

Norling Consulting^{Pty Ltd}

Business & Property Economics

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Mr Andrew Mooney
Executive Strategic Planner
Strategic Land Use Planning
City Strategic Planning
Fairfield City Council
PO Box 21
FAIRFIELD NSW 1860

Email: amooney@fairfieldcity.nsw.gov.au

Dear Andrew,

RE: PROPOSAL – PEER REVIEW – RETAIL DEMAND ASSESSMENT – VILLAWOOD

Following recent correspondences, I am pleased to present this proposal to undertake a Peer Review of a Retail Demand Assessment supporting a Planning Proposal for a site at Villawood, Fairfield City. This proposal outlines our preliminary views, anticipated approach, experience, key personnel, timing and costs involved in undertaking this assignment.

We do not have a conflict of interest and are able to assist you on this matter.

Background

Council has received a Planning Proposal seeking to amend the LEP in respect of a 1.48ha site located at 2-14 Kamira Avenue, Villawood. The Planning Proposal seeks to permit the development of a mixed-use development comprising commercial facilities on the ground floor and about 400 residential apartments above. Specifically, it seeks to allow retail tenancies larger than 1,000m², which are currently not permissible. This site is currently located within the R4 High Density Residential zone and adjoins the B2 Local Centre of Villawood.

The Planning Proposal has been accompanied by a Retail Demand Assessment prepared by Hill PDA Consulting in September 2020. Council has requested an independent Peer Review of this Assessment.

Preliminary Views

The Assessment claims that the LEP encourages higher density residential development around the Villawood Local Centre and that a site that adjoins that Local Centre should be allowed to provide a range of ground floor commercial facilities to better service the anticipated increased demand.

Google Maps demonstrates to me that the Villawood Local Centre is in the process of being redeveloped, comprising a mixture of older strip retail facilities, a modern ALDI discount store and several new modern high rise residential developments with retail facilities on the ground floor.

There is therefore merit in the argument presented by the Assessment. It is also noted that the street activation of the ground floor retail and commercial development would provide a social/safety benefit to the community. However, the Retail Demand Assessment is considered weak in the following respects:

- (a) It fails to detail the nature and scale of proposed retail and commercial facilities on the Subject Site;
- (b) It fails to assess the projected turnover of the proposed development;
- (c) It fails to identify whether any of the proposed retail and commercial facilities could be accommodated on appropriately zoned land; and
- (d) It fails to assess the likely impacts of the proposed development on the retail network.

A further issue that I require assistance with is a better understanding of the mechanism by which the LEP restricts Shop uses (or scale thereof) on the Subject Site. Being based in Queensland, it has been some time since I worked on the NSW LEP system. This could be overcome through a short videoconference discussion with one of your Town Planners at the commencement of my Peer Review, 'walking' me through the relevant provisions.

Anticipated Approach

The key tasks to be undertaken for the Peer Review include:

- (a) Understanding the mechanism by which the LEP restricts Shop uses on the Subject Site;
- (b) Obtaining further details (if any) from Council as to proposed plans for the retail and commercial elements;
- (c) Reviewing the Retail Demand Assessment;
- (d) Reviewing relevant elements of Fairfield LEP 2013;
- (e) Advising whether the Retail Demand Assessment has applied an appropriate methodology;
- (f) Advising whether the Retail Demand Assessment has adopted reasonable assumptions;
- (g) Advising whether the Retail Demand Assessment has reached reliable conclusions;
- (h) Advising whether there is suitably zoned land to accommodate the proposed commercial facilities elsewhere in the Catchment;
- (i) Advising as the extent to which a community, economic and planning need exists for the proposed development (Planning Proposal);
- (j) Advising Council as to the economic impacts of the proposed development upon the existing and approved retail network – it is noted that the Assessment has not undertaken this analysis and Council may wish to request the Applicant to complete this exercise; and
- (k) Incorporating the above into a logical and concise Peer Review.

Experience

Norling Consulting is a specialist business and property economic research consultancy based in Brisbane. We apply the multi-disciplined skills of economics, market research, geography, regional development and finance to business and property decisions. We are committed to providing our clients with quality, independent, objective, professional, accurate and timely advice. We are best known for consulting extensively in the retail, residential, industrial, commercial office and tourist and hospitality sectors.

We have extensive experience in consulting throughout Queensland and northern New South Wales. As you are aware, we also have more than a decade of experience in providing advice to Fairfield City Council in relation to centres and economic matters. We also have some experience in consulting elsewhere in Australia and New Zealand.

Norling Consulting is staffed by a Director having 36 years' experience in this field and an Administration Manager/Research Assistant.

Further details of our experience can be obtained from our website, www.norling.com.au.

Personnel

I would have overall responsibility for preparing the Peer Review.

I have 36 years' consulting experience in this field. I have obtained a Bachelor of Commerce, am a Fellow of Chartered Accountants Australia and New Zealand, a Professional Member of the Economic Society of Australia, a Certified Management Consultant and a Member of the Australian Market and Social Research Society. I am also a Sessional Member of the Queensland Civil and Administrative Tribunal, hearing Retail Shop Leases and other commercial disputes.

I have extensive experience in the property development field, with considerable experience in analysing the need and demand for retail and commercial centres. We are frequently retained by local governments to provide independent Peer Reviews of need and impact assessments accompanying retail and commercial centre applications. We have undertaken many assignments for Fairfield City Council and I have visited and inspected centres in this City on at least three occasions over the past decade.

Further details of our skills and experience can be obtained from our website, www.norling.com.au.

Timing

You require the Peer Review to be completed in the mid- to end-July period. This is achievable.

I am going on leave from tomorrow, returning on 2 July. I will be able to commence this Peer Review from about 8 July. That would provide sufficient time to complete the Peer Review prior to late July.

Professional Fees

Professional fees would be invoiced at our standard hourly rates (exclusive of GST), which are \$330 for myself. Professional fees are estimated at between \$2,500 and \$3,500 (plus GST) and would be capped at the higher amount. Out of pocket expenses, such as data purchases would be invoiced separately, but are not expected to be incurred for this assignment.

A copy of our standard Terms and Conditions is attached and applies to this assignment.

Concluding Comments

I trust that this proposal meets your requirements at this stage. Please do not hesitate to contact me should you have any queries regarding this proposal.

Should you wish to proceed with this consultancy, please arrange for the person responsible for the payment of invoices to sign the attached agreement to proceed and return to our offices by email or mail.

Yours faithfully
Norling Consulting Pty Ltd

A handwritten signature in blue ink, appearing to read 'Jon Norling', is written over a faint, light blue circular stamp. The stamp contains some illegible text, possibly a company seal or logo.

Jon Norling
Director