

## Addendum – Social and Economic Impact Assessment

<b>Date:</b>	19 December 2022
<b>Project Name:</b>	1-7 Rangers Road and 50 Yeo Street, Neutral Bay

In March 2022, this office prepared a Social and Economic Impact Assessment to support the Planning Proposal at 1-7 Rangers Road and 50 Yeo Street, Neutral Bay. The report considered the impacts associated with an expanded retail provision (including a redeveloped Woolworths supermarket and specialty stores), redeveloped commercial office uses, and 91 residential apartments. Details of the previously assessment scheme are outlined below:

- Underground basement parking providing 350 spaces in total;
- Non-residential uses incorporating:
  - 3,311m<sup>2</sup> (GFA) lower ground floor Woolworths supermarket;
  - Upper ground floor and level one (1) retail of 1,846m<sup>2</sup> (GFA) with through-site link;
  - 2,103m<sup>2</sup> commercial (GFA);
  - 1,013m<sup>2</sup> public plaza;
- Residential uses incorporating 12,682m<sup>2</sup> (GFA) of residential floor space providing 91 dwellings.

A revised application is now being submitted, with plans under the current proposal now indicating a reduction in the building height and proposed scheme compared to the March 2022 assessment, including the following:

- Underground basement parking providing 350 spaces in total;
- Non-residential uses incorporating:
  - 3,282m<sup>2</sup> (GFA) lower ground floor Woolworths supermarket;
  - Upper ground floor and level one (1) retail of 1,877m<sup>2</sup> (GFA) with through-site link;
  - 2,407m<sup>2</sup> commercial (GFA);
  - 1,000m<sup>2</sup> public plaza as well as a communal rooftop
- Residential uses incorporating 8,302m<sup>2</sup> (GFA) of residential floor space providing 63 dwellings.

As such, the current proposal reflects a similar composition on the ground floor and lower levels of the proposal, however, a reduction in the provision of residential uses from 12,682m<sup>2</sup> (GFA) across 91 dwellings, to 8,302m<sup>2</sup> (GFA) across 63 dwellings.

This letter presents an addendum summarising updates to the March 2022 Social and Economic Impact Assessment, and discusses key findings based on the revised development scheme in the current December 2022 application.

As the original assessment was prepared in March 2022, and the revised scheme proposes a reduction in the overall development and major changes to the height and residential uses only, it is concluded that changes to the March 2022 Social and Economic Assessment will be limited. A reduction in residential floorspace compared to the previously assessed scheme will result in similar social and economic impacts (and benefits) likely to result from the proposed development. This is attributed to the fact that the majority of social and economic impacts are derived from the overall project, including changes to public space, access and uses on the lower levels of the development, all of which remain largely unchanged in the updated proposal.

In response to the amended December 2022 development scheme, the March 2022 assessment has been updated to include the following required amendments:

- **Section 2.5:** Updated to reflect the revised development scheme summarised as follows:
  - Underground basement parking providing 350 spaces in total;
  - Non-residential uses incorporating:
    - o 3,282m<sup>2</sup> (GFA) lower ground floor Woolworths supermarket;
    - o Upper ground floor and level one (1) retail of 1,877m<sup>2</sup> (GFA) with through-site link;
    - o 2,407m<sup>2</sup> commercial (GFA);
    - o 1,000m<sup>2</sup> public plaza and communal rooftop
  - Residential uses incorporating 8,302m<sup>2</sup> (GFA) of residential floor space providing 63 dwellings.

- **Section 6.0:** Updated Economic Impact Assessment to reflect the latest scheme. The updates have adopted the same methodology as that outlined in the original March 2022 report, with economic impacts and benefits to remain largely unchanged. This is attributed to the net gain in floorspace from the proposal reducing from +13,353m<sup>2</sup> to 9,266m<sup>2</sup>.

Key changes to the economic assessment include revised employment and economic output calculations summarised as follows:

- The proposed development is estimated to result in direct investment of approximately \$134 million in the local area during the construction stage (*\$147 million in the March 2022 report*).
- Approximately 263 direct and 421 indirect Full Time Equivalent (FTE) job years are planned to be generated during the construction stage (*previously estimated at 288 direct and 461 indirect FTE job years in the March 2022 report*).
- The net gain in ongoing operational jobs is estimated to be 143 direct FTE (*previously estimated at 113 FTE jobs in the March 2022 report*).
- Value added economic activity is estimated at \$17.2 million per annum based on the net gain in ongoing employment of 143 FTE jobs (*previously estimated at \$12.7 million per annum in the March 2022 report*).

All other components of the report remain unchanged from the March 2022 report.

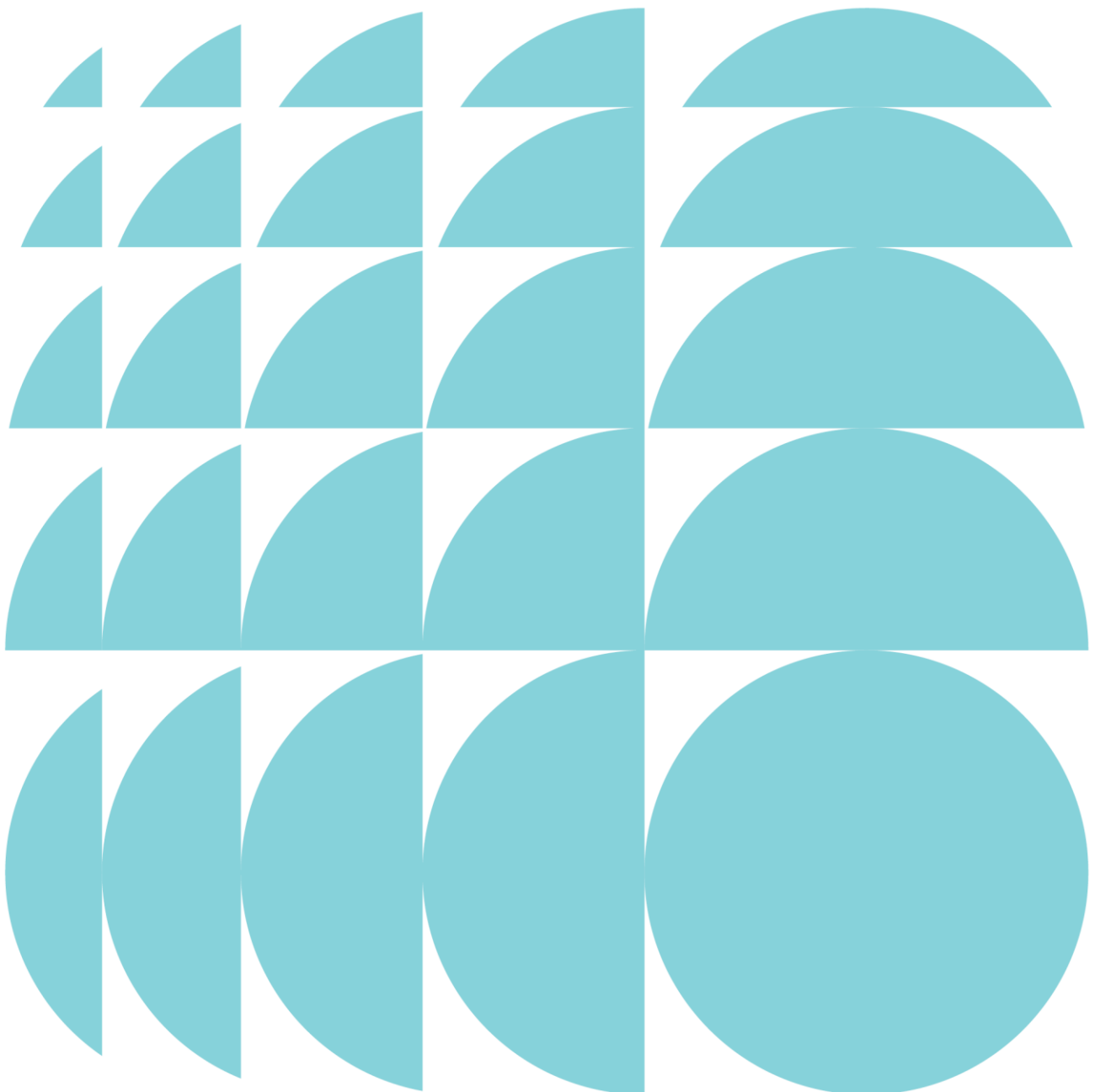
The December 2022 development scheme proposes limited changes to the proposed floorspace provision across all components of the proposal with the exception of residential uses, which are proposed to reduce by -4,380m<sup>2</sup> (GFA) or 28 dwellings. As such, social and economic impacts outlined in the March 2022 report are considered to remain appropriate and largely unchanged reflecting the smaller proposed scheme.

The following disclaimer has now been incorporated into the main report: *A Social and Economic Impact Assessment was originally completed in March 2022, however, a revised development scheme has subsequently been proposed and incorporated into the current December 2022 application. Key updates to this assessment reflecting the revised scheme include revisions to Section 2.5, and Section 6.0, as well as updated figures relating to revised employment and economic output throughout the remainder of the report. All other components remain as per the original March 2022 Social and Economic Impact Assessment.*

We trust that this meets your requirements,



**Lee Cikuts**  
Director, Economics  
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**Note and Disclaimer:** A Social and Economic Impact Assessment was originally completed in March 2022, however, a revised development scheme has subsequently been proposed and incorporated into the current December 2022 application. Key updates to this assessment reflecting the revised scheme include revisions to Section 2.5 and Section 6.0, as well as updated figures relating to revised employment and economic output throughout the remainder of the report. All other components remain as per the original March 2022 Social and Economic Impact Assessment.

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## Executive Summary

The purpose of this report is to assess the social and economic impacts of the Rangers Road development, and recommend strategic directions to optimise social and economic outcomes.

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### Site and proposed development

This Social and Economic Assessment has been prepared for the redevelopment of the Woolworths Neutral Bay Village site, at 1-7 Rangers Road, as well as the adjoining commercial building at 50 Yeo Street, Neutral Bay. In combination, this land is known as the 'subject site' with the proposed scheme called the 'Rangers Road development'.

Redevelopment of the subject site is planned to include an expanded retail provision (including a new Woolworths supermarket and specialty stores), redeveloped commercial office uses, and 63 residential apartments. The Rangers Road development will create a mixed-use precinct that benefits the local community, and the economic sustainability and success of the Neutral Bay centre.

It is understood that the objectives of the development include:

- A built-form compatible with the desired character of the local area.
- Enhanced vibrancy and activation of the Neutral Bay centre.
- Improved pedestrian and vehicular access, with concentration of vehicular movement away from Military Road.
- Provision of an open, activated ground plane public domain, including a new civic plaza designed to integrate with the broader Neutral Bay centre.

The proposal is intended to catalyse a strengthened local economy, providing new employment opportunities and enhanced activation of the retail precinct in Neutral Bay.

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### Alignment of the development with community needs and government policy drivers

The development will also align with local community needs, as well as with government strategies for the site and suburb of Neutral Bay, as outlined by the following:

- Consistency with state and local priorities to deliver a "30-minute city" emphasising high levels of services and infrastructure accessible to residential development.
- Provision of commercial and civic uses that deliver social benefits to communities, including:
  - Supporting community identity, cohesion and culture
  - Improving local access to community services, and
  - Increasing opportunities for active transport (walking to local retail and amenities) and reduced car dependency.
- Alignment with the retail needs of a local community that is relatively affluent and comprises a mix of ages and household types, including young couples and families through to older, single person households.
- Support for population growth in Neutral Bay, including an increased resident and worker population, through the provision of new and expanded community facilities and housing that will meet contemporary requirements.

The Rangers Road development will result in the addition of public space, retail and residential floorspace for the local area. It will generate a modest increase in floorspace for retail uses (including the supermarket) and deliver contemporary commercial office floorspace. Overall, the project primarily updates and replaces existing relatively dated facilities in order to meet the needs of Neutral Bay and the surrounding community.

An analysis of the Rangers Road development indicates that the project is planned to result in a range of social and economic benefits.

## What does this redevelopment mean for Neutral Bay?



Aligned with government strategies for an enhanced Military Road precinct



Enhanced housing diversity through delivery of 63 apartments



**Community Pick up**

Respond to evolving customer requirements including 'Direct to Boot' service



Generating +143 local employment opportunities



\$134m of investment into the local area, generating +684 jobs during construction

**\$17.2m**

Contributing \$17.2 million in value added to the economy annually

True live/work/play environment in an integrated community





## Social impacts of the development

Social impacts consider operational impacts of the development, as is appropriate to the Planning Proposal stage. Construction impacts would be assessed at Development Application stage, at which point additional information can be provided.

Identified positive social impacts and benefits of the development are as follows:

- Increased convenience and amenity for the local community, including integrated shopping and dining, a new civic plaza and improved through-site links, in addition to residential and commercial activity on site.
- Increased local employment opportunities through the creation of enhanced commercial floorspace, and an expanded retail offer.
- Increased convenience for local workers as well as residents, with the subject site in close proximity to public transport.
- Health and wellbeing benefits for the local community with the co-location of uses and through-site links, encouraging active travel (walking) and lifestyles.
- Improvements to local amenity and streetscape through the project design and ground plane provisions – including an enhanced and expanded civic domain.

In particular, the proposed plaza and through-site links will provide a genuine focal point for the local community, creating a true town centre for the southern side of Neutral Bay, serving residential catchments primarily to the south and east of the site, and creating improved accessibility to Military Road.

Potentially social impacts that have been identified are as follows:

- Changes to sense of place for community members arising from the development.
- Risk to the “village” feel of the Neutral Bay Town Centre, which has been identified as important to the community in recent community consultation activities.

This report sets out recommended mitigation measures for potentially negative impacts, and suggests strategic directions for optimising community benefits.

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## Economic impacts of the development

Economic impacts and benefits expected to result from the Rangers Road development include:

- The redevelopment includes the replacement of existing, generally outdated, retail and commercial office uses operating at the site. As such, the net gain in floorspace is relatively limited – representing an increase of just 3.1% of total floorspace in the combined Neutral Bay and Cremorne Town Centres (Military Road Corridor).
- Due to the limited net additional floorspace, any negative trading impacts on existing businesses will not detrimentally impact the viability or continued operation of any existing facility or use within the local area. Any trading impact will be short-term only, and existing and future businesses will benefit from population and employment growth generated by the proposed development.
- The proposed development is estimated to result in direct investment of approximately \$134 million in the local area during the construction stage.
- Approximately **263 direct and 421 indirect FTE job years** are planned to be generated during the construction stage.
- Taking into account existing uses at the subject site, the proposed development has the potential to support an additional **143 jobs** (FTE) when fully occupied and operational.
- Increased economic output with the activities and employment supported by the development. The ongoing jobs resulting from the proposed development are estimated to generate some **\$17.2 million in value added to the economy each year** (2021 dollars).
- Increased activation of the Military Road precinct, including after normal business hours and on weekends, with the project to generate additional pedestrian traffic to the direct benefit of local businesses.

- Enhanced access for residents to key community facilities and convenience-based retail uses (including supermarkets, food and groceries).
- Improved retail offer and price competition within easy walking distance of a large number of local residents.
- Alignment with government strategies to increase amenity and employment.

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### **Social and Economic Strategy**

The social and economic strategy for the development sets out the following directions for enhancing social and economic value to the local community:

- Supporting the Neutral Bay vision: delivering a revitalised, inclusive and accessible centre
- Enhancing the amenity, vibrancy and activation of Neutral Bay to stimulate economic activity
- Enhancing community health and wellbeing
- Supporting the delivery of a “30-minute city” that provides easy access to housing, employment, retail and social infrastructure

## 1.0 Introduction

This report provides a Social and Economic Assessment of the Planning Proposal submitted to North Sydney Council for the redevelopment of the existing Woolworths Neutral Bay Village site, at 1-7 Rangers Road, as well as the adjoining commercial building at 50 Yeo Street, Neutral Bay. In combination, this land is known as the 'subject site' with the proposed scheme called the 'Rangers Road development'.

The purpose of this report is to assess the social and economic impacts of the Rangers Road development on Neutral Bay. In addition, a social and economic strategy is provided, which sets out directions for optimising the social and economic benefits of the project for the local community and economy.

### 1.1 Overview of this report

This report is structured as follows:

**Chapter 1:** An introduction and overview of the report.

**Chapter 2:** Describes the site context and surrounding development.

**Chapter 3:** Sets out the strategic policy context and state and local government guidance for desired land use outcomes.

**Chapter 4:** Describes the social and economic context for the Rangers Road development, including current and forecast population profile, accessibility to social infrastructure, transport and access routes, and stakeholder views.

**Chapter 5:** Provides a social impact assessment of the development, including in relation to the delivery of government and community priorities for the precinct.

**Chapter 6:** Provides an economic impact assessment of the development, including market demand and economic impacts.

**Chapter 7:** Sets out a social and economic strategy for the development to optimise social and economic benefits.

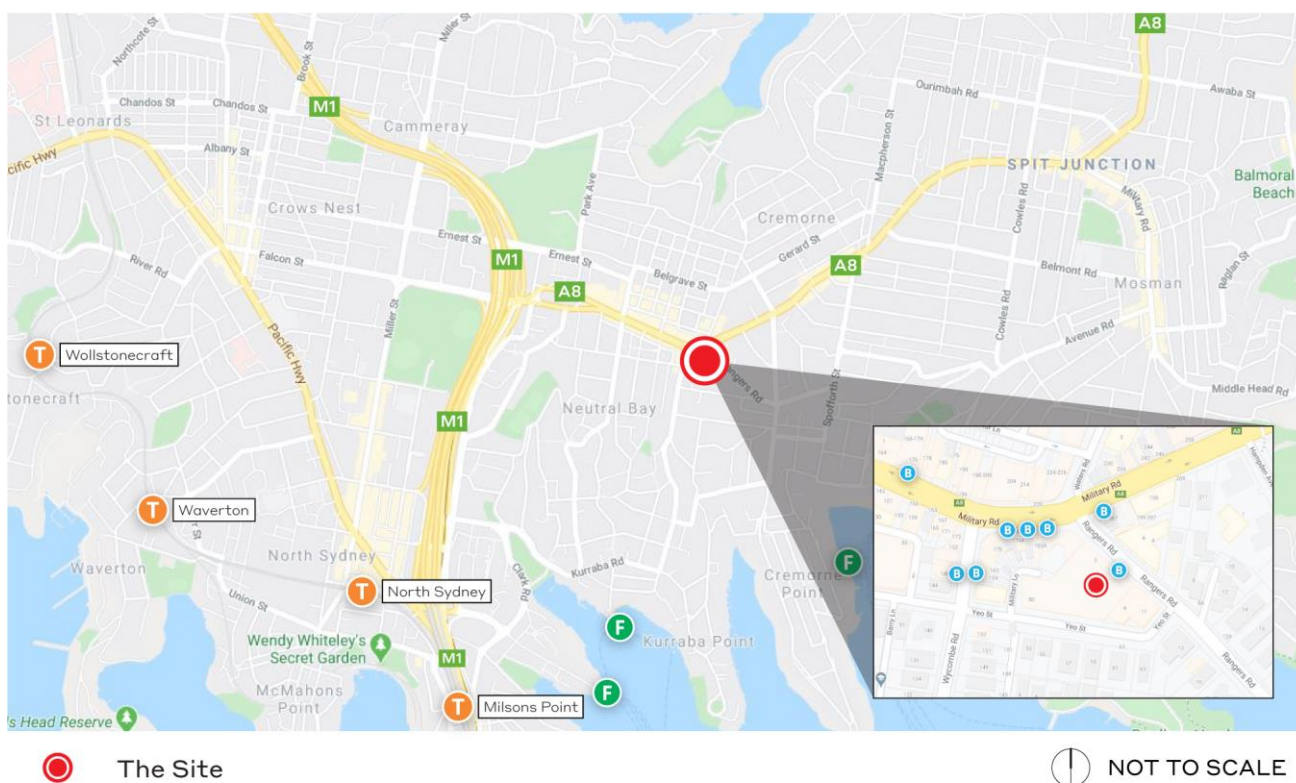
**A note on COVID-19:** COVID-19 is an unprecedented global health crisis and economic event that is rapidly evolving. At the current time, the research and analysis of economic and population data – such as forecasts of population or employment growth and so on – reflects a return to “business as usual” scenario, while also noting the potential impacts that may be associated with the COVID-19 virus, travel and border restrictions impacting on migration numbers, and the anticipated return to growth in economic or population indicators.

## 2.0 Site context

### 2.1 Site location and context

The subject site is located at 1-7 Rangers Road and 50 Yeo Street, Neutral Bay. Situated within the North Sydney Local Government Area (LGA), the subject site occupies a prominent corner within the Military Road Corridor as defined by North Sydney Council.

Located on Sydney's Lower North Shore, Neutral Bay has a key role to play in the provision of housing and employment and is in proximity to the Sydney CBD, North Sydney, St Leonards and Chatswood. The high capacity bus network on Military Road links the subject site to these strategic centres via the Bus Stands A, B and C located just 20 metres to the north. Refer to **Figure 1**.



**Figure 1 Subject site location and context**

Source: Ethos Urban, Google Maps

### 2.2 Site description

The site is irregular in shape and comprises of 4 allotments identified as Lots 1, 2 and 3 in DP 1091373, Lot 1 in DP34803, and Lot1 in DP322525. Woolworths owns the stratum-subdivided lot at 1-7 Rangers Road and 50 Yeo Street, Neutral Bay, providing a total site area of 4,207m<sup>2</sup>. Frontage is provided to both Rangers Road and Yeo Street. The site identified in red outlined in **Figure 2**.





**Figure 2 Subject site aerial view**

Source Ethos Urban, NearMap:

### 2.3 Neutral Bay local context

Located within Neutral Bay, the subject site forms part of a local centre with a vibrant village atmosphere and a mix of restaurants, cafes, shops and services. Neutral Bay centre is well-connected via both public and private transport modes to both the Sydney and North Sydney CBDs, as well as the Northern Beaches. Neutral Bay has itself become a popular area for people to visit from across the wider region.

However, the Neutral Bay centre and wider Military Road Corridor is experiencing growing pressure for improvements to the public domain and enhanced community facilities to meet the needs of the current and future residents and visitors. This has been the subject of investigation by North Sydney Council, including through the now rescinded *Future Directions Report* for the *Military Road Corridor Planning Study*. However, an updated strategic development framework for the Military Road Corridor including the Neutral Bay Town Centre is to now be prepared with further community and stakeholder engagement to enable a “*better balance between development height and the provision of additional public open space*”.



**Figure 3 Military Road and Rangers Road, Neutral Bay**

*Source: Google Street View.*

## 2.4 Existing development on the site

1-7 Rangers Road is currently occupied by an existing single storey Woolworths supermarket and adjoining bottle shop. Customers currently access the supermarket from both Rangers Road and Yeo Street. Basement car park access is located on Yeo Street, with loading and servicing currently via a loading dock on Military Lane. 50 Yeo Street currently contains a six-storey commercial building occupied by WOTSO Workspace. The existing Woolworths supermarket village and 50 Yeo Street commercial building are part of a stratum arrangement.

Current development at 183-183a Military Road consists of two-storey shops, accommodating two retail tenancies with rear access available from Military Lane. Refer to **Figure 4** to **7**.

The subject site has excellent access and exposure, being positioned at a key intersection within Neutral Bay. As previously noted, access to public transport is also convenient, with high-frequency bus services available along Military Road and connecting Neutral Bay with the CBD, the Northern Beaches as well as with key railway stations and suburbs on the Lower North Shore of Sydney.

Access to Neutral Bay will be improved further in the future with development of key infrastructure projects such as the Western Harbour Tunnel and Beaches Link Tunnel which will support access across Sydney Harbour and The Spit.





**Figure 4 Existing Woolworths and bottle shop**

Source: Ethos Urban



**Figure 5 Existing rear Woolworths parking entry**

Source: Ethos Urban



**Figure 6 Existing development at 50 Yeo Street**

Source: Ethos Urban



**Figure 7 Military Lane**

Source: Ethos Urban

## 2.5 Proposed development of the site

The reference scheme proposed for Rangers Road development provides a mixed-use building intended to comprise a retail podium and supermarket lobby, with the upper floors containing commercial floorspace and residential dwellings. Aligned to this building is a public plaza and through site link which will be activated by retail and outdoor dining opportunities.

Key components of the scheme include the construction of a mixed-use development, including:

- Underground basement parking providing 350 spaces in total;
- Non-residential uses incorporating:
  - 3,282m<sup>2</sup> (GFA) lower ground floor Woolworths supermarket;
  - Upper ground floor and level one (1) retail of 1,877m<sup>2</sup> (GFA) with through-site link;
  - 2,407m<sup>2</sup> commercial (GFA);
  - 1,000m<sup>2</sup> public plaza and communal rooftop
- Residential uses incorporating 8,302m<sup>2</sup> (GFA) of residential floor space providing 63 dwellings.

Public facilities and benefits are planned to result from the proposed development through the provision of 1,000m<sup>2</sup> of public domain space on the subject site, including:

- New centralised plaza area
- New through-site links
- Food and beverage break-out seating spaces

- Multi-use areas with seating and gathering spaces
- Water sensitive urban design
- An equitable access public lift.

The proposed plaza and through-site links will provide a genuine focal point for the local community, and fulfil the role of providing a true town centre for the southern side of Neutral Bay, serving residential catchments primarily to the south and east of the site, and creating improved accessibility to Military Road.



## 3.0 Strategic context and drivers

### 3.1 Policy drivers

The following section identifies the key social and economic drivers for the subject site, based on a review of the key state and local policies and strategies relevant to the proposed Rangers Road development.

#### Key policy drivers

- Neutral Bay is a key local centre for the North Sydney LGA. The area is forecast to support increased development density and population, and will experience pressure for services and facilities to meet the demands of a growing community.
- State and local priority is to deliver a “30-minute city”, where people can readily access housing, employment, education and other services, including retail, within a short distance of their home. Co-locating social infrastructure, retail and other daily living needs within centres contributes to achieving this goal.
- Centres play a significant role in fostering social cohesion and identity, functioning as centralised anchors of local community life. They provide an opportunity to co-locate commercial and community uses to meet a diverse range of needs in one trip, and to encourage casual social interaction – which brings well-evidenced social cohesion benefits over the longer term.
- North Sydney Council has identified a need to enhance the amenity, vibrancy and activation of Neutral Bay to catalyse economic development and community connection. Strategies include increasing the amount and mix of businesses in the area, encouraging after hours uses, and improving pedestrian connectivity and accessibility – drivers with which the proposed Rangers Road development directly aligns.

The following section identifies the key drivers for this site, based on a review of the key state and local policies and strategies. A summary of the key themes of this review is provided in **Table 1** over page. The following documents have been reviewed:

- *Planning for the Future of Retail: Discussion Paper* (Planning & Environment NSW, 2018)
- *Better Placed* (NSW Government Architect, 2017)
- *North District Plan* (Greater Sydney Commission, 2018)
- *North Sydney LSPS* (North Sydney Council, 2020)
- *Community Strategic Plan 2018-2028* (North Sydney Council, 2018)
- *Economic Development Strategy* (North Sydney Council, 2016)
- *Draft Military Road Corridor Planning Study: Stage 1: Neutral Bay Town Centre* (North Sydney Council, 2020) (rescinded)
- *Recreation Needs Study* (North Sydney Council, 2015)

**Table 1 Key policy drivers**

<b>Policy theme</b>	<b>Key implications for social and economic assessment</b>	<b>Relevant documents</b>
<b>Liveability, social sustainability and the “30-minute city”</b>	<ul style="list-style-type: none"> <li>Town centres play a key role in meeting the goods and service needs of their communities while delivering social and economic benefits, and it is a state and local priority to deliver a “30-minute city” where daily living needs, employment and education opportunities, and housing are accessible to each other.</li> <li>It is a local and state priority to deliver well-designed, accessible and sustainable buildings and public places that improve the liveability of existing neighbourhoods. Ensuring new development maintains or improves liveability and amenity of existing neighbourhoods, including through delivering community benefits, is a local priority.</li> <li>Neutral Bay has been identified as a local centre, and there is a concentration of infrastructure, retail services, housing and transport at this location.</li> </ul>	North District Plan, North Sydney Local Strategy Planning Statement
<b>Improving the amenity, activation and vibrancy of Neutral Bay to catalyse economic development</b>	<ul style="list-style-type: none"> <li>Neutral Bay is a key local centre in the North Sydney LGA and provides a mix of uses to service the local population, including retail, hospitality, entertainment and commercial office spaces.</li> <li>Council’s future vision for Neutral Bay is to improve the amenity, activation and vibrancy of the centre by creating a more pedestrian friendly setting, encouraging fine grain retail, alfresco dining and late night trading, reducing traffic congestion and improving amenity.</li> <li>Council is also seeking to enhance the mix of uses in Neutral Bay by encouraging a mix of tenancy sizes, including for small local offices and start-up businesses, to support long term jobs growth in the area.</li> </ul>	North Sydney Economic Development Strategy, Draft Military Road Corridor Planning Study
<b>Enhancing provision of social infrastructure, including recreation facilities</b>	<ul style="list-style-type: none"> <li>To meet intensifying demand for services and facilities as the population grows, it is a state and local priority to improve provision of social infrastructure, including in Neutral Bay.</li> <li>Demand for recreation opportunities to meet community needs significantly outstrips available space within North Sydney LGA; and unmet need exists for open space and sporting facilities, as well as water-based recreation.</li> </ul>	North Sydney LSPS, Draft Military Road Corridor Planning Study, Recreation Needs Analysis
<b>Placemaking and walkable, connected neighbourhoods</b>	<ul style="list-style-type: none"> <li>It is a state government priority to ensure new development provides high standard of design quality and does not adversely impact upon the amenity of neighbours or the wider community.</li> <li>In Neutral Bay, it is a Council priority to improve the pedestrian amenity of the area by providing enhancing active transport links and improved open and green spaces.</li> </ul>	Better Placed, North Sydney LSPS
<b>Shopping centres, co-location and social spaces</b>	<ul style="list-style-type: none"> <li>Commercial centres double as social meeting spaces in communities. Well-designed spaces can attract a higher volume of visitors and support local place-making and community cohesion.</li> <li>The clustering of mixed land uses in local centres contributes to the success of the centres and decrease the need for multiple trips in the community.</li> <li>Shopping centres that are co-located with social infrastructure, including schools, childcare and public transport, can improve the vibrancy and liveability of the community by encouraging social interaction.</li> <li>Shopping centres that are accessible via active and public transport contribute to positive community health outcomes and are more inclusive of aged community members and those with disabilities, while also contributing towards achieving a “30-minute city”.</li> </ul>	Planning for the Future of Retail – Discussion Paper, North District Plan

## 3.2 Social and economic issues and trends

### 3.2.1 Social benefits of mixed-use centres

Local centres that combine commercial and civic uses play a key role in providing social and economic benefits for communities.

The traditional shopping centre has been a staple of Australian suburban and rural communities, from the 1950s, when major retailers moved from CBDs to the suburbs to better support growing communities.<sup>1</sup> These suburban centres have since evolved from exclusively retail spaces to a 'one-stop' experience that incorporates dining, entertainment, recreation, and community facilities – effectively incorporating elements from the traditional main street into a single integrated centre. This evolved model capitalises on the ability of shopping centres to function as nodes of activity, with their central locations serving as anchor points for services and socialisation.

State and local governments across Australia have implemented activity centre policies that support a concentration of commercial and community facilities to facilitate economic growth and competition, community vibrancy, and accessibility.<sup>2</sup>

In today's evolving retail context, retail centres are increasingly moving to this multipurpose destination model known as the 'lifestyle centre'<sup>3</sup> for commercial reasons, through leveraging the mutually beneficial relationship between retail and non-retail uses.

While drawing in patrons and improving the viability of commercial tenancies, these modern mixed-use shopping centres are increasingly capable of delivering a range of social benefits, including:

- **Fostering community identity and culture:** Centres can make significant contributions to community culture and identity in local neighbourhoods by responding to and reinforcing local character. This may be through the incorporation of public art and streetscape design that reflects community values, to incorporation of community spaces that provide opportunities for local communities to casually interact and socialise. Centres are uniquely placed to facilitate 'shopping locally' by complementing large-format chain stores with specialised, so-called 'mom and pop' stores as well as integrating farmers/crafts markets and other community events.
- **Increased opportunity for active transport and reduced car-dependency:** Centres can provide pedestrian-oriented spaces in highly accessible locations. Those that incorporate community facilities and services such as childcare, aged care, and recreation facilities and are co-located with education and other civic uses reduce the need for multiple trips to fulfill a range of household needs for goods and services. Centres integrated with local transport networks enable community members to meet most daily and weekly needs through a single trip, via active or public transport, the former generating health and wellbeing benefits.
- **Improved access to community services:** The inclusion of community facilities within retail centres – such as recreation facilities or community spaces – improves their accessibility and can result in increased utilisation. Co-location renders them more visible and easily accessible. Young people in particular may benefit from the location of facilities and services within retail centres, which already serve as a key destination for them to socialise. Older people and those with mobility issues also benefit from the convenience of co-location of retail and community facilities and services. Conversely, co-location also brings economic benefits in terms of local consumer spend in retail outlets located alongside community facilities.
- **Increased opportunity for socialising:** Centres that incorporate dining, entertainment, recreation, and community facilities provide a vibrant, social hub for the community. A diversity of uses and the incorporation of open spaces (indoor or outdoor) facilitate planned and casual social interaction in local neighbourhoods.

Case studies of mixed-use centres are included at **Appendix A**.

Co-locating housing, employment, social infrastructure, retail, public transport and daily living needs within dense, mixed-use precincts supports urban activation and amenity. Clustering destinations, such as housing, shops, schools, libraries, cafes, medical centres and so on, makes it more convenient for residents to access a variety of

<sup>1</sup> Shopping Centre Council of Australia (2020), <https://www.scca.org.au/industry-information/australian-shopping-centre-industry/>

<sup>2</sup> Shopping Centre Council of Australia (2010), <https://www.pc.gov.au/inquiries/completed/regulation-benchmarking-planning/submissions/sub043.pdf>

<sup>3</sup> The Urban Developer (2016), <https://theurbandeveloper.com/articles/seven-ways-create-destination-shopping-centre-development>

needs within one location. Mixed-use precincts encourage walking and active transport, supports the viability of local retail and social infrastructure, as well as increased activity on the street and improved perceptions of safety.

The co-location of housing, social infrastructure, and essential services has the potential to significantly decrease car dependency and encourage walkability. Walkability can have substantial effects on the health and wellbeing of populations:

*'People who live in a pedestrian-friendly designed environment participate much more in social life and have greater confidence in their environment. That proved a significant gain in 'social capital' and thus a better quality of life... Against this backdrop walkability is understood as a comprehensive approach for a liveable sustainable city and does not only mean walk-friendliness.'*<sup>4</sup>

### 3.2.2 Rapidly evolving retail landscape

The context and drivers for retail development of all kinds has changed significantly over the past decade.

The suburban indoor shopping centres that have proliferated since the 1950s – characterised by enclosed, climate controlled designs, large amounts of carparking and chain stores – are increasingly in competition with new forms of retail development that respond to fast-changing customer preferences and new technologies.

The rise of online shopping has led to shop vacancies on high streets and declining department store sales, while shopping centres are placing increasing emphasis on the shopper experience, including improved food and beverage offerings, provision of entertainment and, lately, faux main streets with integrated residential development".<sup>5</sup>

Research on the future of retail undertaken in 2017<sup>6</sup> identified four key mega trends impacting the sector:

- *New technologies create a seamless experience: While omnichannel has become a required retail strategy, the next step for retailers is a focus on Total Retail. Retailers are harnessing nascent technologies such as artificial intelligence, virtual reality and connected devices to create a seamless experience. While traditional retail spaces look to technology to entice shoppers to the store, online companies are incorporating bricks and mortar stores to offer more diverse services.*
- *Physical stores still key to Total Retail strategy: As physical stores are still an important aspect of the retail environment; retailers will need to assess whether digital infrastructure in stores will be sufficient to meet future demand. Flexibility to provide for changing layouts and uses is an increasingly important factor, as retailers are integrating different activities and offerings within the traditional store, with an increased focus on experience.*
- *Mobile will be at the centre of e-commerce: Customers increasingly use their mobile devices to browse, compare and pay for goods and services. Retailers will continue to invest in mobile-commerce platforms as well as in apps and third-party solutions. The growth of mobile payments will continue, driven by consumer demand for speed and convenience. Contactless and automatic payment options could do away with traditional tills, enabling new configurations in retail spaces.*
- *Increasing demand for transparency and sustainability: Many consumers are becoming increasingly aware of the whole product journey, and are demanding details on how products are sourced, manufactured, distributed and managed at the end of their useful lives. This means that forward-thinking retailers should place transparency and sustainability high on the agenda. Sustainability programmes can make business sense too.*

These trends are expected to have a significant impact on how centres continue to change and adapt to market forces and customer preferences.

### 3.3 Changing consumer trends

Whilst approximately 75% of fresh food and groceries purchased Australia-wide are from supermarkets, today's fast paced lifestyle and flexible work and life arrangements means that modern consumers have more diverse

<sup>4</sup> Tran, M. 2021, 'Healthy cities – walkability as a component of health-promoting urban planning and design', *Journal of Sustainable Urbanization Planning and Process*, vol. 1, no. 1.

<sup>5</sup> Drescher, P. 2018, "Amazon drives a fifth city-shaping retail revolution," *The Conversation*, 11 January 2018, <<https://theconversation.com/amazon-drives-a-fifth-city-shaping-retail-revolution-88068>>

<sup>6</sup> ARUP 2017, *Future of Retail*, August 2017, <<https://foresight.arup.com/publications/future-of-retail/>>

preferences when it comes to supermarket shopping. Consumers increasingly prefer supermarkets that enable or promote:

- **24/7 shopping** - Consumers want the ability to be able to shop at times that are suitable and convenient for them. Working conditions and lifestyles have changed - consumers want to be able to shop early morning, during the day and late at night.
- **Walkability and accessibility** - Consumers, particularly those living in urban environments, prefer to shop locally at facilities that are easily accessible walking or by private car or public transport.
- **Range of products** - Consumers seek a broad range of products, at various levels of price and quality from a range of sources that can cater to a variety of tastes, cultural and ethnic preferences.
- **Shopping as an experience** - Supermarkets are increasingly responding to consumer demand for a greater retail experience through an increased range of products, foreign brands and high-quality foods including ready-made meals. Supermarkets are also looking to differentiate themselves by providing better experiences and offers that can attract consumers in highly competitive retail markets.
- **Shopping online** - Consumers have continued to embrace online shopping for both supermarket and retail goods. This is also seen in trends such as “click and collect”, where a consumer can order online and pick up at the store, or expect delivery of their goods within a short time after the order has been placed. While still a relatively small share of supermarket sales, online shopping is growing rapidly, and its importance has been emphasised during the COVID-19 pandemic.

To meet these customer trends, ‘best in class’ supermarkets offer a greater range of products and demonstrate features such as “click and collect” - instore pick up shopping; express delivery; are technology driven; and are innovative and forward looking. ‘Best in class’ supermarkets promote sustainable design and encourage sustainable practices - new supermarkets have higher levels of energy efficiency, and lower levels of wastage including reduced packaging and plastics.

Many new supermarkets also include a number of sustainability and recycling initiatives aimed at assisting households in becoming more sustainable, providing households with instore recycling and wastage programs (e.g. composter, food wastage programs). Where possible, the building should be built with recycled materials and sustainable products and cater for developments in clean technologies, for example include electric car charging points on site. Supermarkets can encourage walkability and active modes of transport by providing optimal convenience, limiting the need for shoppers to take multiple trips to satisfy their shopping needs. This is particularly important in areas of high residential density.

### 3.4 COVID-19 impact on retail

During the COVID-19 pandemic, the operation of retail businesses has changed significantly. There has been an increased emphasis on home delivery and takeaway of groceries and other items, as well as expanded push for online shopping options. This is across all retailers, from major retailers to small restaurants, cafes and bars that have adapted to provide takeaway options for customers to support local businesses. Major retailers such as Woolworths have established “direct to boot” services where customers can pre-purchase items online, and have them loaded directly into their cars. Woolworths is currently exploring both, drive through and “direct to boot” service options for shoppers to improve choice and range of shopping methods.

One of the primary impacts of the COVID-19 pandemic has been the shift for workers to work-from-home (WFH). Analysis of COVID-19 working patterns has highlighted the importance of the need for the “revitalisation of suburbia”, in which local and suburban business can capture the “redistributive effect” of increased WFH arrangements. While the long term implications of COVID-19 remain unclear, the pandemic has reinforced the importance of local community centres and retail precincts, highlighting the benefit of co-locating retail with other services and facilities in local centres to reduce the number of trips that need to be taken on public transport.

## 4.0 Local social and economic context

The following section analyses the social and economic context for the Rangers Road development. This includes an analysis of demographic characteristics, identification of local social infrastructure, and an assessment of local social and economic issues and trends of relevance to the development.

### 4.1 Trade area definition

A trade area has been defined to reflect the geographic area where residents will utilise facilities at the Neutral Bay centre (including the Rangers Road development) on a significant and consistent basis. Consideration is given to the location of other centres and competitors, particularly existing supermarkets.

In defining the trade area, we have been informed by previous studies in the region including HillPDA *Military Road Corridor, Economic Baseline Report & Stage 1 – Economic Strategy* dated February 2019.

The trade area is defined to incorporate the region bounded to the north and east by Middle Harbour, to the south by Sydney Harbour and to the west by the Warringah Motorway. A breakdown of the sectors is described as follows:

- The **Primary North** and **Primary South** sectors have been defined to incorporate the suburbs of Neutral Bay and Cremorne, however, are separated by Military Road.
- The **Secondary North, Secondary East and Secondary South** sectors extend north to include Cammeray, east to include the Mosman LGA and south to include Kirribilli.

The Trade Area has been defined using Statistical Area 1 (SA1) boundaries as defined by the Australian Bureau of Statistics (ABS), and is shown in **Figure 8**.

### 4.2 Population profile – current

#### 4.2.1 Resident profile

Demographic data has been drawn from the Australian Bureau of Statistics (ABS) 2016 Census of Population and Housing. The data analysis provides a general overview of the demographic characteristics of residents within the trade area and compares this with the Greater Sydney benchmark (refer to **Table 2**).

Within the Primary North and Primary South sectors, the key demographic characteristics include:

- Households have a median income of \$119,820 and \$123,740 (respectively), which is 45.8% and 47.7% greater than the Greater Sydney median household income (\$92,200).
- Just under 50% of households in the primary sectors earn \$2,500 per week or more which is significantly higher than the Greater Sydney average (31.8%).
- Residents within the primary sectors are generally older than residents across Greater Sydney.
- A majority of dwellings are apartments (65.0% in the Primary North and 77.4% in the Primary South). This share is significantly larger than the Greater Sydney share of 28.2%.
- A lower share of couple family households (at around 51%-52%) relative to Greater Sydney (61.3%), and a much higher share of lone person households (34%-35%) compared to the Greater Sydney share of 21.7%.
- The average household size at 2.1 persons per household is substantially smaller than the Greater Sydney average at 2.8 persons per household.

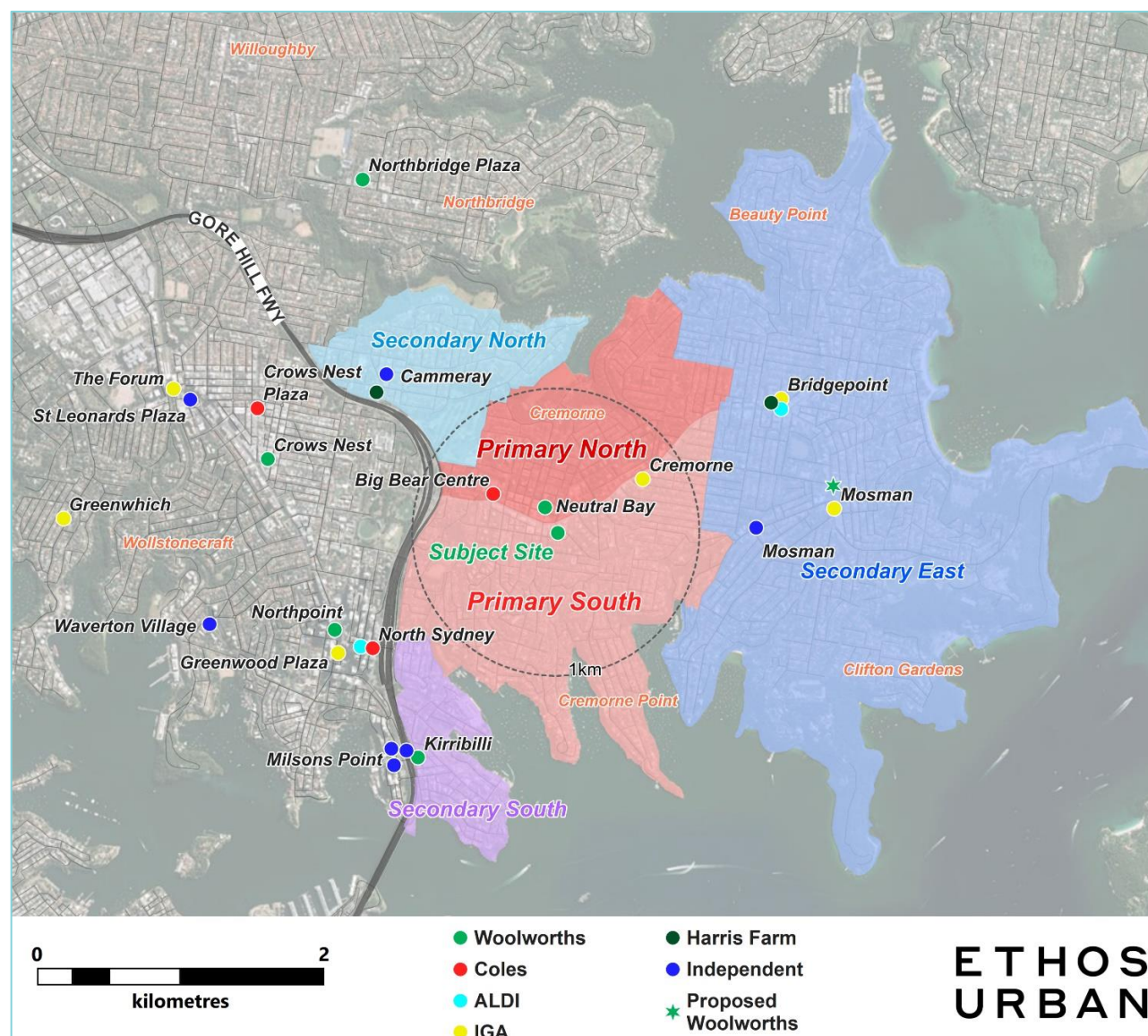
Overall, a review of demographic data indicates the local population is relatively affluent and comprises a high share of couple families without children and lone person households. The local population comprises a mix of young singles as well as young couples and families, although also a share of older, lone person households.



**Table 2      Socio-economic profile, 2016 Census**

Category	Primary North	Primary South	Secondary North	Secondary East	Secondary South	Greater Sydney
<b>Income</b>						
Median household income (annual)	\$119,820	\$123,740	\$124,900	\$133,800	\$109,030	\$92,200
Variation from median	30.0%	34.2%	35.5%	45.1%	18.3%	0.0%
% of Households earning \$2,500pw or more	45.8%	47.7%	48.5%	50.7%	39.3%	31.8%
<b>Age Structure</b>						
Median Age (years)	39.3	38.2	38.9	41.9	40.7	36.4
<b>Country of Birth</b>						
Australia	61.7%	62.1%	70.0%	65.6%	59.5%	61.9%
Other Major English Speaking Countries	16.8%	18.1%	15.2%	18.8%	17.9%	7.6%
Other Overseas Born	21.5%	19.7%	14.7%	15.6%	22.6%	30.5%
<b>Household Composition</b>						
Couple family - Total	51.8%	51.3%	57.1%	60.8%	42.8%	61.3%
Family Households - Total	60.0%	59.2%	65.1%	68.2%	47.7%	73.7%
Lone person household	34.6%	34.4%	30.8%	29.4%	45.6%	21.7%
<b>Dwelling Structure (Occupied Private Dwellings)</b>						
Separate house	19.5%	12.5%	30.4%	37.8%	6.2%	57.2%
Semi-detached,	15.3%	9.8%	16.0%	10.9%	9.8%	14.0%
Flat, unit or apartment	65.0%	77.4%	53.1%	51.0%	83.8%	28.2%
Other dwelling	0.3%	0.3%	0.5%	0.4%	0.1%	0.5%
Occupancy rate	91.1%	90.1%	91.3%	88.2%	85.2%	92.3%
Average household size	2.1	2.1	2.3	2.4	1.8	2.8
<b>Tenure Type (Occupied Private Dwellings)</b>						
Owned outright	32.3%	26.6%	30.3%	38.1%	23.0%	30.0%
Owned with a mortgage	25.9%	23.1%	29.3%	26.6%	13.5%	34.2%
Rented	41.6%	50.1%	40.0%	34.7%	61.7%	35.1%
<b>Monthly Mortgage Repayments (occupied private dwellings being purchased)</b>						
Median monthly mortgage repayment	\$2,870	\$2,830	\$3,120	\$3,510	\$2,810	\$2,240
Variation from median	28.1%	26.3%	39.3%	56.7%	25.4%	0.0%
<b>Weekly Rent</b>						
Median weekly rent	\$580	\$580	\$590	\$590	\$500	\$450
Variation from median	28.9%	28.9%	31.1%	31.1%	11.1%	0.0%
<b>Languages Spoken at Home other than English</b>						
First	Mandarin (3.2%)	Mandarin (2.6%)	Mandarin (1.8%)	Mandarin (2.2%)	Mandarin (2.3%)	Mandarin (5.1%)
Second	Cantonese (2.6%)	Japanese (1.6%)	Cantonese (1.6%)	French (1.3%)	Spanish (1.6%)	Arabic (4.3%)
Third	Japanese (2.1%)	Spanish (1.5%)	French (1.4%)	Spanish (1.2%)	Cantonese (1.6%)	Cantonese (3.1%)
Fourth	Spanish (1.3%)	Cantonese (1.4%)	Japanese (1.4%)	Italian (0.9%)	French (1.4%)	Vietnamese (2.2%)
Fifth	Thai (1.0%)	French (1.3%)	Spanish (0.8%)	German (0.9%)	Hindi (1.0%)	Greek (1.7%)

Source: ABS, Ethos Urban



**Figure 8 Neutral Bay trade area and competition**

Source: MapInfo, Ethos Urban

#### 4.2.2 Employment and worker profile

Key points to note regarding the profile of workers employed within the Primary North and Primary South trade area sectors include:

- Professionals and Managers represent the largest share of employment, with the provision of both occupations higher than the Greater Sydney average. The share of Clerical and administrative workers, Machinery operators and drivers, as well as Labourers are all lower than the Greater Sydney average.
- A greater portion of residents' work within white collar occupations (80.4% and 84.4%) compared to 73.2% in Greater Sydney.
- In the Primary North, the industries with the largest share of employment are Professional (21.0%), Accommodation (13.2%), Retail Trade (12.9%) and Health Care (11.1%).
- Similarly, in the Primary South, the industries with the largest share of employment are Health Care (19.1%), Professionals (15.5%), Retail Trade (12.5%), and Education (10.9%).

A breakdown of the employment and worker profile by industry is provided in **Table 3**.



**Table 3      Employment and industry profile**

	Primary North	Primary South	Secondary North	Secondary East	Secondary South	Greater Sydney
<b>Industry of Employment (Employed persons aged 15 years and over)</b>						
Agriculture, forestry and fishing	0.2%	0.1%	0.6%	0.2%	0.1%	0.3%
Mining	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
Manufacturing	1.2%	1.6%	1.5%	1.5%	1.5%	6.1%
Electricity, gas, water and waste services	0.0%	0.0%	0.4%	0.0%	0.0%	0.6%
Construction	4.8%	6.7%	6.5%	7.7%	3.5%	8.6%
Wholesale trade	1.4%	1.9%	3.0%	1.3%	0.8%	3.8%
Retail trade	12.9%	12.5%	11.8%	10.7%	4.9%	9.9%
Accommodation and food services	13.2%	5.4%	17.3%	12.3%	12.7%	7.1%
Transport, postal and warehousing	1.5%	1.3%	3.7%	0.7%	0.4%	5.4%
Information, media and telecommunications	3.4%	1.2%	0.9%	1.2%	1.9%	3.0%
Financial and insurance services	3.0%	4.8%	2.3%	3.5%	6.7%	6.7%
Rental hiring and real estate services	6.5%	5.4%	2.4%	4.1%	2.1%	2.0%
Professional, scientific and technical services	21.0%	15.5%	13.1%	10.0%	22.1%	10.4%
Administrative and support services	2.7%	3.4%	5.7%	3.0%	3.2%	3.8%
Public administration and safety	1.9%	2.1%	0.8%	7.5%	2.7%	5.8%
Education and training	9.6%	10.9%	9.7%	10.6%	23.7%	8.5%
Health care and social assistance	11.1%	19.1%	11.3%	10.1%	7.8%	12.3%
Arts and recreation services	1.4%	2.5%	3.5%	9.5%	3.8%	1.7%
Other services	4.5%	4.5%	6.4%	5.3%	2.5%	3.8%
<b>Occupation (Employed persons aged 15 years and over)</b>						
Managers	14.2%	14.0%	15.8%	15.5%	15.8%	14.0%
Professionals	30.1%	35.8%	25.8%	25.6%	40.5%	26.8%
Technicians and trades workers	10.5%	9.7%	12.1%	15.1%	8.5%	11.9%
Community and personal service workers	12.4%	12.9%	20.4%	16.5%	13.0%	9.8%
Clerical and administrative workers	10.0%	11.4%	9.9%	9.7%	11.2%	14.9%
Sales workers	13.8%	10.4%	10.1%	11.1%	6.2%	9.2%
Machinery operators and drivers	2.8%	0.9%	1.2%	0.8%	0.5%	5.7%
Labourers	6.3%	5.1%	4.7%	5.7%	4.3%	7.7%

Source: ABS, *Ethos Urban*

## 4.3 Population profile – forecast

### 4.3.1 Resident profile

The Estimated Resident Population (ERP) of the Primary North and Primary South in 2021 is estimated at 11,260 and 22,410 persons, respectively, as outlined in **Table 4**. Together, this population accounts for around 47% of the Main Trade Area population which is estimated at 72,210 persons in 2021.

The population within the Primary North sector is forecast to increase by +1,180 persons to reach 12,440 persons by 2036. This indicates an average annual growth rate of +0.7%. While in the Primary South sector, the population is forecast to increase by +1,530 persons or an average annual growth rate of +0.5%. In combination the Primary North and Primary South sectors are forecast to account for over half of the increase in population for the overall Main Trade Area, which is forecast to increase from 72,210 persons in 2021 to 77,200 persons in 2036.

While the local population will account for the majority of business directed to the Rangers Road development at Neutral Bay, the project would also likely attract a proportion of expenditure from local workers in the region as well as students, passing traffic and visitors to the area.

**Table 4 Existing and projected trade area population**

	2016	2021	2026	2031	2036
<b>Number</b>					
Primary North	10,700	11,260	11,750	12,240	12,440
Primary South	21,660	22,410	23,150	23,890	23,940
<b>Total Primary</b>	<b>32,360</b>	<b>33,670</b>	<b>34,900</b>	<b>36,130</b>	<b>36,380</b>
Secondary North	5,650	5,980	6,420	6,810	6,960
Secondary East	25,120	25,960	26,360	26,660	27,060
Secondary South	6,380	6,600	6,700	6,800	6,800
<b>Total Secondary</b>	<b>37,150</b>	<b>38,540</b>	<b>39,480</b>	<b>40,270</b>	<b>40,820</b>
<b>Main Trade Area</b>	<b>69,510</b>	<b>72,210</b>	<b>74,380</b>	<b>76,400</b>	<b>77,200</b>
<b>Average Annual Growth Rate</b>					
Primary North		0.9%	0.9%	0.8%	0.3%
Primary South		0.7%	0.7%	0.6%	0.0%
<b>Total Primary</b>		<b>0.8%</b>	<b>0.7%</b>	<b>0.7%</b>	<b>0.1%</b>
Secondary North		1.1%	1.4%	1.2%	0.4%
Secondary East		0.4%	0.3%	0.2%	0.3%
Secondary South		0.7%	0.3%	0.3%	0.0%
<b>Total Secondary</b>		<b>0.6%</b>	<b>0.5%</b>	<b>0.4%</b>	<b>0.3%</b>
<b>Main Trade Area</b>		<b>0.7%</b>	<b>0.6%</b>	<b>0.5%</b>	<b>0.2%</b>
<b>Average Annual Growth</b>					
Primary North		110	100	100	40
Primary South		160	150	150	10
<b>Total Primary</b>		<b>270</b>	<b>250</b>	<b>250</b>	<b>50</b>
Secondary North		70	90	80	30
Secondary East		110	80	60	80
Secondary South		50	20	20	0
<b>Total Secondary</b>		<b>220</b>	<b>190</b>	<b>160</b>	<b>110</b>
<b>Main Trade Area</b>		<b>480</b>	<b>430</b>	<b>400</b>	<b>160</b>

Source: ABS, Ethos Urban; forecast.id

These population forecasts have been defined taking into account a range of data sources including historic growth rates within each of the trade area sectors, recent building approvals and the development pipeline of residential projects currently planned within the Main Trade Area.

### 4.3.2 Employment and worker profile

At the time of the 2016 ABS Census, the number of jobs in the Primary North and Primary South was 5,150 and 2,760 jobs, respectively. Based on state government projections, over the period to 2036, total workers are projected to increase to 6,570 jobs in the Primary North, and 3,500 jobs in the Primary South, respectively.

In total, some 8,410 workers are currently estimated to be working across the combined Primary trade area and this is projected to increase to 10,070 workers by 2036. Across the Main Trade Area, the number of workers is estimated to increase from 19,250 in 2021 to 23,010 by 2036, representing a total of +3,760 additional workers.

Note that the now rescinded Military Road Corridor Planning Study identified around 2,850 jobs in Neutral Bay as at 2018. According to the Study, this could decline to as low as 1,500 jobs by 2036 under existing planning controls as commercial uses are replaced by residential facilities in this part of Sydney. It is recommended in the Study to amend the controls to support a target of 4,000 jobs by 2036. In this sense, the worker forecasts adopted in this analysis (of 3,500 in the Primary South sector by 2036) represent jobs potential if planning controls allow for increased employment capacity in the area.

**Table 5 Existing and projected trade area worker population**

	2016	2021	2026	2031	2036
<b>Number</b>					
Primary North	5,150	5,490	5,740	6,150	6,570
Primary South	2,760	2,920	3,080	3,290	3,500
<b>Total Primary</b>	<b>7,910</b>	<b>8,410</b>	<b>8,820</b>	<b>9,440</b>	<b>10,070</b>
Secondary North	1,240	1,300	1,350	1,440	1,530
Secondary East	6,870	7,300	7,620	8,150	8,690
Secondary South	2,070	2,240	2,350	2,530	2,720
<b>Total Secondary</b>	<b>10,180</b>	<b>10,840</b>	<b>11,320</b>	<b>12,120</b>	<b>12,940</b>
<b>Main Trade Area</b>	<b>18,090</b>	<b>19,250</b>	<b>20,140</b>	<b>21,560</b>	<b>23,010</b>

Source: NSW Government; Ethos Urban

Reflecting the mixed-use nature of the Neutral Bay centre, as well as the range of other services and amenities currently provided, including educational facilities and community services in the wider area, visitors and students to the area will be a source of sales and visitation at the Rangers Road development.

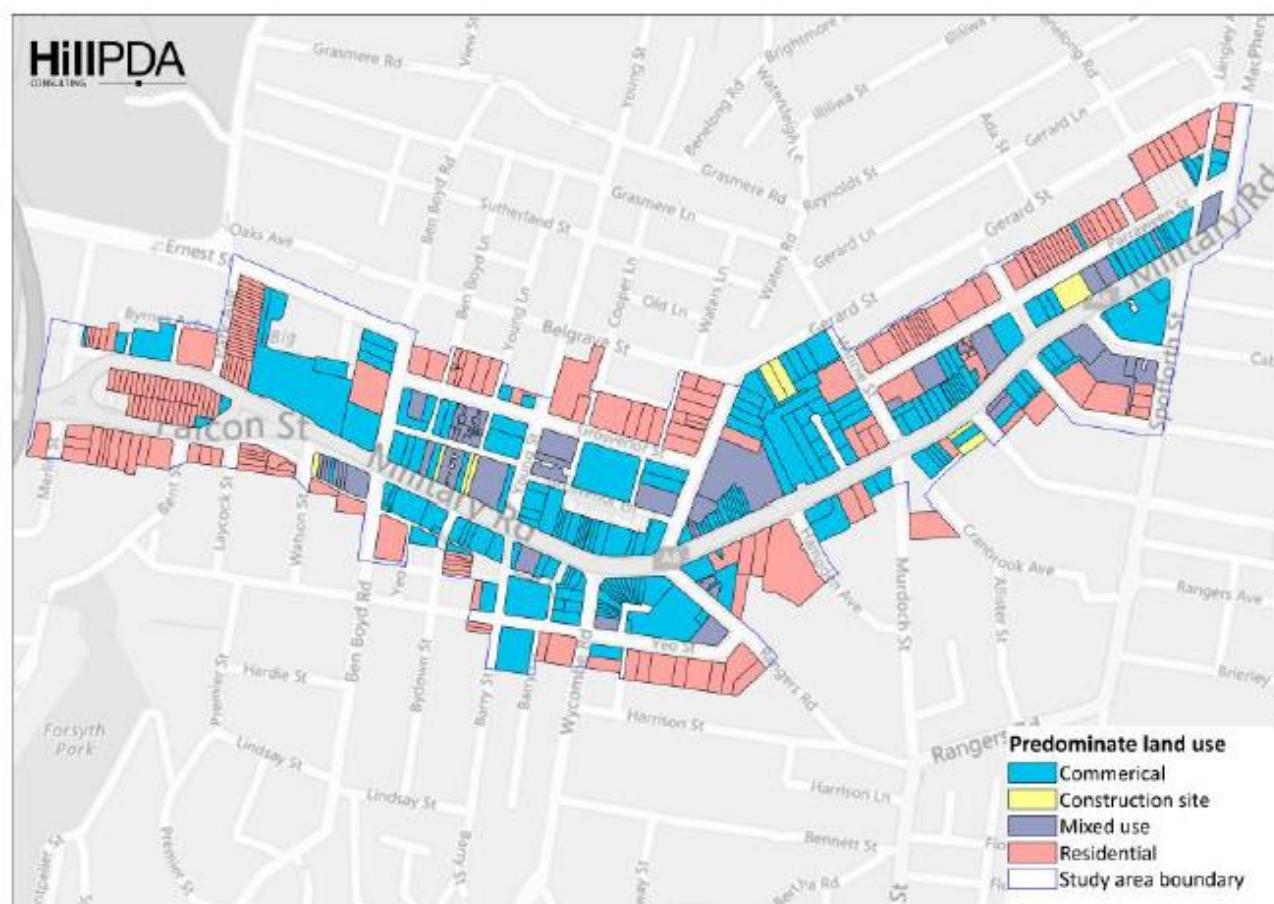
However, residents and workers will account for the majority of activity on a typical weekday and will form the most important customer segments.

#### 4.4 Local businesses and competing centres

The proposed Rangers Road development is located at a high-profile intersection, centrally located within Neutral Bay and the broader centre. A range of facilities are provided within Neutral Bay; however, non-residential facilities and businesses are primarily located along Military Road itself or on adjoining side-streets. This pattern is evident throughout the Main Trade Area with Military Road forming the main precinct for non-residential development.

An extensive mix of commercial and retail offerings are located along the Military Road Corridor. In Neutral Bay itself are three major supermarkets, numerous cafes and restaurants and general retail traders with a focus on convenience such as pharmacies, education and childcare facilities, health facilities as well as recreation and fitness services.

As part of the development of the Military Road Corridor Planning Study (now rescinded), North Sydney Council commissioned HillPDA to undertake background economic research. As part of the assessment, HillPDA undertook an audit of the Neutral Bay and Cremorne centres in October 2018, with a focus on key facilities provided around Military Road (refer **Figure 9**).



**Figure 9 Neutral Bay and Cremorne Town Centre – Land Use, 2018**

Source: HillPDA

A breakdown of uses within the defined Neutral Bay and Cremorne Town Centres is outlined in **Table 6**. This breakdown of uses takes into account the results of the HillPDA audit, and have been subsequently confirmed as largely appropriate by more recent site inspections as input to this report.

Key points to note include:

- Almost 300,000m<sup>2</sup> of floorspace is estimated within the corridor, with residential uses accounting for over 50%, followed by retail (16%) and commercial office (15%) as other key contributors.
- In total some 11,600m<sup>2</sup> of supermarket floorspace operates across four supermarkets. This includes three stores in Neutral Bay and one in Cremorne. The three Neutral Bay supermarkets total some 10,000m<sup>2</sup> and include a Coles supermarket at Big Bear Shopping Centre, a free-standing Woolworths supermarket along Grosvenor Street and the Woolworths supermarket on Rangers Road (planned to be redeveloped on the subject site).
- Other retail uses account for around 34,500m<sup>2</sup> of floorspace within the corridor. This provision includes cafes and restaurants, and convenience-based retail uses including personal services such as hairdressers and nail salons. Several homewares/bulky good retailers are located along Military Road.
- Approximately 44,400m<sup>2</sup> of commercial office floorspace is provided in the immediate precinct.
- A number of commercial office suites are occupied by medical and health-related services. A number of real estate and property services, and financial services such as banks are also present.
- Residential uses account for over 50% of floorspace within the corridor. This is typically provided in medium density apartment developments, with modern projects including a small provision of retail and commercial floorspace on the ground floor.
- A relatively limited provision of community, entertainment and recreational facilities is located in the immediate precinct.

**Table 6 Military Road Corridor - Floorspace Summary**

Category	Floorspace
Supermarket	11,600m <sup>2</sup>
Food Catering (including pubs/bars)	12,800m <sup>2</sup>
Other Retail	21,700m <sup>2</sup>
<b>Total Retail</b>	<b>46,100m<sup>2</sup></b>
<b>Commercial Office</b>	<b>44,400m<sup>2</sup></b>
<b>Community and Entertainment</b>	<b>4,900m<sup>2</sup></b>
<b>Recreation</b>	<b>3,700m<sup>2</sup></b>
<b>Residential</b>	<b>160,000m<sup>2</sup></b>
<b>Other*</b>	<b>36,900m<sup>2</sup></b>
<b>Total</b>	<b>296,000m<sup>2</sup></b>

\*Includes Education, Hotel, Carpark, Utilities, Vacancies, Unknown

\*\*Figures rounded

Source: HillPDA, Ethos Urban

The nearest major town centre is located around 2km east of the subject site in the suburb of Mosman within the defined Secondary East sector. The Mosman Town Centre and retail strip is also focused along Military Road, including around Bridgepoint Shopping Centre at Spit Junction (occupying around 7,000m<sup>2</sup> and including key tenants such as IGA, ALDI, Harris Farm and Fitness First). The remainder of the Mosman Town Centre extends south of Bridgepoint Shopping Centre and comprises a large range of uses – predominately retail uses and commercial offices serving the local community and including an IGA supermarket. A Woolworths Metro store has also recently been approved to locate in this retail strip.

Other local town centres are also provided within the Main Trade Area including Cammeray in the Secondary North sector and Kirribilli in the Secondary South sector. Each of these town centres includes a smaller retail and commercial office provision than Neutral Bay and has a primary focus on serving the needs of local residents and workers.

Higher-order facilities provided at North Sydney (2.5km south-west) and the Sydney CBD (5km south) are likely to remain major destinations for residents of the Main Trade Area. Residents would travel to these larger precincts for work and community facilities. Some additional precincts such as Chatswood, Brookvale, Manly and other major facilities on the Northern Beaches will also attract some visitation and expenditure. These larger centres account for a substantially larger provision of commercial office floorspace, and/or higher-order retail facilities including non-food retail.

In contrast, Neutral Bay will continue to serve the local and convenience needs of the Main Trade Area into the future.

Reflecting the growth and appeal of Neutral Bay, a number of proposed developments are currently underway or planned that will service future growth and add to local amenity. A review of current proposals indicates that the majority of major projects (those valued at \$10million or higher) are primarily residential or mixed-use developments. These typically range from 10 to 30-unit projects and often include a small provision of retail and/or commercial facilities on the lower levels.

In total over 200 apartments are planned to be provided, with over 4,000m<sup>2</sup> of commercial floorspace and more than 2,000m<sup>2</sup> of retail floorspace (data sourced from Cordell based on a review of proposed developments in the suburbs of Neutral Bay and Cremorne). This includes a potential retail anchor tenant (possibly a smaller supermarket) of up to 1,700m<sup>2</sup> which is proposed at 12-14 Waters Road, Neutral Bay.

It is important to note that the existing supermarket provision in Neutral Bay is also likely to be improved further in the near term, including a redeveloped Coles supermarket as part of a refurbished and expanded Big Bear Shopping Centre project, while Woolworths at Grosvenor Street will be converted to a new Coles supermarket upon expiry of the existing lease in the next few years.

The proposed Rangers Road development represents an opportunity to accommodate the forecast growth and the evolution of the Neutral Bay centre in order to better respond to contemporary community needs and expectations.

#### 4.5 Local social infrastructure context

A review of the existing local social infrastructure has been undertaken to establish a baseline for the assessment of supply. An overview of the local social infrastructure within a local 800m catchment of the site (a distance equivalent to a 10-15-minute walk) is based on the following categories:

- Recreational facilities and open space
- Community facilities
- Places of worship
- Educational facilities
- Medical facilities.

The social infrastructure context of the subject site is shown in **Figure 10**, noting that the location within the Neutral Bay centre already provides a concentration of community facilities serving the local neighbourhood and beyond.

##### Recreational facilities and open space

Two open spaces are within 400m of the site: Weaver Park and Watersleigh Park. Twelve open spaces are within an 800m walking distance. The closest major public recreation facility is at Cammeray Park (800m from the site), which includes synthetic sportsfields, nine-hole golf course, croquet lawns, four tennis courts and a skate plaza.

Council's *Recreation Needs Study* (2015) has identified demand for increased indoor and outdoor recreation facilities in North Sydney LGA.

##### Community facilities

Two community facilities are within walking distance of the subject site: Neutral Bay Community Centre and Forsyth Community Centre. These facilities provide community spaces for life-long learning and social and cultural activities,

and areas for private function hire. It is understood that these facilities are also earmarked for revitalisation as part of the public domain improvements within the Neutral Bay Town Centre Study<sup>7</sup>.

### **Places of worship**

Six places of worship are within walking distance of the subject site.

### **Educational facilities**

A total of three educational facilities are within 400m of the subject site including, SCEGGS Redlands (primary school and secondary school), and Neutral Bay Public School.

### **Childcare**

Approximately seven childcare centres, offering both family and long day care, are within walking distance of the subject site.

### **Medical facilities**

There are three medical facilities within walking distance of the site.

#### **4.5.1 Public transport and accessibility**

The subject site is located on a major transport corridor (Military Road), and is serviced by a range of bus routes that connect the site to other centres across the north shore, as well as the Sydney CBD. Bus routes include:

- B1: B-Line Mona Vale to Wynyard (rapid bus corridor)
- 178: Cromer Heights to Wynyard
- 180: Collaroy Plateau to Wynyard
- 225: Cremorne Point Wharf to Neutral Bay Wharf
- 245: Balmoral to Wynyard
- 247: Taronga Zoo to Mosman Junction
- 430: Sydenham to Taronga Zoo.

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<sup>7</sup> North Sydney Council. 2020 *Neutral Bay Town Centre Planning Study Stage 1, Future Directions*. Placemaking Strategy, p. 20.



Figure 10 Local social infrastructure network accessible to the site



Source: Ethos Urban



## 4.6 Community views and considerations

Between 2018 and 2020, Council undertook significant consultation with the local community to identify local community priorities and aspirations for Neutral Bay and the Military Road Corridor. The outcomes of these consultation processes are identified below.

### 4.6.1 Recent community consultations in the locality and relevant issues raised

#### North Sydney Recreation Needs Study (2015)

Consultation undertaken by Council to inform the *North Sydney Recreation Needs Study* (2015) highlighted the following community priorities for recreation in North Sydney LGA:

- Demand for more cycling and bike riding opportunities  
Demand for increased facilities for the following sports: basketball; soccer; yoga and light exercise; water aerobics; dance; skateboarding
- Demand for increased outdoor recreation activities, as well as more accessible and affordable indoor sports facilities for basketball, and futsal
- Demand for informal recreation opportunities.

#### Military Road Corridor Planning Study (2018)

It is understood that initial engagement to discuss the future of Neutral Bay town centre began in mid-2018. Key opportunities and challenges, as well as valued features that define the local character, were identified by the community as follows:

- A desire for more trees and vegetation in the area
- Interest in opportunities for improved plazas and outdoor activities as well as outdoor dining
- Improved access along the Military Road corridor with better road crossing opportunities
- Strong interest for a social facility such as a library or community centre as well as more art spaces, sports facilities and green spaces
- Support for more public events that would contribute to the village atmosphere and sense of community.

The majority of the community surveyed in 2018 identified “beautiful public spaces” as important for the future of Neutral Bay. Public spaces were identified as important social gathering points that contribute towards the character of the area. Demand for an improved community centre, new affordable childcare space, an indoor recreation facility that would cater for a variety of sports and activities, artist studios and exhibition spaces as well as commuter bicycle parking were also identified.

#### Military Road Corridor discussion paper feedback (2019)

Detailed discussion papers released in 2019, related to planning changes that would increase development and deliver public domain benefits addressed employment and transportation strategies. In response feedback received identified the following relevant consideration for this planning proposal:

- Some concerns were raised in relation to proposed increase in building heights, mostly due to impacts on solar access, existing views and community character
- Some support for a negotiation of public benefits via Voluntary Planning Agreements
- The community valued the existing village feel and would like this retained
- Strong support for improved plazas, as well as introduction of public art.

#### Draft North Sydney Local Strategic Planning Statement – community feedback (2019)

Between July and August 2019, Council undertook public exhibition of the draft Local Strategic Planning Statement. In total 47 submissions were received from a broad range of private, community and government stakeholders. Key concerns relevant to the proposed development included:

- Balancing high density development with increased provision of infrastructure, including open space, community facilities and public transport, and desire to see future development in Neutral Bay well-managed and guided by Council. Some concern exists that high density development in other areas of the LGA may create overshadowing, congestion and an unattractive built environment.
- Desire to retain “village feel” and “human scale” of multiple local centres across the LGA, including Neutral Bay, by retaining areas of low density housing and protecting heritage items.
- Some concern that land use planning decisions by Council and the Greater Sydney Commission are failing to address the stated priorities of the community. For example, some submissions perceived that high density residential development had put pressure on open space and amenity in North Sydney LGA, while a shortage of education, community, aged care and medical facilities had not been addressed.

### Neutral Bay Town Centre, Military Road Corridor Planning Study – Stage 1 (2020)

The Neutral Bay Town Centre, Military Road Corridor Planning Study (Stage 1) was exhibited 23 April 2020 – 8 June 2020. To inform the development of these future directions for Military Road, North Sydney Council undertook extensive stakeholder engagement to understand the local community values and vision that could be developed for Neutral Bay, as well as investigating the likely response to plans for future development of the Neutral Bay town centre. Local government elections occurred in December 2021. On 24 January 2022, an extraordinary Council meeting was held at the Council Chambers and Council resolved to rescind the Neutral Bay Town Centre - Future Directions Planning Study (dated 22 February 2021):

*‘During the recent election, Council had received strong community feedback on the proposed height and scale of some sites in the Future Directions Planning Study. Council noted the community feedback and decided not to adopt the study, as amended, as the strategic development framework for the Neutral Bay town centre.*

*Council resolved to prepare an updated strategic development framework for Neutral Bay town centre by engaging with the community and stakeholders. The revised recommendation is to strike a better balance between development height and the provision of additional public open space.’<sup>8</sup>*

### 4.6.2 Considerations arising for the proposed development

The following table summarises the key community priorities from community and stakeholder engagement, relevant for the consideration of social and economic impacts of the project.

**Table 7 Key Community Priorities**

Stakeholder theme	Key “place” opportunities identified
Vegetation and greening of Neutral Bay	<ul style="list-style-type: none"> <li>• Demand for increased trees and vegetation in neutral bay, including to redress canopy loss due to urban renewal and B-Line project.</li> <li>• Concern about pressure on existing open space due to increased high-density housing.</li> </ul>
Access and connectivity	<ul style="list-style-type: none"> <li>• Demand for improved connections across Military Road.</li> <li>• Improved footpaths, bike lanes and pedestrian spaces.</li> <li>• Need for improved Military Road environment.</li> </ul>
“Village feel” and activated public spaces	<ul style="list-style-type: none"> <li>• Residents, workers and visitors to Neutral Bay strongly value the “village feel” of the area.</li> <li>• There for outdoor activities, including outdoor dining, plazas and other activations. “Beautiful public spaces” was identified as a key issue for the centre.</li> <li>• Need to balance high density development in local centres with improved infrastructure and amenity to support population growth.</li> </ul>
Community and recreation facilities	<ul style="list-style-type: none"> <li>• Demand for new community spaces and facilities in the area, such as a library, community centre and areas to support community events.</li> </ul>

<sup>8</sup> Military Road Corridor Planning Study, Latest News, accessed via North Sydney Council’s website on 14 February 2022, via [https://www.northsydney.nsw.gov.au/Building\\_Development/Strategic\\_Planning/Military\\_Road\\_Corridor\\_Planning\\_Study](https://www.northsydney.nsw.gov.au/Building_Development/Strategic_Planning/Military_Road_Corridor_Planning_Study)

## 5.0 Social Impact Assessment

### 5.1 Introduction

The purpose of this Social Impact Assessment (SIA) is to assess the impacts of the development, both positive and negative, for the community and stakeholders. Social Impact Assessment involves the analysis of social changes and impacts on communities that are likely to occur as a result of a particular development, planning scheme, or government policy decision.

- Operational impacts of the development are assessed in this report, as is appropriate to the Planning Proposal stage.
- Construction impacts would be assessed in greater detail at the Development Application stage, at which point additional information may be provided.

### 5.2 Assessment framework and scope

This SIA has been prepared based on the *Social Impact Assessment Guideline for State Significant Projects* (NSW DPIE 2021). This assessment considers the potential impact on the community and social environment should the social impacts envisaged occur, compared to the baseline scenario of the existing use of the site and social context.

The purpose of this social impact assessment is to:

- Identify, analyse and assess any likely social impacts, whether positive or negative, that people may experience at any stage of the project lifecycle, as a result of the project
- Investigate whether any group in the community may disproportionately benefit or experience negative impacts and proposes commensurate responses consistent with socially equitable outcomes
- Develop social impact mitigation and enhancement options for any identified significant social impacts.

Ultimately, there can be two main types of social impacts that may arise as a result of the proposed development. First, direct impacts can be caused by the project which may cause changes to the existing community, as measured using social indicators, such as population, health and employment.

Secondly, indirect impacts that are generally less tangible and more commonly related to matters such as community values, identity and sense of place. Both physically observable as well as psychological impacts need to be considered.

This study identifies the following key social factors relevant to the assessment of social impacts of the project:

- Way of life
- Health and wellbeing
- Accessibility
- Community
- Culture
- Surroundings
- Livelihoods
- Decision-making systems.

### 5.3 Key affected communities

This assessment covers both the immediate locality, which is expected to experience social impacts associated with the temporary construction activities and some of the future operational impacts, as well as the broader study area as defined in **Chapter 4.0** and any further areas that may experience the resulting benefits from the operational phase of the project. Based on the social baseline analysis undertaken, the key communities to experience social impacts and/ or benefits of the project can be grouped as follows:

- The current local residents in the study area, including adjacent neighbours of the site, and
- The broader community in the locality, including local workers, businesses, visitors to the area.

## 5.4 Impact assessment factors and responses

The following section sets out the assessment of social impacts arising from the proposed development and recommended responses, including measures to enhance social benefits and mitigate potentially negative impacts, across the suite of factors set out in the *NSW DPIE SIA Guidelines*. The assessment has been based on the information available to date, and is primarily a desktop study, informed by a review and analysis of publicly available documents relevant to the project.

### 5.4.1 Evaluation principles

The SIA Guideline classifies social impacts in the following way, which forms the core basis of this assessment:

- **Way of life:** *how people live, get around, work, play and interact with one another each day*
- **Community:** *its composition, cohesion, character, how it functions, resilience, and people's sense of place*
- **Accessibility:** *how people access and use infrastructure, services and facilities (private, public, or not-for-profit)*
- **Culture:** *both Aboriginal and non-Aboriginal - people's shared beliefs, customs, practices, obligations, values and stories, and connections to Country, land, waterways, places and buildings*
- **Health and wellbeing:** *people's physical, mental, social and spiritual wellbeing – especially for people vulnerable to social exclusion or substantial change, psychological stress (from financial or other pressures), access to open space and effects on public health*
- **Surroundings:** *access to and use of natural and built environment, including ecosystem services (shade, pollution control, erosion control), public safety and security, as well as aesthetic value and amenity*
- **Livelihoods:** *including people's capacity to sustain themselves through employment or business*
- **Decision-making systems:** *the extent to which people can have a say in decisions that affect their lives, and have access to complaint, remedy and grievance mechanisms.*

The evaluation includes a risk assessment of the degree of significance of risk, including the envisaged magnitude (duration, extent, severity, sensitivity), likelihood, and potential to mitigate/enhance and likelihood of each identified impact. The social impact significance matrix provided within the SIA Guidelines Technical Supplement (see **Table 8**) has been adapted for the purposes of undertaking this social and impact assessment.

Each impact has been assessed and assigned an overall risk that considers both the likelihood of the impact occurring and the consequences should the impact occur. The assessment also sets out recommended mitigation, management and monitoring measures for each identified matter.

Magnitude of impact generally considers the following dimensions:

- **Extent** - Who specifically is expected to be affected (directly, indirectly, and/or cumulatively), including any vulnerable people? Which location(s) and people are affected? (e.g. near neighbours, local, regional, future generations).
- **Duration** - When is the social impact expected to occur? Will it be time-limited (e.g. over particular project phases) or permanent?
- **Severity or scale** - What is the likely scale or degree of change? (e.g. mild, moderate, severe)
- **Intensity or importance** - How sensitive/vulnerable (or how adaptable/resilient) are affected people to the impact, or (for positive impacts) how important is it to them? This might depend on the value they attach to the matter; whether it is rare/unique or replaceable; the extent to which it is tied to their identity; and their capacity to cope with or adapt to change.
- **Level of concern/interest** - How concerned/interested are people? Sometimes, concerns may be disproportionate to findings from technical assessments of likelihood, duration and/or intensity.

**Table 8 Defining magnitude levels for social impacts**

Magnitude level	Meaning
Transformational	<ul style="list-style-type: none"> <li>Substantial change experienced in community wellbeing, livelihood, infrastructure, services, health, and/or heritage values;</li> <li>permanent displacement or addition of at least 20% of a community.</li> </ul>
Major	<ul style="list-style-type: none"> <li>Substantial deterioration/improvement to something that people value highly, either lasting for an indefinite time, or affecting many people in a widespread area.</li> </ul>
Moderate	<ul style="list-style-type: none"> <li>Noticeable deterioration/ improvement to something that people value highly, either lasting for an extensive time, or affecting a group of people.</li> </ul>
Minor	<ul style="list-style-type: none"> <li>Mild deterioration/ improvement,</li> <li>for a reasonably short time, for a small number of people who are generally adaptable and not vulnerable.</li> </ul>
Minimal	<ul style="list-style-type: none"> <li>Little noticeable change experienced by people in the locality.</li> </ul>

Source: NSW DPIE, 2021, *Technical Supplement - Social Impact Assessment Guideline for State Significant Projects*.

**Table 9 Defining likelihood levels of social impacts**

Likelihood level	Meaning
Almost certain	Definite or almost definitely expected (e.g. has happened on similar projects)
Likely	High probability
Possible	Medium probability
Unlikely	Low probability
Very unlikely	Improbable or remote probability

Source: NSW DPIE, 2021, *Technical Supplement - Social Impact Assessment Guideline for State Significant Projects*.

**Table 10 Social impact significance matrix**

Likelihood	Magnitude				
	Minimal	Minor	Moderate	Major	Transformational
Very unlikely	Low	Low	Low	Medium	Medium
Unlikely	Low	Low	Medium	Medium	High
Possible	Low	Medium	Medium	High	High
Likely	Low	Medium	High	High	Very high
Almost certain	Low	Medium	High	Very high	Very high

Source: NSW DPIE, 2021, *Technical Supplement - Social Impact Assessment Guideline for State Significant Projects*.

The assessment also sets out recommended mitigation, management and monitoring measures for each identified matter.

## 5.5 Impact assessment across specified social factors

### 5.5.1 Way of life - how people live, get around, work, play and interact with one another each day

#### Potential impacts

##### During construction:

- It is likely there will negative impacts to way of life during construction of the proposal. This will include disruptions to everyday life in the form of noise, dust, changed traffic and pedestrian conditions and the presence of increased construction personnel in the vicinity (estimated to be 263 FTE direct construction jobs created). These impacts will be temporary, during the estimated construction period of one year. These impacts will be assessed in greater detail at the Development Application stage.

##### During operation:

- Increased convenience for shoppers, residents and visitors to Neutral Bay associated with delivery of a new supermarket and ground floor retail shops. The development will increase opportunities for residents to access daily living needs in a location close to their home, and close to other community facilities. It is noted that post-COVID and with more people working from home some of the time, there may be increased demand for services and amenities to be co-located within local neighbourhoods. There is an enhanced role for local centres to support the social and economic needs of communities.
- Increased social interaction between residents, visitors, workers and students within the Neutral Bay centre. The delivery of the Rangers Road development would further activate the Neutral Bay centre as a local social hub, due to the co-location of the shopping centre and plaza with retail shops, offices and services. A concentration of shopping, dining, transport, education and social services in an area encourages people to be more socially active, enhancing the liveability and viability of place.
- Improvements to way of life for future residents and workers in the locality, as their dwellings and places of work will be located close to an upgraded major supermarket, retail and commercial space, supported by a public plaza that activates the ground level uses.
- Positive way of life benefits associated with delivery of housing co-located with public transport, commercial offices, a supermarket and retail shops, which will contribute towards delivery of a "30-minute city" where people can access housing, employment, education and other services, including retail, within a short distance of their home. It is also noted that the Primary trade area has an older age profile compared with Greater Sydney. Higher density housing, close to daily living needs and public transport, will support older residents to downsize and support ageing in place within their established community.
- Potential positive benefits associated with increased employment due to the delivery of a redeveloped supermarket, new retail shops and contemporary commercial office space at this location.

#### Responses / mitigation measures

##### During construction:

- Implementation of a Construction Management Plan and a Communications and Engagement Plan to ensure local community are informed about disruptions.
- Implementation of a Complaints Management Procedure, to ensure issues are managed quickly and consistently.

##### During operation:

- Explore opportunities to connect the proposed development with surrounding active transport links to encourage walking and cycling to this site.
- Provide clear access to public transportation services, specifically the bus stops along Military Road, to enhance convenience for visitors, workers and residents of Neutral Bay who may seek to access the supermarket on the way to and from their homes, as well as to enhance accessibility for residents and workers in this development.
- Consider opportunities to enhance social interactions in the proposed development and ensure flexible design of the activated spaces to respond to future health needs if they were to arise.
- Consider the impact of the COVID-19 crisis on the management and operation of retail. While the long-term impact is unknown it may be necessary that the management and operation of the new centre is innovative and adaptable to a changing health landscape, and evolving retail habits.

#### Summary

<b>Overall Social Impact Significance</b>	The overall social impact to way of life during operation is likely to be high and positive: <ul style="list-style-type: none"> <li><b>Operation – High (likely major) impact – positive</b></li> </ul>
<b>Duration</b>	Benefits to way of life associated with the delivery and operation of the revitalised centre are likely to be long term.
<b>Severity/ sensitivity</b>	The impact will be experienced by local residents and workers in the Neutral Bay Town Centre and broader suburb. The impacts on the key stakeholders are not considered to be negative once

Potential impacts	
	operational, given this represents an enhanced retail and community centre within an existing retail precinct.
<b>Extent</b>	The impacted stakeholders and community are likely to live in, work in or access the primary north and primary south study area.
<b>Potential to mitigate/enhance</b>	Benefits are planned to be enhanced as far as possible through the project, including through its design, its co-location of retail, commercial and offices, and expanded community amenities including a civic plaza. The development overall is intended to optimise community benefits.

### 5.5.2 Access to and use of infrastructure, services and facilities

Potential impacts	
<p><u>During construction:</u></p> <ul style="list-style-type: none"> <li>There is likely to be minor negative impacts to access and use of infrastructure, services and facilities during construction, due to impacts to traffic. This will be assessed in greater detail at the Development Application stage.</li> </ul> <p><u>During operation:</u></p> <ul style="list-style-type: none"> <li>The Rangers Road development delivers 1,000m<sup>2</sup> of well-designed, activated public space. New public space at this location has the potential to catalyse social interactions and improved community connections, as well as encourage increased physical activity by improving the pedestrian environment of the Military Road Corridor.</li> <li>Positive social benefits in the form of improved access, associated with delivery of a revitalised supermarket and new retail, in a location well-connected to public transport.</li> <li>Positive social benefits from increased access to retail services, commercial offices and public spaces, helping achieve the Greater Sydney Commission's goal of a 30-minute city – reducing travel times and increasing opportunities for users to spend time with their family and friends.</li> <li>Benefits associated with delivery of higher built-form density in a location well-connected to services, infrastructure and facilities, including schools, medical facilities, public transport and open space. Housing on this site will also be co-located with public space, commercial office space and retail services. The accessibility of these facilities for residents of this site will support residents' wellbeing and quality of life.</li> </ul>	
Responses/ mitigation measures	
<p><u>During construction:</u></p> <ul style="list-style-type: none"> <li>Implementation of a Traffic Management Plan.</li> </ul> <p><u>During operation:</u></p> <ul style="list-style-type: none"> <li>Ensure that the design of the proposed development enables convenient wayfinding.</li> <li>Explore opportunities for shared use of the public space.</li> <li>Consider inclusion of digital infrastructure to enhance accessibility and use of the proposed development as social infrastructure. This may include: <ul style="list-style-type: none"> <li>Providing free Wi-Fi</li> <li>Exploring opportunities for stores to provide digital experiences</li> <li>Ensuring flexibility of the design to support contemporary retail trends, including pre-ordering, effective takeaway experiences through click and collect distribution areas. This will be particularly relevant in the post-COVID19 environment, as physical distancing measures may continue to be required.</li> </ul> </li> </ul>	
Summary	
<b>Overall Social Impact Significance</b>	<p>Overall improved access to a supermarket, retail and high-quality housing at this site close to the existing public transport infrastructure would have a significant positive social benefit.</p> <ul style="list-style-type: none"> <li><b>Operation – High (likely major) impact – positive</b></li> </ul>
<b>Duration</b>	Most potential negative impacts will occur during the construction phase. Positive social benefits will occur during the operational phase and are long term.
<b>Severity/ sensitivity</b>	The impact on the key stakeholders is not considered to be severe or significant, given this represents an enhanced supermarket offering along with retail, a new public plaza and delivery of high-quality housing.



Potential impacts	
<b>Extent</b>	The extent of the impact will be felt primarily by visitors to Neutral Bay centre and surrounding residents.
<b>Potential to mitigate/enhance</b>	Upon completion, the Rangers Road development will provide significant social benefit by providing improved access to high quality services and facilities in an area experiencing population growth. Regular communication and engagement with stakeholders will be important to manage any potential negative impacts during operations.

### 5.5.3 Community, including its composition, cohesion, character, how it functions, sense of place

Potential impacts	
<p><u>During construction:</u></p> <ul style="list-style-type: none"> <li>There is potential for construction to negatively impact community character and cohesion. The construction workforce of 263 FTE (direct jobs) may slightly change the character of this area of the town centre due to the perceived presence of 'strangers'. However, this workforce is expected to support a further 421 FTE jobs through flow on benefits – many of these beneficiaries will be existing businesses in the community.</li> <li>It's possible conflict within the community between those who support the development and those who oppose it may impact on community cohesion.</li> <li>Sense of place may also be impacted by construction, due to the change in the appearance of the town centre. For some people, this will be a negative impact. For others, it may be positive, due to their positive associations with having a new supermarket near their home.</li> <li>These impacts will be assessed in greater detail at the Development Application stage.</li> </ul> <p><u>During operation:</u></p> <ul style="list-style-type: none"> <li>The local community has highlighted through consultation to inform the planning strategies for Neutral Bay that they have a strong attachment to the village atmosphere of Neutral Bay. Disruption to sense of place may arise, associated with the changing landscape of Neutral Bay, given the increased density at the site. However, it is noted that Neutral Bay has been earmarked for redevelopment by Council, though Council supports appropriate development in line with community expectations.</li> <li>Many positive benefits are associated with expanding and upgrading the existing commercial/retail offering at the subject site. As identified in the strategic policy review, commercial centres double as social meeting spaces for communities, and well-designed spaces can attract a higher volume of visitors and support community cohesion. The co-location of the supermarket with other retail uses and public open space, sitting alongside commercial and residential uses can provide a successful mix that enhances the liveability for the local community.</li> <li>Potential improvements to community cohesion associated with increased spaces for people to meet and gather (including ground floor retail options and 1,000m<sup>2</sup> public plaza), which has the potential to strengthen community ties. This would support sense of community for future residents and workers of the site, as it will provide a space for these users of the site to gather and meet each other. The proposed development is located close to two SCEGGS Redlands campuses and Neutral Bay Public School, and the proposed development may also attract school students to gather after school and connect with their friends and families.</li> <li>Approximately one third of households in the Primary trade area are lone person households, and the establishment of new housing, suited to the smaller household size, in a mixed use precinct will provide spaces and places where individuals can connect to others in their neighbourhoods, building networks and social capital.</li> <li>Potential improvements to sense of place associated with delivery of 1,000m<sup>2</sup> of public space at this site, which will enhance the amenity of the area and improves the visual prominence and visibility of the site from Military Road. This may catalyse a new connection to place for visitors to the area who may perceive the site as a landmark.</li> <li>Potential improvements to community cohesion associated with contribution of the proposed development towards activating Neutral Bay Town Centre as a hub for the local community, and encouraging social interaction by improving pedestrian amenity and accessibility, and providing spaces for people to gather. The proposed development will contain retailers, a Woolworths supermarket and ground floor public plaza which will attract residents from the surrounding area. Additional retail, services, offices, public space at this site will contribute towards a concentration of daily living needs in a single centre, encouraging residents and visitors to come together and socialise.</li> <li>Potential enhanced sense of place for residents and visitors to Neutral Bay centre, associated with improvements to the urban design and streetscape along Military Road and Rangers Road. The proposed Rangers Road development is to be of a high architectural quality and will contribute towards revitalising the area.</li> </ul>	
Responses/ mitigation measures	
<p><u>During construction:</u></p> <ul style="list-style-type: none"> <li>Implementation of a Communications and Engagement Plan, and effort to maintain positive, working relationships with the surrounding community during construction.</li> </ul>	



## Potential impacts

### During operation:

- Consider developing a venue management plan to identify opportunities to activate the site and engage with the surrounding community. Consider in store initiatives within the supermarket, retail spaces and plaza to connect with the local community.
- Provide education and communication of the construction phase to allow local residents and visitors to the area to effectively see and understand progress of development on the site.
- Explore opportunities for enhanced connections to the local community, specifically including space and services to meet the needs of children and teenagers. Research shows young people benefit from the location of support services within shopping centres which are key socialisation spaces for this group. Measures to provide space for students to socialise after school in a safe and welcoming environment will be beneficial.
- Explore opportunities to activate the plaza during both day and night, ensuring a safe and vibrant space is created through the design and operation of the proposed development. It is also recommended that the programming of potential events in the public plaza is responsive to the local demographic need.
- Ensure outdoor and indoor gathering spaces are welcoming to all community members. Provide a transition from interior to exterior use of public space, this can facilitate social gatherings and casual social interaction.

## Summary

<b>Overall Social Impact Significance</b>	Overall, contribution towards the revitalisation of the area by provision of the supermarket offering, new retail and major public open space and delivery of high quality housing at this site would have a significant positive social benefit.  • <b>Operation – High (likely major) impact – positive</b>
<b>Duration</b>	Operational benefits are long term.
<b>Severity/ sensitivity</b>	Impacts are likely to be experienced differently by different groups and individuals, but generally not severe.
<b>Extent</b>	It is expected that once operational, the Rangers Road development would generate positive impacts for the community of Neutral Bay and surrounding neighbourhoods. The impact will be experienced by local resident, workers and other visitors to the Town Centre.
<b>Potential to mitigate/ enhance</b>	A high potential to enhance the positive social benefits of the proposed development through taking account of social issues during the delivery phase and ongoing operational management. Thoughtful programming of the new public spaces can greatly contribute to enhanced positive benefits.

## 5.5.4 Culture: shared beliefs, customs, values and stories, and connections to land, places, buildings

## Potential impacts

### During construction:

- The construction phase may change some community members connections to place and the culture of their neighbourhood. Community consultation reviewed as part of this SIA did not uncover any noted cultural or place-based connections to the site as it stands. However, consultation demonstrated that the 'village feel' of Neutral Bay was very important to residents and any developments should add to this shared culture. These potential impacts will be assessed further at the Development Application stage.

### During operation:

- There could be potential changes to 'connection to place' associated with the proposed development for some members of the community. Consultation undertaken in 2019 to inform the development of the *Military Road Corridor Strategy* highlights that residents value the existing village feel of Neutral Bay and would like to see this retained. Consultation also identified that while residents support improved plazas and public art in this area, some residents are concerned about proposed increases in building heights, due to impacts on solar access, views and community character.
- A new development at the subject site may have an impact on residents' connection to place in Neutral Bay, potentially both positive and negative. The delivery of a new 1,000 m<sup>2</sup> ground floor plaza may enhance some community members connection to place. Communal spaces have the opportunity to meet social, recreation and practical needs for a broad range of community members.

Potential impacts	
Responses/ mitigation measures	
<p><u>During construction:</u></p> <ul style="list-style-type: none"> <li>Incorporate existing community values and narratives during operation, for example, by establishing ongoing engagement with local organisations and the Rose Bay community. Undertake further community consultation to inform and co-design programming for this site.</li> </ul> <p><u>During operation:</u></p> <ul style="list-style-type: none"> <li>The improvement of the retail and public space has potential to enhance social connection to the subject site and ensuring high amenity pedestrian access will enhance community experiences.</li> <li>Incorporating existing community values and narratives during operation, for example, by establishing ongoing engagement with local organisations and the Neutral Bay community or considering inclusion of public art in the planned plaza, can further enhance social benefits in this regard.</li> </ul>	
Summary	
<b>Overall Social Impact Significance</b>	<p>Overall, redevelopment of the shopping precinct into a high-quality architectural development would have a minor positive social benefit:</p> <ul style="list-style-type: none"> <li><b>Operation – Medium (minor possible) impact – positive.</b></li> </ul> <p>It is noted that some members of the community may experience the change negatively though.</p>
<b>Duration</b>	A negative social impact is unlikely, though possible for a minority in the community. Positive social impacts to culture are possible.
<b>Severity/ sensitivity</b>	The operational benefits of the Rangers Road development will be long term.
<b>Extent</b>	Impacts are likely to be experienced differently by different groups and individuals. Although the proposed development may result in changes to connection to place, improved connections to place will be enabled through high quality design and provision of community amenities/ facilities.
<b>Potential to mitigate/ enhance</b>	Benefits of the development may be enhanced by ensuring measures are employed to maintain connection, values and stories to the site for the Neutral Bay community.

### 5.5.5 Health and wellbeing - including physical, mental, social and spiritual – and especially for vulnerable people; access to open space and effects on public health

Potential impacts
<p><u>During construction:</u></p> <ul style="list-style-type: none"> <li>Some community members living within the primary study area may experience minor negative health and wellbeing impacts due the presence of a construction site near their home, with noise, dust and vibrations possible, which may impact on community members with higher health sensitivities.</li> <li>Community members who strongly oppose the development may experience negative impacts to wellbeing in the form of anxiety or stress, commencing during the development phase. Equally, those community members who welcome the addition of a supermarket in their neighbourhood may experience positive impacts to wellbeing in the form relief or reduced stress, through anticipation of an easier way of life once the supermarket is operational.</li> <li>These impacts will be assessed in greater detail at the Development Application stage.</li> </ul> <p><u>During operation:</u></p> <ul style="list-style-type: none"> <li>Health benefits and wellbeing benefits can be associated with improved access to fresh food. The proposed development will deliver an upgraded full-line supermarket providing fresh food, including organic and wholefoods. Increased need for walk-up convenience (partially in response to COVID-19) will be supported by a modern retail facility and thereby contribute to the wellbeing of the community.</li> <li>Wellbeing benefits associated with improved activation and enhanced amenity of the Neutral Bay centre, which may increase perceptions of safety and opportunities to connect with other members of the community.</li> <li>Networks and social capital can be built through the creation of public spaces and places that allow individuals, particularly those from a lone person household, to connect to others in their neighbourhood. A built environment that supports connectivity and builds relationships can have positive contributions to overall health and wellbeing outcomes.</li> <li>Improved pedestrian and bicycle connectivity may encourage some community members to access this activity centre by foot, leading to health benefits.</li> </ul>

Potential impacts	
Responses / mitigation measures	
<p><u>During construction:</u></p> <ul style="list-style-type: none"> <li>Impacts on nearby residents should be managed through the Construction Management Plan, and following the prescribed controls as outlined in Noise, Traffic and Environmental Assessments.</li> </ul> <p><u>During operation:</u></p> <ul style="list-style-type: none"> <li>Explore opportunities to connect the site with active transport links across Neutral Bay and to other centres, to encourage physical activity and the health and wellbeing benefits of active transport.</li> <li>Where feasible, identify opportunities to align the plaza with health and wellbeing uses to encourage active lifestyles as a holistic concept, e.g., encouraging clear links to walking and cycling paths, privately owned gyms and medical centres at the ground floor.</li> <li>Programming the new retail spaces with gyms, yoga or Pilates studios and/or complementary health services (e.g. chiropractor, physiotherapy, remedial massage, psychologist) will further enhance health and wellbeing benefits through improved access to services.</li> <li>Opportunities to explore activation and enhancement of amenity during both day and night should be encouraged through use and operation of public space in accordance with principles of Crime Prevention Through Environmental Design (outlined within the CPTED assessment).</li> </ul>	
Summary	
<b>Overall Social Impact Significance</b>	<p>Overall improved access to high quality housing at this site close to the existing active and public transport infrastructure would have a significant positive social benefit, alongside continued presence of fresh food. The redevelopment of the site will contribute towards positive wellbeing outcomes for the community.</p> <ul style="list-style-type: none"> <li><b>Operation – Medium (possible moderate) impact – positive</b></li> </ul> <p>Benefit can be enhanced through health and wellbeing-focused programming of new retail spaces.</p>
<b>Duration</b>	The social benefits are realised long term.
<b>Severity/ sensitivity</b>	Not considered to be of significant consequence or severity.
<b>Extent</b>	The proposal is likely to have medium positive contributions to health and wellbeing for the surrounding community in the long term.
<b>Potential to mitigate/ enhance</b>	Ability to enhance positive benefit is high, through an effective engagement and participation strategy that realises the needs of existing and future residents, and thoughtful programming.

### 5.5.6 Surroundings - access to and use of natural and built environment, including ecosystem services, public safety and security, as well as aesthetic value and amenity

Potential impacts	
<p><u>During construction:</u></p> <ul style="list-style-type: none"> <li>Residents and workers located within the primary study are likely to experience temporary negative impacts to amenity during construction, in the form of scaffolding, construction hoardings, and work crews accessing and working at the site. This will be assessed in greater detail at the Development Application stage.</li> </ul> <p><u>During operation:</u></p> <ul style="list-style-type: none"> <li>There are likely to be significant improvements to amenity and streetscape of Neutral Bay centre associated with the development of a new public plaza and fine grain retail on the ground floor, which would improve the streetscape along Military Road and surrounds. The proposed development includes outdoor dining options and significant vegetation additions.</li> <li>There are likely to be significantly improved perceptions of safety associated with amenity and streetscape, including increased permeability and improved sightlines at the ground floor, with active frontages. The presence of workers and residents will also contribute towards improved perceptions of safety.</li> <li>The activation of Rangers Road, Military Road and the plaza on this site during evening hours (due to residents, workers and visitors to retail shops) provides a positive social benefit in the support for the local village feel and the local night time economy.</li> </ul>	

Potential impacts	
Responses/ mitigation measures	
<p><u>During construction:</u></p> <ul style="list-style-type: none"> <li>Impacts on nearby residents should be managed through the Construction Management Plan, and following the prescribed controls as outlaid in Noise, Traffic and Environmental Assessments.</li> </ul> <p><u>During operation:</u></p> <ul style="list-style-type: none"> <li>Encourage active and public transport to and from the proposed development, to minimise car travel. Provision of bicycle loops or other bicycle storage options to minimise car traffic.</li> <li>Safety and crime are an important concern for the community, so it is important that development operates in accordance with CPTED principles.</li> </ul>	
Summary	
<b>Overall Social Impact Significance</b>	Overall, redevelopment of the present site into a high-quality and high-amenity development would have a significant positive benefit on the surroundings of this local neighbourhood. <ul style="list-style-type: none"> <li><b>Operation – High (likely major) impact – positive</b></li> </ul>
<b>Duration</b>	Long term
<b>Severity/ sensitivity</b>	Some sensitive receivers are close to the subject site, including schools and residents. Further, the site is visually prominent. As such, moderate sensitivity to changes to amenity has been identified at this location. The negative potential of this development will be felt during construction.
<b>Extent</b>	Impacts will predominantly be experienced within and by the local community of Neutral Bay, particularly those in the primary study area.
<b>Potential to mitigate/ enhance</b>	High potential to enhance community benefits through development design, delivery and operations. Flow-on effects of improving overall amenity for the local area are likely through improvements to and enhanced activation of the public domain.

### 5.5.7 Livelihoods: people's capacity to sustain themselves, whether they experience personal breach or disadvantage, and the distributive equity of impacts and benefits

Potential impacts
<p><u>During construction:</u></p> <ul style="list-style-type: none"> <li>Increased access to employment opportunities within the construction sector during the construction phase. While these jobs will be temporary, project-based work is typical to the sector. The proposal is expected to generate 1.96 FTE direct construction industry job years per \$1 million of expenditure during construction, equating to approximately 263 job years.</li> <li>Potential for increased patronage to local businesses associated with the increased number of construction workers in the area, resulting in improved viability for those businesses. Alternatively, this may result in a negative impact due to construction activities and subsequent noise, dust, and vibration. This may have an adverse impact on the viability of local businesses by deterring regular and/or prospective customers.</li> <li>These impacts will be considered in greater detail at the Development Application stage.</li> </ul> <p><u>During operation:</u></p> <ul style="list-style-type: none"> <li>Potential positive impacts associated with increased employment opportunities in walking distance from the Study Area homes associated with the operation of the Woolworths store and other commercial and retail uses proposed to be delivered on this site. The delivery of the proposed development will result in an additional 143 ongoing jobs approximately.</li> <li>Increased patronage for local businesses, including at night, based on the increased activation (additional residents, workers and visitors) in the area. This can improve viability of businesses in the area, associated with concentration of employment uses and activation at this site, and have flow on impacts for the broader Neutral Bay area.</li> <li>Permanent, positive changes to the streetscape and provision of amenity on this site may have impacts on the value of property surrounding the site, due to the increase in density on the site – both during construction phase and ongoing, with potential impacts to views. The new retail offering, commercial space, and other social infrastructure uses on the site will improve access to daily needs and publicly accessible space on this site, and may also positively impact on said properties.</li> </ul>

Potential impacts	
Responses/ mitigation measures	
<p><u>During construction:</u></p> <ul style="list-style-type: none"> <li>Mitigation measures set out in the Construction Management Plan will be implemented to reduce the impacts to livelihoods associated with noise and vibration and visual amenity during the construction phase.</li> <li>Develop a communications and engagement strategy to communicate with surrounding residents, workers, and visitors to ensure that all stakeholders are made aware of the timing and likely impact of the construction period. Opportunities for feedback and to ask questions should also be provided</li> </ul> <p><u>During operation:</u></p> <ul style="list-style-type: none"> <li>The project can further amplify benefits associated with job creation by applying social procurement and employment practices through its construction and operational phases.</li> </ul>	
Summary	
<b>Overall impact</b>	<p>Provision of a new retail/commercial precinct and a significant number of dwellings at this location would have a positive benefit to livelihoods. The redevelopment of the site, if impacts associated with construction are well mitigated, will ensure positive social outcomes in terms of increased employment opportunities and improved viability of local businesses.</p> <ul style="list-style-type: none"> <li><b>Operation - High (almost certain moderate) impact – positive</b></li> </ul>
<b>Duration</b>	Operational benefits are long term, construction impacts are temporary.
<b>Severity/ sensitivity</b>	Some sensitive receivers are close to the subject site, including schools and residents. Further, the site is visually prominent. As such, moderate sensitivity to changes to amenity has been identified at this location
<b>Extent</b>	Construction impacts would likely impact businesses in the PSA, access to increased employment opportunities and increased patronage for local businesses would impact residents and businesses within the PSA and workers from the SSA and beyond.
<b>Potential to mitigate/ enhance</b>	Ongoing contact and engagement will be crucial to ensure stakeholders are informed about all changes that may impact them throughout the project.

### 5.5.8 Decision making systems, personal and property rights

Potential impacts
<p><u>During development and construction:</u></p> <ul style="list-style-type: none"> <li>There is a risk that the operation of the proposed development will disregard the community objectives, vision and values of the area and provide a response that is not cohesive with the local community. In particular, community consultation has highlighted concern over high density residential development and the loss of Neutral Bay's "village atmosphere." Impacts during construction will be assessed in greater detail at the Development Application stage, when more information on the construction approach is available.</li> </ul> <p><u>During operation:</u></p> <ul style="list-style-type: none"> <li>Preliminary engagement undertaken to inform the proposal has established a baseline assessment of the value and importance of the project within the local Neutral Bay community. Community priorities have informed the Rangers Road development (e.g., increased public spaces, diverse employment opportunities and new community facilities).</li> <li>More broadly, the Rangers Road development must have reference to decision making systems, particularly the extent to which members of the community can have a say in decisions that affect their lives. Ensure access to complaint, remedy and grievance mechanisms. Ensure that the decision-making process related to the development takes into consideration the historical context and community cohesion in Neutral Bay.</li> </ul>
Response/ mitigation measures
<p><u>During development and construction:</u></p> <ul style="list-style-type: none"> <li>The proponent should undertake engagement during the development and then construction phases to ensure they understand community needs, concerns and aspirations, and that the detailed designer reflects this.</li> </ul> <p><u>During operation:</u></p> <ul style="list-style-type: none"> <li>Engage with stakeholders throughout the life of the project to enhance local relations and connections. This should include identifying and publicising how the Rangers Road development aligns with community values and the needs of the area.</li> </ul>



Potential impacts	
Summary	
<b>Overall Social Impact Significance</b>	<p>It's possible that there is a low negative impact to decision-making systems, particularly if community opposition is not understood and then engaged with proactively to achieve an appropriate detailed design:</p> <ul style="list-style-type: none"> <li>• <b>Commencing at development phase: Low (minor unlikely) impact – negative</b></li> <li>• <b>Operation: nil</b></li> </ul>
<b>Duration</b>	Likely most potential impacts will occur in the planning and development phase. Unlikely to experience significant impact, either positive or negative, during operation.
<b>Severity/ sensitivity</b>	Severity and sensitivity are considered to be minimal.
<b>Extent</b>	Impact likely to relate to local residents only, particularly those within the primary study area.
<b>Potential to mitigate/ enhance</b>	Ongoing communication and engagement plans will ensure successful planning and delivery of the project and enhance acceptance in the local community.
<b>Potential to mitigate/ enhance</b>	Genuine community engagement can be used to mitigate this potential negative impact.

## 6.0 Economic Impact Assessment

### 6.1 Introduction

This section provides an assessment of market potential and economic impacts associated with the proposed Rangers Road development.

In order to address the economic impacts, this assessment considers:

- Demand for the proposed development, including:
  - Local economic context and market demand
  - Retail expenditure capacity and forecasts, and
  - Evolving physical environment and modern tenant requirements.
- Any local economic impacts from the proposed development including:
  - Impact on nearby facilities
  - Construction and ongoing employment generation (direct and multiplier)
  - Increased Gross State Product and Value-Added Output
  - Additional expenditure generated by the project, and
  - Improved benefits to Neutral Bay and surrounds.

### 6.2 Market demand

The Rangers Road development is located in a high-profile and easily accessible location. The site is positioned within the Military Road precinct, which forms an extensive mixed-use destination, including a wide range of commercial and retail facilities, as well as community services.

Development of the subject site as proposed will provide a significantly enhanced retail and commercial precinct in the heart of Neutral Bay, and embody an integrated live/work/play land use outcome.

#### 6.2.1 Local economic context

Military Road is a key arterial through the Lower North Shore of Sydney, linking the Warringah Freeway with suburbs from Neutral Bay through to Mosman and The Spit. Running through an affluent and densely populated part of Sydney, the Military Road corridor has evolved to serve local residents, workers and students, as well as passing traffic with a substantial provision of retail facilities, community services and commercial offices.

However, as the population has continued to grow, Military Road has become increasingly congested. This has detracted from the amenity of the facilities and services fronting Military Road and in more recent years, development has been redirected into the side streets. Reflecting the limited land availability within the local area, a strong focus on mixed-use development is present in the region, revitalising previously underutilised sites and supporting the evolution of the Military Road corridor as a key destination within the local Town Centres of Neutral Bay and Cremorne in particular.

The proposed Rangers Road development represents a rare opportunity to consolidate sites that enable an integrated mixed-use development. The proposal supports the Military Road and Rangers Road intersection as a key hub by delivering a substantially expanded and improved supermarket offer, as well as complementary retailing. In addition, the project delivers a public plaza, accommodates the local business sector through providing high-quality commercial office floorspace and also creates additional housing to support population growth and housing diversity.

All of this can be achieved in a manner aligned with government strategies including North Sydney Council's vision for the Military Road precinct.

The Rangers Road proposal plans to redevelop existing, relatively aged, facilities on the subject site. This includes replacing the existing Woolworths with a modern, new full-line store at a lower ground level, and creating a consolidated mixed-use development consistent with contemporary user requirements and design expectations.

A summary of the existing and proposed floorspace is summarised in **Table 11**.

**Table 11 Existing and Proposed Floorspace (GFA)**

Use	Existing	Proposed	Net Additional
Supermarket	3,396m <sup>2</sup>	3,282m <sup>2</sup>	-114m <sup>2</sup>
Other Retail	100m <sup>2</sup>	1,877m <sup>2</sup>	+1,777m <sup>2</sup>
<b>Total Retail</b>	<b>3,496m<sup>2</sup></b>	<b>5,159m<sup>2</sup></b>	<b>+1,663m<sup>2</sup></b>
Commercial office	4,106m <sup>2</sup>	2,407m <sup>2</sup>	-1,699m <sup>2</sup>
Public plaza	n.a.	1,000m <sup>2</sup>	+1,000m <sup>2</sup>
Residential	n.a.	8,302m <sup>2</sup>	+8,302m <sup>2</sup>
<b>Total Floorspace</b>	<b>7,602m<sup>2</sup></b>	<b>16,868m<sup>2</sup></b>	<b>+9,266m<sup>2</sup></b>

Source: Koichi Takada Architects, Ethos Urban

### 6.2.2 Demand considerations

Taking into account the projected population growth within the Main Trade Area, substantial demand exists to support the proposed additional floorspace at the subject site.

Projections identified in Section 4 indicate the following growth rates within the combined Primary trade area sectors over the period to 2036:

- Residential growth of 2,710 persons
- Employment growth of 1,660 jobs

#### Residential apartments

The Rangers Road development is expected to accommodate approximately 63 residential apartments. Assuming an average household size of 2.1 persons, the proposed development would accommodate some 132 residents. This accounts for approximately 5% of projected residential growth in the combined Primary sectors over the period to 2036.

At present, the median house price in Neutral Bay is \$3.1 million while the median unit price is \$1.1 million (Pricefinder 2021). As such, additional residential stock will assist in ensuring housing is available across a range of price points and support housing diversity in Neutral Bay.

The provision of apartments in the Rangers Road development is predominately 2 and 3 bedroom, which increases the level of housing diversity within the locality away from single bedroom apartments, and better reflects the local demographic which includes a higher proportion of both younger families and older persons as compared to the Greater Sydney benchmark.

As such, the proposed Rangers Road development will facilitate a true live/work/play environment in a walkable neighbourhood precinct that can cater to a diverse range of age group including young professionals, young families and older so-called 'downsizers'.

#### Commercial office space

In relation to office demand, a typical workspace ratio of 14.2m<sup>2</sup> per person (City of Sydney Floor Space and Employment Survey) means that the 1,660 additional workers that are projected within the combined Primary sectors would require some 23,570m<sup>2</sup> of commercial office floorspace. The proposed development would result in a net loss of commercial office floorspace (-1,699m<sup>2</sup>), however, would deliver over 2,407m<sup>2</sup> of contemporary

commercial office floorspace that will be better aligned to modern customer and tenant requirements. As such, it is anticipated that the redevelopment would result in increased demand for the proposed higher quality commercial floorspace than the existing commercial offer.

The new commercial office floorspace enables a provision of quality, modern space to support localised employment, to the benefit of the business sector in the Military Road corridor as well as ensuring the availability of sufficient commercial office space in the local market. Furthermore, while the longer term impact of COVID-19 remains uncertain, it is clear that the importance of providing modern, safe and technology enabled workplaces close to residents' homes is a sensible land use outcome. The proposed development will cater to the contemporary requirements of small professional services business, supporting the role of Neutral Bay as a localised commercial precinct complementing the much larger nearby Sydney and North Sydney CBDs.

### Retail floorspace

With regard to the additional retail floorspace planned at the subject site, typically, one major full-line supermarket (of 3,200m<sup>2</sup> or larger) would be supportable for every 8,000 to 10,000 persons. Within the defined Main Trade Area the population is currently 72,210 persons which would support in the order of seven (7) full-line supermarkets. This population is currently only served by three full-line stores, with other smaller supermarkets providing a more limited range of groceries. As the population within the Main Trade Area is projected to continue to grow (to 77,200 persons by 2036) further demand for supermarket and retail floorspace will be generated.

The demand for additional retail, and specifically supermarket floorspace, at Neutral Bay is supported by the fact that the existing full-line supermarkets are understood to be trading up to 50% higher than the typical average for a full-line supermarket across Australia, reflecting strong demand for supermarket facilities in this area.

In addition to the above, typically 2.2m<sup>2</sup> of retail floorspace is provided for every person across Australia. The additional 4,990 persons that are planned to be accommodated within the defined Main Trade Area would support a further 10,980m<sup>2</sup> of retail floorspace. While not all of this floorspace would be serviced within the defined Main Trade Area (particularly higher-order retailing), this highlights the ongoing demand for additional retail floorspace within the local area. Furthermore, this leaves aside any existing under-provision, and is thus a conservative assessment of achievable floorspace growth.

Additional demand from the non-resident population including workers and students will also add to demand for retail facilities. An average worker is estimated to spend 10-20% of their retail expenditure near their place of work on an average weekday (pre-COVID).

The HillPDA Military Road Corridor Economic Baseline Report, February 2019 also highlighted demand for additional floorspace including:

- 13,790m<sup>2</sup> of additional retail floorspace, including demand for another supermarket.
- 32,780m<sup>2</sup> to 37,520m<sup>2</sup> of additional commercial office floorspace.

Based on a review of the future supply in the suburbs of Neutral Bay and Cremorne, more than 200 residential apartments, over 2,000m<sup>2</sup> of retail floorspace and over 4,000m<sup>2</sup> of commercial office floorspace is currently proposed to be provided within the next few years (based on major projects with a value greater than \$10 million - refer Section 4). This retail provision may also include a new retail anchor tenant (such as a small supermarket) at 12-14 Waters Road, Neutral Bay.

As such, anticipated new supply is still substantially below expected demand levels for the local area. In this respect, the proposed Rangers Road development which is planned to result in a net gain of retail floorspace of only +1,663m<sup>2</sup>, is a proportionate response to projected growth in market demand for retail, commercial and residential facilities.

As the population continues to grow, so too does the need for community space, including public areas. The Rangers Road development is planned to include a public plaza and additional pedestrian walkways. The inclusion of these spaces will further activate Neutral Bay, and particularly to the south of Military Road, as a focus for the community.

**Summary: Suitability of the proposed mix of uses**

In summary, the proposed Rangers Road development is well-suited to accommodate the proposed mix of uses at a location which:

- Is high-profile and easily accessible
- Provides excellent connectivity to public transport
- Delivers a genuine mix of uses on-site including a retail, commercial office, residential and public plaza
- Provides a critical mass of businesses and facilities to ensure clustering benefits
- Increased public accessibility to local retail, commercial and residential amenity.

Importantly, the project is well aligned with government strategies including supporting employment and residential growth in Neutral Bay, and revitalising the Military Road precinct.

**6.2.3 Retail expenditure capacity and forecasts**

Estimates of retail spending by residents within the defined Main Trade Area have been prepared with reference to the *MarketInfo* retail spending model. *MarketInfo* is a micro-simulation model which uses a variety of data sources including ABS Household Expenditure Survey, ABS Census of Population and Housing data, ABS Australian National Accounts, and other relevant sources. Estimates of retail spending by residents in the study area are provided for the following broad product categories:

- **Food, Liquor and Groceries (FLG)** – includes spending on fresh food, groceries and take-home liquor. This is the main category relevant to supermarket-based shopping.
- **Food catering** – includes cafes, restaurants and take-away food.
- **Non-food** – includes apparel, homewares, bulky merchandise and general merchandise.
- **Services** – includes retail services such as hairdressers, beauty salons, dry cleaners etc.

With regard to the proposed Rangers Road development, the specific nature of the retail mix, including limited changes to the supermarket but planned new retail specialty stores (likely to include café and dining facilities etc.), means that the development will attract spending primarily from the FLG and Food Catering categories.

Estimates of total retail spending by local residents are presented in **Table 12**.

*All retail spending forecasts are presented in constant 2021 dollars.*

Total spending by residents within the Main Trade Area is forecast to increase from \$1.6 billion in 2021 to approximately \$1.9 billion by 2036. This includes an increase in FLG spend from \$516 million to \$602 million by 2036 and an increase in Food Catering expenditure from \$279 million in 2021 to \$321 million by 2036.

**Table 12 Main Trade Area Retail Spending Forecasts, 2021 to 2036 (constant \$2021)**

Retail Category	2021	2026	2031	2036
<b>Main Trade Area</b>				
FLG	\$516.4m	\$547.4m	\$578.8m	\$602.1m
Food Catering	\$278.6m	\$294.2m	\$310.0m	\$321.0m
Non-Food	\$687.3m	\$757.2m	\$832.0m	\$899.6m
Services	\$76.5m	\$82.8m	\$89.4m	\$94.9m
<b>Total Retail</b>	<b>\$1,558.7m</b>	<b>\$1,681.7m</b>	<b>\$1,810.2m</b>	<b>\$1,917.5m</b>

Source: *MarketInfo; Ethos Urban*



As outlined in **Table 12**, each of these spending categories is projected to experience substantial growth over the period to 2036. As such, the small net addition of retail floorspace means any impact from the proposed Rangers Road development will be limited and short-term only, with all surrounding stores to benefit from future growth.

#### **6.2.4 Evolving physical environments and modern tenant requirements**

Customer and tenant preferences and requirements are continually evolving. This change is common across all property sectors, although the pace of change is gaining speed - as property development seeks to adapt to modern technologies and the changing needs of customers and occupiers now and into the future. In the current environment the importance of providing contemporary spaces that cater to flexibility and convenience becomes increasingly important for the built environment.

The COVID-19 pandemic has had a significant impact and transformation on all sectors, including residential, retail and commercial uses. While the longer term implications of COVID-19 are yet to be fully understood, the rise of localism and the focus on true live/work/play precincts has become more important than ever and a structural shift that is likely to remain. Other results include the importance of technology and connectivity, health and wellness and the creation of a safe physical environment with an appropriate degree of amenity.

##### **Commercial offices**

For commercial office uses, a move is occurring towards more open plan, flexible spaces that provide collaborative workspaces, seamless integration with technology and incorporate sustainable initiatives. The changing nature of tenant requirements - including a strong desire for efficient, open, collaborative facilities, means that older commercial office stock is becoming increasingly redundant. Tenants prefer to locate in modern, well connected developments that are increasingly focused around transport hubs.

It should be noted that there remains some uncertainty regarding tenant requirements in the post-COVID-19 environment, however, several trends are unlikely to change including the importance of technology enabled workspaces, and the ability to provide a safe and healthy work environment with sufficient space for collaboration.

The COVID-19 pandemic has had a significant impact and transformation on commercial office working environments. COVID-19 has resulted in the necessity to work from home, particularly during the height of the pandemic with impacts to commercial office market demand. As a result, the way businesses and office tenants use their space will continue to evolve. Once the pandemic concludes, commercial office uses will play a central role in the economic recovery as a means of allowing businesses to re-connect staff and resources more directly in a safe environment.

##### **Retail**

The retail sector continues to evolve to the changing economic environment and rapidly changing customer tastes. The COVID-19 pandemic has only increased the degree of change and upheaval in the retail sector.

For supermarkets, this has resulted in increased demand from consumers after hours and on weekends, as well as leveraging technology including self-service check-outs and ecommerce fulfilment (i.e. click and collect and home delivery). For specialty retailers, the focus on health and safety through hygiene practices and social-distancing measures has had a big impact, along with the need to quickly establish online and omni-channel services in order to adapt to customer requirements. Further, the importance of local convenience-based retail facilities embedded within a community has been highlighted, and a focus on local service delivery is likely to remain relevant in the future.

##### **Suitability of the Rangers Road proposal**

The proposed Rangers Road development provides Neutral Bay with a range of upgraded retail and commercial facilities that will appeal to both customers and tenants in the local area, and responds to modern requirements and contemporary industry and customer trends.

A modern full-line Woolworths supermarket will provide a standard of customer service and amenity for grocery shopping in Neutral Bay that is superior to that available to residents across most of Sydney. The basement supermarket location allows for specialised grocery-shopping trips that maximise convenience, yet also allows

shoppers to visit a range of complementary retail shops on the ground floor and in the balance of the Neutral Bay centre if they wish.

The proposed commercial office space also replaces existing tenancies which are no longer consistent with industry expectations, and will provide an environment better-suited to modern professional services tenants and re-position the commercial offer for long term success.

Overall, the delivery of the proposed Rangers Road development will support the growth and evolution of Neutral Bay as a vibrant and commercially successful centre, meeting the needs of consumers and the local business sector.

### 6.3 Economic Impact Assessment

The following sub-section provides an assessment of the economic impacts likely to result from the Rangers Road development. A range of factors are considered including flow-on benefits to the local community and the precinct overall.

#### 6.3.1 Approach

An assessment has been undertaken of the economic impacts associated with the construction and operational phases of the proposed Rangers Road development. The assessment has been undertaken through an analysis of the local market demand, competitive environment and market trends, as discussed in the following sub-section.

#### 6.3.2 Impact on the Military Road Corridor

Reflecting the projected market growth and demand for the uses in the proposed Rangers Road development, any negative trading impacts on businesses in the surrounding Military Road corridor are expected to be minimal and within the normal bounds of a competitive market.

In broad terms, any impacts arising from the Rangers Road development will be due to the potential for commercial tenants, future residents and the retail spending of consumers to be diverted from alternative destinations and locations.

When assessing the potential competitive impacts of a development proposal, it is important to appreciate that the actual impacts will depend to a large degree on the circumstances of individual projects and businesses, and their response to the introduction of competition. For example, in the retail industry a common response of competing centres and retailers to new competition includes:

- Refurbishment and other improvements to facilities and presentation
- Re-investment and expansion of centres and stores
- Re-positioning a store/centre through changes in tenant/product mix and type (e.g. focusing on a key target market)
- Marketing and promotions activity, including enhanced price competition and use of customer loyalty programs to reach consumers.

The same initiatives can apply to existing or future commercial office owners and residential developers.

The proposed Rangers Road development will result in a relatively limited net gain to floorspace across the combined Neutral Bay and Cremorne centres, as outlined in **Table 9**. These centres comprise the largest and most relevant components of the local Military Road precinct.

**Table 13 Net Additional Floorspace Compared to Neutral Bay and Cremorne Town Centres (GFA)**

Use	Existing Floorspace	Net Additional	Proportion of existing (%)
Supermarket	11,600m <sup>2</sup>	-114m <sup>2</sup>	-0.9%
Other Retail	34,500m <sup>2</sup>	+1,777m <sup>2</sup>	5.2%
<b>Total Retail</b>	<b>46,100m<sup>2</sup></b>	<b>+1,663m<sup>2</sup></b>	<b>3.6%</b>
<b>Commercial office</b>	<b>44,400m<sup>2</sup></b>	<b>-1,699m<sup>2</sup></b>	<b>-3.8%</b>
<b>Community and Entertainment</b>	<b>4,900m<sup>2</sup></b>	<b>+1,000m<sup>2</sup></b>	<b>20.4%</b>
<b>Recreation</b>	<b>3,700m<sup>2</sup></b>	<b>n.a.</b>	<b>n.a.</b>
<b>Residential</b>	<b>160,000m<sup>2</sup></b>	<b>+8,302m<sup>2</sup></b>	<b>5.2%</b>
<b>Other*</b>	<b>36,900m<sup>2</sup></b>	<b>n.a.</b>	<b>n.a.</b>
<b>Total Floorspace</b>	<b>296,000m<sup>2</sup></b>	<b>+9,266m<sup>2</sup></b>	<b>3.1%</b>

\*Includes Education, Hotel, Carpark, Utilities, Vacancies, Unknown

\*\*Figures Rounded

Source: HillPDA, Koichi Takada Architects, Ethos Urban

The proposed Rangers Road development is planned to result in around 3.1% of additional floorspace in the local area, including an increase in retail floorspace of just 3.6%. Furthermore, this proportion will be even lower accounting for all floorspace across the Main Trade Area (not just across the immediate Neutral Bay and Cremorne Town Centres).

The provision of the public plaza at the Rangers Road development will add significantly to available community space. Any uplift in availability is a material benefit for residents and is in no sense a competitive impact.

The proportion of additional floorspace across the remaining categories varies from a net loss in floorspace (across the supermarket and commercial office component) to +5.2% for residential uses. As such, the proposed Rangers Road development represents incremental growth in floorspace overall in response to market demand growth and changing industry and consumer requirements, rather than a development relying on the redirection of sales from other retailers and other businesses.

As such, the trading impact of the Rangers Road development on any use within the combined Neutral Bay and Cremorne centres is expected to be minimal.

### Supermarket impacts

Within the retail industry, supermarkets are typically defined as food and grocery stores of 500m<sup>2</sup> or larger. Supermarkets that are greater than around 3,200m<sup>2</sup> are typically defined as major full-line supermarkets. These major full-line stores typically stock in excess of 20,000 SKUs and provide the full product-range including fresh food, seafood, bakery and a full grocery offering.

Existing supermarkets within Neutral Bay (Coles and 2x Woolworths) are all major full-line stores.

It is important to note that no new supermarkets will be added as a result of the proposed Rangers Road development, in fact, the project will result in a small reduction to the existing provision of supermarket floorspace on the subject site.

The full-line Woolworths supermarket at Grosvenor Street, and the Coles supermarket at Big Bear Shopping Centre are of most direct relevance to the proposed Rangers Road development – both within the defined Primary North sector and in close proximity to the subject site. In addition, it is possible that a new small supermarket may locate at the Waters Road site in the future.

The IGA supermarket at Cremorne is smaller in size and located some 0.7km east of the subject site and effectively serves a different role and function for its immediate population. The delivery of a supermarket that is of a similar

size to the existing Rangers Road Woolworths store would not have a material impact on the ability of the Cremorne IGA to continue meeting its own customers' needs.

It is understood that existing supermarkets in the locality trade strongly with sales well in excess of \$15,000/m<sup>2</sup>, this is substantially higher than the typical national average for full-line supermarkets of around \$10,000 per m<sup>2</sup>. This highlights the strong trading nature of existing stores in this catchment.

The redevelopment of the supermarket at the Rangers Road site to include a similar sized store to the existing offer (i.e. no net gain in floorspace) reflects an outcome that better meets current and future consumer needs rather than resulting in a project that delivers a new competitive supermarket.

During the construction phase of the Rangers Road development, existing supermarket operators will benefit from additional sales and visitation arising from temporary closure of the existing Woolworths store. Upon completion, a modern, attractive supermarket offering will be provided at the subject site to serve the local community.

Reflecting the size and growth in retail expenditure across the Main Trade Area, any impact from the proposed retail floorspace at the Rangers Road development would be limited, as outlined below:

- The proposed supermarket would form a modern retail offer, however, would result in no net gain to existing supermarket floorspace at the subject site.
- The retail expenditure across the trade area is projected to increase by more than \$358 million over the period to 2036, including over \$85 million in the FLG category alone, demonstrating the substantial amount of retail expenditure growth projected to occur within the Main Trade Area that will support both growth in existing and future retail facilities in the community.
- Business generated from local workers and students within an easy walking distance would further add to demand and potential for the redevelopment, as well as benefit existing operators in the Neutral Bay Town Centre precinct.

Furthermore, the existing facilities most likely to be impacted, including the nearby supermarkets are also currently planned for refurbishment or redevelopment which will offset any negative impact. And as such, the overall community stands to benefit from the improved amenity and retail offer planned within the precinct in the future.

### 6.3.3 Employment generation

The proposed Rangers Road development will result in additional benefits to the local community through employment generation. Jobs supported by the development will accrue through direct and indirect employment generated during both the construction phase; and ongoing employment as part of the operational phase.

#### Construction employment

In order to investigate the likely overall economic benefits, consideration has been given to the employment benefits likely to result during construction should the project progress through the approvals process.

Direct employment in the *construction industry* is expressed as FTE job years. A 'job year' is a full-time job for one year.

Indirect or flow on employment will also be supported in other industries, for example, suppliers of materials and financial and legal services. Employment estimates in the wider economy are derived from ABS national accounts input-output analysis, specifically, employment multipliers.

Direct employment in the construction industry depends on the nature of the building, in particular, the capital intensity of the project. It is estimated 1.96 FTE direct construction industry job years per \$1 million of expenditure (or 1.0 FTE job year per \$510,000) will be generated by the construction activity, based on internal research and the type of work expected to be undertaken in the construction phase of the development.

In addition, these direct construction industry jobs lead to demand for employment in supplier industries in the wider economy. The ABS construction multiplier is 2.6 - that is, for every single FTE job in the construction industry a further 1.6 FTE jobs are supported elsewhere in the economy.

Total construction costs for the Rangers Road development are yet to be determined. However, direct construction costs have been estimated at approximately \$134 million.

Construction costs of \$134 million would support 263 job years *in the construction industry* and support a further 421 job years *in related (supplier) industries* over the development period.

Local businesses, workers and jobseekers are likely to benefit from increased employment and contracts afforded by the construction phase of the project. This opportunity is highlighted by the following:

- Over 1,000 construction businesses are located in the North Sydney LGA, representing 6.8% of all businesses in the Council area.
- Approximately 1,600 employed residents in North Sydney are in construction-related activities (technicians and trades workers, machinery operators and drivers, labourers), representing 4.0% of all employed workers. (.id Consulting).

### Ongoing employment

Ongoing employment at the Rangers Road development is estimated as follows:

- The existing workforce at the site is estimated at around 267 workers across the 7,602m<sup>2</sup> of GFA (with the indicative breakdown being 150 office workers and 117 retail jobs).  
*The estimate of existing FTEs reflects an assumption of one worker for every 30m<sup>2</sup> across the retail floorspace. Discussions with representatives from 50 Yeo Street suggest some 300 workers utilise the flexible workspace (WOTSO), with a typical visitation of 2-3 days a week. At 50% visitation (2.5 days during a working week) this would represent around 150 FTEs across the existing commercial offer.*
- Taking into account latest plans, the Rangers Road development is expected to include the following:
  - 2,407m<sup>2</sup> of commercial office floorspace. This provision would support some 238 workers taking into account a permanent commercial occupier/s and an average workspace ratio of 10.1m<sup>2</sup> per worker (based on the average workspace ratio for open-plan and partitioned office space in the City of Sydney LGA - City of Sydney Floor space and Employment Survey, 2017).
  - 5,159m<sup>2</sup> of retail floorspace (including the supermarket) on the lower levels of the development. The typical ratio of employment across retail floorspace is 30m<sup>2</sup> per worker which indicates 172 retail jobs would be supportable (based on average retail space in the City of Sydney LGA - City of Sydney Floor space and Employment Survey, 2017).
- In total, the Rangers Road project has the potential to accommodate 410 jobs when the development is fully occupied.
- As a result, the overall net increase in ongoing employment on-site due to the development is estimated to be +143 additional jobs, including +88 commercial office workers and +55 retail workers.

In addition, the opportunity exists to support additional employment through activities within the public plaza, while the residential apartments are also likely to have a proportion of residents who work-from-home.

For the retail uses, employment will generally be sourced from residents within the immediate area. This new source of employment is important for young people (for whom retailing is a typical entry-point into the workforce) and others seeking to establish rewarding careers in the retail sector. Retail stores are also an important source of employment for older people seeking to re-enter the workforce, or those seeking casual work.

### 6.3.4 Increased economic output

#### Gross Regional Product (GRP)

Gross Regional Product (GRP) is a measure of net wealth generated by the regional economy.

The activities and employment supported in the Rangers Road development will generate significant regional economic output as compared to the existing land uses. Total output (GRP) at full occupancy is estimated at an



additional **\$32.6 million pa** (2021 dollars), which includes contributions from the professional services industry likely to account for office workers in the development.

### Value added

Value added by industry is an indicator of business productivity. It shows the net economic uplift by excluding the value of production inputs. Value added by the proposed Ranger Road development is estimated at **\$17.2 million pa** (2021 dollars) at full occupancy (refer to **Table 14**).

The above analysis has been sourced from economy.id (based on modelling by the National Institute of Economic and Industry Research) for the North Sydney LGA, with 'best fit' industry sectors applied to likely economic activities. The results assume no substitution effects from outside the regional economy, rather, the activities undertaken at the new asset represent increased net demand associated with population, labour force and industry growth.

**Table 14 Rangers Road Development Neutral Bay – Estimated Economic Output at Full Occupancy**

Activity	Office	Retail	Total
<i>Economy.id category</i>	<i>Professional, scientific and technical services</i>	<i>Food retailing</i>	
Employment (jobs)	88	55	143
GRP per job	\$292,000	\$125,000	-
Value added per job	\$149,000	\$74,000	-
<b>GRP Total</b>	<b>\$25,696,000</b>	<b>\$6,875,000</b>	<b>\$32,571,000</b>
<b>Value added total</b>	<b>\$13,112,000</b>	<b>\$4,070,000</b>	<b>\$17,182,000</b>

Source: Economy.id; Ethos Urban

\*Based on net additional employment

Economy.id is produced by demographic specialists .id and uses data derived from official sources of information (including the Australian Bureau of Statistics), with the industry sector profiles using a National Accounts regional econometric model developed by the National Institute of Economic and Industry Research.

### 6.3.5 Additional expenditure generated by the project

Typically, the average office worker spends around \$10 per day near their place of work. This expenditure is typically directed to food and services either during lunchtimes, or before and after work.

As such, the additional 143 workers at the completed development would generate some \$0.34 million of local spending annually (assuming a 5 day working week and 48 working weeks in a year).

On completion, the proposed development is planned to include some 63 apartments which is estimated to house an estimated 132 residents (assuming an average household size of 2.1 persons).

Typically, local residents within the defined Main Trade Area will spend some \$21,585 per capita each year on retail items (MarketInfo, 2021 dollars).

As a result, the estimated 132 residents at the development would generate some \$2.8 million in retail expenditure each year (in 2021 dollars). A large proportion of this expenditure will be near their home, including within the Military Road corridor (say 40% or \$1.1 million).

In addition to the above, expenditure is likely to be generated as a result of the proposed public plaza. This is as a result of visitation to the plaza and result in increased 'dwell' times at the Neutral Bay centre, including after hours and on the weekends.

### 6.3.6 Other economic benefits

The proposed Rangers Road development will also result in a series of other economic benefits including:

- Increase connectivity and activation of the Neutral Bay centre and wider Military Road corridor, including after hours and on weekends. An enhanced retail and commercial outcome will generate additional pedestrian traffic and dwell times in the precinct to the direct benefit of local businesses.
- Support walkable neighbourhoods through the provision of increased amenities in Neutral Bay including local employment opportunities and public space.
- Enhance the access of residents to convenience-based facilities including an upgraded supermarket and improved supporting retail shops.
- Improved retail offer and price competition within easy walking distance to a large number of local residents.
- Provision of new and additional retail offerings not currently provided within the catchment, including 'direct to boot' and online services that will improve customer choice and amenity, and price competition in the local area, to be overall benefit of the community.
- Additional public space through the community plaza which is provided in a centrally located and easily accessible location to the local community.
- Alignment with government strategies to increase amenity, employment and walkability in the Military Road precinct.
- Provision of new housing stock that provides additional housing choice and diversity in the local area within a contemporary and modern development.
- Support the aspiration for a 30-minute city by providing essential retail goods and services close to residential areas and along an accessible corridor.
- Support the objectives and desires expressed by local residents and businesses including:
  - A broader range of specialty retail
  - Well planned mixed-use outcomes with contemporary commercial, retail and residential floorspace
  - Enhanced opportunity for outdoor dining
  - Improved public domain, public spaces and shared zones
  - An accessible centre with adequate customer parking

## 7.0 Social and Economic Strategy

The following section draws on the analysis in this report to identify opportunities to deliver social and economic value through the Rangers Road development.

Based on an analysis of the social and economic indicators and strategic context, the key drivers for the proposal include:

- Renewal and revitalisation of Neutral Bay to deliver new employment opportunities and an increased diversity of uses and businesses
- Improved pedestrian amenity and increased accessibility to residential, commercial and retail uses along the Military Road corridor
- Improved amenity for Neutral Bay through delivery of public domain, new retail opportunities and improved community spaces
- Enhancing the “village feel” of Neutral Bay, while increasing activation, economic activity and social infrastructure, and
- Activating local centres as community hubs through co-locating daily living needs, including mixed-use shopping centres, open space, public transport and community facilities.

This strategy responds to these drivers and draws on the perspectives and aspirations expressed through government policy and community and stakeholder engagement.

It is intended to be read as guidance to ensure the development optimises social and economic opportunities and benefits for the existing, emerging and future community of Neutral Bay.

Key strategic directions are as follows:

- Supporting the Neutral Bay vision: delivering a revitalised, inclusive and accessible centre
- Enhancing the amenity, vibrancy and activation of Neutral Bay to stimulate economic activity
- Enhancing community health and wellbeing
- Supporting the delivery of a “30-minute city” that provides easy access to housing, employment, retail and social infrastructure

### 7.1 Support the Neutral Bay vision: deliver a revitalised, inclusive and accessible centre

Neutral Bay is a key local centre for the North Sydney LGA. The surrounding area is forecast to have an increasingly dense built-form to accommodate a growing population, and this places pressure on the Neutral Bay centre to grow and evolve.

In the Local Strategic Planning Statement, North Sydney Council has identified the critical role of the Military Road Corridor, including a revitalised Neutral Bay centre, to support local social and economic goals. Council’s vision for the Neutral Bay centre is to deliver a “genuine mixed-use precinct” with high levels of amenity.

Redevelopment of the subject site is a rare opportunity to deliver a major integrated mixed-use project that supports a vibrant and activated Neutral Bay centre.

The co-location of social infrastructure, retail and other daily living needs can contribute towards achieving an inclusive and accessible centre. Mixed use centres play a significant role in fostering social cohesion and identity, and providing an anchor to community life.

Creating and enhancing places and opportunities for local community members to meet and interact through the course of their daily routines is an important role of local precinct planning.

In this regard, the design of the proposal prioritises accessibility and activation, quality and amenity. The public plaza provided at the ground level allows for accessible event spaces and site links that improve connections to Military Road and the local transport networks.

In light of this context, potential exists for the development to introduce community-based initiatives within the public plaza and supermarket. This could include the installation of a local community noticeboard and activation point; involvement in and support for fundraising initiatives through local schools, child care centres, aged care centres and other community networks, along with other initiatives as may be explored through direct engagement with the local community over time.

The importance of strong local social networks for general community well-being cannot be underestimated, and Woolworths should seek to further explore and capitalise (i.e., in terms of social capital) on its potential role in supporting the community of Neutral Bay. Key socialisation space will be provided as part of the development, allowing a diverse range of individuals and groups to interact in a welcoming and safe environment. Opportunities for public art programs and local events are supported, to nurture strong social connections for the community.

## **7.2 Enhance the amenity, vibrancy and activation of Neutral Bay to stimulate economic activity**

The proposed development will invest an estimated \$134 million into the local area. This is particularly important in the current economic climate and will help to support local industry during the construction phase of the project.

This investment in the construction stage will support some 263 job years *in the construction industry* and a further 421 job years *in related (supplier) industries*.

Ultimately, on completion and fully occupancy the proposed development will provide homes for an estimated 132 residents and employment for some 143 additional workers on an ongoing basis. These workers are most likely to be local residents.

Local retail availability and quality is essential to local amenity, which is largely defined by the range and quality of facilities, services and other amenities – such as open space, schools, childcare centres, and retail – available within a reasonable walking distance.

Sustaining the viability of the Neutral Bay retail precinct makes a significant contribution to the convenience of the daily lives and routines of local community members, who can benefit from easy access to their daily living needs, in close proximity to other important local services such as schools, parks and child care centres.

In providing for local residents to readily access a range of goods and services in the local community, local community life is enabled to flourish, and local community members' wellbeing and connectivity is also strengthened.

In this context, it is recommended that the development target local businesses (both existing and potential future occupiers) for the commercial office provision. Similarly, a focus on local boutique retailers across the community precinct and specialty floorspace would appeal to local demographic, customer segments at the subject site and complement the existing provision of national tenants in Neutral Bay to provide a diverse retail offer the local community.

## **7.3 Enhance community health and wellbeing**

Health and wellbeing benefits will be attained through increased activation and opportunities for social interaction in the Neutral Bay town centre. A flow-on effect is increased perceptions of safety and enhanced opportunities to connect with other members of the community.

Networks and social capital can be built through the creation of public spaces and places that allow individuals, to connect to others in their neighbourhood. An environment that supports connectivity and builds relationships can have positive contributions to overall health and wellbeing outcomes for the local population. Walkable neighbourhoods are by nature healthier neighbourhoods, and the creation of a diverse range of uses within the same locality can contribute to increasing active transport.

It is also important that networks and social capital can be built through the creation of public spaces and places that allow individuals, particularly those from a lone person household, to connect to others in their neighbourhood and should be encouraged.

#### **7.4 Support the delivery of a “30-minute city” that provides easy access to housing, employment, retail and social infrastructure**

Positive way of life benefits will be realised for future residents and workers in the locality as dwellings and places of work will be located close to retail, including an upgraded major supermarket, retail and commercial space. All supported by an activated public plaza. The co-location of housing with public transport networks, and commercial offerings will contribute towards the delivery of a “30-minute city” where people can access housing, employment, education and other services within a short distance from home.

The provision of additional housing in the locality will contribute to the ability for older residents to downsize and support ageing in place within their established community.

Convenience based retail facilities, including supermarkets, have an important contribution to make to local and global sustainability goals, including through their potential to further initiatives such as reducing plastic waste and encouraging recycling, in a very direct and achievable manner. They offer opportunities for local business and the community members to make tangible contributions to improving sustainability and delivering effective waste reduction strategies both locally and globally.

There is potential to explore further creative sustainability initiatives with the local community, including local schools and community groups, once the new retail offer is delivered. Initiatives which may be explored include information and exhibits on: family meal planning to reduce food waste; composting and worm farming, and other practical household waste reduction and recycling approaches.

Retail facilities and supermarkets are a key touchpoint with local communities, and therefore offer excellent potential for such initiatives, such as community information brochures or BBQs and partnerships with local sustainability groups, which could be further explored in due course.

Strategies to enhance connections to local transport networks and encourage walking and cycling to the site are encouraged. Wayfinding strategies can be implemented, with emphasis on the connection and promotion of the public plaza.

To ensure enhanced accessibility, flexibility in the design is to be incorporated to support contemporary customer and tenant requirements and respond to evolving market trends. Digital infrastructure and placemaking strategies are encouraged to enhance the accessibility and use of the precinct, providing a comprehensive physical and digital experience for residents, workers and customers at the development.

## Appendix A. Case studies of mixed-use shopping centres

### Westfield Plenty Valley, Mill Park, VIC

Westfield Plenty Valley is located in Melbourne's north-eastern suburbs, approximately 25 kilometres from the CBD. Located adjacent to a railway station, the centre is highly accessible and connects to municipal and subregional facilities in a Civic Plaza approximately 500 metres to its north.

An \$80 million redevelopment completed in 2018 included the development of an outdoor dining precinct with a large children's play area. The centre also incorporates a Village Cinemas complex, and a youth services hub operated by the local Council.

The centre maintains a program of regular events open to the community, such as live music performances, free 'coffee with a cop', farmers markets, children's entertainment, and craft and cooking classes.



**Figure 11** Westfield Plenty Valley, Mill Park

Source: Westfield.

### Eastland Shopping Centre, Ringwood, VIC

Eastland shopping centre is a shopping, dining, recreation, and hospitality destination based around a central Town Square. Approximately 25 kilometres from the Melbourne CBD, the centre is located adjacent to a train station, and is serviced by multiple bus routes.

First opened in 1967, Eastland is now one of Australia's largest shopping centres, with multiple supermarkets, a Hoyts cinema complex, and more than 250 specialty retail stores. The centre underwent a \$665 million redevelopment, completed 2016, that incorporated a broader range of uses, including a library, art gallery, meeting rooms, and hotel. It was the first shopping centre in Australia to offer a Changing Places bathroom, which provides special spaces and equipment to meet the full needs of people with disabilities and their carers.

The Town Square functions as the principal community space for the Ringwood area, with a large open space encircled by cafes and restaurants. Adjacent to the Town Square is Realm, owned and managed by the Local Council. Realm offers library services, a business resource hub, an interactive local history display, contemporary arts space, and a general Council service centre. The space also hosts a number of community events, such as weekly farmers markets.





**Figure 12 Eastland Shopping Centre, Ringwood**

Source: Shopping Centre News; QIC

### Top Ryde City, NSW

Constructed 1957, the Ryde Shopping Centre was the second American shopping mall-style to be built in Australia. The centre underwent redevelopment and reopened in 2010, transformed from a big-box retail space into a multipurpose centre.

Top Ryde City now comprises a network of different precincts, including La Strada, an outdoor fashion promenade, and La Piazza, an entertainment and open-air dining precinct. The centre also includes water features and public art. The centre has a family focus, with diverse play spaces to cater to children ages 0-12, including a book zone and a colouring table. In addition to cinema and adventure play entertainment, the centre offers community facilities, including:

- Childcare and medical services
- Gymnasium
- Ryde Library
- Ryde Planning and Business Centre

The library and business centre are services operated by the local Council from within the shopping centre. Top Ryde maintains an active events calendar, which coordinates learning and entertainment opportunities with its free online blog. Events from 2019 were wide ranging and catered to a range of community interests, such as school holidays activities, yoga classes, indigenous arts and cultural performances, and Lunar New Year celebrations.



**Figure 13 Top Ryde City, Ryde**

Source: Ryde Council.