

12 May 2021

Dear Derek

Subject: Concord Freshfood Project – Economic Impact Assessment Addendum

This letter is an update to the economic impact assessment (EIA) prepared by HillPDA (February 2019) on the planning proposal (PP) at 160 Burwood Road (PP_2020_002_00) relating to the Bushell's site in Concord.

We understand that the land use mix has been revised and the NSW Department of Planning Industry and Environment (DPIE) has requested that "the planning proposal be amended to demonstrate how the proposal would result in better employment outcomes, noting the site currently provides 17,000 m2 of light industrial floorspace. The revised planning proposal should demonstrate how it would contribute to improved employment opportunities on the site, including emerging industries, technology and innovation."

We further understand that the planning proposal seeks to rezone land from IN1 General Industrial to part R3 Medium Density Residential, part B1 Neighbourhood Centre and part RE1 Public Recreation and amend various development standards for the site. The proposal would also establish a minimum of 10,000sqm for non-residential uses (including 3,000sqm for light industrial uses / urban services).

This letter is an addendum to the EIA report in relation to the estimation of jobs on site and economic output.

The earlier EIA noted 136 current jobs (largely full-time) on site in food manufacturing and that the PP would replace those jobs with 136 jobs in retail and food services (full and part time) and a further 51 residents (most likely estimate) would undertake the majority of their paid work at home.

We understand the proposed mix of employment uses on site will be:

- 3,500sqm of retail spaces
- 3,500sqm of non-retail commercial spaces
- 3,000sqm of light industrial / urban services

Jobs on site

The additional space will increase the number of jobs on site. We estimate the revised number to be 281 jobs in the employment spaces assuming full occupancy and assuming the following job density ratios below.

Land use	GFA (sqm)	Efficiency	GLA (sqm)	sqm/worker	No. of workers
Retail	3,500	90%	3,150	25	126
Office	3,500	85%	2,975	25	119
Industrial	3,000	90%	2,700	75	36
TOTAL	10,000	88%	8,825	31	281

Estimated jobs at 281 is an increase of 145 jobs from the base case (current use on site). If we add a further 51 residents working from home the number of jobs increases further to 332 – 196 more jobs than the base case.

We understand that much of the spaces are currently speculative. The office space may be incubator space for innovative start-up companies and/or it could be a suites that provide a range of population serving businesses in education, medical, legal, financial, real estate, administrative and professional services (eg architectural/heritage consultant) which are uses that would fit well in the heritage spaces.

The retail space would largely be unchanged and is likely to provide some food and grocery convenience retailing (small to medium size format supermarket, fresh food store or similar) as well as food services and other specialty retailing largely for an immediate walkable catchment (eg chemist, bakery, butcher, newsagency, hair and beauty, etc).

The industrial space is largely speculative but could accommodate a businesses or range of urban services provided that it does not undermine the residential amenity in the locality. This could be food processing / micro-brewery, creative industries, digital media, photography, etc and/or services such as computer and electronic equipment servicing. These are uses that could fit well in the heritage spaces of the building.

Staff remuneration

We estimate staff remuneration would be \$15.25m per annum (2020 dollars) based on the following estimate.

Land use	No. of workers	Avg wage	Total
Retail	126	34,300	4.32
Office	119	73,000	8.69
Industrial	36	62,200	2.24
TOTAL	281	54,263	15.25

Total staff remuneration is almost double the base case (\$7.66m). Including an additional 51 residents working from home would increase total remuneration to around \$18.4m – some \$10.75m above the base case.

Gross value added

We estimate gross value added¹ (GVA) would be \$21.3m per annum (2020 dollars) based on the following estimate.

¹ GVA is contribution to gross regional product. The main components include staff remuneration, profits and taxes

Land use	No. of workers	Avg wage	Total
Retail	126	49,700	6.26
Office	119	97,000	11.54
Industrial	36	96,900	3.49
TOTAL	281	75,778	21.29

Total GVA would be \$9.2m (76%) higher than the base case.

Feel free to call me if you have any questions

Yours sincerely,

Signed by

Draft

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