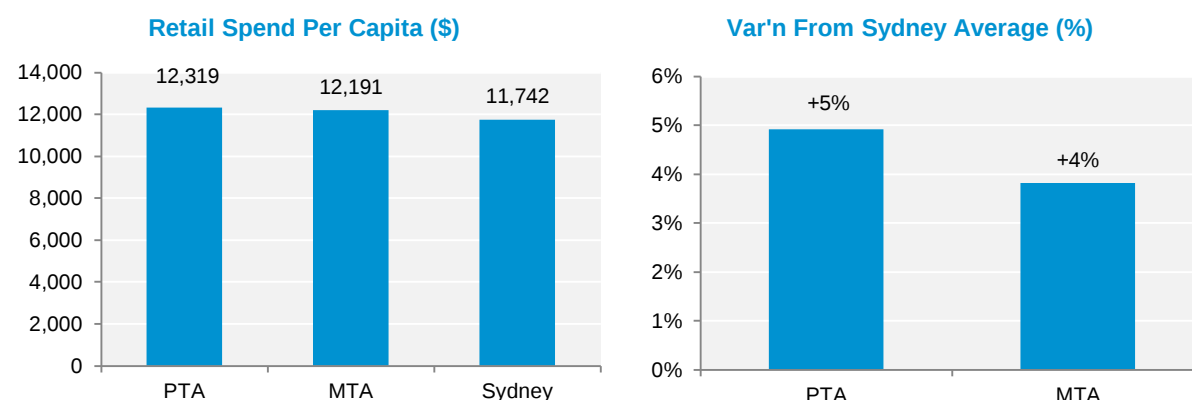
Retail spending estimates are derived using *MarketInfo*, a micro-simulation model developed by Market Data Systems Limited (MDS). This model, which is based on information from the national ABS Household Expenditure Survey (HES) and the Census of Population and Housing, uses micro-simulation techniques to combine a household's propensity to spend on particular commodities with the socio-economic characteristics of individuals to derive spending per capita estimates on a small area basis.

Based on 2011 Census data and the population forecasts provided in Table 1 we have determined the proportion of expenditure that is directed to retail on a per capita basis. This is provided in the graphs below.

FIGURE 4 – TRADE AREA SPENDING PER CAPITA

Retail Spending Per Capita Var'n From Sydney B'mark, 2012

BARDEN RIDGE TRADE AREA (\$2012, EX. GST)



Source: MDS, MarketInfo 2010; ABS, Australian National Accounts: National Income, Expenditure and Product Accounts (5206.0); Urbis

From the graphs above we can see that the Primary Trade Area (PTA) and Main Trade Area as a whole (MTA) spend more per capita in the retail sector than the Sydney average, at \$12,319 and \$12,191 respectively, compared to the Sydney average of \$11,742 representing a +4% difference overall across the MTA.

As the proposed development includes a supermarket and specialty retail stores, the market of most importance to this assessment is the Food and Grocery (F&G) market. Food and Grocery (F&G) expenditure is directed to supermarkets, specialty food retailers and some non-food retailers such as department stores and discount department stores. In addition, Department Store Type Merchandise (DSTM) expenditure is directed to department stores, discount department store and other non-food based specialty retailers.

Applying the population forecasts outlined previously and estimates of retail spending per capita, the current and future Food & Grocery and Department Store Type Merchandise (DSTM) spending market in the trade area is detailed in Table 3 below.

Current total F&G spending by the Main Trade Area is estimated at \$54.3m, which is forecast to increase to \$55.8m in 2016 and \$59m by 2026. The average annual growth in F&G spending for the Main Trade Area between 2012 and 2016 is estimated at 0.7% with 0.5% growth thereafter until 2026.

If we include liquor (Table 4), the total FLG spend in 2012 is \$63.3m which is expected to grow to \$65m by 2016.

Current total DSTM spending by the Main Trade Area is estimated at \$58.4m, which is forecast to increase to \$63.4m in 2016. The average annual growth in DSTM spending for the Main Trade Area between 2012 and 2016 is estimated at 2.1%.

Overall retail expenditure in the Main Trade Area is expected to grow by an average of \$2.1m per annum between 2012 and 2016 from \$147.8m to \$156.2m.

TABLE 3 – FOOD AND NON FOOD SPENDING 2012-2026

Total Retail Spending by Category, 2012-2026

BARDEN RIDGE TRADE AREA (\$2012 MILLION, EX. GST)

Year	F&G \$M	Total Food \$M	DSTM \$M	Total Non-Food \$M	Total Retail \$M
2012	54.3	83.5	58.4	64.3	147.8
2013	54.6	84.0	59.0	65.0	149.0
2014	55.0	84.7	60.2	66.2	151.0
2015	55.5	85.7	61.7	67.9	153.5
2016	55.8	86.4	63.4	69.8	156.2
2017	56.2	87.0	65.3	71.8	158.9
2018	56.5	87.7	67.1	73.9	161.6
2019	56.8	88.4	69.0	76.0	164.4
2020	57.1	89.1	71.0	78.2	167.3
2021	57.4	89.8	73.1	80.5	170.3
2022	57.7	90.6	75.2	82.8	173.3
2023	58.0	91.3	77.4	85.2	176.5
2024	58.3	92.0	79.6	87.7	179.7
2025	58.6	92.7	81.9	90.2	183.0
2026	59.0	93.5	84.3	92.9	186.3

Average Annual Growth¹

2012-16	0.7%	0.9%	2.1%	2.1%	1.4%
2016-21	0.5%	0.8%	2.9%	2.9%	1.7%
2021-26	0.5%	0.8%	2.9%	2.9%	1.8%

1. Assumes per capita growth of 0.6% in 2013, 1.1% in 2014, 1.5% in 2015, 1.5% in 2016, & 1.5% thereafter, with different rates for each product group.

2. Current year is financial year ; Forecast years are financial years

Source: MDS, MarketInfo 2010; ABS, Australian National Accounts: National Income, Expenditure and Product Accounts (5206.0); Urbis

TABLE 4 – FOOD LIQUOR & GROCERY SPENDING 2012-2026

Total Food, Liquor & Grocery Spending, 2012-2026

BARDEN RIDGE TRADE AREA (\$2012 MILLION, EX. GST)

Year	Primary TA	Secondary Trade Area			Main TA
		North East	North West	Total	
2012	21.9	20.7	20.7	41.4	63.3
2013	22.0	20.8	20.8	41.6	63.6
2014	22.2	20.9	21.0	41.9	64.1
2015	22.4	21.1	21.2	42.3	64.7
2016	22.5	21.2	21.3	42.6	65.0
2017	22.6	21.4	21.4	42.8	65.4
2018	22.7	21.5	21.5	43.0	65.8
2019	22.8	21.6	21.7	43.3	66.1
2020	23.0	21.7	21.8	43.5	66.5
2021	23.1	21.8	21.9	43.7	66.8
2022	23.2	22.0	22.0	44.0	67.2
2023	23.3	22.1	22.1	44.2	67.6
2024	23.5	22.2	22.3	44.5	67.9
2025	23.6	22.3	22.4	44.7	68.3
2026	23.7	22.4	22.5	44.9	68.7

Average Annual Growth¹

2012-16	0.7%	0.7%	0.7%	0.7%	0.7%
2016-21	0.5%	0.6%	0.5%	0.5%	0.5%
2021-26	0.5%	0.5%	0.5%	0.5%	0.5%

Source: MDS, MarketInfo 2010; ABS, Australian National Accounts: National Income, Expenditure and Product Accounts (5206.0); Urbis

3 Retail Hierarchy

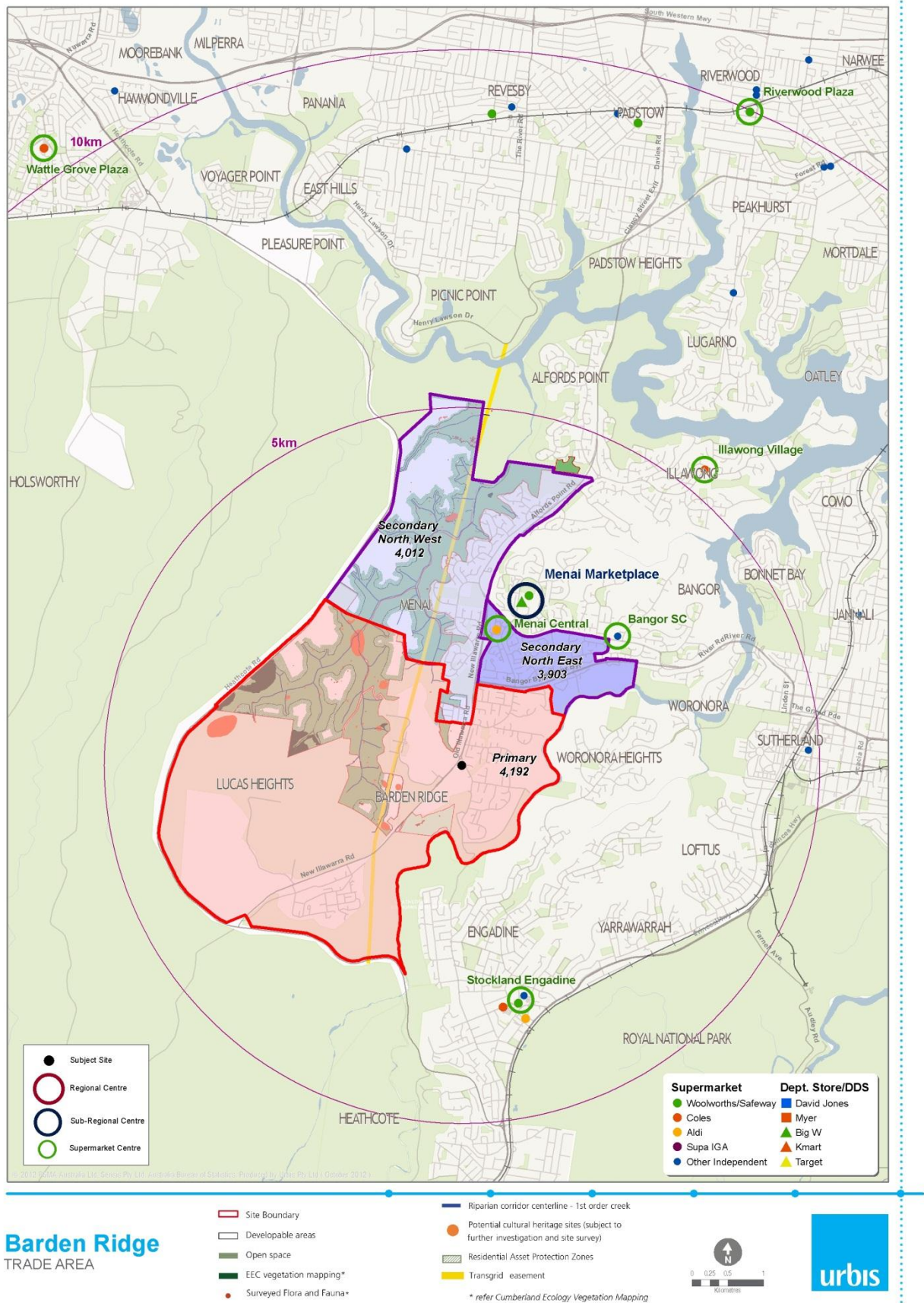
This section provides commentary around the current provision of competitive retail floor space relevant to the proposed development. The commentary establishes the relative competitive framework and provides background to assist in determining the level of impact that will be attributed to individual competing centres.

We have considered the centres based on their relative position in the overall retail hierarchy, with convenience based centres at the entry level moving up through Neighbourhood Centres, Sub-Regional Centres and ultimately Regional Centres, which serve the broadest role in the retail hierarchy.

The majority of retail centres within Sutherland shire are situated beyond the Main Trade Area. Existing centres within or on the periphery the Main Trade Area include Menai Marketplace, Menai Central and Bangor Shopping Centre.

These competing centres are shown in the Competition Map (Figure 5) and summarised in Table 5.

FIGURE 5 – EXISTING RETAIL HIERARCHY



3.1 TRADE AREA RETAILING

The following centres are located within or on the periphery of the Barden Ridge Main Trade Area:

Menai Marketplace is a subregional shopping centre located 2.5km to the north of the subject site at 152-194 Allison Crescent (cnr Menai Road), Menai. It is anchored by a 4,300 sq.m Woolworths supermarket and a 6,500 sq.m Big W Discount Department Store (DDS) and also contains 43 specialty stores. The Centre is a high performing asset in its class - in the recent Shopping Centre News 2012 Mini Guns publication Menai Marketplace was ranked fourth out of 166 similar sized shopping centres in terms of \$ turnover and 49th in terms of average turnover per sq.m. The centre provides a total of 14,350 sq.m retail floorspace.

It is known that the existing Woolworths supermarket is trading at above average turnover levels for a supermarket within a DDS based centre. This is an indication that potential trading impacts from a new supermarket could be absorbed more comfortably than a supermarket that is performing at below average levels.

Menai Marketplace provides 800 at grade car parking spaces. When we visited the site during a mid-week afternoon we observed that the centre was busy and that there was a lot of competition for car parking space.

Menai Central shopping centre is located on the southern side of Menai Road opposite Menai Marketplace, also 2.5km to the north of the subject site. It contains two supermarkets – a standalone ALDI and a Super IGA as well as a number of specialty tenants including Dan Murphy's, Dick Smith, Fruit World, KFC and Domino's Pizza as well as a doctor's surgery and pharmacy. The centre is based around three main separated buildings. Shared access, grade and basement car parking is provided for the development as a whole.

We estimate that Menai Central provides around 7,000 sq.m retail floorspace. The centre was recently offered for sale (excluding ALDI).

Bangor Shopping Centre is located at the corner of Yala and Menai Roads 4km to the north east of the subject site. It contains a 1,320 sq.m IGA supermarket as well as 2,050 sq.m specialty shops within an enclosed mall, and a tavern. The centre provides 3,400 sq.m retail floorspace in total.

3.2 BEYOND THE MAIN TRADE AREA

The following Centres are also located beyond the Barden Ridge Main Trade Area

3.2.1 SUB REGIONAL SHOPPING CENTRES

Southgate Sylvania is a 19,150 sq.m Sub Regional shopping centre located 12.5km to the north east of the subject site on the Princes Highway. The centre is anchored by Coles and Woolworths supermarkets and a Kmart DDS.

3.2.2 SUPERMARKET SHOPPING CENTRES

The following supermarket based shopping centres are also located in the western and central part of the Sutherland Shire:

Illawong Village Shopping Centre is located 6.5km to the north of the subject site. It contains a Coles supermarket and specialty retailing, providing 5,860 sq.m retail floorspace in total.

Kareela Shopping Centre is located 12m to the north of the subject site. It contains a Coles supermarket and specialty retailing, providing 4,200 sq.m retail floorspace in total.

Engadine Town Square Shopping Village is located 12km to the south of the subject site. It contains Franklins and ALDI supermarkets and specialty retailing, providing 5,460 sq.m retail floorspace in total.

Carringbah Marketplace and **Carringbah Shopping Village** are located 14km to the north east of the subject site. Collectively they contain Woolworths and Franklins supermarkets and specialty retailing providing 8,100 sq.m retail floorspace.

3.2.3 SUPERMARKETS

Additional supermarkets within town centres in west and central Sutherland are shown in Table 5 and include:

- Woolworths and Coles at **Engadine**;
- Franklins and Supabarn at **Sutherland**;
- IGA and Flemings at **Jannali**; and
- Supabarn at **Gymea**.

3.2.4 PROPOSED RETAIL DEVELOPMENTS

In 2012 planning approval was granted to the redevelopment of the Brick Pit site on the Princes Highway at Kirrawee. The development includes 450 apartments as well as around 11,700 sq.m of retail floorspace including a full line supermarket, a second smaller supermarket, specialty retailing and showrooms. The Brick Pit site is located 8km from the subject site on the Princes Highway.

TABLE 5 – EXISTING RETAIL HIERACHY

Competitive Environment

BARDEN RIDGE, 2012

Centre	Retail GLA ¹ (Sq.m)	Dist. ² From Centre (km.)	Major Tenants	
			Food	Non Food
Regional Centres				
Westfield Miranda	96,500	8.7	Woolworths, Franklins Myer, David Jones, Target, Big W	
Sub-Regional Centres				
Menai Marketplace*	14,350	2.5	Woolworths	Big W
Southgate Sylvania	19,150	12.5	Coles, Woolworths	Kmart
Supermarket Centres ³				
Menai Central*	6,500	2.5	Super IGA, ALDI	
Bangor Shopping Centre*	3,400	4.0	IGA	
Illawong Village Shopping Centre	5,860	6.5	Coles	
Engadine Town Square Shopping Centre	5,460	12.0	Franklins, ALDI	
Kareela Shopping Centre	4,200	12.0	Coles	
Caringbah Marketplace	2,400	14.0	Franklins	
Caringbah Shopping Village	5,700	14.0	Woolworths	
Supermarkets				
Franklins Sutherland	980	7.0		
Supabarn Sutherland	2,400	7.0		
IGA Jannali	1,120	8.0		
Flemings Jannali	650	8.0		
Supabarn Gymea	1,000	10.0		
Engadine				
Woolworths	4,000	12.0		
Coles	3,800	12.0		
Proposed				
Kirrawee Brick Pit Site	11,720	8.0	Coles / Woolworths, ALDI (TBC)	

1. PCA, Australian Shopping Centre Database 2012 for current centres

2. Distance measured by most direct road route

* Within / on edge of Main Trade Area

Source : PCA, Australian Shopping Centre Database 2012 ; Urbis

4 Demand and Impacts

This section of the report analyses the level of demand for retail floorspace, particularly supermarket floorspace as generated by the Main Trade Area. Analysing demand helps to give an indication of the likely turnover for a new retail development and helps to determine whether a proposed development can be supported. To analyse demand, factors such as population growth, income growth, amount of available supply and the proportion of expenditure attributed to Food & Grocery retailing are considered.

As discussed in previous sections of this report, supermarket provision within or on the periphery of the Main Trade Area is focused around Woolworths at Menai Marketplace, Super IGA at Menai Central and IGA at Bangor.

We expect that a high proportion of existing food and grocery expenditure from Main Trade Area residents is being directed to these centres, particularly to Woolworths at Menai Marketplace which is achieving sales well in excess of average turnover per sq.m rates.

4.1.1 DEMAND FOR SUPERMARKET FLOORSPACE

Table 6 sets out an assessment of current supermarket trading performance together with a comparison of forecast turnover for a new 3,800 sq.m supermarket and a 2,785 sq.m supermarket at Barden Ridge. The upper part of the Table demonstrates that:

- The existing supermarkets at Menai Marketplace, Menai Central and Bangor are forecast to achieve total sales of \$111m in 2012, of which Woolworths at Menai Marketplace would account for around 70% of sales.
- These existing supermarkets will retain a significant proportion of the \$54.3m in Food and Grocery expenditure within the Main Trade Area (see Table 3) as well as a significant proportion of spend from beyond the Barden Ridge Main Trade Area;
- The resulting average trading levels of \$12,984 per sq.m for existing supermarkets are 20% higher than the Urbis Supermarket benchmark of \$10,769 per sq.m. This turnover performance is expected to be skewed by Woolworths at Menai Marketplace;
- The 'deficiency' of -1,758 sq.m supermarket floorspace in 2012 is an indicator that in the event that competitive impacts of a new supermarket were to drive turnover rates across all supermarkets down to national average levels then current spending levels could support a further **1,758 sq.m** of supermarket floorspace. This is a further indication that existing supermarket floorspace (principally Woolworths at Menai Marketplace) is trading at above average levels.

The lower part of Table 6 provides a separate turnover forecasts for a new supermarket at Barden Ridge with an indicative gross floor area of 3,800 sq.m and 2,785 sq.m.

Table 6 demonstrates that a **3,800 sq.m** supermarket has the potential to achieve sales of **\$20.4m** in 2016 based on capturing the following market shares:

- 85% of spend within the Primary Trade Area;
- 22% of spend from the Secondary North East Trade Area;
- 30% of spend from the Secondary North West Trade Area; and
- An additional 30% of spend from beyond the Main Trade Area, primarily linked to passing trade and from visitors to the nearby Barden Ridge Sporting Complex.

The potential to achieve these shares reflects the fact that a new full-line supermarket would be highly convenient for Primary Trade Area residents, and may also be an alternative to Menai Marketplace for Secondary Trade Area residents in times of peak congestion. From various site visits to Menai Marketplace car parking has been observed as being busy and at (or near) full capacity.

A turnover of \$20.4m for a 3,800 sq.m supermarket would equate to a turnover per sq.m rate of **\$5,381 sq.m** which is around -50% below the current average for a supermarket in a neighbourhood centre.

Table 6 also demonstrates that a **2,785 sq.m** supermarket has the potential to achieve sales of **\$17.4m** in 2016 based on capturing the following market shares:

- 80% of spend within the Primary Trade Area;
- 20% of spend from the Secondary North East Trade Area;
- 25% of spend from the Secondary North West Trade Area; and
- An additional 25% of spend from beyond the Main Trade Area, primarily linked to passing trade and from visitors to the nearby Barden Ridge Sporting Complex.

In this scenario, the market shares that have been adopted in each Trade Area have been reduced relative to a 3,800 sq.m supermarket, reflecting the fact that a smaller store would offer a reduced range of goods.

A turnover of \$17.4m would equate to a turnover per sq.m rate of **\$6,256 sq.m** which is around -42% below the current average for a supermarket in a neighbourhood centre, noting that a full line supermarket (the benchmark) would be expected to generate higher sales per sq.m.

Future residential development at Heathcote Ridge beyond 2016 could increase retail expenditure and centre turnover within the Primary Trade Area over the longer term.

4.1.2 DEMAND FOR SPECIALTY FLOORSPLACE

The Urbis Retail Averages indicate that in single supermarket-based centres, specialty retail floorspace is typically provided at a rate of 429 sq.m for every 1,000 sq. metres of supermarket floorspace. This is a national benchmark across all supermarket based ("neighbourhood") shopping centres, and where centres are anchored by a smaller supermarket, the amount of specialty floorspace can often be provided at a lesser rate.

Shopping centres are obviously designed to respond to their unique competitive environment. Having regard to these factors, amount of specialty floorspace that is being considered at Barden Ridge (between 200 to 530 sq.m) is modest in scale and reflects the localised trade area for the subject site as well as competition from other specialty retailing at Menai Marketplace in particular.

The amount of specialty floorspace proposed is therefore comfortably within the range that would typically be supported by the scale of supermarket retailing being considered.

There may also be scope for development of complementary non retail uses such as a medical centre or child care centre within the development. These uses are 'destinational' and could enhance the overall viability and appeal of the development whilst broadening the range of services on offer to local residents.

In our assessment of similar sized supermarket based centres, we have found that where small supermarket anchors trade at below average levels, specialty retailers typically also trade below the corresponding average for specialty retailers.

TABLE 6 – BARDEN RIDGE SUPERMARKET MAIN TRADE AREA SUPERMARKET POTENTIAL ASSESSMENT

Barden Ridge - Main Trade Area Supermarket Potential Assessment, 2012 - 2026						
Factor	Unit	2012	2015	2016	2021	2026
Total Available Spending to TA Smkts	\$M.	111.0	113.4	114.0	117.2	120.4
Existing & Proposed Supermarket Space ¹	Sq.m	8,547	12,347	12,347	12,347	12,347
Resulting Average Trading Levels ²	\$/Sq.m	12,984	9,186	9,236	9,490	9,750
Average Supermarket Turnover	\$/sq.m	10,769	10,931	10,986	11,264	11,548
Supportable Supermarket Floorspace	Sq.m	10,304	10,375	10,380	10,403	10,424
Surplus/Deficiency (+/-)	Sq.m	-1,758	1,972	1,967	1,944	1,922
Supermarket Sales Potential (3,800 sq.m Supermarket)	Sq.m		3,800	3,800	3,800	3,800
Share of Total TA F&G to TA Smkts						
• Primary Trade Area	%		85%	85%	85%	85%
• Secondary Secondary North East	%		22%	22%	22%	22%
• Secondary Secondary North West	%		30%	30%	30%	30%
• Main Trade Area	%		46%	46%	46%	46%
Share of Total TA F&G to TA Smkts	\$M		13.4	13.5	13.8	14.2
Plus Business from Beyond TA	%		30.0%	30.0%	30.0%	30.0%
Total F&G Turnover	\$M		19.1	19.2	19.7	20.3
Plus GM Turnover	%		6.0%	6.0%	6.0%	6.0%
Total Store Potential	\$M		20.3	20.4	21.0	21.6
Average Trading Level	\$/sq.m		5,352	5,381	5,528	5,678
Inflated (@ 2.5% per annum)	\$M		21.9	22.6	26.2	30.5
Average Trading Level	\$/sq.m		5,763	5,939	6,903	8,023
Supermarket Sales Potential (2,785 sqm Supermarket)	Sq.m		2,785	2,785	2,785	2,785
Share of Total TA F&G to TA Smkts						
• Primary Trade Area	%		80%	80%	80%	80%
• Secondary Secondary North East	%		20%	20%	20%	20%
• Secondary Secondary North West	%		25%	25%	25%	25%
• Main Trade Area	%		42%	42%	42%	42%
Share of Total TA F&G to TA Smkts	\$M		12.2	12.3	12.6	13.0
Plus Business from Beyond TA	%		25%	25%	25%	25%
Total F&G Turnover	\$M		16.3	16.4	16.8	17.3
Plus GM Turnover	%		6.0%	6.0%	6.0%	6.0%
Total Store Potential	\$M		17.3	17.4	17.9	18.4
Average Trading Level	\$/sq.m		6,223	6,256	6,427	6,602
Inflated (@ 2.5% per annum)	\$M		18.7	19.2	22.4	26.0
Average Trading Level	\$/sq.m		6,701	6,906	8,027	9,328

1. Existing supermarket floorspace consists of Woolworths Menai Marketplace, IGA Bangor, SupaIGA & ALDI Menai Central

2. Assumes 0.5% real increase in average trading levels per year

Source : Urbis

4.2 CENTRE SALES POTENTIAL

Total forecast sales potential for the proposed development at 2016 under both development scenarios is shown in Tables 7 and 8.

It is assumed that the proposed centre could be constructed and open for business in 2015. The year 2016 is therefore selected as the first full year of trading.

Table 7, below shows that a centre comprising a 3,800 sq.m supermarket and 200 sq.m specialty retailing could achieve forecast retail sales of **\$23.5m** in 2016 of which the proposed supermarket would achieve **\$20.4m**, equal to around 87% of turnover. In this assessment we have assumed the inclusion of a strong performing specialty tenant, primarily serving Primary Trade Area residents.

TABLE 7 –FORECAST TURNOVER: 3,800 SQ.M SUPERMARKET-BASED CENTRE (2016)

Barden Ridge - Forecast Turnover vs Australian Single Supermarket Average (\$2012, ex GST)

Tenant	Barden Ridge			Single Supermarket Average		Barden Ridge Var'n from Aust. Avge
	GLA (Sq.m)	Turnover (\$M) ¹	\$/Sq.m	Turnover (\$M)	\$/Sq.m	
Majors						
Discount Department Stores	0	0.0	n.a.	0.1	2,688	n.a.
Supermarkets	3,800	20.4	5,381	36.2	10,769	-50.0%
Total Majors	3,800	20.4	5,381	36.3	10,693	-49.7%
Specialty Stores						
• Food	200	3.1	15,279	4.6	8,058	89.6%
Total Specialty	200	3.1	15,279	9.7	6,693	128.3%
Total Retail Space	4,000	23.5	5,876	47.8	8,611	-31.8%

Source : Urbis, Urbis Retail Averages 2010/11

Table 8, below shows that a centre comprising a 2,785 sq.m supermarket and 530 sq.m specialty retailing (assumed to be a mix of newsagency and food retailing including food catering) could achieve forecast retail sales of **\$20.4m** in 2016 of which the proposed supermarket would achieve **\$17.4m**, equal to around 85% of turnover. In this assessment we have assumed that a newsagent would trade in line with average rates, whilst specialty food retailing would trade below average rates, whilst maintaining a consistent proportion of centre turnover in line with national averages.

TABLE 8 – FORECAST TURNOVER: 2,785 SQ.M SUPERMARKET-BASED CENTRE (2016)

Barden Ridge - Forecast Turnover vs Australian Single Supermarket Average (\$2012, ex GST)

Tenant	Barden Ridge			Single Supermarket Average		Barden Ridge Var'n from Aust. Avge
	GLA (Sq.m)	Turnover (\$M) ¹	\$/Sq.m	Turnover (\$M)	\$/Sq.m	
Majors						
Supermarkets	2,785	17.4	6,256	36.2	10,769	-41.9%
Total Majors	2,785	17.4	6,256	36.3	10,693	-41.5%
Specialty Stores						
• Food	410	2.2	5,310	4.6	8,058	-34.1%
• Non-Food	120	0.8	6,360	4.2	6,207	2.5%
Total Specialty	530	2.9	5,548	9.7	6,693	-17.1%
Total Retail Space	3,315	20.4	6,143	47.8	8,611	-28.7%

Source : Urbis, Urbis Retail Averages 2010/11

4.3 IMPACT ANALYSIS

4.3.1 OVERVIEW OF APPROACH

The approach adopted by Urbis in assessing the economic impacts and other effects of the proposed development can be summarised by the following steps, namely:

- A market assessment, including a review of competition and the likely future demand for the proposed centre;
- An assessment of the turnover potential of the proposed centre based on the development scheme;

- Calculation of the additional turnover resulting from the centre development;
- Assessment of the possible impact on the trading performance of other centres, particularly those centres located throughout the subject centre's area of influence; and
- Assessment of the effects of the calculated impacts.

4.3.2 DESCRIPTION OF ECONOMIC IMPACTS

For the purposes of this report "economic impact" on specific centres is defined to mean the probable change in retail turnover at various shopping centres resulting from the introduction of new competition in the form of a new or expanded/refurbished shopping centre.

The reduction in turnover usually relates to a reduced turnover volume from that applicable if the status quo had been maintained (i.e. if the centre's competitive circumstances remained unchanged).

As discussed in this section, in our view it is appropriate to express the impact on particular shopping centres or activity centres as a percentage of their potential turnover in the opening year of the proposed centre, as well as comparing impacts with the estimated current trading situation at each centre.

This latter measure is important because it shows the extent to which current conditions will be sustained even after the impact of competitive developments, recognising that growth in the market, from population growth or real spending growth per capita, can offset in whole or part the effects of new competition.

Therefore the relevant measures are considered to be two-fold:

- **Turnover impact** representing the reduction in turnover as a result of new competition, compared with turnover which would otherwise have been achieved by a particular centre.
- **Turnover change** represents the anticipated overall increase or decrease in turnover for a centre in the forecast year (2016 in this report) compared with the current situation (2012). This measure reflects the combination of the impact of new competitive developments, counteracted by any underlying growth in turnover which would be achieved by the centre anyway.

The retail component of the development is assumed to be completed and open for trading by the beginning of 2015. The impacts outlined in this report are based on the calendar year 2016, which is taken as the first full year of trading for the proposed development.

It is also important to recognise that the relevance of an economic impact assessment in planning terms relates essentially to the broader issue of net community benefit and this includes consideration of the sustainability of existing and planned centres in the activity centre network.

The effects of new competition on individual businesses are not a relevant planning consideration. The relevant consideration in planning terms relates to the ongoing ability of centres to continue to provide for the needs of the community which they serve, and to ensure that new development does not fundamentally undermine the viability and role of existing and planned centres.

4.3.3 IMPACTS

Tables 9 and 10 detail the amount of expenditure the proposed development may capture from competing centres and from other centres under both development scenarios.

The actions that existing retailers take will determine the eventual impact on each of them, and furthermore the actions which they each take will also determine the eventual impact on the other retailers involved.

In the case of Menai Marketplace, the fact that the centre is trading strongly at present should help it to absorb impacts and still trade at above average rates. Furthermore, the fact that Woolworths is prepared to absorb network impacts on its existing supermarket to improve the customer shopping experience is an important commercial factor. Similarly, ALDI, Super IGA, Dick Smith and Dan Murphy at Menai Central are all strong national retailers all of which are well positioned to respond to emerging competition in the

market. Dan Murphy's is a Woolworths brand, so any impacts on it would reflect Woolworths own network strategy and would be absorbed by Woolworths Limited.

All of these factors need to be kept in mind when considering the likely impact of any relocation and expansion of a retailer within the existing retail network. Existing retailers are not passive participants, but rather will play a major role in the eventual impact which they will experience.

TABLE 9 – BARDEN RIDGE DISTRIBUTION OF IMPACT ON KEY CENTRES, 2016 (3,800 SQ.M SUPERMARKET CENTRE)

Barden Ridge - Distribution of Impact on Key Centres, 2016 (\$2012, ex GST)							
Shopping Area	Est. Retail Turnover (\$M) ¹			Turnover Incr./Decr. (\$M)		IMPACT	
	Existing	Pre-Exp ¹	Post Exp.	Relative to:		Relative to:	
	2012 (1)	2016 (2)	2016 (3)	Existing 2012 (4)=(3)-(1)	Pre-Exp 2016 (5)=(3)-(2)	2012 (6)=(4)/(1)	2016 (7)=(5)/(2)
Barden Ridge	0.0	0.0	23.5	+23.5	+23.5	n.a.	n.a.
<u>Competing Centres</u>							
Menai Marketplace	137.0	136.3	122.8	-14.2	-13.5	-10.4%	-9.9%
Menai Central	57.0	57.3	51.8	-5.2	-5.5	-9.0%	-9.5%
Bangor Shopping Centre	14.1	14.1	13.6	-0.5	-0.5	-3.5%	-3.7%
Total Above Centres	208.1	207.8	188.3	-19.9	-19.5	-9.5%	-9.4%
<u>New Additions</u>							
Kirrawee Brick Pit (2015)	-	87.9	87.8	n.a.	-0.1	n.a.	-0.1%
Total All Above Centres³	208.1	295.7	276.1	67.9	-19.6	+32.6%	-6.6%
Other centres					-3.9		
Total Competing Centres					-23.5		

1. Year ending June

2. Turnover CHANGE is a comparison to current 2012 turnover

Turnover IMPACT is a comparison to expected turnover would otherwise be in the forecast year if the subject development did not occur.

Source : Property Council 'NSW Shopping Centre Directory', 2012; Shopping Centre News 'Big Guns 2012', and Mini Guns 2012; Urbis

Table 9 considers the impacts of a new Neighbourhood Centre at Barden Ridge anchored by a 3,800 sq.m supermarket. It demonstrates that:

- Impacts relative to pre-expansion 2016 turnover would be below -10% for Menai Marketplace and Menai Central, and below -5% for Bangor Shopping Centre.
- Menai Marketplace performs strongly at present, and impacts on this centre would be focused on the existing Woolworths. Impacts on Woolworths would be accepted by the company as part of its overall network strategy.
- Post impact, Menai Marketplace could still be expected to achieve overall retail sales in the order of \$8,800 per sq.m which is still significantly higher than the average rate for a single DDS-based Sub Regional Shopping Centre (\$6,610 per sq.m).
- Turnover growth at Menai Marketplace between 2012-2016 is forecast to be reduced due to the assumed impacts of the Kirrawee Brick Pit development.
- Impacts on Menai Central reflect the likelihood that Barden Ridge would compete with Menai Central for 'overspill shopping' particularly during peak periods of congestion at Menai Marketplace.
- Post expansion, Menai Central is forecast to achieve overall sales rates of \$8,050 per sq.m, which whilst slightly below national average rates, reflects the fact that the centre does not contain a full line major anchor tenant, and that the design of the centre is atypical in so far as it does not provide a traditional mall-style layout.

- ALDI, Super IGA, Dick Smith and Dan Murphy at Menai Central are all strong national retailers, all of which are well positioned to respond to emerging competition in the market pace.
- Turnover at all centres would be below 2012 levels in 2016, although this is in-part the cumulative effect of the introduction of Kirrawee Brick Pit prior to 2016. In the event that the Kirrawee development does not achieve the sales forecast in the EIA that accompanied the development application, these impacts would be reduced.
- Impacts on Centres beyond the MTA reflect the scope for a full-line supermarket to capture spend that may otherwise be directed to existing centres beyond MTA, and this would likely be linked to passing trade. At \$3.9m this forms a small component of overall turnover (16.5%).

TABLE 10 – BARDEN RIDGE DISTRIBUTION OF IMPACT ON KEY CENTRES, 2016 (2,785 SQ.M SUPERMARKET CENTRE)

Shopping Area	Barden Ridge - Distribution of Impact on Key Centres, 2016 (\$2012, ex GST)						
	Est. Retail Turnover (\$M) ¹			Turnover Incr./Decr. (\$M)		IMPACT	
	Existing	Pre-Exp ¹	Post Exp.	Relative to:		Relative to:	
	2012 (1)	2016 (2)	2016 (3)	2012 (4)=(3)-(1)	2016 (5)=(3)-(2)	2012 (6)=(4)/(1)	2016 (7)=(5)/(2)
Barden Ridge	0.0	0.0	20.4	+20.4	+20.4	n.a.	n.a.
Competing Centres							
Menai Marketplace	137.0	136.3	123.8	-13.2	-12.5	-9.7%	-9.2%
Menai Central	57.0	57.3	52.4	-4.6	-5.0	-8.1%	-8.6%
Bangor Shopping Centre	14.1	14.1	13.6	-0.5	-0.5	-3.5%	-3.8%
Total Above Centres	208.1	207.8	189.7	-18.4	-18.0	-8.8%	-8.7%
New Additions							
Kirrawee Brick Pit (2015)	-	87.9	87.8	n.a.	-0.1	n.a.	-0.1%
Total All Above Centres³	208.1	295.7	277.6	69.4	-18.1	+33.4%	-6.1%
Other centres					-2.2		
Total Competing Centres					-20.4		

1. Year ending June

2. Turnover CHANGE is a comparison to current 2012 turnover

Turnover IMPACT is a comparison to expected turnover would otherwise be in the forecast year if the subject development did not occur.

Source : Property Council 'NSW Shopping Centre Directory', 2012; Shopping Centre News 'Big Guns 2012, and Mini Guns 2012'; Urbis

Note total may not sum due to rounding

Table 10 considers the impacts of a new Neighbourhood Centre at Barden Ridge anchored by a 2,785 sq.m supermarket. It demonstrates that:

- Impacts relative to pre-expansion 2016 turnover would be below -10% for Menai Marketplace and Menai Central.
- Menai Marketplace performs strongly at present, and impacts on this centre would be focused on the existing Woolworths. Impacts on Woolworths would be accepted by the company as part of its overall network strategy.
- Post impact, Menai Marketplace could still be expected to achieve overall retail sales in the order of \$8,875 per sq.m which is still significantly higher than the average rate for a single DDS-based Sub Regional Shopping Centre (\$6,610 per sq.m).
- Turnover growth at Menai Marketplace between 2012-2016 is forecast to be reduced due to the impacts of the Kirrawee Brick Pit development.
- Impacts on Menai Central reflect the assumption that Barden Ridge would compete with Menai Central for "overspill shopping" particularly during peak periods of congestion at Menai Marketplace.

- Post expansion, Menai Central is forecast to achieve overall sales rates of \$8,150 per sq.m, which whilst slightly below national average rates, reflects the fact that the centre does not contain a full line major anchor tenant, and that the design of the centre is atypical in so far as it does not provide a traditional mall-style layout.
- ALDI, Super IGA, Dick Smith and Dan Murphy at Menai Central are all strong national retailers, all of which are well positioned to respond to emerging competition in the market place.
- Impacts relative on all centres would drive trade below 2012 levels, although this is in-part the cumulative effect of the introduction of Kirrawee Brick Pit prior to 2016.
- In the event that the Kirrawee development does not achieve the sales forecast in the EIA that accompanied the development application, these impacts would be reduced.
- Reduced impacts across the board, relative to Table 9 are a reflection of the fact that a smaller supermarket will be less competitive with existing centres and that a strong performing 200 sq.m specialty tenancy could achieve higher turnover rates per sq.m than a 530 sq.m mix of specialty tenancies.

4.4 EMPLOYMENT GENERATION

The proposed Barden Ridge development would have a positive impact on employment, both locally and in the broader economy. The employment benefits occur in two distinct phases:

- The **construction phase**. A number of jobs are created as a result of the construction of the built forms and infrastructure.
- The **operational phase**. The retail and commercial businesses will provide on-going employment.

In addition to the direct employment generated by these two phases, there are multiplier (or indirect) effects throughout the local, state and national economies. These multiplier effects are a result of, for instance, the sourcing of goods and services from suppliers to the businesses on the site and increased consumption generated by the wages of new employees.

The direct and indirect employment generated from the construction and operational phases of the Barden Ridge retail development is now outlined and quantified.

4.4.1 DIRECT EMPLOYMENT EFFECTS

CONSTRUCTION PHASE

In order to assess the economic benefit of the construction phase of the development, the number of jobs the development might create has been assessed. For the purposes of this analysis the Australian Input-Output (I-O) employment multiplier tables from 1996-97¹ have been utilised. These are the most recently published tables by the Australian Bureau of Statistics (ABS). We note that the published tables are not current. In order to make them reflect the current state of the economy more accurately, appropriate adjustments have been made for productivity and inflation changes since 1996-97.

To assess the employment generation of the construction phase of this development, it is necessary to first estimate the construction costs of the retail development.

We understand that the proposed development has an estimated construction cost in the order of \$10 million.

Using the Australian National Accounts Input-Output data, Table 11 indicates that the construction investment of \$10 million (\$2012) would generate direct employment of around **55** full-time and part time jobs during construction. These construction jobs would be spread over the development timeframe for the project.

¹ ABS Australian National Accounts, I-O Multiplier Table 3T, 1996-97

TABLE 11 – BARDEN RIDGE CONSTRUCTION PHASE EMPLOYMENT

Barden Ridge - Construction Phase Employment			
Development Option/ Type of Employment	Construction Cost (\$2012m)	Direct Employment (No. of jobs)	Indirect Employment (No. of jobs)
Full development	10	55	87

1. Total Employment - full-time, part-time and casual

2. Indicates the estimated number of jobs over the life of the construction project plus ongoing multiplier effects.

Jobs are for the equivalent of one year of employment.

Source : Urbis

The direct employment of **55 jobs** would generate an additional **87 jobs** in supporting industries and other businesses servicing the expenditure by the employed workers. This is the indirect employment generated by the construction phase of the Barden Ridge development.

Total employment from the construction phase therefore would be in the order of **142** full-time equivalent jobs over the development timeframe for the project.

OPERATIONAL PHASE

The retail uses will provide opportunities for on-going employment on the site. Expected employment densities for each component (employment per hectare) are derived from a range of sources, including:

- The Australian Bureau of Statistics, 1998-99 Retail Industry publication (8622.0);
- NSW Department of Planning, Employment Monitoring of Commercial and Industrial Areas;
- Other publicly available sources and information held by Urbis.

Employment densities vary significantly by different building uses and other factors, such as age of building and quality of a building's design. Drawing on industry benchmarks as reported in the sources identified above, Table 11 outlines the estimated on-going employment that would be generated within the proposed retail, uses at Barden Ridge.

TABLE 12 – BARDEN RIDGE DIRECT EMPLOYMENT IMPACT OF RETAIL DEVELOPMENT

Barden Ridge - Direct Employment Impact			
Type of Use	Employment Per '000 Sq.m Industry Average	Barden Ridge Additional GLA (Sq.m)	Employment (Persons)
Supermarket(s)	40.8	3,800	155
Specialty Shops	60.7	200	12
Total Centre		4,000	167
Supermarket(s)	40.8	2,785	114
Specialty Shops	60.7	530	32
Total Centre		3,315	146

1. Total employment - full time part time and casual

2. Includes non-retail and external components. Excludes additional management, cleaning & security staff

Source : Urbis

In total, the proposed retail development has the potential to provide retail employment for between approximately **146-167** full-time, part-time and casual workers per year. There would be additional employment if complementary non-retail uses such as medical centre, child care etc. are incorporated into the centre design.

4.4.2 MULTIPLIER EFFECTS

Factoring in the multiplier effects, the total direct employment of 146-167 jobs has the potential to generate further employment of 99 -113 workers in the wider economy, as shown in Table 13.

The economic effects of the development will also extend into the wider economy as a result of the multiplier effects of the initial investment:

- Indirect impacts related to the employment generated in supporting and supplying businesses as a result of increased demand for intermediate goods and services;
- Induced impacts related to new employees spending their wages.

The combined direct and multiplier employment effects are detailed in Table 13, with the latter being based on ABS input-output multiplier tables.

4.5 EMPLOYMENT EFFECT

There are a number of other employment related benefits that potentially can be achieved by the proposed development that are of particular relevance to the Barden Ridge area. These include:

- The provision of a mix of full time and part time employment opportunities to cater to the youth market as well as to people seeking flexible working conditions.
- The retention of the local resident workforce and expenditure, which has flow-on benefits to local businesses;
- Reduced need to travel outside of the area for employment and car travel.

TABLE 13 – BARDEN RIDGE TOTAL EMPLOYMENT OF RETAIL DEVELOPMENT AND COSTRUCTION

Barden Ridge -Total Employment Impact of Retail Development and Construction			
Development Option/ Type of Employment	Direct Employment	Supplier Employment <i>Multiplier Effects</i>	Total Jobs ²
Construction Phase	55	87	142
Ongoing Employment Increase ³	<u>124-142</u>	<u>99-113</u>	<u>223-255</u>
Total	179-197	186-200	365-397

1. Total Employment - full-time, part-time and casual

2. Indicates the estimated number of jobs over the life of the construction project plus ongoing multiplier effects.

Jobs are for the equivalent of one year of employment.

3. Indicates the estimated number of ongoing jobs as a result of the proposed expansion (ie the floorspace increase)

4. On-site employment reduced by 15% to reflect potential transfer effects of employees moving from existing businesses

Source : Urbis

The direct and multiplier effects from the construction phase are estimated to generate the equivalent of 142 jobs spread over the development timeframe for the Barden Ridge development project whilst the ongoing retail employment estimated to generate 99-113 jobs in the wider community.

It is important to keep in mind that the multipliers used in the analysis below are based on 1996/97 National Input Output tables. These multipliers can vary significantly at the regional level, however for the purpose of this assessment, the indicative estimates above are sufficient. These estimates are at the more optimistic end of the spectrum, and are based on job creation nationally and not locally.

In total, construction work and the on-going employment generated by the proposed neighbourhood centre is estimated to generate employment benefits in excess of **365-397** direct and indirect jobs.

4.6 COMMUNITY BENEFITS

The development of a new neighbourhood shopping centre at Barden Ridge offers a range of community benefits including the following:

- **Employment** (direct and indirect): as noted above, the proposed development could provide between 146-167 operational jobs (depending on the final retail mix) as well as 142 direct and indirect jobs through construction.
- **Shopper convenience:** The proposal will offer highly convenient neighbourhood shopping, particularly for Primary Trade Area residents at Barden Ridge.
- **Sustainability:** Increasing retail provision for Barden Ridge residents will reduce their need to travel for grocery shopping.
- **Price Competition:** Broadening the retail offer within the Main Trade Area has the potential to result in price savings for residents, as existing retailers may respond positively to strengthen their market share.
- **Investment stimulus:** A major property investment such as the proposal is generally viewed as a positive commitment for a local area. This has potential to stimulate and attract further investment. In addition, there may be scope to augment retailing at the subject site with non-retail uses (e.g. improved medical suites, child care facilities etc.), which would benefit local residents and businesses.

5 Town Planning Considerations

Having outlined the competitive impacts associated with the proposed development, this section of the report considers how these pertain to relevant strategic town planning policies, specifically:

- Potential impacts on centres in endorsed regional and/or subregional strategies; and
- Consistency with outcomes and actions of any endorsed local strategy, regional or sub-regional strategy and other relevant regional or State strategic plans or policies.

These matters are considered in the following sections.

5.1 IMPACTS ON CENTRES IN ENDORSED REGIONAL AND/OR SUBREGIONAL STRATEGIES

Barden Ridge, and Sutherland Shire LGA as a whole, is included within the South Subregion Draft Subregional Strategy (2007).

The Subregional Strategy provides a hierarchy of existing centres. Centres that are identified in the Main Trade Area for the proposed Barden Ridge Development include Menai and Bangor, and the Strategy notes that Menai contains two shopping centres (Menai Marketplace and Menai Central). Menai is identified as a Town Centre and Bangor as a Neighbourhood Centre.

Tables 9 and 10, previously, highlight and discuss the impacts of the proposed development on each of these centres, which are below -10% and -5% respectively. The Tables also indicate that the proposed development has the potential between \$2.2m and \$3.9m turnover from other centres in addition to Menai and Bangor. This additional turnover would be drawn from a broad range of centres across Metropolitan Sydney as a whole (including Sutherland Shire) and would be a result of:

- Main Trade Area residents diverting occasional trade from other centres visited less frequently than those within the MTA; and
- Trade generated by passing traffic – i.e. residents from outlying areas making occasional purchases at Barden Ridge as opposed to their usual favoured shopping centres.

Both of these instances may include other centres within the South Subregion Centres hierarchy. As the dollar value is so small (\$2.2m to \$3.9m relative to the combined turnover of all other centres), the impacts on centres in the hierarchy not listed in Tables 9 and 10 would be broadly dispersed and would not be significant.

5.2 CONSISTENCY WITH ENDORSED LOCAL / REGIONAL STRATEGY OR RELEVANT REGIONAL / STATE STRATEGIC PLAN OR POLICY

Relevant strategies, plans and policies that are applicable to Barden Ridge include:

- The Metropolitan Plan for Sydney 2036 (2011);
- The South Subregion Draft Subregional Strategy (2007); and
- The draft Centres Policy.

Consistency with each of these documents is discussed below.

5.2.1 METROPOLITAN PLAN FOR SYDNEY 2036

Consistency with the relevant directions, objectives and actions in the Metropolitan Plan for Sydney 2036 is demonstrated in Table 14, below:

TABLE 14 –METROPOLITAN PLAN ALIGNMENT WITH KEY MEASURES

MEASURE	CONSISTENCY
Plan for 760,000 new jobs	The proposed development would make (relatively modest) contribution towards increasing employment through the creation of up to 400 jobs in total (operational and construction) at a business-zoned site which is not currently in productive use.
Plan for new centres in existing urban areas and greenfield release areas: <i>“The appropriateness of locations for new centres will depend upon a range of factors including public transport access, proximity to good quality open space, significance and adaptability of existing buildings, and market demand. Consideration should also be given to the impact of a new centre upon facilities and services in existing centres”.</i>	The proposed development would occur within an existing Business Centre zone which is ideally located to provide a walkable catchment for the majority of Primary Trade Area residents within Barden Ridge. The site is also ideally placed to attract passing trade from motorists that would already be using the road network. The location of the site adjacent to the Ridge sporting complex means that it is well place to offer convenient retailing for recreational users of these facilities. As noted in Tables 9 and 10, the impacts on existing centres have been assessed and should not affect the long term role of Menai as a Town Centre or Bangor as a Neighbourhood Centre.

Although there are few key measures within the Metropolitan Plan that are directly applicable to the proposed development, those measures which are relevant are positively aligned with the proposed development.

5.2.2 SOUTH SUBREGION DRAFT SUBREGIONAL STRATEGY (2007)

Consistency with the relevant directions, objectives and actions in the South Subregion Draft Subregional Strategy (2007) is demonstrated in Table 15, below:

TABLE 15 –DRAFT SUBREGIONAL STRATEGY ALIGNMENT WITH KEY MEASURES

MEASURE	CONSISTENCY
Investigate and resolve the roles of Caringbah, Miranda and Sutherland.	Although these centres are located within Sutherland Shire, they are outside of the Barden Ridge Main Trade Area and are located 14km, 11.5km and 7km respectively from the subject site. Given the limited scale and turnover of the proposed development at Barden Ridge future development would have no material impact on the future role of these centres which are all identified as “Town Centres”.
Concentrate retail activity in centres, Business Development Zones and Enterprise Corridors	The subject site is currently located within the “Zone 10 Neighbourhood Centre Zone”. The proposed rezoning seeks to maintain a Business Zone for the site. Retail development is therefore consistent with this Action.
Plan for an additional 8,000 jobs within Sutherland Shire	The proposed development would make a (relatively

MEASURE	CONSISTENCY
between 2001-2031	modest) contribution towards increasing employment through the creation of up to 400 jobs in total (operational and construction) at a business-zoned site which is not currently in productive use.

Although there are few key measures within the Draft Subregional Strategy that are directly applicable to the proposed development, those measures which are relevant are either positively aligned or neutral in terms of consistency with the proposed development.

5.2.3 NSW DRAFT CENTRES POLICY

The proposed development is consistent with the key principles in the NSW Draft Centres Policy, as demonstrated in Table 16, below:

TABLE 16 – CONSISTENCY WITH NSW DRAFT CENTRES POLICY

PRINCIPLE	RESPONSE
Retail and commercial activity should be located in centres to ensure the most efficient use of transport and other infrastructure, proximity to labour markets, and to improve the amenity and liveability of those centres.	The proposed development would occur within an existing Business Centre zone which is ideally located to provide a walkable catchment for the majority of Primary Trade Area residents within Barden Ridge. The site is also ideally placed to attract passing trade from motorists that would already be using the road network.
The planning system should be flexible enough to enable all centres to grow, and new centres to form.	The proposed development would require a slight amendment to existing planning controls, but would not fundamentally alter the business zoning of the site. By including the site within a Business Zone, Sutherland Shire Council has identified that the site is well suited to provide retailing for Barden Ridge residents.
The market is best placed to determine the need for retail and commercial development. The role of the planning system is to regulate the location and scale of development to accommodate market demand.	Woolworths has identified a market opportunity for a new supermarket at Barden Ridge, in addition to maintaining its supermarket at Menai Marketplace which trades at above average rates. The commercial opportunity to provide an additional supermarket and specialty shops would increase choice and accessibility for local residents, particular those living at Barden Ridge.
The planning system should ensure that the supply of available floorspace always accommodates the market demand, to help facilitate new entrants into the market and promote competition.	As above, by facilitating a minor amendment to existing planning controls (and maintaining a business zoning for the site) the current zoning for the site can facilitate the market demand for a new supermarket and specialty shops at Barden Ridge.
The planning system should support a wide range of retail and commercial premises in all centres and should contribute to ensuring a competitive retail and	The provision of new retailing at Barden Ridge would enhance competition within the retail market in the western Sutherland area, ultimately to the benefit of

PRINCIPLE	RESPONSE
commercial market.	residents and consumers.
Retail and commercial development should be well designed to ensure it contributes to the amenity, accessibility, urban context and sustainability of centres.	

Table 16 demonstrates that the proposed development is consistent with the NSW Draft Centres Policy.

Taking these factors into consideration, Tables 14 to 16 demonstrate that the proposed Barden Ridge Neighbourhood Centre is positively aligned with the relevant outcomes and actions in local and state town planning strategies and policies.

6 Conclusion

This Economic Impact Assessment confirms that:

- There is market demand from Woolworths to provide new supermarket and specialty retailing as part of a new Neighbourhood Centre at Barden Ridge to cater to local convenience needs and to provide an enhanced shopping experience for its customers.
- Whilst potential competitive impacts of a new Neighbourhood Centre on existing centres at Menai are forecast to be below -10% in 2016 relative to turnover that could otherwise be achieved. The majority of these impacts would be absorbed by the existing Woolworths supermarket at Barden Ridge or by national retailers such as ALDI, Super IGA and Dan Murphy at Menai Central.
- Impacts on Woolworths at Menai Marketplace would be accepted by the company as part of its overall network strategy. Post impact, Menai Marketplace could still be expected to achieve overall retail sales which would be significantly higher than the average rate for a single DDS-based Sub Regional Shopping Centre on a turnover per sq.m basis.
- ALDI, Super IGA, Dick Smith and Dan Murphy at Menai Central are all strong national retailers all of which are well positioned to respond to emerging competition in the market pace.

Economic benefits associated with the proposed development include:

- Employment (direct and indirect): as noted above, the proposed development could provide between 146-167 operational jobs (depending on the final retail mix) as well as 142 direct and indirect jobs through construction.
- Shopper convenience: The proposal will offer highly convenient neighbourhood shopping, particularly for Primary Trade Area residents at Barden Ridge.
- Sustainability: Increasing retail provision for Barden Ridge residents will reduce their need to travel for grocery shopping.
- Price Competition: Broadening the retail offer within the Main Trade Area has the potential to result in price savings for residents, as existing retailers may respond positively to strengthen their market share.

It is also important to recognise that the relevance of an economic impact assessment in planning terms relates essentially to the broader issue of net community benefit. The effects of new competition on individual businesses are not a relevant planning consideration. The relevant consideration in planning terms relates to the ongoing ability of centres to continue to provide for the needs of the community which they serve, and to ensure that new development does not fundamentally undermine the viability and role of existing and planned centres.

From a town planning perspective, the proposed development of a Neighbourhood Centre at Barden Ridge is positively aligned with the relevant outcomes and actions in local and state town planning strategies and policies. The proposed development would occur within an existing Business Centre zone which is ideally located to provide a walkable catchment for the majority of Primary Trade Area residents within Barden Ridge. By facilitating a minor amendment to existing planning controls the current zoning for the site can facilitate the market demand for a new supermarket and specialty shops.

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