

1411 The Northern Road, Bringelly

Economic Impact Assessment

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Executive summary

Site location & context:

- 1411 The Northern Road is a highly accessible site, with high levels of exposure to local residents and workers, as well as passing trade. Prior to upgrades, in 2015 The Northern Road recorded around 15,600 vehicle movements per day, which will have grown significantly over the past 7 years.
- Situated within the Dwyer Road Precinct as part of the Aerotropolis, which has been identified as having employment land potential, the site is located adjacent to the Aerotropolis Core and within a short distance of both the Western Sydney International Airport and Bringelly Road, a major east-west route in the area. The development of the Western Sydney Aerotropolis and South West Growth Area will drive high levels of both employment and residential growth throughout the surrounding region over many years into the future.
- The proposed development at 1411 The Northern Road includes a service station, with both passenger vehicle and truck refuelling facilities, together with a 254 sq.m shop, a 243 sq.m fast food outlet with drive-thru and industrial units totalling 9,288 sq.m.

Trade area analysis:

- The main trade area population which the proposed development will serve is estimated at 31,400 as at 2021 and is forecast to grow by 160% to reach 81,500 by 2036. This population growth will be driven by high levels of greenfield residential development across the South West Growth Area.
- The main trade area population is estimated to spend \$47 million on food catering in 2021, forecast to grow to \$140 million by 2036.

Competitive context:

- While there are a number of service stations within the area, there is no facility located on The Northern Road, in either direction, between South Penrith and Bringelly Road. To the south of Bringelly Road, there is a facility that will open in the near future. There is a clear spatial gap for a service station north of Bringelly Road, on The Northern Road.

- The provision of fast food and takeaway outlets in the area is underwhelming, particularly given the employment and residential growth that will occur. There is a limited representation of prominent national brands and the offer predominantly comprises independent retailers.
- The subject site is considered to be an ideal location for service centre and fast food uses to serve local residents and workers (including construction workforce) as well as passing and commuter traffic along The Northern Road.

Economic Assessment:

- While at present the level of population per service station within the main trade area is below the Sydney and Outer Western Sydney average, the strong population growth means that by 2031 there will be an **undersupply of 8 service station facilities** and an **undersupply of 15 facilities in 2036**.
- Food catering floorspace demand is projected to grow from around 7,200 square metres in 2021 to almost 20,000 square metres by 2036. The current level of provision of food catering premises is equivalent to just 20% of total food catering demand (incl cafes, restaurants and bars). Further, as the population grows additional food catering facilities will be needed to service the growing residential population base.
- The proposed development would be expected to **support a direct operational workforce of around 111**, while construction of the \$28 million project would support 120 direct construction jobs. **Additional multiplier-based jobs from the ongoing operations (45 jobs) and the construction period (192 jobs) are also expected.**
- The proposed development would not inhibit or prevent any development from occurring within the broader Aerotropolis. Rather, development of the subject site as proposed could provide much needed amenity to support the construction workforce and early residents and workers accommodated within the broader precinct.
- The proposed industrial component reflects less than 0.1% of all industrial and employment land proposed across the Aerotropolis, but due to its main road location, can provide highly accessible amenity and services for the area in the short term.

In summary, the subject site has the key strategic attributes to support a service station, fast-food and industrial unit development which will support current and future activities and investment within the Aerotropolis and South West Growth Area. The high-profile location on a major arterial route is highly accessible for local residents, workers and commuters, as well as commercial and truck vehicles accessing the Western Sydney Airport during both the

construction phase and on-going operations. The proposed development will provide truck refuelling facilities which is a critical function in this emerging area and will address the current lack of facilities in the area (there are no truck refuelling facilities on The Northern Road). This main road location means the facility will serve a different role and function to proposed future facilities that will establish within the Aerotropolis in more internalised locations, and the proposed development will not impede or prevent development occurring within the Aerotropolis.

Introduction

This report presents an economic impact assessment (EIA) for the proposed development of a service station, industrial units and takeaway food outlets at 1411 The Northern Road, Bringelly.

The report has been prepared in accordance with instruction from EG Property Advisory and is structured as follows:

- **Section 1** reviews the local and strategic context of the site and outlines the proposed development plans.
- **Section 2** reviews the available trade area that the proposed development could be expected to serve.
- **Section 3** outlines the current and future competitive context for the various uses being considered
- **Section 4** assesses the supply and demand for the various uses and the potential economic impacts of the proposed development.
- **Section 5** presents the key conclusions of the report.

Section 1: Site context and proposed development

This section reviews the local and strategic context of the site and outlines the proposed development plans.

1.1 Local and regional context

Bringelly is situated approximately 45 km south-west of the Sydney CBD, within a rapidly changing growth front across south-western Sydney. The subject site falls within the Liverpool City Council local government area (LGA).

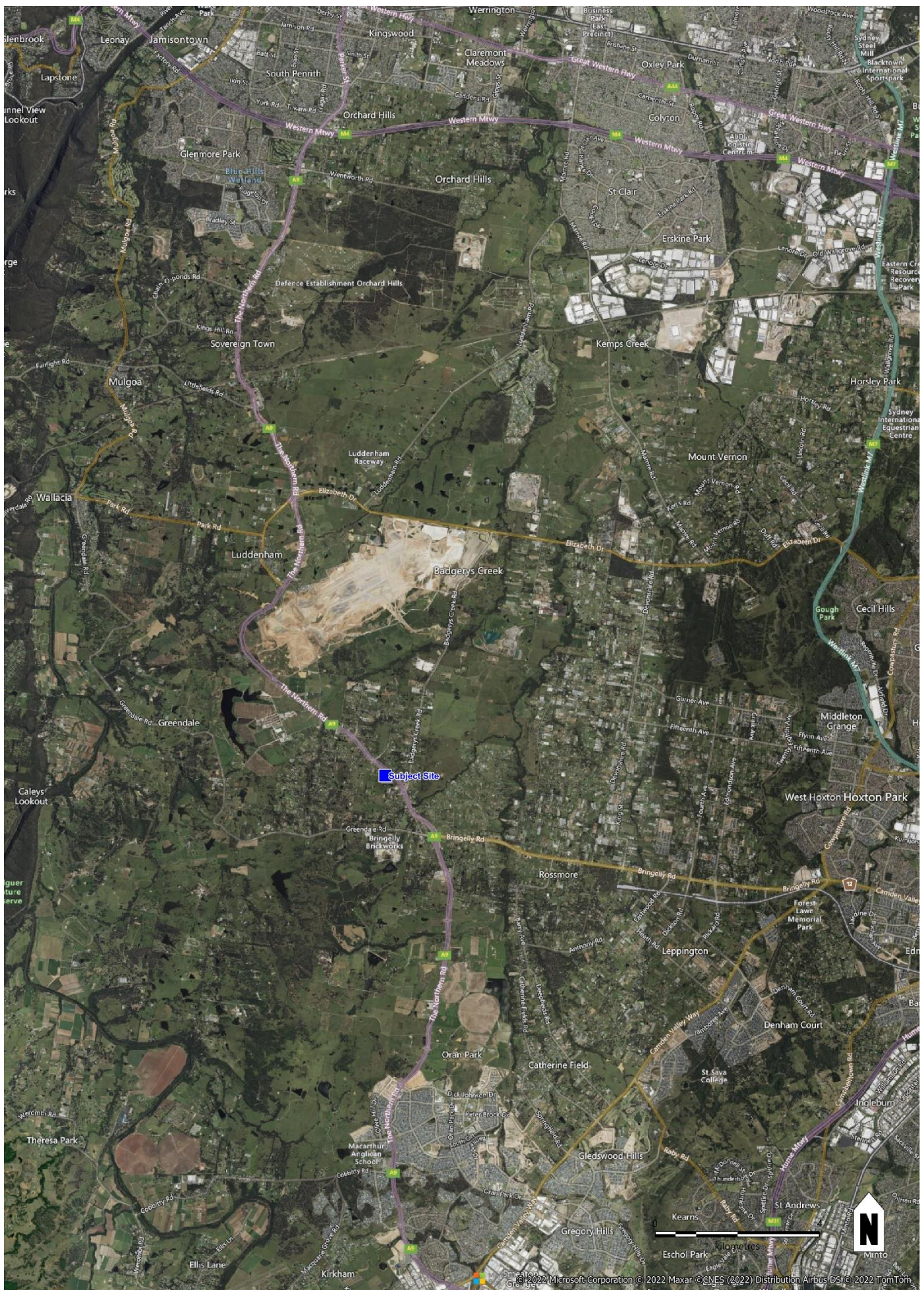
The site is located at 1411 The Northern Road, Bringelly, a major north-south arterial within the outer western suburbs of Sydney, connecting with the M4 Motorway and Penrith to the north and the M31 Motorway, Narellan and Campbelltown to the south. Data from the Western Sydney Airport Environment Impact Study indicates that in 2015, prior to being upgraded The Northern Road (north of Bringelly Road) achieved an average of 15,600 vehicles per day (7-day average). The weekdays average was around 16,900. The Northern Road (south of Bringelly Road) 7-day average was 13,700 vehicles.

The site is currently zoned RU4 Primary Production Small Lots, the objective of which is to enable sustainable primary industry; encourage and promote diversity and employment opportunities in relation to primary industry enterprises; and to minimise conflict between land uses within this zone and adjoining zones. Extensive agriculture, home based child-care and home occupations are permitted without consent, while the uses permitted with consent are predominantly low employment generating and non-commercial uses such as agriculture, animal boarding establishments, bed and breakfast accommodation, signage, cemeteries, entertainment facilities, landscaping material supplies, place of public workshop, recreation facilities and veterinary hospitals. The existing use on-site generates no employment.

The immediately surrounding uses currently comprise rural residential lots. The subject site falls within the Dwyer Road precinct, which is one of the precincts identified in the Western Sydney Aerotropolis Plan. However, as per the Western Sydney Aerotropolis Plan Finalisation Report (Finalisation Report), Dwyer Road has not been included as an initial stage of the Aerotropolis and is expected to remain in its current form for the medium to long term.

Dwyer Road was initially considered as part of the Agribusiness Precinct, however analysis identified that the area is predominantly comprised of rural residential lots with no agricultural use. The topography of the land also makes it unsuitable for agricultural purposes.

While Dwyer Road had been identified as being suitable for employment uses adjacent to the Aerotropolis Core and Airport, it is also noted that more than 5,000 ha of employment land is already identified in the initial precincts. According to the Finalisation Report, “...precinct planning for the Dwyer Road Precinct will depend on the timing of infrastructure provision and the take up of development in adjoining areas”.



Map 1.1: 1411 The Northern Rd, Bringelly
Site location and context

1.2 Strategic Planning Context

The subject site is located within a rapidly developing part of Sydney. The key growth/development areas and infrastructure projects in the surrounding area are detailed below while Map 1.2 outlines the location of the subject site relative to the key infrastructure projects.

Western Sydney Aerotropolis

The 11,200 ha Western Sydney Aerotropolis surrounds the Western Sydney International Airport and will be the focal point for significant public and private sector investment over a long term period. The Aerotropolis contains 10 precincts, six of which are part of initial precinct planning.

The vision for the Western Sydney Aerotropolis is to be Australia's newest global gateway, built around the future airport. According to the Western Sydney Aerotropolis Plan 2020

"...the Aerotropolis accommodates high value jobs closer to where people live. It is an accessible, innovative 24-hour metropolitan centre, connected globally, nationally, locally and digitally."

Table 1.1 below outlines the status and potential for each of the initial precincts, while Figure 1.1 outlines their locations in the strategic plan.

Table 1.1
Aerotropolis Precinct Plan

Precinct	Status	Potential	
		Employment	Residents
Aerotropolis Core	Initial precinct	50,000-60,000	20,000-24,000
Northern Gateway	Initial precinct	19,000-21,000	8,000-10,000
Agribusiness	Initial precinct	8,000-10,000	n.a.
Badgerys Creek	Initial precinct	9,000-11,000	n.a.
North Luddenham	Not identified as an initial precinct	n.a.	n.a.
Dwyer Road	Not identified as an initial precinct	n.a.	n.a.
Kemps Creek	Not identified as an initial precinct	n.a.	n.a.
Rossmore	Not identified as an initial precinct	n.a.	n.a.
Mamre Road	Rezoned as part of WSEA	17,000	n.a.

Source: NSW Government

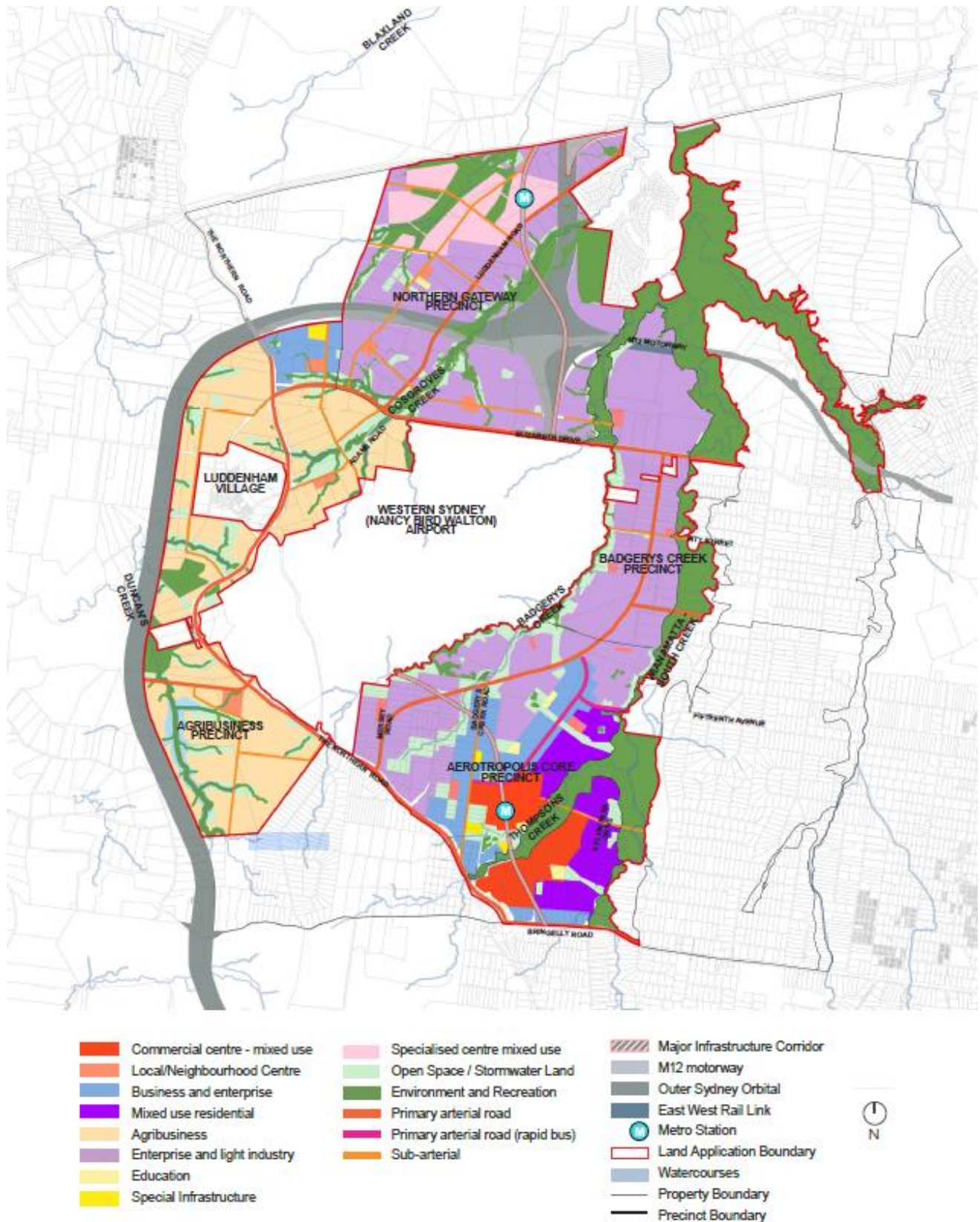


Figure 1.1: Aerotropolis Land Use Structure Plan

Source: Western Sydney Aerotropolis Precinct Plan, March 2022.

South West Growth Area (SWGA)

The SWGA consists of 17,000 ha of greenfield land identified by the NSW Department of Planning, Industry and Environment (DPIE) for future urban development. The SWGA comprises precincts across 3 LGAs (Liverpool, Camden and Campbelltown). Some precincts, such as Oran Park, Edmondson Park and East Leppington are well progressed, while others are yet to be rezoned. Table 1.2 below outlines the SWGA precincts, the proposed number of dwellings and the status.

Table 1.2
SWGA Precincts

Precinct	Status	Potential Dwellings	% of lots sold or released for sale
Edmondson Park	Rezoned	6,000	71%
Leppington Stage 1	Rezoned	2,500	89%
Austral & Leppington North	Rezoned	17,350	94%
East Leppington	Rezoned	4,450	98%
Oran Park	Rezoned	7,500	69%
Turner Road	Rezoned	4,200	86%
Catherine Field (Part)	Rezoned	3,200	58%
Lowes Creek Maryland	Rezoned	7,000	0%
Leppington Stage 2	Rezoned	1,900	n.a.
Leppington Stage 5	Rezoned	500	n.a.
Leppington Stage 3 & 4	Released, not rezoned	TBD	n.a.
South Creek West	Released, not rezoned	30,000	n.a.
Pondicherry	Planning Underway	2,700	n.a.
Leppington Town Centre	Under Review	TBD	n.a.
Catherine Fields	Not Released	TBD	n.a.
Catherine Fields North	Not Released	TBD	n.a.
Rossmore	Not Released	TBD	n.a.

Source: NSW Government

Infrastructure Projects

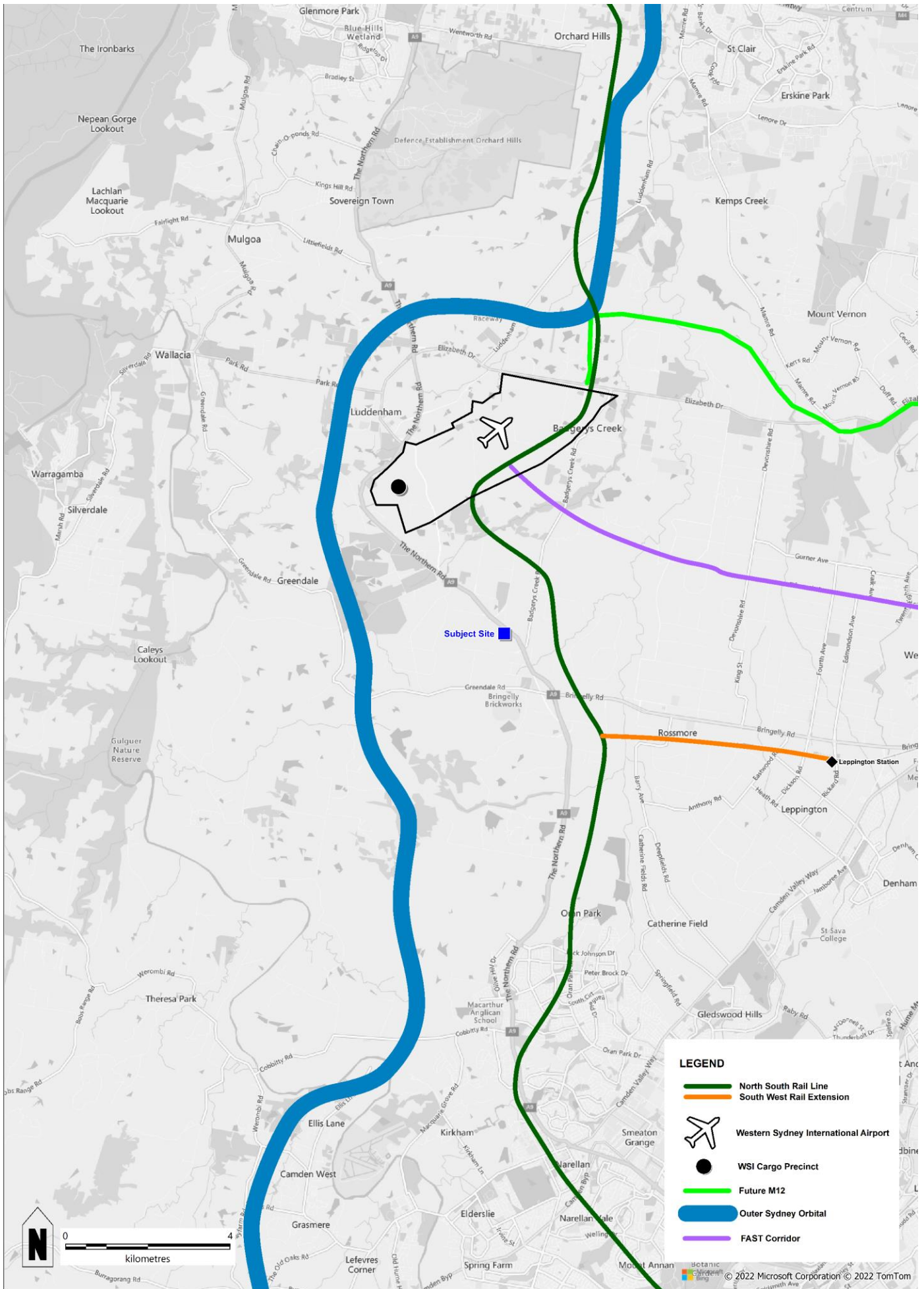
The key infrastructure projects that will influence and assist in the development of the surrounding area include the following:

- **Western Sydney International (Nancy Bird Walton) Airport** - Construction of the Western Sydney International Airport is underway, with operations to commence in 2026. The airport is expected to support almost 28,000 direct and indirect jobs by 2031. The proposed cargo precinct, which will be located on The Northern Road, will generate substantial truck and commercial vehicle movements in the area, highlighting the

importance of truck refuelling facilities on The Northern Road, as proposed in the subject development.

- **Northern Road upgrade** – The \$1.6 billion Northern Road upgrade between Narellan and South Penrith was completed in November 2021, improving accessibility and future-proofing the network to accommodate population growth across the SWGA. A key part of the development is the interchange with Bringelly Road.
- **Bringelly Road upgrade** – The \$509 million upgrade of Bringelly Road, between Camden Valley Way and The Northern Road, was completed in late 2020.
- **North-South Rail Line** – The North-South Rail Line is a proposed rail line between St Marys (T1 Western Line) and Macarthur (T8 Airport and South Line). The line will connect to the Western Sydney International Airport and other areas across the Aerotropolis and SWGA, as well as more broadly across south-western Sydney. Future stations have been confirmed at Orchard Hills, Luddenham, Airport Business Park, Airport Terminal and Aerotropolis. Other future stations are likely to include Oran Park and Narellan.
- **South-West Rail Link Extension** – The South-West Rail Link Extension will extend the existing line from Leppington Station to the Aerotropolis.
- **Outer Sydney Orbital (OSO)** – The OSO is a mooted motorway project that would connect to the M31 Motorway at Menangle, the future M12 at Badgerys Creek and the M4 at Werrington. Transport for NSW is identifying land to accommodate the future transport infrastructure to support growth across Western Sydney. The OSO is a long-term project currently under investigation, with no firm timelines for commencement.
- **M12 Motorway** - The M12 Motorway is a 16-kilometre dual carriage motorway that will connect the future Western Sydney International Airport with the M7 Motorway at Cecil Hills to the east and The Northern Road at Luddenham to the west. Approval was received in mid-2021, with construction expected to commence from mid-2022. The M12 Motorway is expected to be operation before the opening of the Western Sydney International Airport in 2026.
- **Fifteenth Avenue Smart Transport (FAST) Corridor** – The FAST Corridor is a proposed public transport link between the Liverpool CBD and Western Sydney International Airport. The rapid bus connection will be operation by 2026, in line with the airport's opening.

Other long term infrastructure projects, such as the M5 Motorway Extension (to OSO), east-west rail link and St Marys to Tallawong Extension could also drive change across the area over the long term.



Map 1.2: Bringelly
Infrastructure projects

1.3 Proposed development

The proposed development is illustrated in Figure 1.2 and comprises the following uses:

- Service station, with 254 sq.m of shop area and 6 double bowser pumps for passenger vehicles plus 3 double bowsers for trucks (high flow diesel pumps)
- A fast-food outlet of 243 sq.m, with drive-thru facilities
- Industrial units, totalling 9,288 sq.m

Being on the western side of The Northern Road, the subject site will only be accessible to northbound traffic, as there is no right turn from southbound lanes (which are separated by a median strip).

Truck refuelling facilities are important to service the future volume of truck and commercial vehicle traffic that will be generated along The Northern Road as a result of the Western Sydney Airport cargo precinct, which sits to the north of the subject site on The Northern Road.

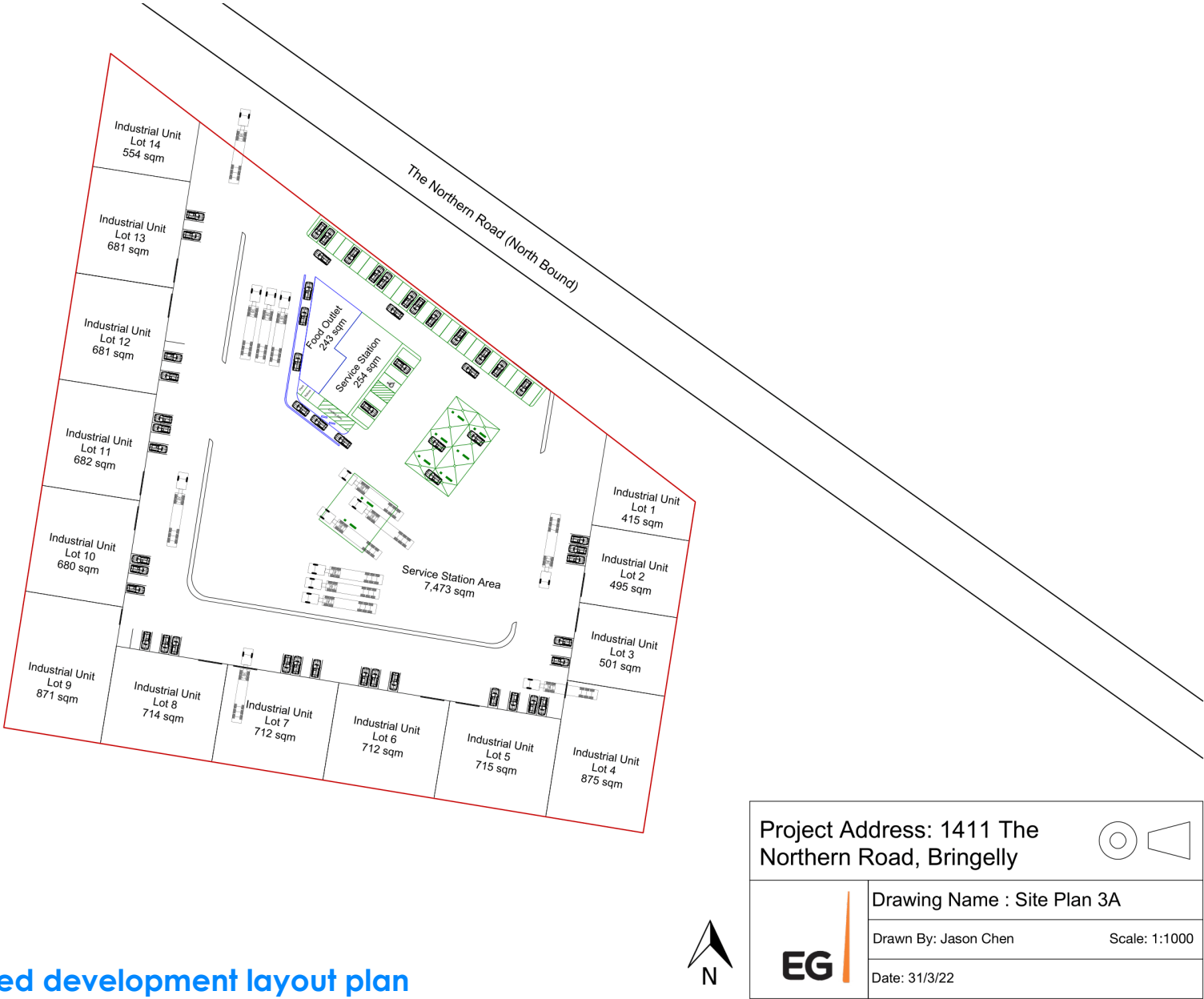


Figure 1.2: Proposed development layout plan

Section 2: Trade area analysis

This section of the report reviews the available trade area that the proposed development could be expected to serve.

2.1 Trade area definition

The extent of the trade area or catchment that is served by any retail facility is shaped by the interplay of a number of critical factors. These factors include:

- i. The relative attraction of the use or mix of uses, in comparison with alternative competitive facilities. The factors that determine the strength and attraction of any particular /development centre are primarily its scale and composition (in particular the major trader or traders that anchor the centre); its layout and ambience; and car-parking, including access and ease of use.
- ii. The proximity and attractiveness of competitive uses. The locations, compositions, quality and scale of competitive facilities all serve to define the extent of the trade area which a particular use or mix of uses is effectively able to serve.
- iii. The available road network and public transport infrastructure, which determine the ease (or difficulty) with which customers are able to access a particular use or mix of uses.
- iv. Significant physical barriers which are difficult to negotiate and can act as delineating boundaries to the trade area served by a particular use or mix of uses.

The key determinants of the trade area expected to be served by the proposed facility include the following:

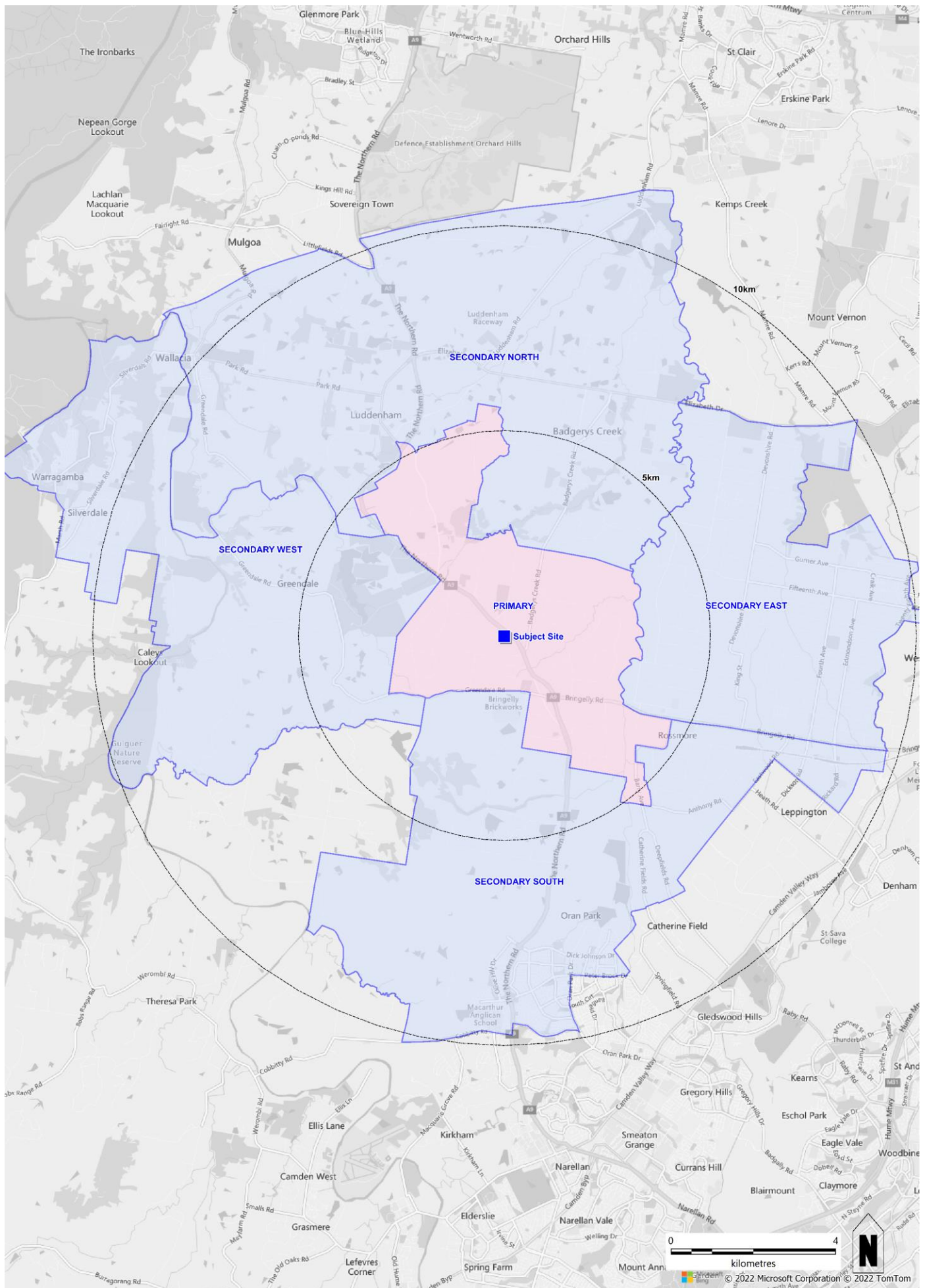
- The high profile location of the site fronting The Northern Road, which is the main north-south traffic route through the area, noting that service stations and fast food offers on major roads are often accessed on an impulse basis.
- The accessibility of the subject site from a drivetime perspective.
- The emerging and establishing residential, mixed use and employment development within the Western Sydney Aerotropolis and SWGA.
- The competitive context, which includes no services stations and one fast food outlets within a 3 km radius.

- The composition of the proposed facility, which will include a new 12 pump (passenger vehicle) service station, fast food tenancy (with drive-thru) as well as industrial units.

Map 2.1 illustrates the trade area defined for the proposed centre, which includes a primary sector and four secondary sectors, described as follows:

- The primary sector extends to generally include those that can access the subject site within a 5 minute drivetime. This area includes parts of Bringelly and Rossmore, as well as the majority of the future Aerotropolis Core precinct.
- The secondary north sector extends 11km to the north to the Warragamba Dam pipelines and includes Luddenham, as well as parts of Wallacia and the future Northern Gateway precinct.
- The secondary east sector includes Austral and Leppington North, as well as parts of Rossmore and Kemps Creek.
- The secondary south sector extends to Cobbity Road in the south and includes parts of Bringelly, Rossmore, Leppington and Oran Park. This area includes the future growth areas of Lowes Creek Maryland, South Creek West and Pondicherry.
- The secondary west sector extends includes the suburbs of Greendale and Warragamba, as well as parts of Wallacia and Silverdale.

In combination, the above sectors form the main trade area (MTA) for the proposed service station and fast-food components of the proposed development at the subject site.



Map 2.1: 1411 The Northern Rd, Bringelly
Trade area

2.2 Trade area population

Table 2.1 details the estimated current and future population levels within the Bringelly trade area. This information has been collected from a range of sources including the following:

- Australian Bureau of Statistics (ABS) Census of Population and Housing (2016);
- ABS Dwellings Approvals and Estimated Residential Population Data (2016 – 2021);
- Population projections prepared by forecast.id for Liverpool and Camden LGAs;
- Transport for New South Wales – Transport Performance Analytics small area population projections; and
- Other investigations of future residential developments.

The MTA population is estimated at 31,400 people in 2021, including 3,300 residents within the primary sector.

Population growth will be driven by greenfield residential development, across low, medium and high density developments, across the SWGA and Western Sydney Aerotropolis (refer Figure 1.1).

Over the forecast period to 2036, the MTA population is projected to increase by 3,300 residents per year and is estimated at 81,500 by 2036 (increase of 160%), including around 7,300 residents in the primary sector.

Table 2.1
Bringelly - trade area population, 2016-2036

Trade area sector	Actual Population		Estimated population			
	2016	2020	2021	2026	2031	2036
Primary	2,783	3,311	3,321	3,880	5,433	7,310
Secondary sectors						
• North	3,599	4,149	4,187	6,699	10,826	16,075
• East	6,902	7,656	7,689	11,042	14,454	18,392
• South	5,490	10,295	10,391	16,354	23,979	33,306
• West	<u>5,427</u>	<u>5,825</u>	<u>5,828</u>	<u>6,037</u>	<u>6,234</u>	<u>6,443</u>
Total Secondary	21,418	27,925	28,095	40,132	55,493	74,216
Main trade area	24,201	31,236	31,416	44,012	60,926	81,525
Average annual growth (no.)						
	2016-20	2020-21	2021-26	2026-31	2031-36	
Primary	132	10	112	311	375	
Secondary sectors						
• North	138	38	502	825	825	
• East	189	33	671	682	682	
• South	1,201	96	1,193	1,525	1,525	
• West	<u>100</u>	<u>3</u>	<u>42</u>	<u>39</u>	<u>39</u>	
Total Secondary	1,627	170	2,407	3,072	3,072	
Main trade area	1,759	180	2,519	3,383	3,448	
Average annual growth (%)						
	2016-20	2020-21	2021-26	2026-31	2031-36	
Primary sectors	4.4%	0.3%	3.2%	7.0%	6.1%	
Secondary sectors						
• North	3.6%	0.9%	9.9%	10.1%	8.2%	
• East	2.6%	0.4%	7.5%	5.5%	4.9%	
• South	17.0%	0.9%	9.5%	8.0%	<u>6.8%</u>	
• West	<u>1.8%</u>	<u>0.1%</u>	<u>0.7%</u>	<u>0.6%</u>	<u>0.7%</u>	
Total secondary	6.9%	0.6%	7.4%	6.7%	6.0%	
Main trade area	6.6%	0.6%	7.0%	6.7%	6.0%	

*As at June

Source: ABS, GapMaps, forecast.ID

2.3 Socio-demographic profile

Table 2.2 details the socio-demographic profile of the Bringelly MTA population, sourced from the 2016 ABS Census of Population and Housing (the results of the 2021 ABS Census are expected to be released from June 2022). The profile is compared with benchmarks for metropolitan Sydney and Australia, with the key points to note including the following:

- Average household sizes within the main trade area are significantly larger than the Sydney average. This trend is expected to continue in the future, with the area attracting young families and new migrants.
- Historically, average household incomes have been marginally lower than the Sydney average despite the larger household size, reflecting per capita incomes generally below the Sydney average.
- In 2016, the proportion of Australian born residents in the main trade area, at 71.5%, was 14.5% higher than the Sydney average. It is expected that the proportion of overseas born residents living in the areas has increased significantly over the past 5 years.
- The number of vehicles per household, at 2.6 across the main trade area, is almost 1 vehicle higher than the Sydney average (1.7 vehicles). Given existing public transport infrastructure in the area, it is anticipated that the main trade area, being an outer suburban growth area, will continue to have higher levels of car ownership.

Table 2.2
Bringelly - Socio-demographic profile, 2016

Category	Primary	Sec. North	Sec. East	Sec. South	Sec. West	Main Trade Area	Sydney Metro	Australia
% of Population aged 0 - 4	6.1%	6.8%	5.7%	9.8%	6.6%	7.4%	6.5%	6.4%
% of Population aged 65+	13.5%	13.4%	17.6%	7.6%	10.8%	12.0%	13.9%	15.9%
Average age (years)	38.0	36.4	39.8	31.8	34.9	36.1	37.4	38.4
Average household size	3.4	3.3	3.3	3.3	3.1	3.3	2.8	2.6
<u>Income</u>								
Average annual per capita	\$35,028	\$39,753	\$31,200	\$39,631	\$38,171	\$36,454	\$43,335	\$39,634
Average annual per household	\$119,238	\$127,922	\$103,213	\$129,606	\$119,006	\$118,511	\$120,116	\$103,519
<u>Country of Birth (% of Population)</u>								
Australia	71.1%	78.1%	61.7%	67.8%	83.4%	71.5%	57.0%	66.7%
China	1.0%	1.0%	2.5%	1.1%	0.5%	1.3%	4.6%	2.2%
India	0.1%	0.1%	0.3%	1.7%	0.0%	0.5%	2.7%	1.9%
Asia - balance	3.6%	1.5%	5.5%	4.4%	0.5%	3.3%	9.9%	5.3%
Europe	10.0%	6.7%	13.1%	6.9%	5.3%	8.6%	6.6%	6.7%
Elsewhere	14.2%	12.7%	16.9%	18.1%	10.3%	14.8%	19.2%	17.1%
<u>Housing (% of Households)</u>								
Own/buying home	81.4%	82.2%	68.6%	68.5%	88.0%	76.7%	64.6%	67.8%
Renting	17.6%	17.5%	31.4%	30.8%	11.8%	22.9%	34.6%	31.4%
Average monthly mortgage payment	\$2,668	\$2,707	\$2,556	\$2,791	\$2,295	\$2,571	\$2,617	\$2,071
Average weekly rental payment	\$370	\$367	\$393	\$514	\$354	\$423	\$480	\$358
<u>Employment</u>								
% of Workforce White Collar	57.3%	64.8%	58.9%	67.1%	59.8%	61.8%	74.7%	70.2%
% of Workforce Blue Collar	42.7%	35.2%	41.1%	32.9%	40.2%	38.2%	25.3%	29.8%
Unemployment rate at Census date	4.3%	3.3%	4.9%	3.2%	4.3%	4.0%	6.0%	6.8%
<u>Vehicle Ownership</u>								
Average No. of motor vehicles per Household	2.9	2.6	2.6	2.3	2.6	2.6	1.7	1.8

Sources : Census of Population & Housing, 2016 (ABS); GapMaps

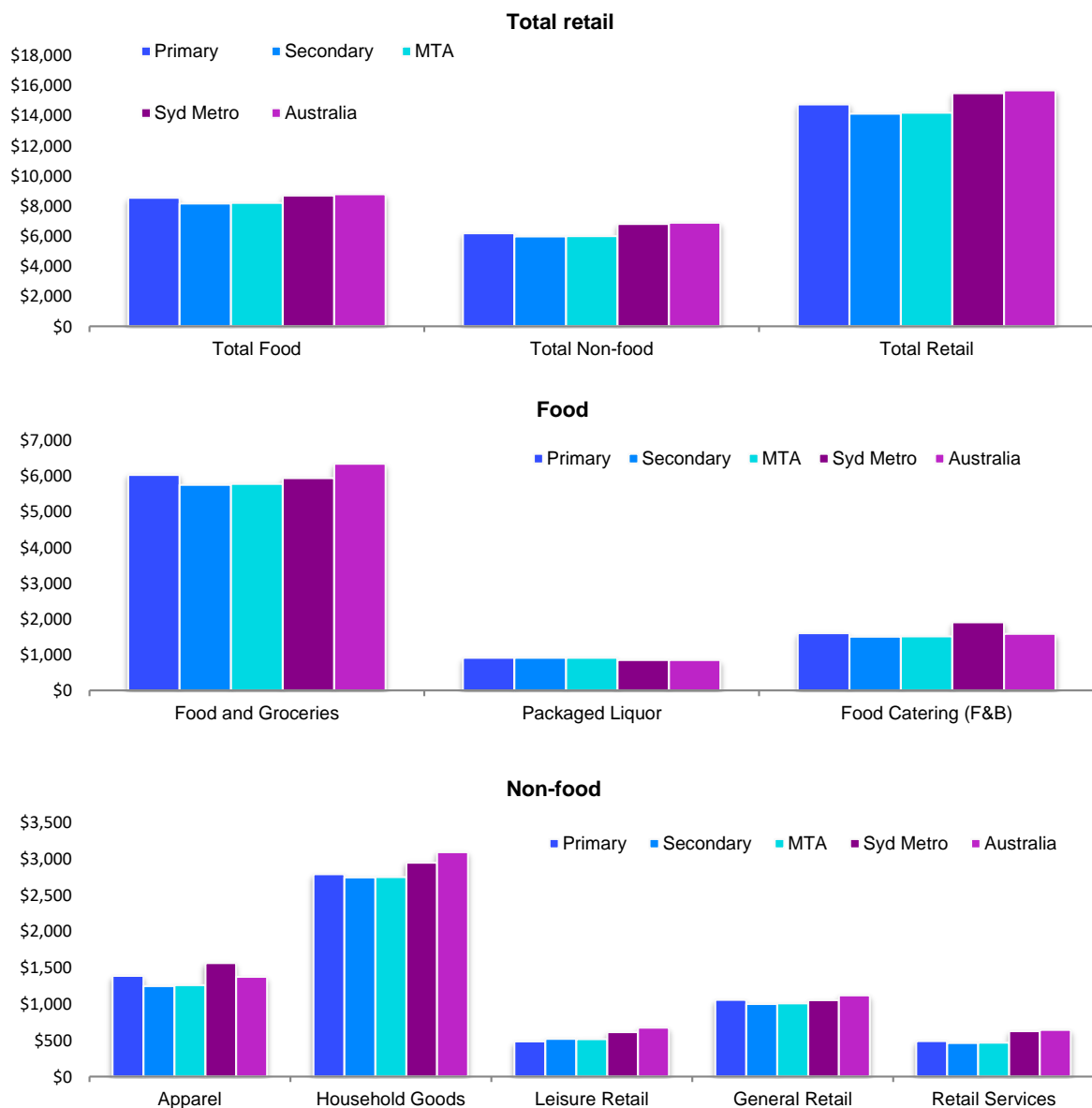
2.4 Retail spending capacity

The estimated retail expenditure capacity of the main trade area population is sourced from MarketInfo, which is developed by Market Data Systems (MDS) and utilises a detailed micro simulation model of household expenditure behaviour for all residents of Australia. The model takes into account information from a wide variety of sources including the regular ABS Household Expenditure Surveys, national accounts data, Census data and other information. The MarketInfo estimates for spending behaviour prepared independently by MDS are used extensively by retail/property consultants.

Chart 2.1 details the estimated retail spending levels of the main trade area population on a per capita basis in 2020/21. All spending figures presented in this report are expressed including GST. Retail spending per person within the main trade area is estimated at \$14,203, around 9% below the Australian average and 8% below the Sydney average. Per capita spending on food catering is around \$1,517, which is slightly below the Sydney and national benchmarks, noting that in areas with lower-than-average incomes, the proportion of their food catering spend per year allocated to major chain fast-food operators tends to be higher than more affluent areas.

Chart 2.1

Bringelly main trade area - retail expenditure per person, FY2021*



*Including GST

Source: MarketInfo; GapMaps

Table 2.3 presents the retail spending capacity of the main trade area population across key retail categories. Food catering expenditure, which is the key segment of the retail market for takeaway food, cafes and restaurants, by main trade area residents is estimated to increase from \$47 million in 2021 to \$140 million at 2036 (presented in 2020/21 constant dollars).

Table 2.3
Bringelly main trade area - retail expenditure by category (\$M), 2021-2036*

Year ending June	FLG	Food catering	Non-Food Retail	Total retail
2021	206.7	46.8	185.2	438.6
2022	216.5	49.8	201.2	467.5
2023	234.3	50.2	215.8	500.3
2024	259.2	53.7	233.8	546.7
2025	287.0	59.2	257.1	603.3
2026	315.7	65.2	283.7	664.6
2027	345.8	71.5	311.8	729.0
2028	377.1	78.0	341.2	796.3
2029	409.3	84.7	371.6	865.7
2030	442.4	91.7	403.0	937.1
2031	476.4	98.8	435.4	1,010.6
2032	512.2	105.8	469.0	1,087.0
2033	550.9	113.3	505.5	1,169.7
2034	592.8	121.4	545.0	1,259.1
2035	638.0	130.1	587.8	1,355.9
2036	687.0	139.5	634.1	1,460.6
<u>Average annual growth: 2021-2036</u>				
\$ mill.	32.0	6.2	29.9	68.1
%	8.3%	7.5%	8.6%	8.3%

*Constant Dollars

Source: MarketInfo; GapMaps

Section 3: Competitive context

This section of the report outlines the current and future competitive context within which the service station and fast-food facilities will operate.

3.1 Petrol Stations

Table 3.1 details the provision of petrol stations within the main trade area, while their locations are illustrated on Map 3.1.

The key competitive facilities areas across the surrounding area include the following:

- BP Rossmore is the closest petrol station to the subject site located approximately 5km east with a total of 14 fuel pumps.
- Austral has two competitive petrol stations with a recently developed Ampol that has 8 fuel pumps and is located approximately 7km east from the subject site as well as a Speedway located 8.5km east with 10 pumps.
- Shell in Luddenham is located approximately 5km north off the subject site and is a key competitor with 12 fuel pumps. Shell Luddenham is located off The Northern Road and will receive the same by-passing traffic from commuters in the Secondary west and north sectors that travel through The Northern Road.
- All key competitive facilities have a typical service station convenience retail offering on site.

Future supply of petrol stations

There are three proposals for petrol stations in the main trade area, at various stages of the approval pipeline, as follows:

- Fifteenth Avenue Commercial Development located in Austral is to include a service station of 179 sq.m. The development application is still under consideration, and if approved, development would be expected by early 2026.
- The proposed Shell on Bringelly Road is also located within Austral and is proposed to include a 200 sq.m convenience store. This development also includes two food & drink premises (180 sq.m and 110 sq.m), one of which will be branded Oporto and have a drive thru facility. This project has development approval and is expected to be completed by mid-2024.

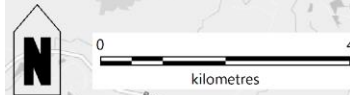
- Bringelly Road Service station was proposed to include a 300 sq.m service station and a 150 sq.m convenience store, located in the suburb of Leppington. The application was refused by Council due to the lack of Aboriginal Cultural Heritage Assessment; lack of support by Transport for NSW; and safety concerns. An appeal has not yet been lodged.

As precincts within the SWGA are rezoned and structure plans finalised, it is likely that there will be future development proposals along The Northern Road. Within the Lowes Creek Maryland precinct, for example, there have been two B5 – Enterprise Zone and one B4 – Mixed Use zone precincts identified along The Northern Road, which could potentially accommodate service station type uses.

Table 3.1
Bringelly - Competing Petrol Facilities

Name	Address	Suburb	Pump Numbers	Distance (Km)
Secondary North				
Shell Luddenham	Lot 25/2140 The Northern Rd	Luddenham	12	5.3
Ampol Luddenham	19 The Northern Rd	Luddenham	8	12.5
BP Wallacia	1595 Mulgoa Rd	Wallacia	6	10.2
Secondary East				
BP Rossmore	1 Bringelly Rd	Rossmore	14	4.9
Ampol Austral	68 Kelly St	Austral	8	6.9
Speedway Austral	394 Fifteenth Ave	Austral	10	8.5
Fifteenth Avenue (P)	555 Fifteenth Ave	Austral	n.a.	7.6
Secondary South				
BP Bringelly	657 The Northern Rd	Bringelly	8	6.6
BP Leppington	221 Bringelly Rd	Leppington	8	8.9
Bringelly Road (P - refused)	431 Bringelly Rd	Leppington	n.a.	7.0
Shell Bringelly (P)	412 Bringelly Rd	Austral	n.a.	8.0
Secondary West				
Ampol Wallacia	2510 Silverdale Rd	Wallacia	8	11.1
Mobil Silverdale	2A/2320 Silverdale Rd	Silverdale	8	10.3

Source: GapMaps



Petrol stations

3.2 Fast food and takeaway retail

Table 3.2 outlines the provision of fast food and takeaway retail within the main trade area, with the locations of these facilities illustrated on Map 3.2.

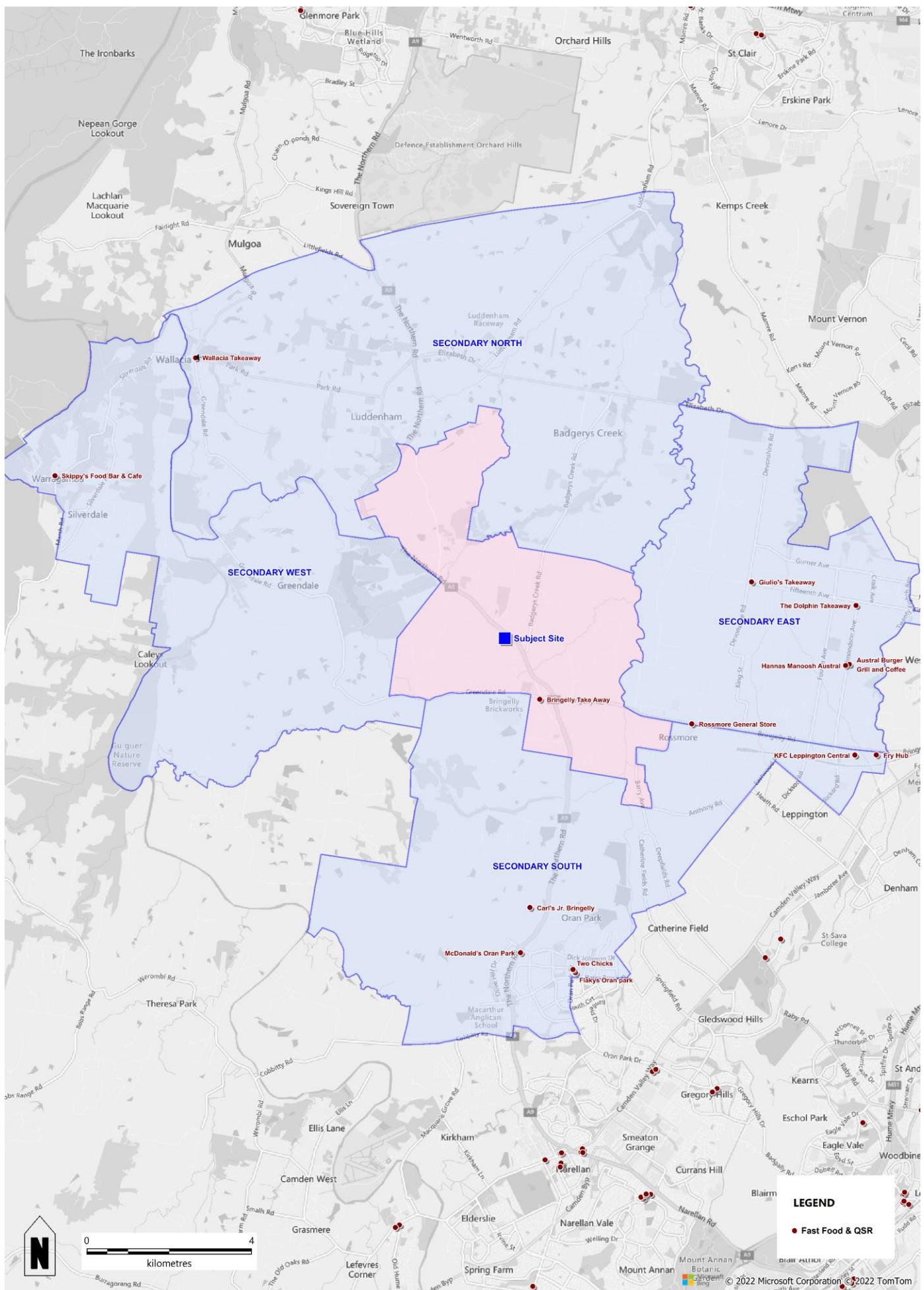
The key competitive facilities within the local areas include the following:

- Within the primary catchment there is only one fast food/takeaway store, called Bringelly Take Away, with simple hot food and takeaway options, located approximately 2.5km to the south.
- There is a distinct lack of prominent national brands within the 5 km of the subject site, however there is a Carl's Junior (due to open soon) in Bringelly (6.5km), McDonalds Oran Park (8km) and KFC Leppington (9km).
- The majority of the offer comprises independent operators, with 12 such facilities being located across the MTA. These facilities are typically in standalone or shopping centre locations.
- Other than the two aforementioned fast-food tenancies at the proposed Shell service station in Bringelly, there are no proposed fast food or QSR offers across the MTA, though it is likely that some provision will be accommodated within centre based developments across the area over the medium to long term.

Table 3.2
Bringelly - Competing Takeaway facilities

Name	Address	Suburb	Distance (Km)
Primary			
Bringelly Take Away	1197 The Northern Rd	Bringelly	2.4
Secondary East			
Rossmore General Store	Shop 2 850/832 Bringelly Rd	Rossmore	5.0
Austral Burger Grill and Coffee	Shop 12/245 Edmondson Ave	Austral	8.3
Hannas Manoosh Austral	Shop 6/242-246 Edmondson Ave	Austral	8.3
The Dolphin Takeaway	6 Edmondson Ave	Austral	8.5
Giulio's Takeaway	1/795 Fifteenth Ave	Kemps Creek	6.1
Secondary South			
Carl's Jr. Bringelly	657 The Northern Rd	Bringelly	6.6
KFC Leppington Central	221 Bringelly Rd	Leppington	8.9
Fry Hub	171 Bringelly Rd	Leppington	9.4
McDonald's Oran Park	450 The Northern Rd	Oran Park	7.7
Flakys Oran park	351 Oran Park Dr	Oran Park	8.3
Two Chicks	Shop 1a/351 Oran Park Dr	Oran Park	8.3
Secondary West			
Skippy's Food Bar & Cafe	7 Fourteenth St	Warragamba	11.6
Wallacia Takeaway	1 Park Rd	Wallacia	10.1

Source: GapMaps



Map 3.2: 1411 The Northern Rd, Bringelly
Fast food & take-away facilities

3.3 Industrial and Employment Land

As mentioned previously, the Western Sydney Aerotropolis will become a major employment hub in Sydney, with potential to accommodate up to 120,000 jobs over the very long term.

According to the NSW DPE Employment Land Survey, there are 2,204 ha of undeveloped employment lands within the Liverpool LGA and 2,834 ha of undeveloped employment lands across the Penrith LGA, reflecting around 70% of employment land within these two LGAs (7,206 ha of total employment lands). The majority of this undeveloped employment land falls within the Aerotropolis precinct.

The Employment Land Survey indicates Dwyer Road, within which the subject site is located, has potential capacity of 748 ha of employment lands.

Section 4: Economic Impact Assessment

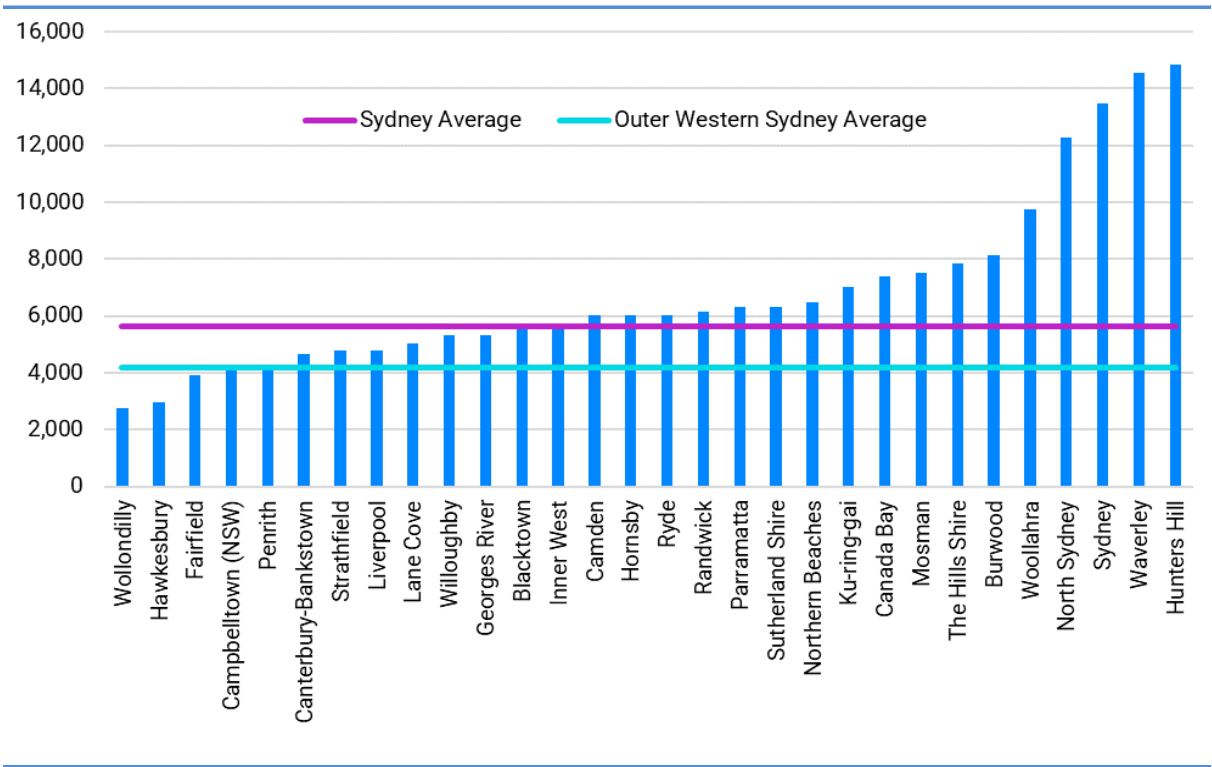
This section of the report assesses the supply and demand for the various uses and the potential economic impacts of the proposed development.

4.1 Need and demand: service station

Table 4.1 outlines the benchmarks for service station provision, on a per capita basis, across Sydney. At present, there is one service station per every 5,462 residents in Sydney, which is lower than the national average of around 3,692 (a higher population per service station indicates lower levels of supply).

Within Sydney, the provision rate across LGAs varies widely from 2,738 in Wollondilly (highest rate of provision), where population density is much lower than other parts of Sydney and major roads/thoroughfares pass through this LGA, to 14,860 in Hunters Hill, which is small LGA geographically. However, generally across outer-western Sydney, the provision rate of one facility per 4,188 residents is higher, relative to population, than the Sydney average.

Table 4.1
Service Station Supply Benchmarks, Sydney



Source: GapMaps

The main trade area will undergo significant and rapid change over the forecast period, with the population forecast to increase by 160% over the period to 2036. Even with walkable town and local centres and improved public transport accessibility, over the short to medium term, car ownership will continue to be a necessary requirement for Australian households, especially those situated within outer-suburban growth areas such as south-west Sydney.

Over the long term, it is anticipated that the take up of electronic vehicles (EVs) will become commonplace, however at present EVs only account for around 2% of the overall vehicle market and therefore petrol stations will remain a necessary and important service. As EVs become more established in the market it is expected that service stations will begin to provide rapid charging capabilities as well as standard fuel supply facilities, which noting home charging, street based or car-parking charging stations, at present, take a significant time to recharge.

Table 4.2 illustrates the forecast demand and supply gap for service stations across the main trade area. At present there are 10 petrol stations within the trade area, servicing a population of around 31,400 which results in an existing provision rate of 3,142 people per petrol station. This is a higher rate of provision than the Sydney and Outer Western Sydney benchmarks, though should be considered within the context of the trade area being in the early emerging stages as a residential and employment growth area which will accommodate significant future population and employment growth.

By 2036, with no further addition to supply other than the three proposed facilities, the provision rate would decline to one facility for every 6,300 residents.

The future need for service stations has therefore been considered in light of the prevailing Sydney and Outer Western Sydney averages. Additionally, given the rapid change in not only residential population but working population with the emergence of Western Sydney International Airport and the Aerotropolis, an allowance has been made for 'inflow demand' i.e. demand that is generated by those from outside the main trade area who are visiting the area for work, travel or passing by.

The Northern Road is a dual carriageway and major arterial road in Western Sydney that supports solid traffic volumes that will increase significantly in the future as a result of residential development (private vehicle traffic), the establishment of the Western Sydney Airport (private vehicle, taxi and commercial vehicles) and development of industrial and employment lands (employees, commercial vehicles and truck traffic).

Applying the average Sydney provision rate results in an undersupply of two facilities by 2031 and eight facilities by 2036, though by applying the Outer Western Sydney provision rate it indicates the area is currently undersupplied by one facility, with this gap to grow to eight facilities by 2031 and 15 by 2036.

Table 4.2
Bringelly Main Trade Area - Service Station Demand Supply Gap, 2021-36

		2021	2026	2031	2036
Main trade area population*	Population	31,416	44,012	60,926	81,525
Existing petrol station supply	Facilities	10	10	10	10
Proposed petrol station supply	Facilities		3	3	3
Total petrol station supply	Facilities	10	13	13	13
Existing provision rate	Pop. Per facility	3,142	3,386	4,687	6,271
Sydney provision rate	Pop. Per facility	5,642	5,642	5,642	5,642
Demand at Sydney provision rate	Facilities	6	8	11	14
Demand from beyond (30%)**	Facilities	2	3	5	6
Variation (+oversupply/-undersupply)	Facilities	2	2	-2	-8
Outer Western Sydney*** provision rate	Pop. Per facility	4,189	4,189	4,189	4,189
Demand at Outer Sydney provision rate	Facilities	8	11	15	19
Demand from beyond (30%)**	Facilities	3	5	6	8
Variation (+oversupply/-undersupply)	Facilities	-1	-2	-8	-15

*As at June

** Allows for 30% inflow given current and future role as a major employment centre, as well as proximity to airport

*** Includes outer-western Sydney LGAS (Camden, Wollondilly, Penrith, Campbelltown, Liverpool, Hawkesbury)

Source: ABS, GapMaps, forecast.ID

In addition to meeting need and demand for fuel retailing, service stations fulfil a role in servicing the convenience retail market for local residents, local workers and passing trade. The need and demand for FLG (fresh food, liquor and groceries market) generated by MTA residents will increase significantly as a result of the 160% population growth forecast over the next 15 years (refer Table 4.3). The proposed service station will meet a proportion of this demand, albeit a very small share given the proposed scale and type of offer.

4.2 Need and demand: food catering

In terms of need and demand for additional food catering facilities, Table 4.3 outlines the forecast growth in retail floorspace demand by the main trade area population. Currently, the main trade area population generates demand for 7,200 sq.m of food catering floorspace (e.g. takeaway, cafes, restaurants and bars), which is expected to increase to around 21,460 sq.m by 2036, a 280% increase on current demand.

The proposed 243 sq.m fast food tenancy accounts for just 3% of current demand, and 1.1% share of demand by 2036, noting that a drive-thru fast food tenancy on a major arterial road would be expected to draw a substantial share of trade from passing traffic, including workers in the surrounding region and other persons who may not live in the defined trade area.

Table 4.3
Bringelly main trade area - retail floorspace demand by category (sq.m), 2022-2036

Year ending June	FLG	Food catering	Non-Food Retail	Total retail
2021	27,557	7,201	33,764	68,522
2022	28,724	7,622	36,655	73,002
2023	30,932	7,641	39,376	77,949
2024	34,048	8,134	42,496	84,678
2025	37,513	8,927	46,566	93,007
2026	41,060	9,780	51,159	101,999
2027	44,748	10,669	55,968	111,384
2028	48,560	11,590	60,975	121,125
2029	52,443	12,528	66,109	131,081
2030	56,399	13,484	71,371	141,255
2031	60,429	14,458	76,765	151,651
2032	64,649	15,402	82,346	162,397
2033	69,189	16,415	88,368	173,971
2034	74,074	17,499	94,868	186,442
2035	79,333	18,662	101,885	199,880
2036	84,993	19,908	109,462	214,363

Source: MarketInfo; GapMaps

At present there is an estimated 1,500 sq.m of fast food/takeaway retail in the MTA, indicating a significant gap retail floorspace relative to floorspace demand (noting that the analysis of supply excludes cafes, restaurants and bars). While some of this demand will be met by cafes/restaurants and facilities beyond the main trade area, the provision is equivalent to only 20% of food catering demand, indicating there is significant capacity to accommodate additional food catering facilities in the MTA at present, and substantial opportunity into the future.

4.3 Economic and social benefits

The proposed service centre is likely to result in a range of economic impacts and benefits. Given the future growth in both residential and worker population in the area it is expected that any commercial impacts from development on other facilities, which are expected to be negligible, would be quickly offset by future growth in the area, which would support and drive performance at the incumbent operators anyway.

Indeed, the proposed development will result in a range of positive economic benefits, particularly for residents and workers of the main trade area. The key positive impacts will include the following:

1. Substantially improving choice and convenience for local residents

The proposed service station (and convenience retail offer within) will improve choice and convenience for trade area residents. As it currently stands, the facility would be the only petrol station on The Northern Road between Oran Park and South Penrith and would provide the most convenient offer to vehicles travelling north along The Northern Road.

2. Serving the future growth in the SWGA

The SWGA and Aerotropolis are major growth areas of the Sydney. The main trade area population is 31,400 and projected to increase by more than 3,300 residents per year over the next 15 years. The proposed facility will be ideally located to service this growing demand, with the subject site located adjacent to the Aerotropolis and in proximity to the SWGA.

3. Addressing the under-provision of service station supply in the trade area

Given the future population growth there will be a substantial under-provision of petrol stations in the trade area. The proposed service centre will address some of this shortfall.

4. Creation of additional employment opportunities

The proposed service centre, fast food outlet and industrial units would create a number of additional jobs, both for the construction and related industries during the construction phase, and ongoing jobs when the centre is completed. The additional employment creation is discussed further below.

4.4 Employment creation

This sub-section provides estimates of the employment levels likely to be created by the proposed development. The methodology used in estimating the number of potential new jobs at the centre is regularly used in economic impact assessments. The purpose is to provide a general indication of the number of jobs potentially created by the development, both directly and indirectly.

Table 4.4 details the employment likely to be created by the proposed development. Based on the amount and nature of floorspace to be included in the proposed development, we estimate that approximately 111 ongoing jobs would be created by the proposed development.

Table 4.4
Estimated Operational Employment

Use/Category Factor	Est. Jobs per 100 sq.m	GLA (sq.m)	Employment (persons)
Service Station	2.5	254	6
Food Catering	<u>5.0</u>	<u>243</u>	<u>12</u>
Total retail	3.7	497	19
Industrial	1.0	9,288	93
Total development	1.1	9,785	111

The proposed development will also create a number of new jobs during the construction and related industries during the construction phase, and for the economy generally once they are completed. Table 4.5 provides an estimation of both direct and indirect employment that would arise from the proposed development. Based on the estimated construction costs of the project of \$28 million (source: EG Property Advisory), and assuming a 1 year development timeframe, we consider that during the construction period of the project approximately 120 direct jobs would be created.

Further jobs in the broader community would also be created from supplier induced multiplier effects during this period (based on the appropriate ABS input/output multipliers). Around 45 indirect jobs are estimated be created as a result of the ongoing operation of the asset, while 192 indirect jobs are estimated to be created as a result of the construction period. Jobs created include both full-time and part-time positions.

Table 4.5
Est. future employment (permanent and temporary)

Factor	Direct Jobs (long term)	Direct Jobs (const. period)	Multiplier Induced Jobs	Total Jobs
Proposed development	111		45	156
Construction of project*		120	192	312

*Based on estimated construction costs of \$28 million

4.5 Relationship with Aerotropolis

While the Dwyer Road precinct has not been identified for short term transformation, there is merit in allowing the proposed rezoning for the proposed development, as identified below:

- The subject site is a convenient and accessible location for northbound traffic for service station refuelling, north of the Bringelly Road interchange. There is a gap of 6.5km between the BP service station under construction in Bringelly and the proposed development, noting that it does not provide truck refuelling capability nor does the Shell service station further north at Luddenham. Indeed, no other service stations along The Northern Road provide truck refuelling facilities. Such a function will be critical in the area both during and post-development of the airport and broader Aerotropolis.
- The development at the subject site would service the current and future workforce involved in construction and development programs across the Western Sydney Aerotropolis, Western Sydney International Airport and SWGA, as well as the future permanent workforce within these areas.
- The Northern Road is a major commuter route for those working in Penrith. The subject site would be an attractive and convenient location that would serve this market.

Table 4.6 below outlines the expected impact of each of the components of the development on the future Aerotropolis. All impacts are expected to be limited, with the subject site (as a short term proposition) potentially supporting a level of amenity for local residents and workers in the area. The site is highly suitable for all three proposed uses, and many businesses would require a prominent main road and highly accessible location as opposed to an internalised location within large industrial or employment areas.

The proposed provision of industrial units at the subject development reflects less than 0.1% of the proposed industrial and employment land supply across the Aerotropolis, and as mentioned above, will accommodate particular uses that won't locate to internalised industrial land, and would like include uses that will complement the development of the Aerotropolis and International Airport, while supporting future residential growth. For example, storage sheds use main roads not just because they are easily accessible from such roads to a broad catchment, but because they provide excellent branding/marketing given the significant traffic volumes on such roads.

Table 4.6
Bringelly - Impact on Aerotropolis

Use	Impact on Aerotropolis	Comment
Service Station	Limited	The provision of a service centre at the subject site would provide a level of amenity to service the initial stages of development across the Aerotropolis. Being on main road location, the site is subject to high levels of passing trade that would not be experienced by internal sites within the Aerotropolis. The development of a service station at the subject site would not prevent other similar type development occurring within the Aerotropolis given the future growth in the market, timing and sequencing of development and differing roles and functions (e.g. airport hire care market, immediate workers, residential vs employment).
Fast Food	Limited	As a common co-anchore with service stations, fast food outlets provides a level of amenity for local residents, workers and passers by that would not necessarily be addressed by internalised sites within the Aerotropolis. Such facilities provide drivers a chance to stop, rest and dine in, as opposed to the take home/away nature of convenience store retail. Provision of fast food at this location will not impede on other operators locating within the Aerotropolis as there will be significant future demand generated by workers within the Aerotropolis. Much of this demand will be localised within proximity from place of employment. Fast food type uses are commonplace in proximity to airports and on major arterial routes (e.g. Brisbane, Melbourne and Sydney airports).
Industrial/ Employment	Limited	The strategic main road location is suitable for a range of uses such as indoor recreation, health and fitness, automotive repair services, storage, trade business and other commercial uses. Many of these types of uses require main road, high exposure and high accessibility locations, rather than internalised sites within industrial or commercial areas.

Source: GapMaps

Section 5: Conclusion

The proposed development of service station, fast-food and industrial units at 1411 The Northern Road is considered suitable and appropriate for the following reasons:

- The proposed service station (and convenience retail offer within) will improve choice and convenience for trade area residents. As it currently stands, the facility would be the only petrol station on The Northern Road between Oran Park and South Penrith and would provide the most convenient offer to vehicles travelling north along The Northern Road.
- The development will provide truck refuelling facilities, which are not currently available on The Northern Road, and will be critical in serving truck vehicles accessing the Western Sydney Airport during the construction phase and on-going operations.
- The development at the subject site would service the current and future workforce involved in construction and development programs across the Western Sydney Aerotropolis, Western Sydney International Airport and SWGA, as well as the future permanent workforce within these areas.
- The SWGA and Aerotropolis are major growth areas of the Sydney. The main trade area population is 31,400 and projected to increase by more than 3,300 residents per year over the next 15 years. The proposed facility will be ideally located to service this growing demand, with the subject site located adjacent to the Aerotropolis and in proximity to the SWGA.
- Given the future population growth, there will be a substantial under-provision of petrol stations in the trade area in the future. The proposed service centre will address some of this shortfall.
- Many businesses would require prominent main road and highly accessible locations as opposed to internalised locations within large industrial and employment areas and the proposed development will not prevent or impede any development from occurring within the Aerotropolis.
- Based on the amount and nature of floorspace to be included in the proposed development, approximately 111 ongoing jobs would be created by the proposed development, supporting a further 45 indirect jobs. The construction period would support 120 direct and 192 indirect jobs.