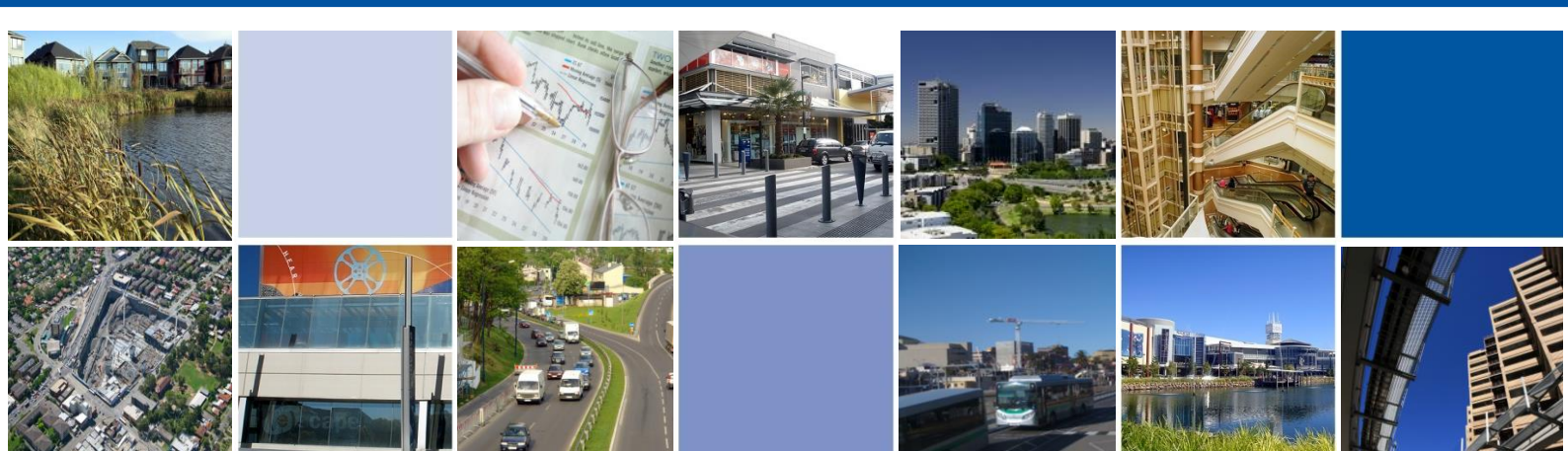


146-154 O’Riordan Street, Mascot

Economic Impact Assessment

February 2019



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Executive Summary

MacroPlan has been commissioned by the Toplace Pty Ltd to undertake an economic impact assessment of a proposed rezoning of 146-154 O'Riordan Street, Mascot (i.e. subject site). In particular, our assessment is considering the employment generation potential arising from a broader mix of land uses of the subject site.

A greater amount of employment floorspace is proposed as part of the preliminary concept, providing a more intensified employment opportunity at the subject site and Mascot generally.

The site is substantial in size and is strategically located, close to the revitalising Mascot town centre and its rail station. The site is positioned at a gateway entrance to the Sydney Airport, at the junction of O'Riordan Street and Bourke Road. These locational benefits provide an opportunity to achieve new and enhanced outcomes for both employment and short term stay accommodation provisions.

The planning proposal seeks to increase the height to part of the subject site to 44 metres from 22 metres. This will enable the permitted density to be achieved (i.e. a FSR of 3:1) and while still maintain a transition of building heights to the lower density zoned properties to the east.

Overall, the proponent seeks to develop the existing site for a mixed-use outcome. There is demand from an accommodation perspective as currently there is a shortage of rooms / beds for both business travellers and tourists. Hotels and service apartments are considered to be critical infrastructure that not only provides jobs directly to the tourism or accommodation/hotel sector, but also creates further employment opportunities in businesses that support the operation of the industry. Further, the proposed rezoning would assist in creating new employment opportunities through the continued diversification of businesses at Mascot (i.e. transitioning from the traditional industry). The planning proposal and the subsequent development application would not alter the quantity or configuration of land currently zoned and its density control (i.e. FSR).

Our analysis of current and proposed supply (of accommodation rooms) shows that existing hotels and serviced apartments in the primary catchment area would not accommodate the projected increase in demand.

Based on past market trend, current and projected employment growth, we envisage that there would be more business visitors seeking convenience in Mascot and its surrounding regions. This type of visitor travel seeks convenience and quality products but priced appropriately. The sites location is highly favourable for business travellers who do want to drive and do not use public transport – it is in fact a convenient location with close proximity to the Sydney Airport, the Sydney CBD, and nearby inner cities.

The proposed rezoning is consistent with the strategic direction of both the Eastern City District (2018) and Bayside Council's Bayside 2030 Community Strategic Plan (2018). The proposed land uses will support the growth of knowledge and professional service jobs within the District.

The proposed rezoning will support the Mascot town centre by maintaining employment land and employment objectives, whilst providing supporting infrastructure (i.e. retail/commercial and accommodation sectors).

The employment outcome from the planning proposal (and the subsequent development application) will surpass the existing land uses. It is our opinion that the employment outcome from the proposed development surpasses that currently achieved by the subject site, accommodating between 630 - 700 (operational) FTE direct jobs.

Finally, we note that the proposal is also consistent with the development objectives of major infrastructure investment (i.e. 'the 30-minute city') – allowing more Mascot residents and professions (for both local and overseas) to access many major employment hubs and key services in Sydney within half an hour.

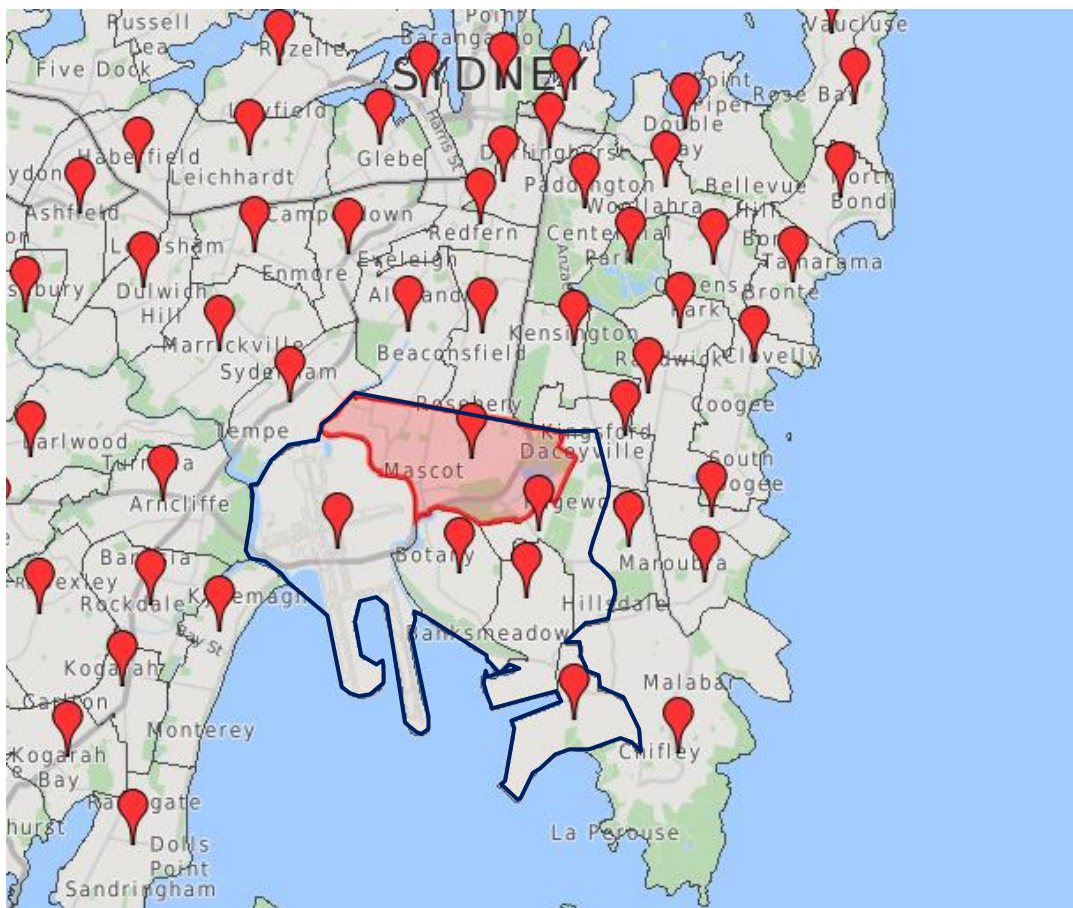
1. Background & Methodology

For the purpose of our study, we define the catchment of the subject site as below:

- Primary Catchment: 'Mascot – East Lakes' SA2¹
- Secondary Catchment: 'Botany' SA3 excluding the primary catchment area
- Total Catchment: 'Botany' SA3

The catchment has been selected having regard for those suburbs surrounding the subject site that form a likely 'trade' catchment for any new services and amenities that may be introduced at the subject site.

Figure 1: Catchment Delineation



Source: ABS (2019), MacroPlan (2019)

¹ For the purpose of our economic assessment, all our assessments are based on the Australian Statistical Geography Standard (e.g. Statistical Area Level 2 and Level 3), the geographical areas defined by the ABS.

1.1 Methodology

Our assessment considered the spatial context of the subject land, its employment dividend and its potential role in contributing to the employment future of Mascot (i.e. suburb) and the eastern part of LGA (Botany SA3) generally. The assessment considered the employment returns that are achievable as a result of site redevelopment compared to the current employment dividend potential (i.e. 'do nothing' vs 'proposed development').

Our assessment including the following:

- Reviewed the location and extent of existing social infrastructure in proximity to the subject site.
- Reviewed the strategic policy framework relevant to the socio-economic environment of the proposal including Bayside Council and State Government policies.
- Extracted and utilised relevant demographic and information relating to the Mascot community, its skill sets and place and type of employment, as well as forecast demographics.
- Considered local and regional employment trends, including the jobs make-up of the subject site, Mascot's employment self-sufficiency and job containment levels and relevant employment growth characteristics and new business registrations.
- Tracked employment development in the area/region to understand the level and type of investment that is occurring.

1.2 Data and Information Sources

Our research draws on a wide range of information sources, including: various Bayside Council documents, Population Projections - NSW Department of Planning and Environment (2016), Department of Jobs and Small Business, Employment Projections; Census of Population and Housing, Australian Bureau of Statistics – various latest statistics (2018) and Census data (2011 & 2016); and relevant experience throughout NSW and Australia, with particular reference to socio-economic profiles, area trends, and recent market performance.

1.3 Limitation

The information in this report has been obtained from, and opinions herein are based on, sources believed to be reliable. Although great care has been taken to ensure accuracy and completeness in this report, MacroPlan has not independently verified and does not accept responsibility for its completeness and accuracy of the factual information on which its opinions and assumptions are based. Further, as the report involves future forecasts, it can be affected by a number of unforeseen variables. It represents for the party to whom or which it is addressed the best estimates of MacroPlan, but MacroPlan can give no assurance that any forecasts will be achieved.

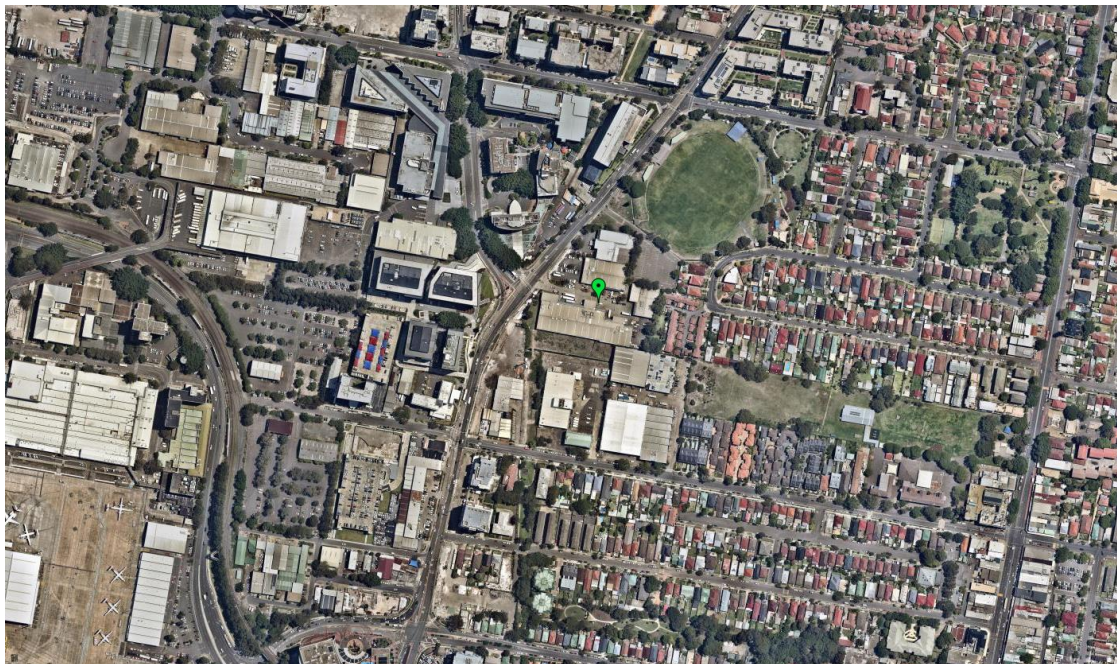
1.4 Local Context

The subject site is located approximately 7 km from the Sydney CBD and 3km from the Sydney (Kingsford Smith) Airport. Situated in the Bayside LGA, 146-154 O'Riordan Street is uniquely located, surrounded by a variety of residential, industrial, commercial, airport services and tourist/visitor accommodation land uses. The subject site is located within a 400m walking distance from the Mascot station.

The site is legally described as Lot 1 DP 85597, Lot A DP 364217, Lot A DP 320192, Lot A DP 402876; and has a total area of approximately 17,000 m².

The planning proposal is for the redevelopment of the subject site within the Mascot town centre (see location below).

Figure 2: Subject Site



Source: Nearmap (2019)

The site lies at the North East corner of a mixed-use precinct at Mascot. Access is obtained from O'Riordan Street, which is joined to M1 (Southern Cross Drive) via Coward Street and Botany Road. The Subject site also has excellent accessibility to public transport (Bus & Train), Sydney Kingsford Smith Airport, Sydney CBD, eastern and southern suburbs of Sydney.

The subject site abuts a residential area to the east and borders a large public park (i.e. Mascot Park) to the north. The west of both the existing mixed-use precinct and the site are adjacent to several large hotel buildings and commercial head offices. To the south of the site are non-residential area including T & G Unique Bodyworks, Southern Cross Automotive Repairs, AVIA Flight Services and Disability Services Australia (DAS). Pedestrian access can be gained to these from a footpath of O'Riordan Street.

It is proposed that the existing site will be cleared and that the new mixed-use development will be constructed in stages, generally containing primarily a hotel and service apartments, as the demand for accommodation rooms and amenities is required.

1.5 Strategic Planning Background

Mascot and the site is positioned within the 'Green Square to Mascot Eastern Economic Corridor.

The Greater Sydney Commission (GSC) Eastern City District Plan 2018 notes that the Strategic Centre, of which Mascot is an integral part of was estimated to have about 59,500 jobs and this is likely to increase to between 75,000 jobs and 80,000 jobs by 2036. The strategic centre is the biggest contributor to economic growth in the District and the Bayside LGA, requires more short-term and hotel accommodation (with appropriate features and amenities) to serve the growing demand in the strategic centre.

The Planning Priority E7 of the District Plan recognises the importance of this corridor. The Eastern Economic Corridor from Macquarie Park to Sydney Airport is the State's greatest economic asset – contributing two-thirds of NSW's economic growth in the 2015-16 financial year. It will build on its credentials and leverage its strong financial, professional, health, education and innovation sectors.

Planning Priority E11 of the District Plan has established a set of objectives and principles for developing centres in the Eastern City District. The relevant actions/direction set by GSC are:

- Provide access to jobs, goods and services in centres by:
 - a. attracting significant investment and business activity in strategic centres to provide jobs growth
 - b. diversifying the range of activities in all centres
 - c. creating vibrant, safe places and quality public realm
 - d. focusing on a human-scale public realm and locally accessible open space
 - e. balancing the efficient movement of people and goods with supporting the liveability of places on the road network
 - f. improving the walkability within and to centres

- g. completing and improving a safe and connected cycling network to and within centres
 - h. improving public transport services to all strategic centres
 - i. conserving and interpreting heritage significance
 - j. designing parking that can be adapted to future uses
 - k. providing for a diverse and vibrant night-time economy in a way that responds to potential negative impacts
 - l. creating the conditions for residential development within strategic centres and within walking distance (10 minutes), but not at the expense of the attraction and growth of jobs, retailing and services; where appropriate, strategic centres should define commercial cores informed by an assessment of their need.
- Review the current planning controls and create capacity to achieve the job targets for each of the District's strategic centres
 - Encourage opportunities for new smart work hubs.

The redevelopment of the subject site at Mascot, with appropriate building height and format, will be consistent with these objectives and principles. Hotel and short-term accommodation are critical to facilitate the growth of the strategic centres by attracting more business activities and accommodating evolving business practices.

Bayside Council documentation provides support towards the intensive employment use of the land. Within the Bayside 2030 (2018). The long-term vision for Bayside promotes the evolution of this area as a vibrant economy characterised by a diversity of modern businesses. Bayside Council is already supporting strategies for encouraging the 'balanced' growth of Mascot and to increase local employment opportunities.

2. Business and Industry Profile

In this section of the report, MacroPlan identifies key business/industry trends which are expected to influence employment generation in the catchment area.

2.1 Industry Profile

According to Census data, the primary catchment area accommodates 21,443 jobs as at 2016. At the time, the largest employing industry, 'Transport, Postal and Warehousing', supported 9,348 of these jobs, equivalent to 43.6% of total jobs in the catchment area. Of the remaining industries, the next two largest employing industries operating in the catchment area are 'Retail Trade' (7.5%) and 'Accommodation and Food Services' (6.2%).

Table 1: Number of Jobs by Industry, Primary Catchment area

	Number of workers	Proportion (%)
Agriculture, Forestry and Fishing	40	0.2%
Mining	4	0.0%
Manufacturing	876	4.1%
Electricity, Gas, Water and Waste Services	134	0.6%
Construction	1,142	5.3%
Wholesale Trade	1,025	4.8%
Retail Trade	1,603	7.5%
Accommodation and Food Services	1,339	6.2%
Transport, Postal and Warehousing	9,348	43.6%
Information Media and Telecommunications	231	1.1%
Financial and Insurance Services	307	1.4%
Rental, Hiring and Real Estate Services	572	2.7%
Professional, Scientific and Technical Services	1,236	5.8%
Administrative and Support Services	1,305	6.1%
Public Administration and Safety	645	3.0%
Education and Training	327	1.5%
Health Care and Social Assistance	738	3.4%
Arts and Recreation Services	100	0.5%
Other Services	471	2.2%
Total	21,443	100.0%

Source: ABS Census (2016)

Relative to Greater Sydney, the job/industry profile for the primary catchment area differs in that it encompasses greater representation in 'Transport, Postal and Warehousing' but lower representation amongst all of other industries, including 'service-oriented', 'community-serving', and 'white collar' industries (e.g. 'Financial and Insurance Services').

Table 2: Jobs Composition Comparison, Primary Catchment area & Greater Sydney

	Greater Sydney	Primary	Difference
Agriculture, Forestry and Fishing	0.4%	0.2%	-0.2%
Mining	0.2%	0.0%	-0.2%
Manufacturing	6.2%	4.1%	-2.1%
Electricity, Gas, Water and Waste Services	0.8%	0.6%	-0.2%
Construction	7.3%	5.3%	-2.0%
Wholesale Trade	3.9%	4.8%	0.9%
Retail Trade	10.0%	7.5%	-2.5%
Accommodation and Food Services	7.2%	6.2%	-1.0%
Transport, Postal and Warehousing	5.3%	43.6%	38.3%
Information Media and Telecommunications	3.0%	1.1%	-1.9%
Financial and Insurance Services	7.0%	1.4%	-5.6%
Rental, Hiring and Real Estate Services	2.1%	2.7%	0.6%
Professional, Scientific and Technical Services	10.6%	5.8%	-4.8%
Administrative and Support Services	3.5%	6.1%	2.6%
Public Administration and Safety	6.0%	3.0%	-3.0%
Education and Training	8.6%	1.5%	-7.1%
Health Care and Social Assistance	12.3%	3.4%	-8.9%
Arts and Recreation Services	1.8%	0.5%	-1.3%
Other Services	3.7%	2.2%	-1.5%
Total	100.0%	100.0%	0.0%

Source: ABS Census (2016)

2.2 Employment Growth

Over the five years to 2016, the primary catchment area experienced a restructure of the jobs pool and a moderate increase in total jobs by 743.

The majority of the job growth was incurred in 'Retail Trade' (706 jobs). Significant job growth was also observed in 'Construction' (392 jobs), 'Administrative and Support Services' (367 jobs), 'Professional, Scientific and Technical

Services' (330 jobs), 'Financial and Insurance Services' (145 jobs), and 'Accommodation and Food Services' (111 jobs).

On the other hand, some 'traditional' industries incurred a significant outright job reduction; namely 'Transport, Postal and Warehousing' (-909 jobs), 'Wholesale Trade' (-444 jobs) and 'Manufacturing' (-232 jobs).

Table 3: Jobs Composition Comparison, Primary Catchment area (2011-16)

Number of workers	2011	2016	Change (no.)
Agriculture, Forestry and Fishing	9	40	31
Mining	6	4	-2
Manufacturing	1,204	876	-328
Electricity, Gas, Water and Waste Services	40	134	94
Construction	750	1,142	392
Wholesale Trade	1,469	1,025	-444
Retail Trade	897	1,603	706
Accommodation and Food Services	1,228	1,339	111
Transport, Postal and Warehousing	10,257	9,348	-909
Information Media and Telecommunications	158	231	73
Financial and Insurance Services	162	307	145
Rental, Hiring and Real Estate Services	591	572	-19
Professional, Scientific and Technical Services	906	1,236	330
Administrative and Support Services	938	1,305	367
Public Administration and Safety	567	645	78
Education and Training	271	327	56
Health Care and Social Assistance	670	738	68
Arts and Recreation Services	117	100	-17
Other Services	460	471	11
Total	20,700	21,443	743

Source: ABS Census (2011 & 2016)

Specifically, as part of its consideration of 'A Metropolis of Three Cities – the Greater Sydney Region plan', the Eastern City District Plan 2018 also recognises Mascot (i.e. Green Square – Mascot) as one of the strategic centres for higher employment densities and a diverse mix of uses and supporting services – particularly the

increasing travel demand from growth areas, which is one of the biggest contributors to economic growth and job creation in the district.

Green Square-Mascot is a significant centre for the District and a supporting centre for the nearby Harbour CBD, Port Botany and Sydney Airport. It is undergoing major urban renewal from a predominantly industrial area to one of increased residential use.

(...)

The centre would benefit from improved city-serving and centre-serving transport to address growing congestion and to improve access to Sydney Airport and Port Botany and to other employment centres. Mascot requires careful planning to ensure it develops a diverse and vibrant presence and improved access for workers from Mascot Station to Sydney Airport.

(...)

The centre's changing role needs to be better defined, especially around Mascot Station, and given appropriate policy support to grow and evolve. Supporting social infrastructure at Mascot must accompany this changing role.

(...)

Strengthen Green Square-Mascot through approaches that:

- a. protect capacity for job targets and a diverse mix of uses to strengthen and reinforce the economic role of the centre*
- b. retain and manage surrounding employment, industrial and urban services lands and their role in supporting the Harbour CBD, trade gateways and other strategic centres*
- c. continue to address road and public transport network congestion and avoid development that generates high road traffic volumes such as large-scale retail*
- d. continue reviews to remove barriers to cultural and creative uses*
- e. provide for safe walking and cycling throughout the centre and from Mascot Station to Sydney Airport*
- f. plan for the provision of social infrastructure within Mascot*
- g. Council of the City of Sydney and Bayside Council work together to strengthen and diversify the centre.*

As shown above, recent jobs growth in the Primary Catchment area has been dominated by 'service-oriented' industries and 'knowledge-intensive' professional industries². This signifies that the employment mix in the catchment area is undergoing transition, i.e. away from traditional industries (i.e. manufacturing, wholesale trade, and transport, postal and warehousing) to a service-oriented and greater diversified workforce.

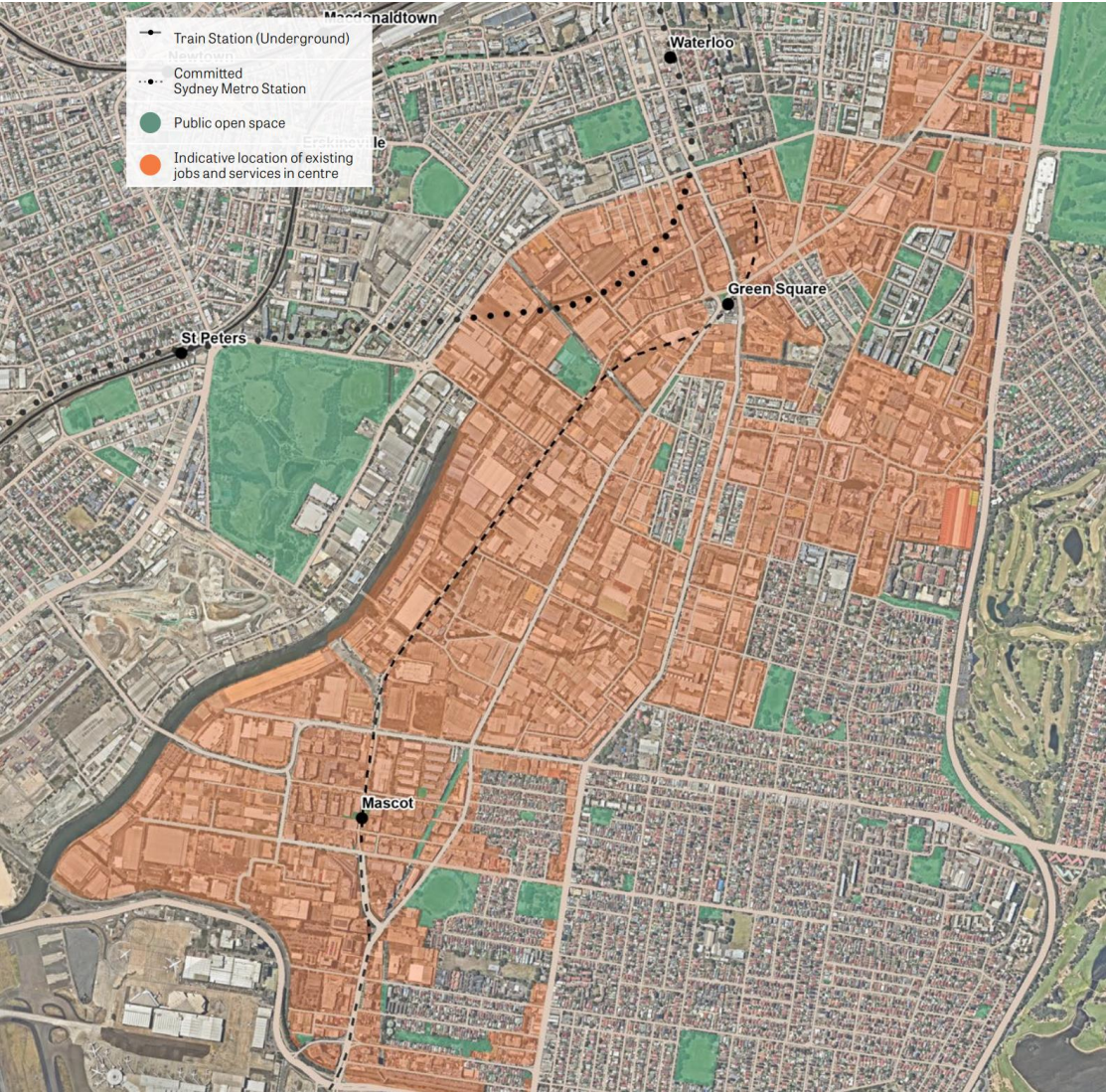
Particularly, retaining the current height limit over the site (i.e. part of the site along O'Riordan Street) would only permit a limited range of employment land uses at the site which are inconsistent with the employment trends outlined above. This could result in developers shying away from redevelopment of the land, and in the process

² 'Financial and Insurance Services', 'Information Media and Telecommunications', 'Rental, Hiring and Real Estate Services', 'Administrative and Support Services', 'Professional, Scientific and Technical Services', and 'Education and Training'

would miss the opportunity to create jobs and to enable the orderly and economic development of the site and Mascot generally.

Figure 3: Employment Forecasts, Green Square - Mascot

Green Square– Mascot	Jobs
2016 estimate	59,500
2036 baseline target	75,000
2036 higher target	80,000



Source: Greater Sydney Commission (2018)

Furthermore, the current height control does not permit a sufficient level of employment floorspace and service provision on the site. The proposed rezoning will support the objectives of the precinct in terms of jobs, public transport, community facilities and services. This will help to foster the 30-minute city and will support more efficient access to housing, workplaces, services and community facilities. It contributes to the government's current and planned future investment in public transport across metropolitan Sydney.

We also note that the local consumption of services and goods (i.e. food catering, fresh food, food eateries and local service providers), will support local businesses and jobs.

2.3 Business Composition

As at June 2017, there were 2,536 businesses operating within the primary catchment area. Of this total, 956 were employing businesses, with the remainder being non-employing (i.e. self-employed or sole traders).

Of employing businesses, the 'Construction' industry encompasses the most business (155), followed by 'Professional, Scientific and Technical Services' (133), 'Information Media and Telecommunication' (89) and 'Transport, Postal and Warehousing' (89).

Table 4: Business Count by Workforce Size, Primary Catchment area (June 2017)

	Non- employing	1-4	5-19	20-199	200+	Employing (total)	Employing (%)
Agriculture, Forestry and Fishing	3	5	0	0	0	5	0.5%
Mining	0	0	0	0	0	0	0.0%
Manufacturing	30	22	22	13	0	57	6.0%
Electricity, Gas, Water and Waste Services	3	0	0	0	0	0	0.0%
Construction	165	134	15	6	0	155	16.2%
Wholesale Trade	52	42	32	7	0	81	8.5%
Retail Trade	80	57	22	10	0	89	9.3%
Accommodation and Food Services	51	49	20	3	3	75	7.8%
Transport, Postal and Warehousing	362	60	19	10	0	89	9.3%
Information Media and Telecommunications	24	9	5	3	0	17	1.8%
Financial and Insurance Services	137	29	4	3	0	36	3.8%
Rental, Hiring and Real Estate Services	294	42	8	3	0	53	5.5%
Professional, Scientific and Technical Services	174	102	24	7	0	133	13.9%
Administrative and Support Services	70	33	3	12	0	48	5.0%
Public Administration and Safety	4	3	5	3	0	11	1.2%
Education and Training	19	4	9	0	0	13	1.4%
Health Care and Social Assistance	46	27	6	3	3	39	4.1%
Arts and Recreation Services	15	3	0	0	0	3	0.3%
Other Services	51	43	6	3	0	52	5.4%
Total	1,580	664	200	86	6	5	100.0%

Source: ABS Count of Australian Businesses (2018)

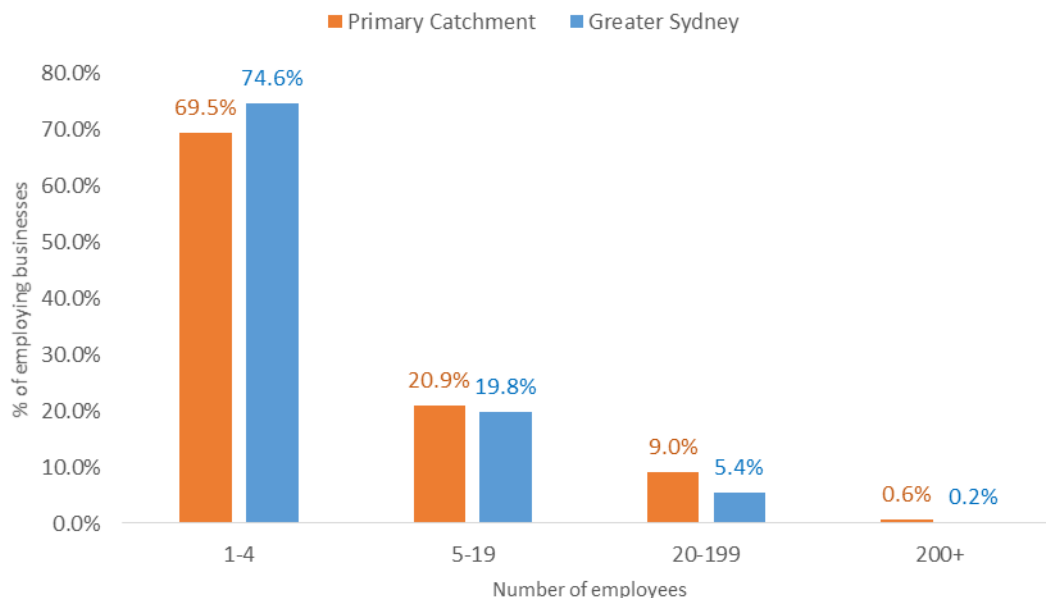
The majority of total businesses within the catchment area engage between 1 and 4 employees (69.5%) i.e. there are small businesses. 20.9% of employing businesses employ 5-19 workers, 9.0% employ engage 20-199 employees and 0.6% employ more than 200 workers. From a business count perspective, there is a skew towards smaller businesses in the catchment area.

The Greater Sydney business size profile is generally consistent with that observed in the primary catchment area, with a few variations. Relative to Greater Sydney, the catchment profile entails greater representation amongst small businesses with 20-199 employees, and is under-represented in relation to businesses with less than 5 employees.

Relative to Greater Sydney, representation amongst employing industries in the primary catchment area is:

- Greater in the 'Transport, Postal and Warehousing', 'Wholesale Trade', 'Retail Trade', 'Rental, Hiring and Real Estate Services' and 'Accommodation and Food Services'.
- Less in 'Professional, Scientific and Technical Services' 'Health Care and Social Assistance', 'Financial and Insurance Services', and 'Construction'.

Figure 4: Business Counts Comparison Employing Businesses (June 2017)



Source: ABS Count of Australian Businesses (2018)

Table 5: Business Counts Comparison Employing Businesses (June 2017)

	Greater Sydney	Primary	Difference
Agriculture, Forestry and Fishing	0.7%	0.5%	-0.1%
Mining	0.2%	0.0%	-0.2%
Manufacturing	5.2%	6.0%	0.7%
Electricity, Gas, Water and Waste Services	0.3%	0.0%	-0.3%
Construction	17.2%	16.2%	-0.9%
Wholesale Trade	6.1%	8.5%	2.4%
Retail Trade	8.1%	9.3%	1.2%
Accommodation and Food Services	7.0%	7.8%	0.8%
Transport, Postal and Warehousing	4.8%	9.3%	4.5%
Information Media and Telecommunications	1.6%	1.8%	0.2%
Financial and Insurance Services	5.3%	3.8%	-1.6%
Rental, Hiring and Real Estate Services	4.4%	5.5%	1.1%
Professional, Scientific and Technical Services	17.8%	13.9%	-3.9%
Administrative and Support Services	5.5%	5.0%	-0.5%
Public Administration and Safety	0.6%	1.2%	0.6%
Education and Training	1.8%	1.4%	-0.4%
Health Care and Social Assistance	7.1%	4.1%	-3.0%
Arts and Recreation Services	1.2%	0.3%	-0.8%
Other Services	5.3%	5.4%	0.2%
Total	100.0%	100.0%	0.0%

Source: ABS Count of Australian Businesses (2018)

2.4 Business Growth

Between 2011 and 2016, the number of businesses in the primary catchment area increased by a net of 298. Notably, 30.5% of these were 'employing' businesses (i.e. not sole traders).

By industry, the number of employing businesses in the 'Construction' industry increased by 37 comprising mainly of small business employing 1-4 employees. This is followed by 'knowledge-intensive' and 'service-oriented' industries³ has increased by 36 businesses over the 3-year period, reflecting the transition from the traditional industries such as Manufacturing and Wholesale Trade.

Collectively, 'Transport, Postal and Warehousing', which decreased by -6 employing businesses, most of them were employing 20-199 employees, reflecting the decline in jobs in this industry.

³ 'Information Media and Telecommunications', 'Financial and Insurance Services', 'Rental, Hiring and Real Estate Services', 'Professional, Scientific and Technical Services', 'Administrative and Support Services', 'Public Administration and Safety', 'Education and Training', and 'Health Care and Social Assistance'

Table 6: Business Count Change, Primary Catchment area (2015-2017)

	Non- employing	1-4	5-19	20-199	200+	Employing (total)
Agriculture, Forestry and Fishing	0	2	0	0	0	2
Mining	0	0	0	0	0	0
Manufacturing	-10	0	-2	3	0	1
Electricity, Gas, Water and Waste Services	3	0	0	0	0	0
Construction	32	30	1	6	0	37
Wholesale Trade	-16	11	5	-2	0	14
Retail Trade	9	15	2	-2	0	15
Accommodation and Food Services	13	-1	-1	-3	0	-5
Transport, Postal and Warehousing	98	3	-3	-6	0	-6
Information Media and Telecommunications	2	-3	2	0	0	-1
Financial and Insurance Services	3	11	-1	0	0	10
Rental, Hiring and Real Estate Services	35	-2	2	0	0	0
Professional, Scientific and Technical Services	10	9	8	3	0	20
Administrative and Support Services	17	5	0	9	0	14
Public Administration and Safety	-1	-2	1	0	0	-1
Education and Training	1	-1	4	-3	0	0
Health Care and Social Assistance	6	-5	-4	3	0	-6
Arts and Recreation Services	-1	-2	0	0	0	-2
Other Services	6	0	-4	3	0	-1
Total	207	70	10	11	0	91

Source: ABS Count of Australian Businesses (2018)

Overall, our review of business growth for the primary catchment area presents a strong message that:

- Traditional industries such as 'Manufacturing' and 'Transport, Postal and Warehousing' have declined.
- There are some growth in the 'professional' and 'service-oriented' industries with an expansion in 'Professional, Scientific and Technical Services', 'Administrative and Support Services' and 'Financial and Insurance Services'.
- We also note however, a relatively weaker growth in 'professional' and 'service-oriented' industries generally compared to other inner Sydney cities and suburbs. It indicates that Mascot is currently a relatively less attractive location for new 'service-oriented' businesses and 'knowledge-intensive' industries.

2.5 Place of Work

About 24% of working residents from the primary catchment area also work in the total catchment area⁴, but the majority of local residents travels outside of the local area for work.

As presented in the table below (i.e. Table 23), popular workplace destinations for working residents of the primary catchment area include Sydney LGA (37.4%), Botany Bay (21.7%), Randwick (10.6%), Inner West (3.1%), Waverley (2.8%), North Sydney (2.7%) and Rockdale (2.2%).

Table 7: Workplace Destinations of Working Residents in Primary Catchment (2016)

Workplace Destination	Number	%
Primary Catchment	1,732	14.1%
Total Catchment	2,899	23.9%
Other Regions	9,236	76.1%
Major workplace destination LGAs		
Sydney (C)	4,552	37.4%
Botany Bay (C)	2,635	21.7%
Randwick (C)	1,290	10.6%
Inner West (A)	372	3.1%
Waverley (A)	341	2.8%
North Sydney (A)	325	2.7%
Rockdale (C)	267	2.2%
Parramatta (C)	241	2.0%
Canterbury-Bankstown (A)	206	1.7%
Woollahra (A)	198	1.6%

Source: ABS Census (2016)

Notably, Employment self-containment (percentage of local working residents that also works in the primary catchment) and self-sufficiency (percentage of local jobs held by local working residents) rates are very low. Mascot only has a self-containment rate of about 14.1%; however, most of the primary catchment residents are employed in other suburban employment areas and in the City of Sydney.

Moreover, the subject site is well located from a public transport perspective, within walking distance of the Mascot train station, thereby enabling its transition away from car-based employment uses.

⁴ Botany SA3

3. Demand Assessment (Short Term Stay)

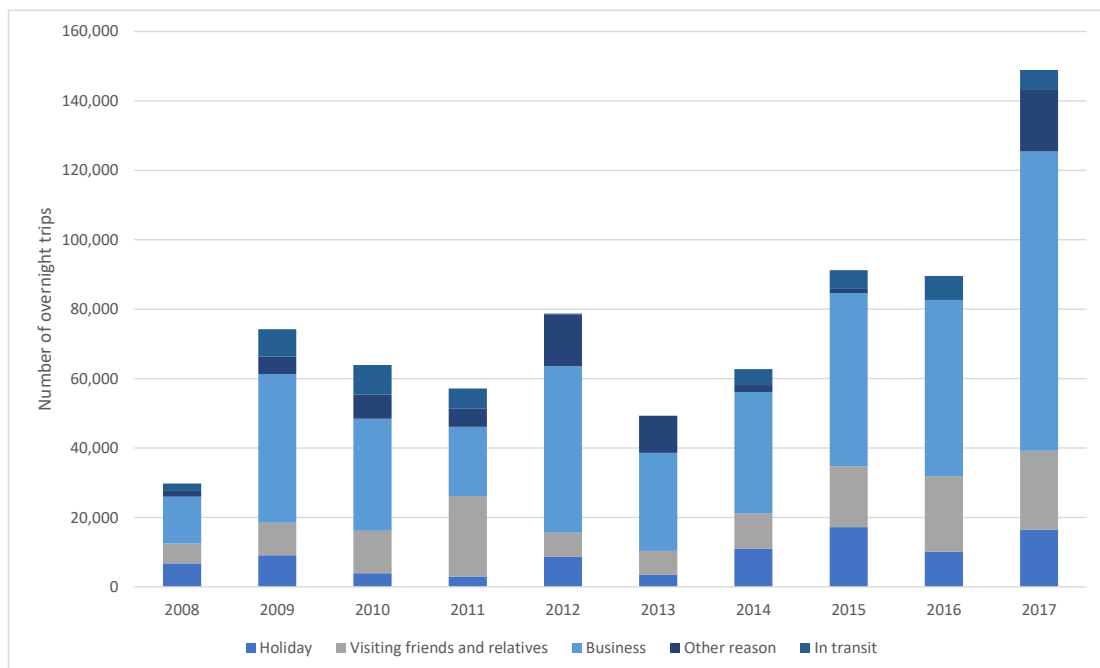
In order to ascertain the current size of the tourist/visitor market, we have sourced the visitor survey data from Tourism Research Australia (TRA). According to the TRA, overnight travel involves a stay away from home of at least one night, at a place at least 40 kilometres from home – essentially it is a clear indication of demand for short term accommodation.

3.1 Overnight Trips – Domestic Visitors

Our analysis of overnight trips in the primary catchment area indicates that the fair share of domestic visitors spent nights in paid accommodation for 'Business' (57.9%), and followed by 'Visiting friends and relatives' (15.3%), 'Holiday' (11.0%) as at 2017.

Notably, the historical trends analysis highlights that the recent growth is being underpinned by the domestic corporate travel. Between 2012 and 2015, the business/work-related segment grew by 226%, whereas 89.7% in the 'holiday' segment and 79.9% the 'visiting friends and relatives' segment.

Figure 5: Overnight Trips, number of Domestic Visitors, Primary Catchment



Source: Tourism Research Australia (2019)

Based on the analysis of overnight domestic trips indicates that nearly 50% of domestic visitors in the primary catchment spent night in paid accommodation, and two-third of these visitors spend night in “hotels and similar accommodation’.

Notably, 62.3% of the “business/work-related’ visitors spent night in “hotels and similar accommodation’, and followed by the ‘In Transit’ visitors (57.4%), the ‘Holiday’ visitors (32.5%) as at 2017.

Table 8: Number of Overnight Trip by Stop-over reasons, Domestic Visitors (2012-2017)

Stop over reasons (overnight trips, ‘000)	2012	2013	2014	2015	2016	2017	Growth (%) 2012-17	% of staying in hotels (2017)
Holiday	33,896	34,998	37,174	38,149	39,384	41,635	22.8%	32.5%
Visiting friends and relatives	27,444	27,372	29,728	30,919	32,144	33,708	22.8%	12.4%
Business	14,313	14,282	17,640	18,351	19,186	21,385	49.4%	62.3%
Other reasons	3,673	3,745	5,004	5,139	5,289	5,732	56.0%	32.9%
In transit	610	694	696	772	1,063	1,204	97.1%	57.4%
Not stated/not asked	25	61	48	51	195	255	N/A	N/A

Source: Tourism Research Australia (2019)

Moreover, the ‘Holiday’ and ‘Visiting friends and relatives’ segments only grew by 22.8% (each) compared to 49.4% in the ‘Business’ segment between 2012 and 2017.

3.2 Overnight Trips – International Visitors

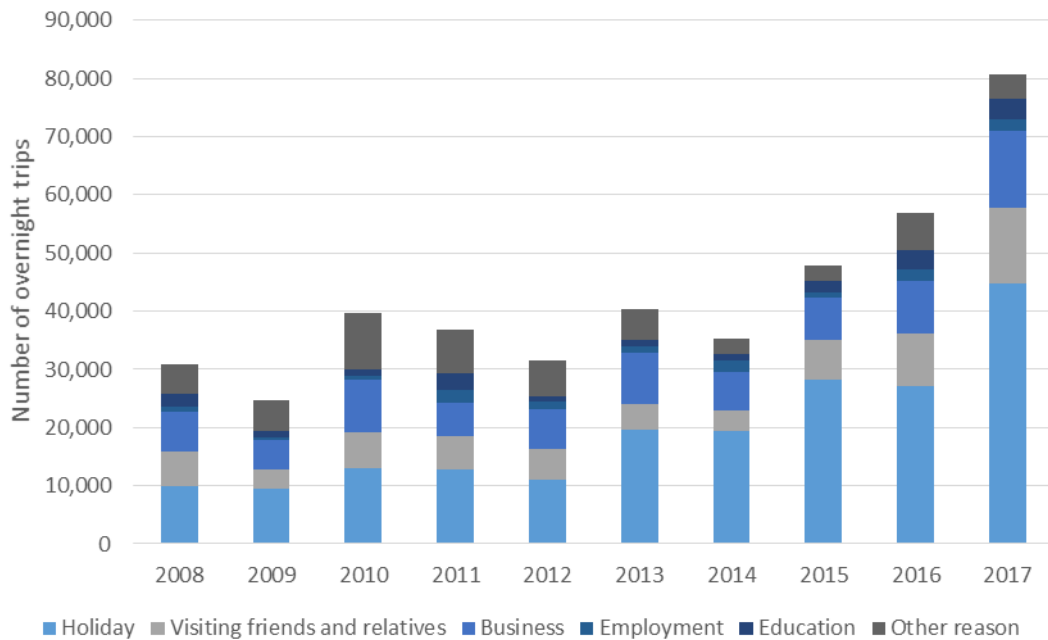
According to our reconnaissance of the purpose of overnight trips from overseas, growth is being underpinned by the leisure segments (i.e. ‘holiday’ and ‘visiting friends and relatives’) and to a lesser extent by international corporate travel.

In the primary catchment area, the leisure segment accounted for the highest proportion of overnight trips in 2017 at 76.6% compared to 9.1% in the business segment, 8.1% in the ‘employment’ and ‘education’ segments.

Notably, analysis of the purpose of overnight visit in the primary catchment highlights that the ‘holiday’ segment grew by 55.1% from 2012 to 2017, and followed by ‘Education’ (47.7%), ‘Visiting friends and relatives’ (44.4%) and ‘Business’ (13.6%).

Based on the analysis of overnight international trips indicates that nearly 60% of international visitors in the primary catchment spent night in paid accommodation, and 70% of them spend night in “hotels and similar accommodation’.

Figure 6: Overnight Trips, number of International Visitors, Primary Catchment



Source: Tourism Research Australia (2019)

Notably, 82.0% of the “business/work-related” visitors spent night in “hotels and similar accommodation”, and followed by the ‘Holiday’ visitors (55.1%), the ‘Employment/Education’ visitors (26.2%) as at 2017.

Table 9: Number of Overnight Trip by Stop-over reasons, International Visitors (2012-2017)

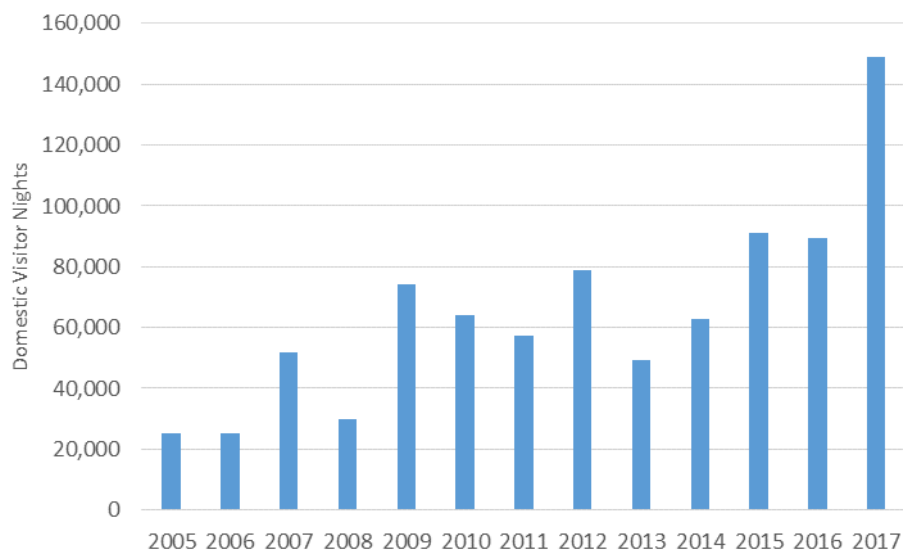
Stop over reasons (overnight trips, '000)	2012	2013	2014	2015	2016	2017	Growth (%) 2012-17	% of staying in hotels (2017)
Holiday	3,540	3,817	4,068	4,496	5,193	5,492	55.1%	54.8%
Visiting friends and relatives	2,222	2,366	2,543	2,749	2,948	3,209	44.4%	10.0%
Business	908	876	924	878	913	1,031	13.6%	82.0%
Employment	270	277	299	335	312	282	4.4%	18.1%
Education	433	436	443	534	582	640	47.7%	8.1%
Other reason	42	38	34	44	67	74	74.6%	32.3%
In transit	546	534	607	612	680	629	15.1%	28.2%

Source: Tourism Research Australia (2019)

3.3 Visitor Nights

Visitor nights in the primary catchment totalled 1.02 million visitors' nights in 2017 having increased every year since 2011. The international segment dominates accounting for 85.5% of all visitor nights in 2017 and having averaged 82% over the last 5 years to 2017.

Figure 7: Number of Visitor Nights, Domestic



Source: Tourism Research Australia (2019)

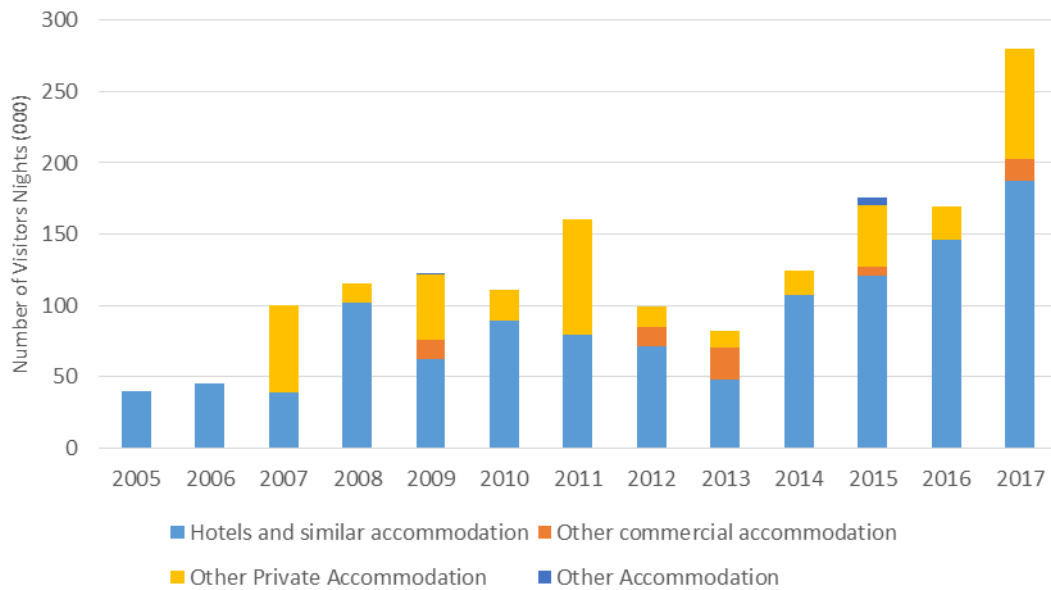
Figure 8: Number of Visitor Nights, International



Source: Tourism Research Australia (2019)

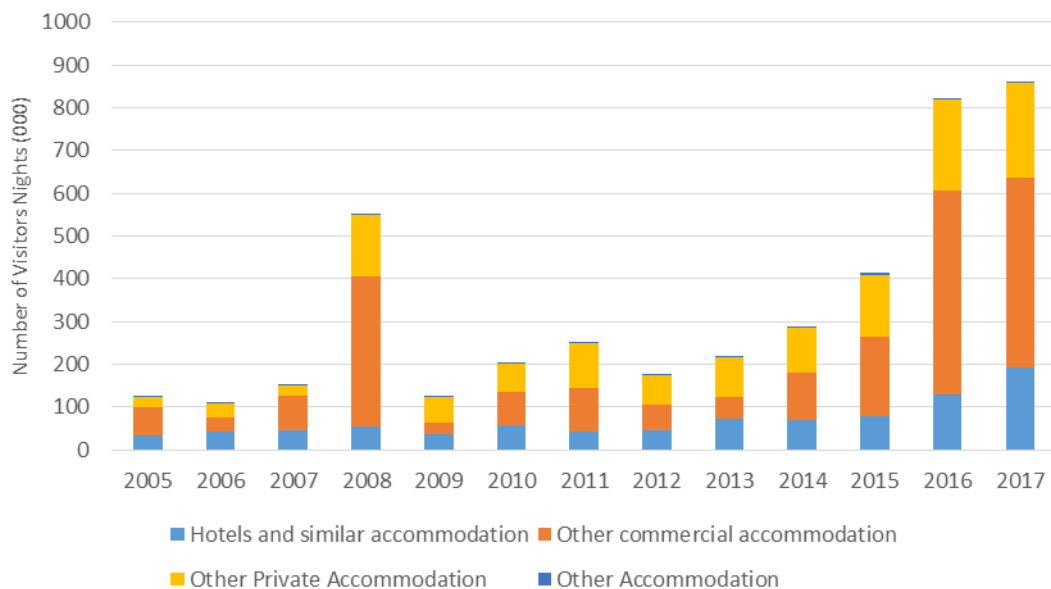
Domestic visitor nights has recently peaked in 2017 at 148,904 nights and a level which was well above the ten year average of 74,560 nights. Similarly, international visitors nights also has peaked since 2008, at 837,371 nights in 2016 and 876,694 nights in 2017, which are more than double the ten-year average of 396,896 nights.

Figure 9: Number of Overnight Trip by Stop-over Accommodation, Domestic Visitors



Source: Tourism Research Australia (2019)

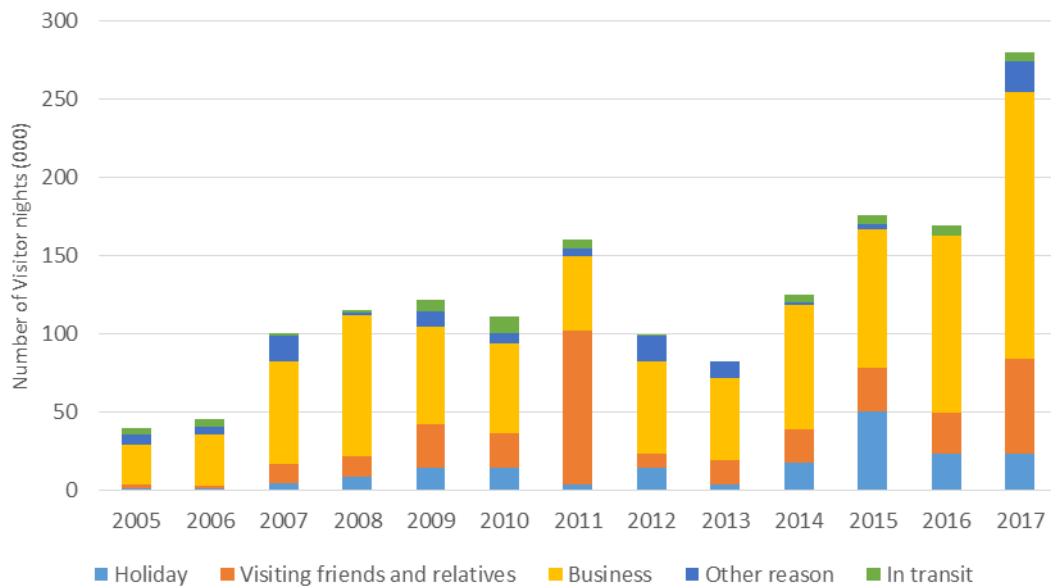
Figure 10: Number of Overnight Trip by Stop-over Accommodation, International Visitors



Source: Tourism Research Australia (2019)

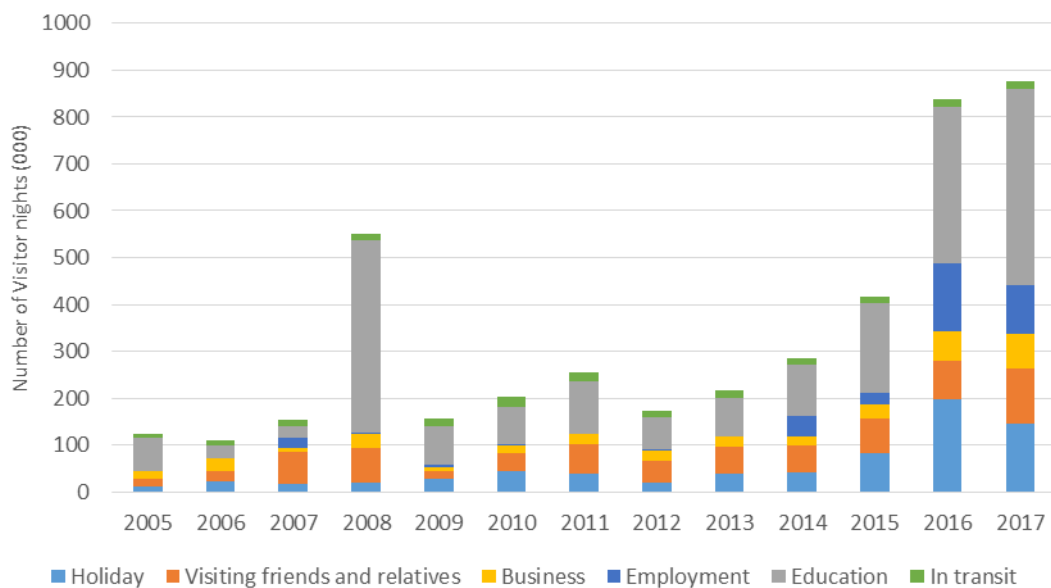
In terms of accommodation demand, a total of 0.84 million visitor's nights were spent in paid accommodation in 2017. Consistent with total visitor nights, the international segment dominates commercial visitor nights, accounting for 75.8% of all visitor nights in 2017.

Figure 11: Number of Overnight Trip by Stop-over reasons, Domestic Visitors



Source: Tourism Research Australia (2019)

Figure 12: Number of Overnight Trip by Stop-over reasons, International Visitors



Source: Tourism Research Australia (2019)

In terms of stop-over reasons, business segment has seen a significant increase in numbers, particularly during the last 5 years which saw an average of 32,250 business visitors per year, compare to the longer term average of 12,380 between 2008 and 2017.

3.4 Forecasting Future Demand – Business Visitors

MacroPlan also utilised the employment projections from the Transport Performance and Analytics (TPA) (Transport for NSW), which outlines the employment outlook across Greater Sydney and its industries.

Between 2016 and 2036, our analysis of the employment projections shows that the following industries will be the primary source of job creation over the next twenty years – approximately 3,400 jobs in total:

- Transport, Postal, and Warehousing (approximately 1,240 jobs)
- Professional, Scientific and Technical Services (approximately 540 jobs)
- Administrative and Support Services (approximately 380 jobs)
- Accommodation and Food Services (approximately 345 jobs)
- Rental, Hiring and Real Estate Services (approximately 330 jobs)
- Health Care and Social Assistance (approximately 240 jobs)
- Construction (approximately 175 jobs)

Based on the analysis, we envisage the aforementioned industries are forecast to provide employment growth in the catchment area, marginally offset by the loss of traditional industry jobs (i.e. Manufacturing & Wholesale Trade), approximately 380 jobs.

Moreover, the impact of the proposed major transport infrastructure (upgrade) projects is difficult to value. Particularly the improvement in travel time is difficult to value. However, we envisage that those major projects would deliver significant improvement travel time by reducing congestion at critical pinch points and bottlenecks across Mascot and the Botany region generally.

4. Supply Assessment

A competitive supply assessment has been undertaken for the defined catchment area with consideration for any new project in the adjacent LGAs. This reconnaissance informs the supply characteristics of the catchment. Our assessment considers provision of hotels and serviced apartments in the catchment.

4.1 Existing Supply

As at January 2019, our analysis of primary catchment's accommodation market has identified 15 accommodation establishments with 2,966 rooms, including serviced apartments (814).

Table 10: Short Term Stay Accommodations, Current Supply

Name	Address	Serviced Apt	Hotel	Grade
Rydges Sydney Airport Hotel	8 Arrivals Court	-	318	4.5
Stamford Plaza Sydney Airport	Cnr Robey & O'Riordan Streets	-	315	5
ibis budget Sydney Airport	5 Ross Smith Avenue	-	199	3
Felix Hotel	121 Baxter Road	-	150	4
The Branksome Hotel & Residences	60 Robey Street	-	146	5
ibis Sydney Airport	205 O'Riordan Street	-	200	3.5
Adina Apartment Hotel Sydney Airport	17 Bourke Road	123	-	4.5
Meriton Suites Mascot Central	8 Jackson Drive	386	-	5
Meriton Suites Coward Street	200 Coward Street	179	-	5
Pullman Sydney Airport	191 O Riordan Street	-	229	5
Travelodge Hotel Sydney Airport	289 King Street	-	209	4.5
Quest Mascot	108-114 Robey Street	91	-	4.5
Mantra Hotel at Sydney Airport	3 Ross Smith Avenue	-	136	4
Holiday Inn Sydney Airport	Cnr Bourke Road & O'Riordan Street	-	250	4.5
AeA Sydney Airport Serviced Apartments	Cnr Botany Road & Wentworth Avenue	35	-	4

Source: Various Sources including booking.com, tripadvisor, ABS and Tourism Research Australia (2019)

Key observations pertaining to our examination of current supply include:

- The majority of accommodation rooms is 'hotel' rather than 'serviced apartment' accommodation (approximately 72% of total accommodation rooms in the primary catchment);
- Accommodation rooms in the region are predominantly rated 4.5-star or higher for over 75% of all accommodation rooms. These are graded, not including self-rated STS providers; and

- Only about 25% available within a 400m-walking distance from the Mascot station. Furthermore, there are only 123 serviced apartments within the same walking distance.

4.2 Proposed Short Term Stay Accommodation

An examination of projects listed on Cordell Connect and proposed estate masterplans has revealed there are only 4 STS projects in the pipeline to 2022; 4 hotels with no serviced apartment provision. Collectively, the pipeline provides for development of 680 hotel rooms to be constructed by 2022.

Table 11: Short Term Stay Accommodations, Future Supply

Name	Address	Suburb	Serviced Apt	Hotel	Project Status	Completion Year
Hotel Mascot	40-54 Baxter Road	Mascot	-	238	DA Section 96 Submitted	2022
Hotel Mascot	2-8 Sarah Street	Mascot	-	169	Demolition Completed	2021
Holiday Inn Sydney Airport	19 Bourke Street	Mascot	-	204	DA Submitted	2022
Sarah Street Hotel	10 Sarah Street	Mascot	-	69	DA Submitted	2021

Source: Cordell Connect (2019)

Notably, the 'Holiday Inn Sydney Airport' development at 19 Bourke Street (Mascot) is expected to include new 204 hotel rooms, near the subject site and within a 400m walkable distance from the Mascot station.

Key Observations pertaining to our examination of future supply include:

- The majority of future supply is delivering hotel rooms rather than Serviced apartments or other accommodation type.
- Notably, most of the future supplies will be located near the Airport, and only one project will deliver 204 hotel rooms (i.e. no serviced apartments) near the Mascot station (i.e. within a 400m radius from the station)

5. Implications to Mascot

In this section we justify the proposed rezoning of the subject site from our findings.

5.1 Subject Site in Mascot

As Sydney restructures toward a service-based economy, it is expected that major cities and their supporting regions will become major job generators unto themselves. Mascot has a great potential to become a more vibrant, mixed-use town centre; is well-placed to meet this opportunity, however, to become a competitive 'town centre':

- Require critical mass in business and professional services, and retailing. Critical mass is essential, firstly to provide a feasible operating market place, and second to provide a superior market place to competitors; and
- Need to simultaneously increase its resident and worker populations.

In this context, the rezoning of the subject site is in keeping with the long-term expectations for the Eastern City District. The planning proposal provides opportunity to deliver commercial services that support the local community and better match its employment needs.

5.2 Proposed Land Uses

The revitalisation of the existing Mascot town centre must have regard for broader employment trends and future employment needs. This requires consideration of both the scale and density of employment that can be supported at a specific site, as well as the type of industry sectors that can be supported. The following key observations are made:

- Mascot's employment base has recently increased through growth in the Professional Services, Health, Education, and other service related industries (e.g. Retail Trade). Other employing sectors have declined in their overall importance (e.g. manufacturing and wholesale trade).
- Going forward, employment growth within Botany, especially Mascot is forecast to continue to grow at rapid rates, on the back of continued population growth and fast-ageing. The significant increase in future employment is quite profound and represents both the continuing shift from primary and secondary industries to service industry sector i.e. commercial and knowledge-intensive industries.

- There has been some growth in 'professional' and 'service-oriented' industries recently. However, compared to the Sydney Metropolitan average, a relatively weaker growth in 'professional' and 'service-oriented' industries. It indicates that Mascot is currently a relatively less attractive location for new 'service-oriented' businesses and 'knowledge-intensive' industries.
- Mascot only has a self-containment rate (percentage of local working residents that also works in Mascot) of about 14%, very low considering a strong employment presence at the town centre and the proximity to Sydney Airport and Port Botany. Most of the current residents in Mascot commute to other suburban employment areas the City of Sydney.
- Mascot is well-located from a public transport perspective, within walking distance to the new metro station and connected by everyday bus routes – thereby enabling its transition away from car-based employment uses.
- Recent and planned development activity near the Sydney Airport is representative of indicative demand conditions with an emphasis on commercial, retail and mixed use developments.
- Local employment has grown significantly at Mascot and is projected to grow much further in the next 5 to 10 years. Mascot needs more floor space to accommodate a greater number and diversity of future employment activity.
- The anticipated future employment growth (and population growth) is expected to put more pressure on the current STS accommodation at Mascot, particularly within the walking distance from the Mascot station. In order to meet the future demand, MacroPlan envisages that there is an immediate need to supply new STS accommodation at Mascot, especially serviced apartments.

7. Employment Outcomes

This section of the report examines the net community benefits associated with the potential rezoning of the site, including its employment generation and other economic and social benefits.

6.1 Economic and Community Needs Assessment

Overall, MacroPlan envisages that redevelopment of the subject site provides an opportunity for a range of commercial, retail and STS accommodation uses to be provided in order to service the existing and future local community needs. The following outlines the economic need for the recommended rezoning to a broader mix of land uses at the site:

6.1.1 Economic Needs

Based on past market trend, current and projected employment growth, we envisage that there would be more business visitor seek convenience in Mascot and its surrounding regions. This type of visitor travel seek convenience and quality (of accommodation rooms and service), but also budget-focused due to commercial constraints. The site location is highly favourable for business travellers who do want to drive but do not use public transport – it is a convenient location with proximity to the Sydney Airport, the Sydney CBD, and nearby inner cities.

Our analysis of current and proposed supply (of accommodation rooms) shows that existing hotels and serviced in the primary catchment area would not accommodate the projected increase in demand.

There are almost 24,000 persons in the primary catchment area at 2016, which is expected to grow to reach almost 38,000 persons by 2036. Significant population growth within the primary catchment area, particularly within the primary catchment will drive additional demand for retail and non-retail facilities to cater to this growing population.

The scale of the planning proposal is reasonable, where the proposed retail and non-retail facilities (i.e. restaurant, neighbourhood shops etc.) at the subject site are also of a scale and function that will cater for the day-to-day shopping and local service needs of local residents, workers and commuters, as well as students, tourists and wider Sydney residents.

The subject site is ideally located to accommodate proposed retail and non-retail facilities. Specifically, the location of the subject site on a prominent future metro station supports both local residential and worker catchments as well as a passing traffic/commuter. These catchment conditions have been assessed throughout this report and have been determined as suitable in terms of size and demand capacity/potential to support the proposed use onsite.

6.1.2 Community Need Drivers

The proposed rezoning at the subject site would generate a range of community need drivers, in particular the following:

- Increased choice and amenity for the population of the main trade area as well as likely increased competition for the benefit of consumers.
- More convenient access to new hotels and service apartments, and other supporting retail and non-retail services, to serve both the current residents and workers of the main trade area and future residents and workers, as well as other customer segments.
- Reduced travel distances, leading to savings on time and fuel for main trade area residents, due to a much better provision of services and amenities at the local level. A reduction in travel times and distances generates related benefits, including reduced vehicle wear and tear, reduced fuel costs, reduced pollution, reduced traffic congestion, reduced risks of car accidents, and more time which can be spent either working, socialising or undertaking other activities.
- Providing additional retail and non-retail facilities to service a growing residential growth area, without reducing the level of service provision anywhere else, nor preventing any future development from establishing across the region.
- Opportunities for small businesses to open premises within the Mascot town centre.
- Providing jobs near people's homes and consequent economic multiplier impacts, which will boost the local economy.

Based on the analysis and implications presented throughout this report, MacroPlan consider there is sufficient demand, as well as economic and community need to support the rezoning and the redevelopment of the site, comprises of short term stay accommodation, commercial, retail and ancillary non-retail facilities at 146-154 O'Riordan Street, Mascot.

6.1.3 Employment Impacts

The potential development of the proposed hotel and serviced apartment, as well as retail and non-retail offerings at 146-154 O'Riordan Street, Mascot will result in additional on-going employment on site, as well as further jobs throughout the supply chain, including those in industries servicing the retail tenants at the site, such as transport workers, wholesalers and the like.

Furthermore, the construction phase of the project will support temporary construction related employment, and additional temporary jobs through the broader economic supply chain (i.e. multiplier impacts).

In estimating the various employment benefits, relevant data and information from various sources is relied upon (e.g. supermarket operators, the ABS, state and local government agencies, as well as 30 years of experience in preparing assessments of this nature).

Table 12 illustrates the estimated net increase in direct on-site employment that could potentially be created if the proposed development at the subject site were to proceed. As shown, it is estimated that an additional 700 to 770 jobs could be created on site once the development is fully operational. Making an allowance of around 10% for employment being redirected from other centres, the proposed development could result in a net addition of 630 to 700 jobs.

In addition, the construction phase of the project can sustain additional jobs directly (i.e. direct employment) and indirectly (indirect employment resulting from multiplier induced effects).

Table 12: Estimated Employment Dividends

Land Uses	Yield	Employment Density	Potential Employment dividend
Hotels	253 hotel rooms (4-5 stars)	1 employee per 0.8 rooms	300-320
Serviced apartments	562 apartments (4-5 stars)	1 employee per 1.5 rooms	360-380
Restaurant	288 m ² (GFA)	15-35	10-20
Neighbourhood shops/Commercial	906 m ² (GFA)	20-30	30-45

Source: MacroPlan (2019), Toplace (2019)

6.1.4 Proposed Development

In its redeveloped form, the proposed development will comprise a mix of service industries and retail/commercial offering.

The proposed hotel and service apartment provision, the retail and non-retail services supported at the development will employ about 630-700 people, generating an IVA (i.e. Industry value-add) of close to \$45m per annum.

6.1.5 Without the Proposed Development

Currently, the subject site area is a freestanding corporate facility centre and an accompanying quantity of warehousing, commercial, retail and food services. When operating at its full capacity, based on benchmark employment densities, it is estimated that 100-110 people would be employed at the subject site, generating output with an industry value-added (IVA) of about \$13.4m per annum.

In the absence of major redevelopment, it is likely that activity at the subject site would have continued to decline due to its increasing traffic congestion and retail/non-retail competition, and by 2026, it is likely to be at more like 70% of its capacity, or an IVA of about \$9.4m per annum.

6.1.6 Transport benefits:

There are many economic benefits attributable to the transport aspects of the project. These are substantial in their breadth and include improved transport efficiencies (e.g. reduced road congestion, commuter time savings), improved labour efficiencies (e.g. increased worker shed capacity, travel time reductions), environmental improvements (e.g. increased walking, reduced car pollution) and social benefits (e.g. reduced road traffic accidents).

6.1.7 Other benefits

In addition to the benefits mentioned above, there are several other benefits that have not been quantified in this report. These wider economic benefits specifically attributable to the planning proposal include:

6.1.8 Economic KPIs

In understanding the economic importance of the planning proposal, it is relevant to highlight the strong correlation of economic infrastructure with output growth, productivity, expenditure/ income, employment and private sector investment. Specific derived benefits include:

- Increased expenditure: e.g. worker / visitor/ private expenditure, generated by the construction and ongoing operation of the mixed-use development
- Investment stimulus: e.g. enhanced private investment, increased land values, encouragement of landlords to redevelop neglected or underutilised property for higher and better use.
- Employment generation: i.e. identified employment impacts through construction and operational phases of the project; plus the induced employment that is attracted to the area through its improved amenity, helping to both attract and retain new workers.
- Transport-related benefits: i.e. generated through a centralised population, reduced vehicle movements and enhanced commuter and community safety generated through 'activating' the town centre, evening trading etc.

6.1.9 Social KPIs

Social considerations regarding the implementation of the potential rezoning have been based on local issues such as impacts on actual and perceived levels of safety, and other social equity issues such as accessibility. Amenity is also addressed in this analysis, reflecting current planning objectives and community aspirations for the site and Mascot in general. Specific social benefits of the project are attributed to:

- Health, Wellbeing and Safety: e.g. a reduction in the level/ perceptions of crime, pedestrian and vehicle accidents as well as the health and wellbeing benefits promoted by the planning proposal and subsequent development application.
- Accessibility and connectivity: e.g. enhanced pathways, connectivity, linkages between local areas.
- Social cohesion: the benefit of a broader mix of land uses provides to enhancing connections and fostering a sense of belonging between members of the community.

- Safety: Activating the town centre for 18 hours per day will help to provide both active and passive surveillance and reduce the incidence of crime.
- Service accessibility: including locally required services supporting existing and new residents.

6.1.10 Environment KPIs

The positive environmental impacts associated with a greater use of rail are more attributable to the broader Sydney region, rather than explicitly linked to Mascot, e.g. the project's capacity to reduce energy consumption and a lesser reliance on fossil fuels. Importantly, however, at a local level, the project will encourage walkability and help to reduce traffic congestion and to improve air quality in the area.

8. Conclusion

Overall, it is our professional opinion that the recommended rezoning to a broader mix of land uses would deliver a superior employment outcome (compared to the existing uses), accommodating between 630-700 additional direct jobs creation.

Given that the existing businesses on the site is due to cease and the observed decline in jobs in traditional industries, it is envisaged that the current employment outcome would not be maintained in the absence of significant investment (on the premises).

The proposal supports a more viable employment outcome for the site, and one that responds to and supports employment growth and demand conditions.

Our analysis of current and proposed supply (of accommodation rooms) shows that existing hotels and serviced in the primary catchment area would not accommodate the projected increase in demand.

Based on past market trend, current and projected employment growth, we envisage that there would be more business visitor seek convenience in Mascot and its surrounding regions. This type of visitor travel seeking convenience and quality (of accommodation rooms and service), but also budget-focused. The site location is highly favourable for business travellers who do not want to drive and use public transport – it is a convenient location with proximity to the Sydney Airport, the Sydney CBD, and nearby inner cities.

Moreover, the proposed hotel and service apartment provision, the retail and non-retail services at the subject site will employ about 630-700 people, generating an IVA (i.e. Industry value-add) of close to \$45m per annum.

In the absence of the planning proposal, the current uses of the subject site (i.e. no rezoning and no site redevelopment) are estimated to have generated an IVA of around \$9.4m. An increase in IVA of circa \$35-36m is therefore projected and attributable to the project. The project will also generate a number of non-quantifiable social and environmental benefits.

In addition to delivering a market compatible and superior employment outcome for the subject site, the proposed rezoning will also:

- Promote industry diversification (and generate new employment sources).
- Provide indirect employment during the planning, construction and maintenance stages.
- Deliver complementary services for the local communities – support its business, workforce and future residents.

It is clear the planning proposal will deliver more intensive employment use and sustainable employment outcome.