

August 2023

# Bloomfield, Orange

Economic Impact Assessment

Prepared for James Richmark Pty Ltd



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# Introduction

This report presents an independent assessment of the need for a small supermarket as part of the Bloomfield medical precinct, located in the southern urban area of Orange. The overall Bloomfield retail precinct (1,791 sq.m) already has development approval and is constructed. The existing Planning Scheme, however, does not currently allow for a larger-sized tenancy such a small supermarket to be included within the 1,791 sq.m provision. This report specifically assesses the demand and impacts from a proposed small supermarket of 640 sq.m that would backfill some of the shops.

This report is structured and presented in **five (5) sections** as follows:

- **Section 1** details the regional and local context of the Bloomfield site. The proposed development is also reviewed.
- **Section 2** provides an assessment of the various customer segments likely to be served by retail facilities at Bloomfield. Current and projected population and retail spending levels, in addition to a review of the socio-economic profile, are provided for each customer segment.
- **Section 3** provides an overview of the current and future retail environment within the area surrounding the site.
- **Section 4** outlines an assessment of the sales potential for the proposed small supermarket at Bloomfield and then presents an economic impact assessment. Likely trading impacts on other retailers throughout the surrounding region are also considered, as are the other economic impacts, both positive and negative, of the proposal.
- **Section 5** presents the need analysis of the proposed development.

# 1 Location & Proposed Development

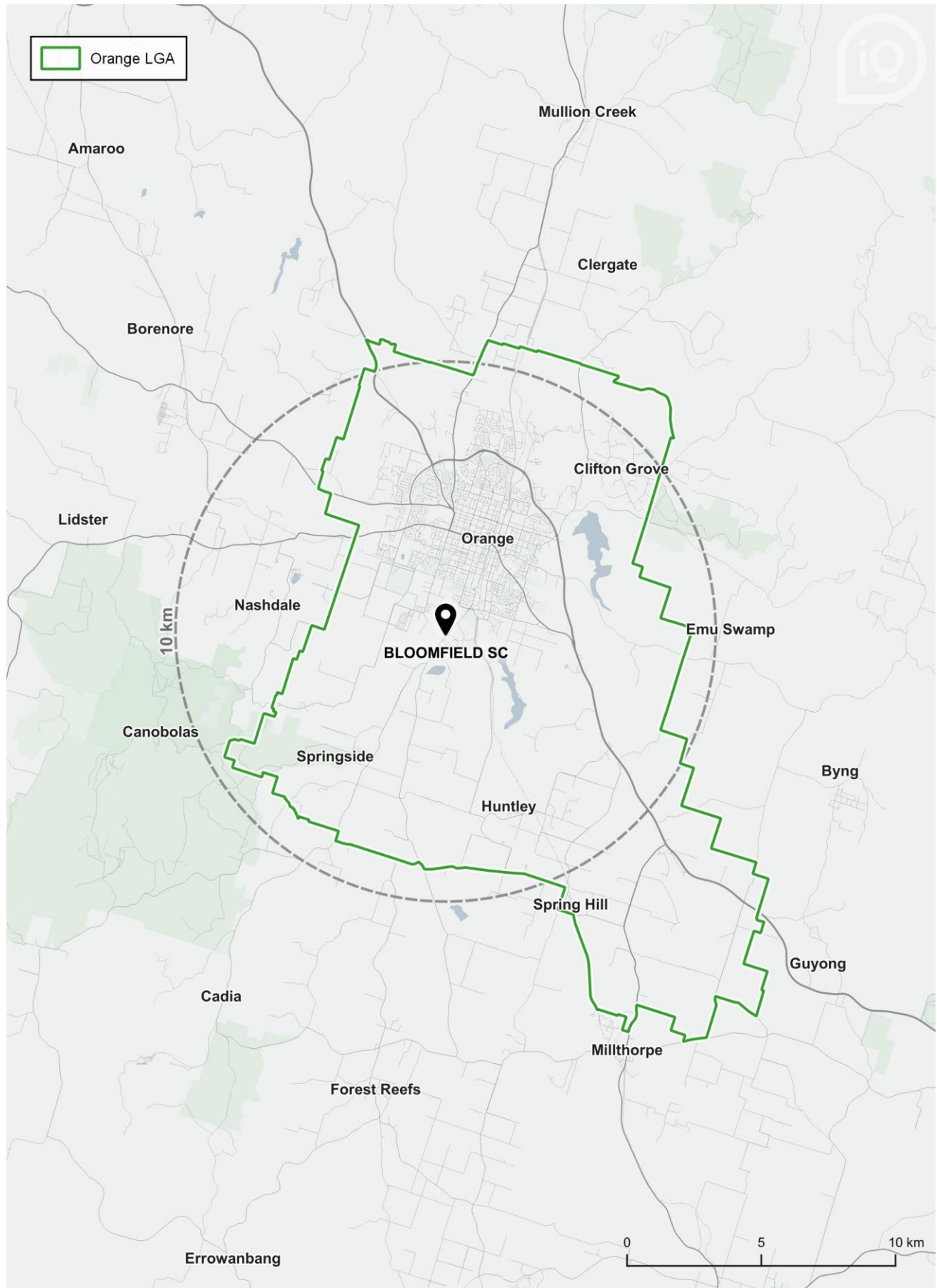
This section of the report reviews the regional and local context of the Bloomfield site in Orange and provides an overview of the proposed development.

## 1.1. Regional & Local Context

- i. The suburb of Bloomfield is within the City of Orange in the Central West region of New South Wales, approximately 5 km south of the Orange Central Business Area (CBA) (refer Map 1.1).
- ii. The City of Orange municipality accommodates a population of approximately 38,000 and is a key service centre and administrative hub for surrounding smaller towns, providing in-excess of 22,000 jobs. The largest industries of employment are health care and social assistance, retail trade and education and training.
- iii. Orange is a predominantly residential municipality which also includes significant retail and industrial components. Industrial land is predominantly provided in the southern part of the Orange urban area, with higher-order retail — as well as large education, health, and commercial facilities — concentrated within the Orange CBA.
- iv. Orange is a popular tourist destination with the region attracting some 1.2 million visitors a year, which is primarily a reflection of the scale of facilities provided, as well as the attraction of the food and wine industries in the area.
- v. The Mitchell Highway is a major arterial road through the Orange region linking to Bathurst in the south-east and Parkes to the west. Subsequently, Orange City Centre receives excellent exposure from passing traffic and is easy to access for locals and residents of Bathurst, Parkes, Blayney, and Cowra.
- vi. The Southern Feeder Road is under construction and will improve traffic movement across the southern side of the City, including better connections for Bloomfield Medical Centre, Shiralee Village and the Orange Health Service.
- vii. The site of the proposed small supermarket at Bloomfield is within the Bloomfield Medical Centre precinct on the western side of Forest Road, immediately north of Gosling Creek Aged Care Centre and directly opposite the Orange Health Service precinct. Shiralee Village — a major residential estate is also under construction to the north-west of the site.
- viii. Site accessibility and visibility are excellent, with a 220-metre frontage along Forest Road, which is a major north-south arterial route linking Orange in the north to the township of Blayney in the south.
- ix. The site is easily accessible via public transport with bus route 537 providing direct access from the Orange CBA to the Orange Public Hospital site.

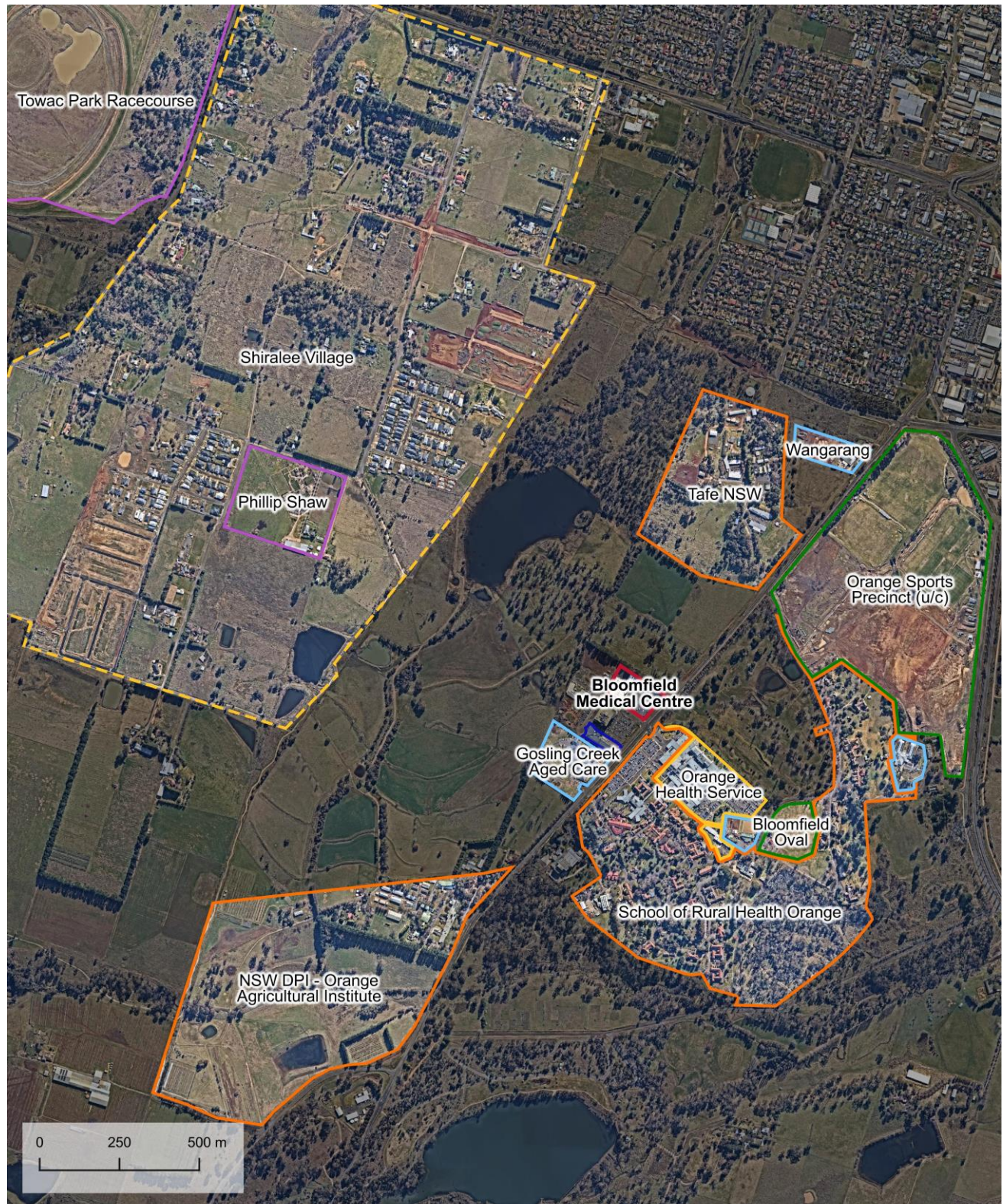
- x. Map 1.2 illustrates the location of the site in relation to key facilities within the region, including:
- Bloomfield Private Medical Centre: provides a GP clinic, radiology, pathology, and allied health services, along with a private hospital and pharmacy.
  - Orange Health Service precinct, a 520-bed capacity public hospital facility, which is the largest hospital in regional New South Wales. The hospital was relocated from the Orange Base Hospital site (3 km to the north) to the Forest Road site in 2011. The hospital currently services approximately 22,000 admissions each year.
  - TAFE NSW to the north of the Bloomfield site.
  - School of Rural Health Orange, located to the south of the Orange Hospital precinct.
  - Shiralee Village residential development received masterplan approval in 2014 to deliver 1,750 homes (around 6,000 persons).
  - Gosling Creek Aged Care Facility operated by Allity.
  - The Orange Sports Precinct (currently under construction) is located immediately to the north of the Orange Health Service site.
  - Orange Agricultural Institute located 1 km to the south of the site, on the western side of Forest Road.
  - Phillip Shaw Winery is approximately 2.5 km (by road) to the west of the site.
- xi. Currently, no retail facilities are provided within the immediate region, with the focus for retail currently being provided within the Orange CBA.
- xii. Overall, the Bloomfield site enjoys a high-profile location along Forest Road, as part of significant medical precinct. The resident population will increase in the future with the construction of Shiralee Village.

MAP 1.1. REGIONAL CONTEXT





MAP 1.2. LOCAL CONTEXT



- |  |   |  |  |
|--|---|--|--|
| <span style="border: 2px solid red; display: inline-block; width: 15px; height: 10px;"></span> Site      | <span style="border: 2px solid purple; display: inline-block; width: 15px; height: 10px;"></span> Entertainment | <span style="border: 2px solid lightblue; display: inline-block; width: 15px; height: 10px;"></span> Community | <span style="border: 2px solid green; display: inline-block; width: 15px; height: 10px;"></span> Sports          |
| <span style="border: 2px solid yellow; display: inline-block; width: 15px; height: 10px;"></span> Health | <span style="border: 2px solid orange; display: inline-block; width: 15px; height: 10px;"></span> Education     | <span style="border: 2px solid blue; display: inline-block; width: 15px; height: 10px;"></span> Accommodation  | <span style="border: 2px dashed yellow; display: inline-block; width: 15px; height: 10px;"></span> Precinct Plan |

PhotoMap by nearmap.com



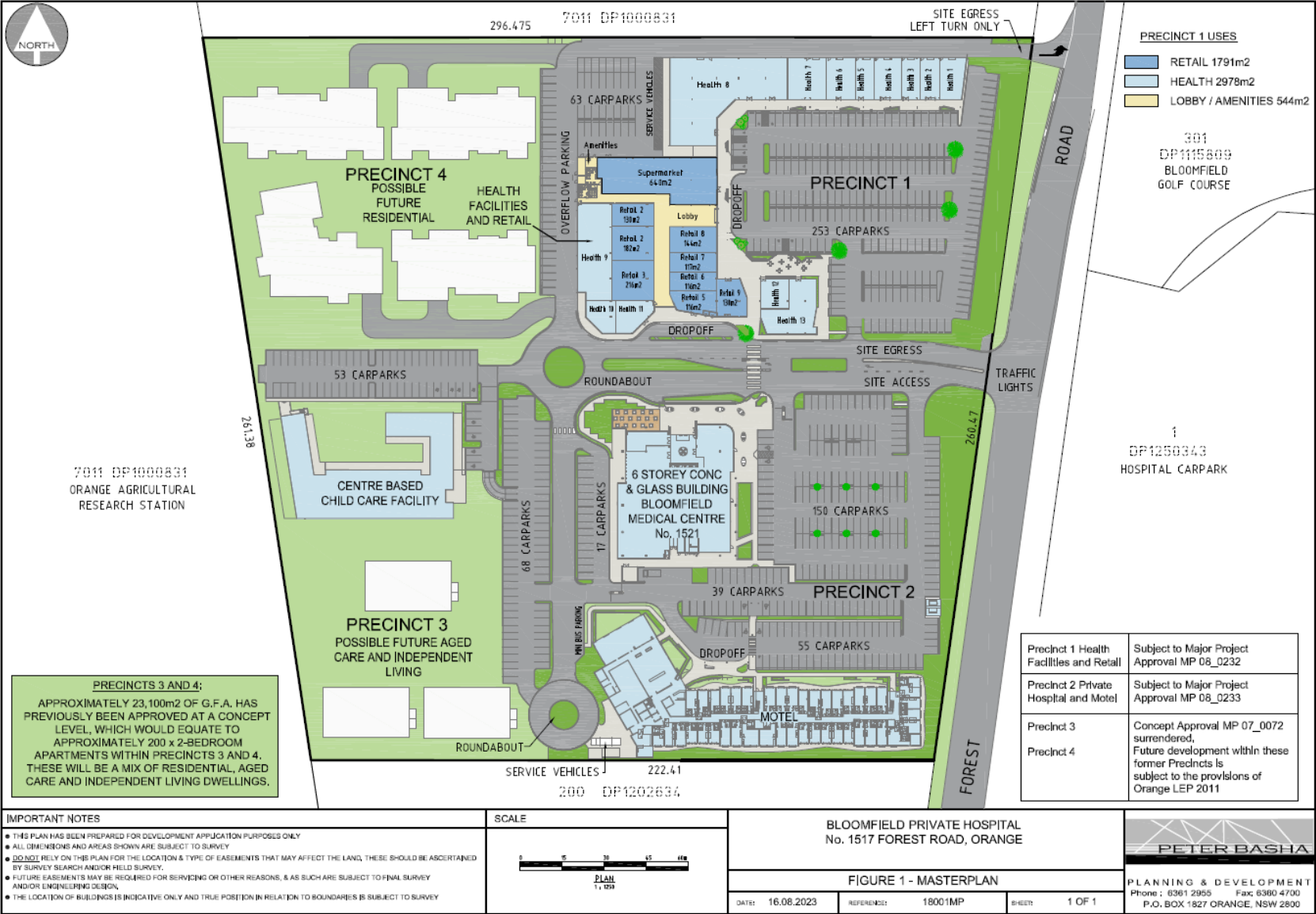


## 1.2. Bloomfield Medical Precinct

- i. The subject site is within the broader Bloomfield Medical precinct along Forest Road.
- ii. Figure 1.1 illustrates the Bloomfield Medical Precinct plan. Key components include:
  - **Precinct 1:** already has approval for retail floorspace of 1,791 sq.m, and this component is already constructed.
  - A total of 3,062 sq.m of health-related floorspace across 13 tenancies is also planned within the precinct, with tenancy numbers 8 – 11 already constructed.
  - **Precinct 2:** Bloomfield Medical Centre opened in 2020 and includes Ramsay Health Care (a private day hospital including seven operating theatres and 25 beds, which recently replaced Orange Private Hospital on Level 4), Charles Sturt University Clinical School, a pharmacy, pathology, radiology, and a range of medical specialists. Other existing uses within the precinct include:
    - The Remington Orange — an 82-room hotel and conference centre, including Whitney's Restaurant & Bar.
    - Rise Early Learning Child Care Centre, providing 155 places across nine rooms.
  - **Precinct 3:** could potentially accommodate a retirement living and aged care facility, subject to approval.
  - **Precinct 4:** potential residential uses, subject to approval.
- iii. The Bloomfield Medical precinct is a significant and growing precinct. Based on the 2021 Census, ~4,000 workers are provided in and around Bloomfield.



FIGURE 1.1. BLOOMFIELD MEDICAL PRECINCT PLAN



## 1.3. Planned Development

- i. A small supermarket of 640 sq.m is now planned to backfill retail specialty floorspace that is already development approved and constructed as part of Precinct 1 of the Bloomfield Medical precinct.
- ii. The balance of retail floorspace (1,151 sq.m) is still planned to comprise convenience specialty uses (e.g., a newsagent, bottle shop, takeaway food, bakery, fresh food and the like).
- iii. The proposed small supermarket would not result in any additional floorspace being provided than the already development approved and constructed floorspace.
- iv. Based on the small size of the proposed supermarket and supporting convenience specialty, the retail component within Precinct 1 is still intended to service the hospital precinct and immediately surrounding population, rather than compete with the existing retail offer in the Orange CBA.
- v. The remainder of the report assess the potential for the small supermarket at the Bloomfield site.
- vi. A development application for a larger supermarket-based retail centre including a retail specialty component was rejected by the City of Orange in 2019, due to concerns over the impact of the development on retailers in the Orange CBA. The new proposal seeks to address these concerns, by providing a much smaller development to serve the top-up shopping needs of the growing immediate catchment, current and future workers, and visitors to the Bloomfield Medical precinct.

# 2 Customer Segment Analysis

This section of the report provides a review of the customer segments that would be served by a small supermarket at the Bloomfield site, including current and projected population and retail spending levels over the period to 2041. A review of the socio-economic profile of the customer segments is also provided.

The customer segments are as follows:

- Residents
- Workers
- Visitors (given the proximity of Orange Hospital, opposite the site, as well as the Bloomfield Medical precinct itself).

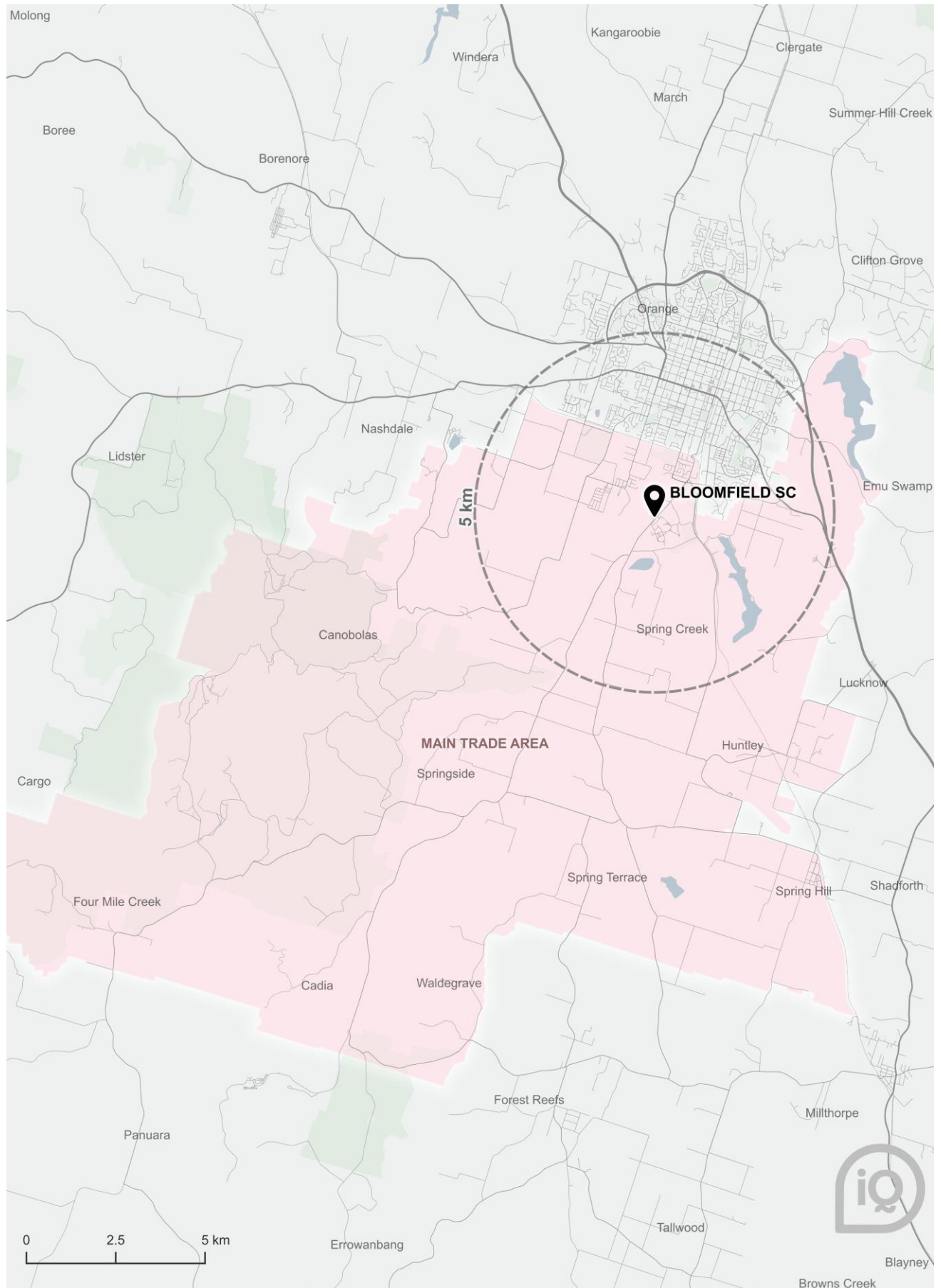
## 2.1. Resident Main Trade Area Definition

- i. The main trade area likely to be served by retail floorspace including a small supermarket at Bloomfield has been defined taking into consideration the following:
  - The scale and composition of the proposed centre.
  - The provision of existing and planned competitive facilities throughout the surrounding area.
  - Regional and local accessibility.
  - The pattern of urban development throughout the region.
  - Significant physical barriers.
- ii. The main trade area defined for the proposed development is also based on the experience of Location IQ, which has been established and refined over many years across many similar assessments. Location IQ has also been provided with existing store customer data (including exit-survey results, transaction data, mobile phone ping data and the like), which assists in the refinement and cross-checking of trade area boundaries for existing situations and can then be utilised for future scenarios.
- iii. The trade area defined for the development is based on Australian Bureau of Statistics (ABS) SA1 statistical areas, which is common convention for trade area definitions given SA1's are the smallest unit area released in Census data. SA1s typically have a population of between 200 and 800 persons, with an average population size of approximately 400 persons.

- iv. Map 2.1 illustrates the defined main trade area which incorporates the southern parts of Orange, and the rural settlement areas of Huntley, Spring Creek, Spring Terrace, Springside, Canobolas, and the western parts of Spring Hill. The resident main trade area generally extends 6 – 16 km from the site, and is limited by retail facilities within the Orange CBA, 5 km to the north.



**MAP 2.1. BLOOMFIELD RESIDENT MAIN TRADE AREA AND SUBURBS**



## 2.2. Main Trade Area Population

- i. Table 2.1 details the Bloomfield resident main trade area current and projected population, over the period to 2041. This information is sourced from the following:
  - The 2011, 2016 and 2021 Census of Population and Housing undertaken by the Australian Bureau of Statistics (ABS).
  - New dwelling approvals statistics from the ABS from 2011/12 to 2021/22 (refer Chart 2.1), which indicates an average approval rate of 19 new dwellings per annum across the main trade area during this timeframe.
  - The latest population projections prepared at a Statistical Area 2 (SA2) level by the New South Wales Department of Planning and Environment.
  - Investigations by this office into new residential developments in the region.
- ii. The resident main trade area population is currently estimated at around 3,600 persons and is projected to more than double to 7,800 by 2041, representing an average annual growth rate of 4.4%.
- iii. Population growth across the main trade area will primarily be driven by the following:
  - Residential development within the Bloomfield Medical precinct. As outlined in sub-section 1.2 previously, approximately 24,500 sq.m of GFA has been approved at a concept level, which would equate to some 214 x 2-bedroom apartments being established within Precincts 3 & 4 of the site.
  - The Shiralee Village release (refer Figure 2.1) area to the north-west of the Bloomfield site is anticipated to accommodate 1,750 dwellings over the next 20+ years. The first stage of this development received rezoning approval in September 2014, with first homes delivered in 2019, and 120 dwellings built to date.

TABLE 2.1. BLOOMFIELD MAIN TRADE AREA POPULATION PROJECTIONS, 2011 – 2041

Population	Actual			Forecast					Change 2023-41
	2011	2016	2021	2023	2026	2031	2036	2041	
Main Trade Area	3,124	3,230	3,372	3,572	4,022	5,022	6,272	7,772	4,200

Average Annual Change (No.)	Actual		Forecast					Change 2023-41
	2011-16	2016-21	2021-23	2023-26	2026-31	2031-36	2036-41	
Main Trade Area	21	28	100	150	200	250	300	233

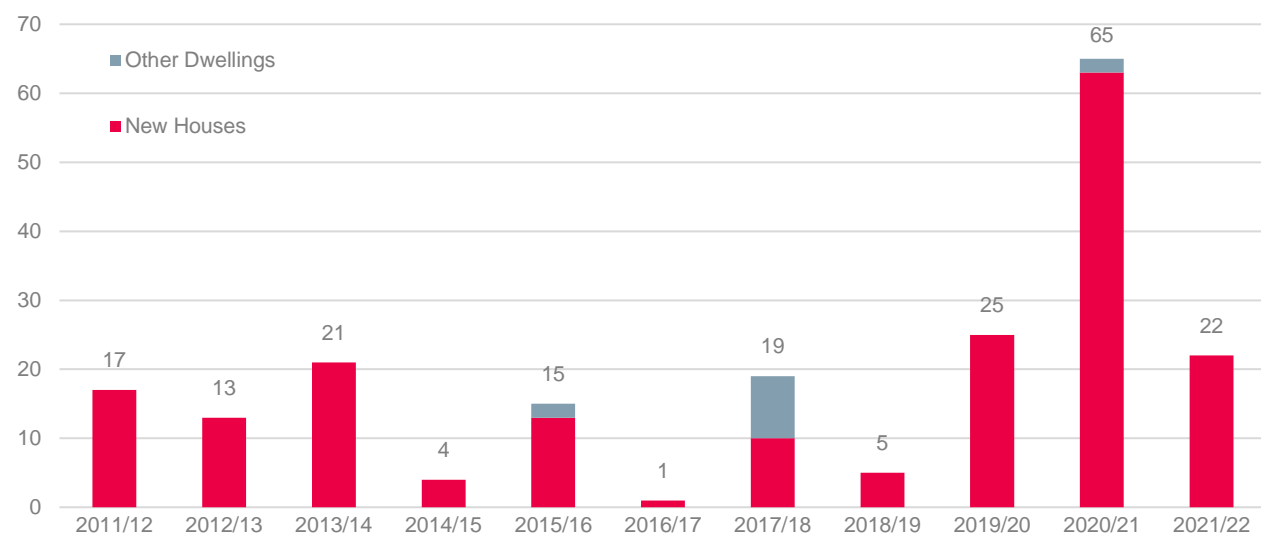
  

Average Annual Change (%)	Actual		Forecast					Change 2023-41
	2011-16	2016-21	2021-23	2023-26	2026-31	2031-36	2036-41	
Main Trade Area	0.7%	0.9%	2.9%	4.0%	4.5%	4.5%	4.4%	4.4%
Rest of NSW	0.7%	0.9%	0.1%	0.7%	0.7%	0.4%	0.3%	n.a.
Australian Average	1.6%	1.2%	0.3%	1.3%	1.3%	1.2%	1.1%	n.a.

All figures as at June and based on 2021 SA1 boundary definition.

Sources : ABS; NSW DPIE

CHART 2.1. MAIN TRADE AREA NEW DWELLING APPROVALS



Source: ABS



FIGURE 2.1. SHIRALEE VILLAGE MASTERPLAN





## 2.3. Socio-economic Profile

- i. Table 2.2 summarises the socio-economic characteristics of the Bloomfield resident main trade area population, compared with the Rest of New South Wales and Australian benchmarks. This information is based on the 2021 Census of Population and Housing. Key points to note include:
  - Main trade area average per capita income levels (\$60,108) and household income levels (\$122,519) are significantly higher than the Rest of New South Wales benchmark — by 21.0% and 28.7%, respectively.
  - The average age of main trade area residents (40.6 years) is younger than the Rest of New South Wales (42.2 years).
  - Average household size (2.6 persons) is broadly in line with the benchmarks.
  - Main trade area residents are predominately (91.5%) Australian born.
  - Home ownership levels at 82.5% are significantly higher than the Rest of New South Wales benchmark (70.9%).
  - The proportion of traditional family households (i.e., couples with dependent children) at 47.9%, is higher than the Rest of New South Wales benchmark (38.4%).
- ii. Overall, the main trade area is characterised by an affluent, Australian-born, family population, who would associate strongly with a convenient local centre, such as the proposed development.
- iii. Table 2.3 outlines the key changes within the main trade area between the 2011 and 2021 Census periods. As shown, average per capita income levels grew at a similar rate to the Rest of New South Wales benchmark.

TABLE 2.2. MAIN TRADE AREA SOCIO-ECONOMIC PROFILE, 2021 CENSUS

Characteristic	Main TA	Rest of NSW Average	Australia Average
<b>People</b>			
<b>Age Distribution (% of Pop'n)</b>			
Aged 0-14	19.2%	17.6%	18.0%
Aged 15-19	6.5%	5.7%	5.7%
Aged 20-29	9.9%	11.2%	13.3%
Aged 30-39	11.1%	11.8%	14.6%
Aged 40-49	13.1%	11.7%	13.0%
Aged 50-59	13.3%	12.9%	12.5%
Aged 60+	26.8%	29.1%	23.0%
Average Age	40.6	42.2	39.5
<b>Birthplace (% of Pop'n)</b>			
Australian	91.5%	88.5%	72.0%
Overseas	8.5%	11.5%	28.0%
• Asia	2.4%	2.8%	12.1%
• Europe	2.9%	4.8%	7.2%
• Other	3.2%	3.9%	8.7%
<b>Family</b>			
Average Household Size	2.6	2.4	2.5
<b>Family Type (% of Pop'n)</b>			
Couple with dep't children	47.6%	38.4%	44.2%
Couple with non-dep't child.	7.2%	7.4%	7.7%
Couple without children	26.9%	27.1%	23.8%
Single with dep't child.	6.5%	9.6%	8.6%
Single with non-dep't child.	2.7%	4.3%	4.0%
Other family	0.8%	0.9%	1.0%
Lone person	8.2%	12.3%	10.8%
<b>Employment</b>			
<b>Income Levels</b>			
Average Per Capita Income	\$60,108	\$49,683	\$55,301
Per Capita Income Variation	21.0%	n.a.	n.a.
Average Household Income	\$122,519	\$95,175	\$109,594
Household Income Variation	28.7%	n.a.	n.a.
<b>Housing</b>			
<b>Tenure Type (% of Dwellings)</b>			
Owned	82.5%	70.9%	67.4%
Rented	16.7%	26.9%	30.8%
Other Tenure Type	0.7%	2.2%	1.8%

Sources: ABS Census of Population and Housing 2021

TABLE 2.3. MAIN TRADE AREA SOCIO-ECONOMIC PROFILE COMPARISON, 2011 – 2021 CENSUS PERIODS

Characteristic	Bloomfield Main Trade Area			Change (%)			Rest of NSW			Change (%)		
	2011	2016	2021	2011-16	2016-21	2011-21	2011	2016	2021	2011-16	2016-21	2011-21
<b>People</b>												
Average Age	39.1	41.5	40.6	1.2%	-0.4%	0.4%	40.1	41.6	42.2	0.7%	0.3%	0.5%
<b>Birthplace (% of Pop'n)</b>												
Australian	91.4%	93.7%	91.5%	2.3%	-2.2%	0.1%	88.6%	89.3%	88.5%	0.8%	-0.8%	-0.1%
Overseas	8.6%	6.3%	8.5%	-2.3%	2.2%	-0.1%	11.4%	10.7%	11.5%	-0.8%	0.8%	0.1%
• Asia	1.6%	1.3%	2.4%	-0.3%	1.1%	0.8%	1.6%	2.1%	2.8%	0.5%	0.7%	1.2%
• Europe	3.7%	3.0%	2.9%	-0.7%	-0.1%	-0.8%	6.1%	5.2%	4.8%	-0.9%	-0.4%	-1.3%
• Other	3.3%	2.0%	3.2%	-1.2%	1.2%	-0.1%	3.8%	3.4%	3.9%	-0.4%	0.5%	0.1%
<b>Family</b>												
Average Household Size	2.7	2.7	2.6	-0.3%	-0.5%	-0.4%	2.4	2.4	2.4	-0.5%	0.1%	-0.2%
<b>Family Type (% of Pop'n)</b>												
Couple with dep't children	49.2%	46.5%	47.6%	-2.7%	1.1%	-1.6%	40.7%	39.4%	38.4%	-1.3%	-1.0%	-2.3%
Couple with non-dep't child.	9.0%	7.6%	7.2%	-1.4%	-0.3%	-1.7%	7.0%	7.4%	7.4%	0.4%	0.0%	0.5%
Couple without children	24.1%	25.4%	26.9%	1.2%	1.5%	2.7%	25.7%	26.1%	27.1%	0.3%	1.1%	1.4%
Single with dep't child.	6.4%	8.4%	6.5%	1.9%	-1.8%	0.1%	10.6%	10.2%	9.6%	-0.4%	-0.5%	-1.0%
Single with non-dep't child.	2.7%	3.6%	2.7%	0.9%	-0.9%	0.1%	3.5%	4.0%	4.3%	0.5%	0.2%	0.8%
Other family	0.9%	1.1%	0.8%	0.2%	-0.3%	-0.1%	0.9%	0.9%	0.9%	0.0%	0.0%	0.0%
Lone person	7.8%	7.5%	8.2%	-0.2%	0.7%	0.4%	11.7%	12.1%	12.3%	0.4%	0.2%	0.6%
<b>Employment</b>												
<b>Income Levels</b>												
Average Per Capita Income	\$42,335	\$48,694	\$60,108	2.8%	4.3%	3.6%	\$35,013	\$41,203	\$49,683	3.3%	3.8%	3.6%
Per Capita Income Variation	20.9%	18.2%	21.0%	-2.7%	2.8%	0.1%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Average Household Income	\$91,704	\$103,562	\$122,519	2.5%	3.4%	2.9%	\$66,798	\$78,375	\$95,175	3.2%	4.0%	3.6%
Household Income Variation	37.3%	32.1%	28.7%	-5.1%	-3.4%	-8.6%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Source: ABS Census of Population and Housing 2011, 2016 & 2021

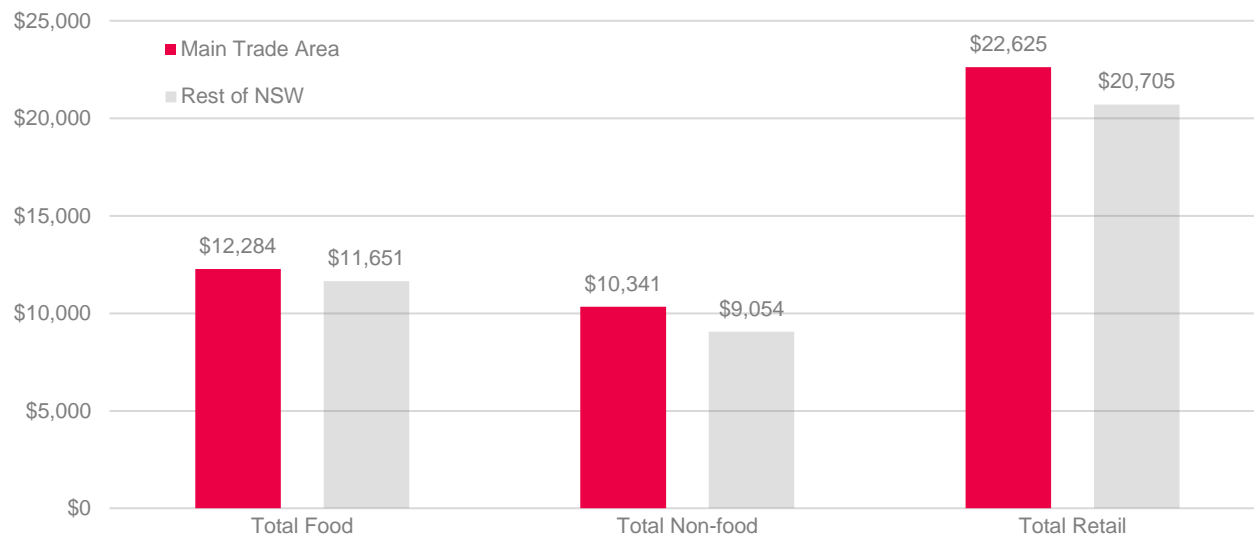
higher | lower than benchmark

## 2.4. Main Trade Area Retail Expenditure

- i. The estimated retail expenditure capacity of the resident main trade area population is based on information sourced from CommBank iQ Retail Spend Insights.
- ii. CommBank iQ Retail Spend Insights is a new dataset that was first released in April 2023 (Calendar Year 2022) and is to be released for each Financial Year and Calendar Year going forwards (i.e. released every six months). The dataset has initially been adopted by the four leading economic property consultants in Australia.
- iii. Retail Spend Insights is a modelled view of retail spend per capita across Australia. It is provided at the granularity of SA1 allowing for the creation of bespoke catchments to facilitate a view on resident spend by category for the area. The dataset is based on de-identified, privacy treated retail banking transactions, normalised to be representative of the Australian population. Transactions may include purchases and refunds from credit card, debit card, EFTPOS cards, BPay and direct debit. Adjustments have been made for the inclusion of cash payments.
- iv. CommBank iQ Retail Spend Insights excludes cash and buy now pay later services (CBNPL). The data provides the average annual (for CY22) spend across 81 categories for people aged 18 years and older. The data is also split out by instore and online transactions.
- v. Charts 2.1 - 2.3 illustrate resident main trade area per capita retail expenditure compared to the Rest of New South Wales average. As shown, Bloomfield main trade area resident spending levels are higher than the benchmark across most retail categories — particularly in the fresh food and other food and grocer categories., indicating a high affinity with convenience-based fresh food facilities, such as the proposed small supermarket.
- vi. Table 2.4 outlines the retail expenditure by key commodity group and total retail expenditure levels generated by the main trade area population. The total retail expenditure level is currently estimated at \$79.7 million and is projected to increase at an average rate of 5.1% to \$195.5 million by 2041 (constant dollars and including GST).
- vii. The projected growth rate in retail spending for the main trade area considers the following:
  - **Real growth** in retail spending per capita of 0.0% is assumed over the period to 2025. From 2026 real growth per capita is assumed at 0.5% annually for food retail and 1.0% for non-food retail over the period to 2041.
  - Main trade area **population growth** is projected at 4.4% per annum.

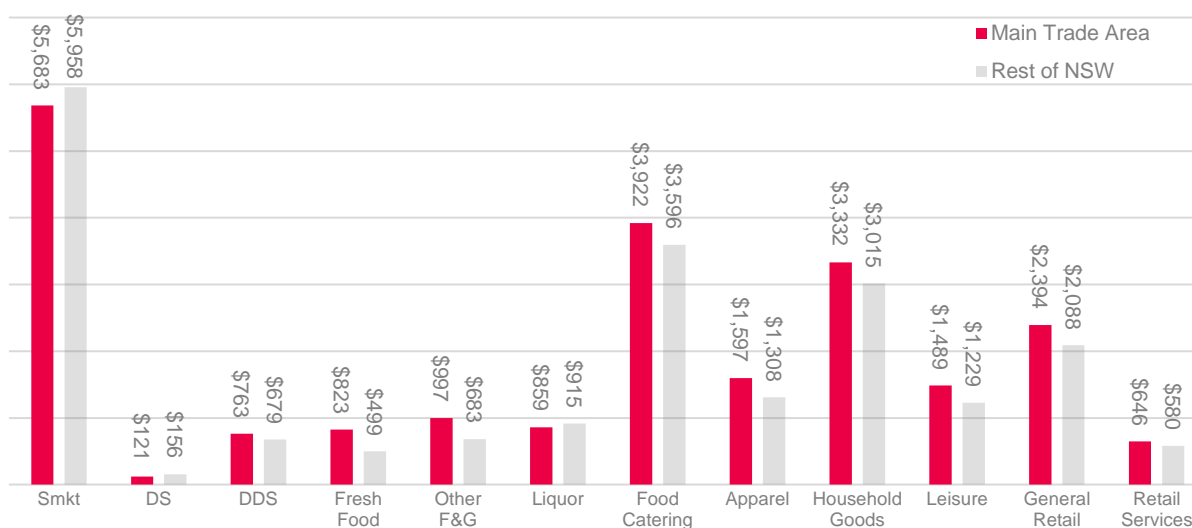


CHART 2.2. MAIN TRADE AREA RETAIL SPEND PER CAPITA, 2022/23



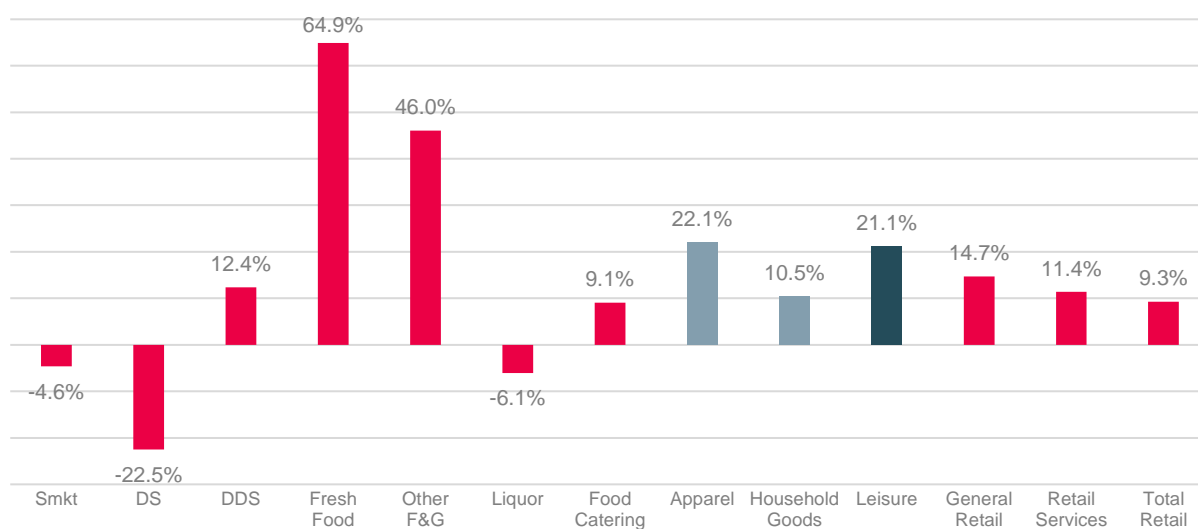
Source: CBAIQ, Location IQ

CHART 2.3. MAIN TRADE AREA RETAIL SPEND PER CAPITA, 2022/23



Source: CBAIQ, Location IQ

CHART 2.4. MAIN TRADE AREA PER CAPITA RETAIL SPEND VARIATION FROM REST OF NSW BENCHMARK



Source: CBAIQ, Location IQ

TABLE 2.4. MAIN TRADE AREA RETAIL SPEND BY COMMODITY GROUP, 2023 – 2041

Y/E June	Supermarket	Dept. Store	Discount Dept Store	Food & Liquor	Food Catering	Apparel	H'hold Goods	Leisure	General Retail	Retail Services	Total Spend
2023	20.0	0.4	2.7	9.4	13.8	5.6	11.7	5.2	8.4	2.3	79.7
2024	20.7	0.4	2.8	9.8	14.3	5.8	12.1	5.4	8.7	2.4	82.4
2025	21.5	0.5	2.9	10.2	14.9	6.1	12.6	5.6	9.1	2.4	85.8
2026	22.5	0.5	3.0	10.6	15.6	6.4	13.3	5.9	9.5	2.6	89.9
2027	23.6	0.5	3.2	11.1	16.5	6.7	14.0	6.2	10.0	2.7	94.5
2028	24.8	0.5	3.3	11.7	17.4	7.1	14.8	6.6	10.6	2.9	99.6
2029	26.1	0.6	3.5	12.3	18.3	7.5	15.6	7.0	11.2	3.0	105.0
2030	27.4	0.6	3.7	12.9	19.4	7.9	16.5	7.4	11.8	3.2	110.6
2031	28.8	0.6	3.9	13.6	20.4	8.3	17.4	7.8	12.5	3.4	116.5
2032	30.2	0.6	4.1	14.2	21.6	8.8	18.3	8.2	13.2	3.6	122.8
2033	31.7	0.7	4.3	15.0	22.8	9.3	19.4	8.7	13.9	3.8	129.4
2034	33.4	0.7	4.5	15.7	24.1	9.8	20.5	9.1	14.7	4.0	136.4
2035	35.0	0.7	4.7	16.5	25.4	10.3	21.6	9.6	15.5	4.2	143.7
2036	36.8	0.8	4.9	17.4	26.8	10.9	22.8	10.2	16.4	4.4	151.5
2037	38.7	0.8	5.2	18.2	28.3	11.5	24.1	10.7	17.3	4.7	159.5
2038	40.6	0.9	5.4	19.1	29.9	12.2	25.4	11.3	18.2	4.9	167.8
2039	42.5	0.9	5.7	20.1	31.5	12.8	26.7	11.9	19.2	5.2	176.6
2040	44.6	0.9	6.0	21.0	33.2	13.5	28.2	12.6	20.3	5.5	185.8
2041	46.8	1.0	6.3	22.1	35.0	14.2	29.7	13.3	21.4	5.8	195.5
<b>Expenditure Growth</b>											
2023-26	2.5	0.1	0.3	1.2	1.8	0.7	1.5	0.7	1.1	0.3	10.3
2026-31	6.2	0.1	0.8	2.9	4.8	2.0	4.1	1.8	2.9	0.8	26.6
2031-36	8.1	0.2	1.1	3.8	6.4	2.6	5.4	2.4	3.9	1.1	34.9
2036-41	10.0	0.2	1.3	4.7	8.1	3.3	6.9	3.1	5.0	1.3	44.0
2023-41	26.8	0.6	3.6	12.6	21.2	8.6	18.0	8.0	12.9	3.5	115.9
<b>Average Annual Growth Rate</b>											
2023-26	4.0%	4.0%	4.0%	4.0%	4.2%	4.2%	4.2%	4.2%	4.2%	4.2%	4.1%
2026-31	5.0%	5.0%	5.0%	5.0%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.3%
2031-36	5.1%	5.1%	5.1%	5.1%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.4%
2036-41	4.9%	4.9%	4.9%	4.9%	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%	5.2%
2023-41	4.8%	4.8%	4.8%	4.8%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.1%

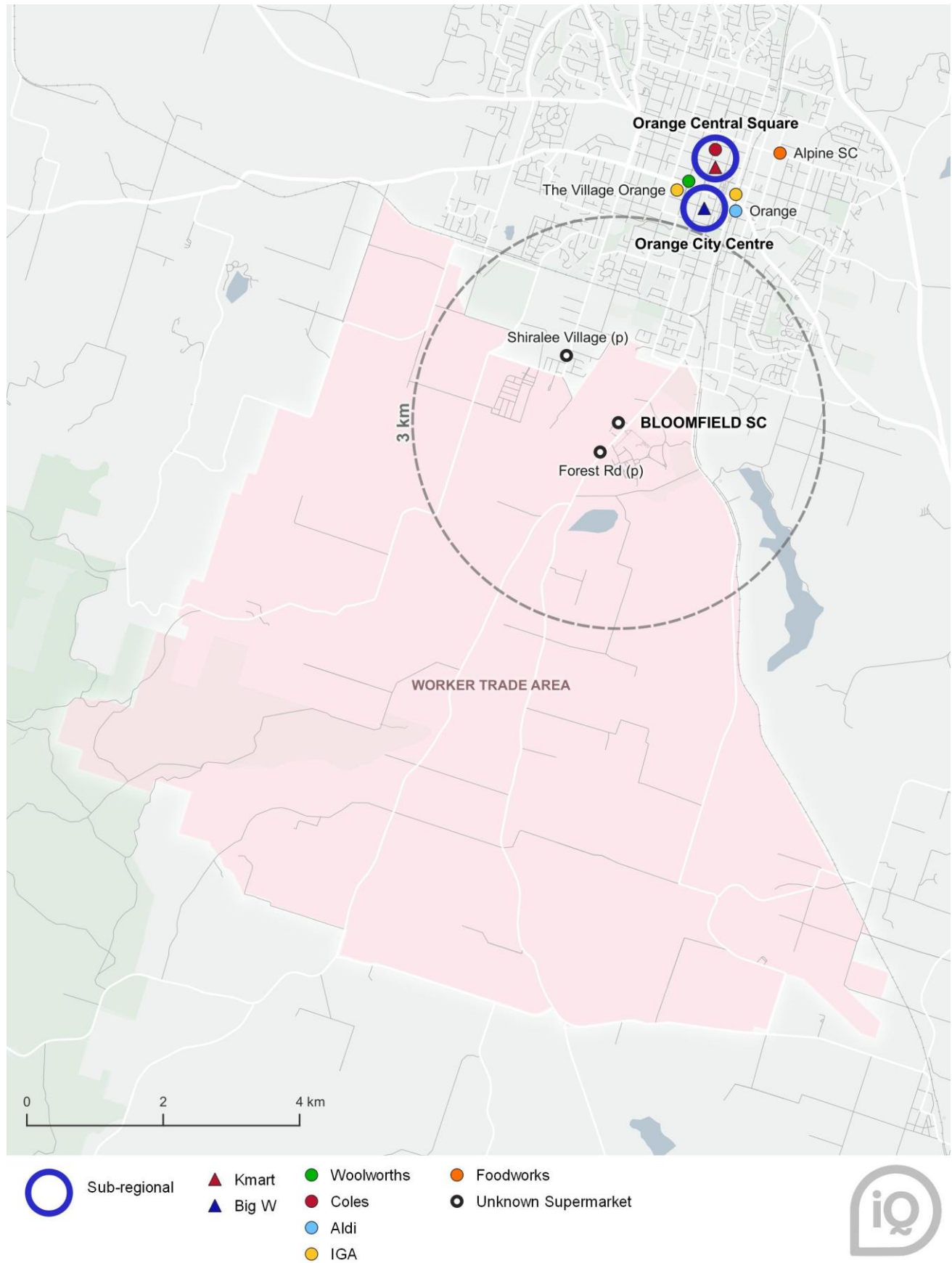
\*Constant 2022/23 dollars &amp; including GST

Source : CBA IQ, Location IQ

## 2.5. Worker Market

- i. Map 2.2 illustrates the worker main trade area which would likely be served by a small supermarket at the subject site. As shown, the worker main trade area generally extends up to 9 km around the subject site, incorporating the broader Orange Health and Innovation Precinct.
- ii. Table 2.5 details the historical, current, and projected worker population within the main trade area. Key points to note are as follows:
  - The worker main trade area population is currently estimated at 3,910.
  - Over the 2016 - 2021 period, employment growth grew by 9.4% per annum, driven by the development of the Bloomfield Medical precinct.
  - As the precinct establishes, future employment growth is assumed to return to longer term averages.
  - By 2041, the worker main trade area population is projected to reach 4,560, reflecting an average annual increase of approximately 30 workers, or 0.7% over the 2023-41 period.
- iii. Table 2.6 provides a summary of the estimated total retail expenditure of the worker population, based on per capita resident retail spending levels of residents within a 10 km radius, as a proxy.
- iv. The total retail expenditure of the worker main trade area population is currently \$82.2 million, and is projected to increase to \$106.8 million by 2041, reflecting an average annual growth rate of 1.5%. All figures are presented in constant 2023 dollars and include GST.
- v. Typically, workers spend some 15% - 20% of total retail spending at retail facilities near their place of work if relevant facilities are provided. This would indicate worker retail spending of approximately \$12 - \$16 million currently, increasing to \$16 - \$21 million by 2041. Most of this worker spending would likely be on food and services.

MAP 2.2. WORKER MAIN TRADE AREA AND COMPETITION



**TABLE 2.5. WORKER MAIN TRADE AREA POPULATION, 2011 – 2041**

Population	Actual			Forecast				
	2011	2016	2021	2023	2026	2031	2036	2041
Main Trade Area	2,330	2,490	3,910	3,990	4,110	4,260	4,410	4,560

Average Annual Change (No.)	Actual		Forecast				
	2011-2016	2016-2021	2021-2023	2023-2026	2026-2031	2031-2036	2036-2041
Main Trade Area	32	284	40	40	30	30	30

Average Annual Change (%)	Actual		Forecast				
	2011-2016	2016-2021	2021-2023	2023-2026	2026-2031	2031-2036	2036-2041
Main Trade Area	1.3%	9.4%	1.0%	1.0%	0.7%	0.7%	0.7%

*All figures as at June and based on 2021 Journey To Work Travel Zones.*

*Sources : ABS; Transport for NSW*



TABLE 2.6. PROJECTED WORKER MTA RETAIL EXPENDITURE MARKET, 2023 – 2041

Y/E June	Main TA	Estimate Spend Near Place of Work (\$M)	
		@15%	@20%
2023	82.2	12.3	16.4
2024	83.0	12.5	16.6
2025	83.8	12.6	16.8
2026	85.3	12.8	17.1
2027	86.8	13.0	17.4
2028	88.1	13.2	17.6
2029	89.4	13.4	17.9
2030	90.8	13.6	18.2
2031	92.2	13.8	18.4
2032	93.5	14.0	18.7
2033	94.9	14.2	19.0
2034	96.4	14.5	19.3
2035	97.8	14.7	19.6
2036	99.3	14.9	19.9
2037	100.8	15.1	20.2
2038	102.2	15.3	20.4
2039	103.7	15.6	20.7
2040	105.3	15.8	21.1
2041	106.8	16.0	21.4
<b>Expenditure Growth</b>			
2023-26	3.2	0.5	0.6
2026-31	6.8	1.0	1.4
2031-36	7.1	1.1	1.4
2036-41	7.6	1.1	1.5
2023-41	24.6	3.7	4.9
<b>Average Annual Growth Rate</b>			
2023-26	1.3%	1.3%	1.3%
2026-31	1.5%	1.5%	1.5%
2031-36	1.5%	1.5%	1.5%
2036-41	1.5%	1.5%	1.5%
2023-41	1.5%	1.5%	1.5%

\*Constant 2022/23 dollars & including GST

Source : CBA IQ, Location IQ

## 2.6. Medical Precinct Visitor Market

- i. Map 2.3 illustrates the visitor catchment area which is likely to be served by the proposed development. The catchment area has been defined based on the distribution of visitors to the Bloomfield Medical precinct, using Near mobile phone ping data.
- ii. Near use aggregated mobile phone location data from a variety of high-quality sources, including software development kits (SDKs) and mobile advertising SDKs. Near ingests, interprets, and analyses petabytes of geospatial data, including cell phone geolocation 'pings' all over the world. The data vintage is a few days old from the day it has been requested and enables an accurate, current view of the people visiting the location.
- iii. The visitor market would visit the site less regularly than local residents, primarily for the purposes of visiting Orange Hospital or the Bloomfield medical precinct.
- iv. The visitor main trade comprises the Local Government Areas (LGAs) of Orange, Bathurst Regional, Weddin, Forbes, Blayney, Lithgow, Cowra, Parkes, Mid-Western Regional, Lachlan, Bland, Cabonne, Oberon, and parts of Warrumbungle Shire, Singleton, Blue Mountains, Dubbo Regional, and the Upper Hunter Shire.
- v. The visitor catchment area generally extends 160 km north and west, 275 km to the east, and 100 km south of the Bloomfield site.
- vi. Table 2.7 details the visitor catchment area population levels. The current population is estimated at ~216,000 and is projected to increase to over 240,000 by 2041 (i.e., +28,000 persons), reflecting an average annual growth rate of 0.7%.
- vii. Table 2.8 details the retail expenditure levels generated by the visitor catchment area. The visitor catchment area retail expenditure is currently estimated at \$4.4 billion and is projected to increase to \$5.7 billion by 2041, reflecting an average annual growth rate of 1.4%. All figures are presented in constant 2023 dollars and include GST.
- viii. In addition to the resident visitor market, the proposed small supermarket would benefit from visitation generated by tourism within the area, with some 1.2 million tourists visiting the Orange LGA each year as well as medical-related visitors.

MAP 2.3. VISITOR TRADE AREA



**TABLE 2.7. VISITOR CATCHMENT AREA POPULATION PROJECTIONS, 2011 – 2041**

Population	Actual			Forecast					Change 2023-41
	2011	2016	2021	2023	2026	2031	2036	2041	
Visitor Trade Area	203,398	210,160	213,469	216,129	220,629	228,979	236,779	244,179	28,050

Average Annual Change (No.)	Actual		Forecast					Change 2023-41
	2011-16	2016-21	2021-23	2023-26	2026-31	2031-36	2036-41	
Visitor Trade Area	1,352	662	1,330	1,500	1,670	1,560	1,480	1,558

Average Annual Change (%)	Actual		Forecast					Change 2023-41
	2011-16	2016-21	2021-23	2023-26	2026-31	2031-36	2036-41	
Visitor Trade Area	0.7%	0.3%	0.6%	0.7%	0.7%	0.7%	0.6%	0.7%
Rest of NSW	0.7%	0.9%	0.1%	0.7%	0.7%	0.4%	0.3%	n.a.
Australian Average	1.6%	1.2%	0.3%	1.3%	1.3%	1.2%	1.1%	n.a.

*All figures as at June and based on 2021 SA1 boundary definition.  
Sources : ABS; NSW DPIE*

TABLE 2.8. VISITOR CATCHMENT AREA RETAIL SPEND BY KEY COMMODITY GROUP, 2023 – 2041

Y/E June	Department Supermarket	Discount Store	Food & Dept Store	Food & Liquor	Food Catering	Apparel	H'hold Goods	Leisure	General Retail	Retail Services	Total Retail
2023	1,222.4	19.8	167.6	500.9	748.0	287.1	622.2	270.6	462.0	112.8	4,413.5
2024	1,230.4	19.9	168.7	504.2	752.9	289.0	626.3	272.4	465.0	113.6	4,442.4
2025	1,238.9	20.1	169.8	507.6	758.1	291.0	630.6	274.3	468.2	114.3	4,473.0
2026	1,253.7	20.3	171.9	513.7	771.0	295.9	641.3	278.9	476.2	116.3	4,539.1
2027	1,269.0	20.6	174.0	520.0	784.3	301.0	652.4	283.7	484.4	118.3	4,607.5
2028	1,284.8	20.8	176.1	526.5	798.0	306.3	663.8	288.7	492.9	120.4	4,678.3
2029	1,300.9	21.1	178.3	533.0	812.0	311.7	675.5	293.8	501.5	122.5	4,750.2
2030	1,317.1	21.3	180.6	539.7	826.3	317.2	687.3	298.9	510.3	124.6	4,823.3
2031	1,333.6	21.6	182.8	546.4	840.8	322.7	699.3	304.1	519.2	126.8	4,897.5
2032	1,349.8	21.9	185.0	553.1	855.2	328.3	711.4	309.4	528.1	129.0	4,971.0
2033	1,365.6	22.1	187.2	559.6	869.5	333.8	723.3	314.6	537.0	131.1	5,043.8
2034	1,381.7	22.4	189.4	566.1	884.1	339.4	735.4	319.8	546.0	133.3	5,117.8
2035	1,397.9	22.6	191.6	572.8	899.0	345.1	747.8	325.2	555.2	135.6	5,192.8
2036	1,414.4	22.9	193.9	579.5	914.1	350.9	760.3	330.7	564.5	137.9	5,269.0
2037	1,430.6	23.2	196.1	586.2	929.2	356.6	772.9	336.1	573.8	140.1	5,344.9
2038	1,446.6	23.4	198.3	592.8	944.3	362.4	785.4	341.6	583.2	142.4	5,420.4
2039	1,462.8	23.7	200.5	599.4	959.6	368.3	798.2	347.1	592.6	144.7	5,497.1
2040	1,479.2	24.0	202.8	606.1	975.2	374.3	811.2	352.8	602.2	147.1	5,574.8
2041	1,495.8	24.2	205.1	612.9	991.0	380.4	824.3	358.5	612.0	149.5	5,653.7
<b>Expenditure Growth</b>											
2023-26	31.3	0.5	4.3	12.8	23.0	8.8	19.1	8.3	14.2	3.5	125.7
2026-31	79.9	1.3	11.0	32.8	69.8	26.8	58.0	25.2	43.1	10.5	358.3
2031-36	80.8	1.3	11.1	33.1	73.3	28.1	61.0	26.5	45.3	11.1	371.6
2036-41	81.4	1.3	11.2	33.4	76.9	29.5	64.0	27.8	47.5	11.6	384.7
2023-41	273.4	4.4	37.5	112.0	243.0	93.3	202.1	87.9	150.0	36.6	1,240.2
<b>Average Annual Growth Rate</b>											
2023-26	0.8%	0.8%	0.8%	0.8%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	0.9%
2026-31	1.2%	1.2%	1.2%	1.2%	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%	1.5%
2031-36	1.2%	1.2%	1.2%	1.2%	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%	1.5%
2036-41	1.1%	1.1%	1.1%	1.1%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%	1.4%
2023-41	1.1%	1.1%	1.1%	1.1%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%	1.4%

\*Constant 2021/22 dollars &amp; including GST

Source : CBA IQ, Location IQ



## 2.7. Tourist Market

- i. Table 2.9 represents the key tourism statistics for the Orange LGA for 2019 (latest available data). The Orange LGA attracted some 729,000 domestic day trippers (62.7% of total visitors), 425,000 domestic overnight visitors (36.6%) and 8,000 international visitors (0.7%).
- ii. Combining the domestic visitor nights (1.17 million) with the international visitor nights (121,000), tourists stayed a combined total of some 1.29 million visitor nights in the Orange LGA. Dividing 1.29 million by the number of days in the year (365) means that domestic overnight and international visitors are the equivalent of an additional 3,534 permanent residents, or 8.1% of the Orange LGA population. It is important to note that day trippers account for an additional 62.7% of total visitors and add to demand.
- iii. Table 2.9 also details the estimated expenditure of visitors is also illustrated. As shown, tourism spending was estimated at \$324 million across the Orange LGA in 2019 (latest available data). Domestic overnight visitors spend is significantly more than international visitors.
- iv. Of domestic overnight visitors to the Orange LGA, 27.1% reported travelling for a holiday. 41.5% of domestic day trippers reported a holiday as the reason for travelling to the region.

**TABLE 2.9. CITY OF ORANGE TOURISM STATISTICS, 2019**

Category	Domestic Day Trippers	Domestic Overnight	International	Total Visitors
Visitors ('000)	729	425	8	<b>1,162</b>
Visitor Nights ('000)	n.a.	1,169	121	<b>1,290</b>
Expenditure (\$M)	116	203	5	<b>324</b>
Average length of stay (nights)	n.a.	2.8	15.1	<b>n.a.</b>
Average expenditure per visitor (\$)	159	478	625	<b>748</b>
Average expenditure per night (\$)	n.a.	174	41	<b>251</b>

Source: Tourism Research Australia LGA Profiles, 2019

# 3 Competitive Environment

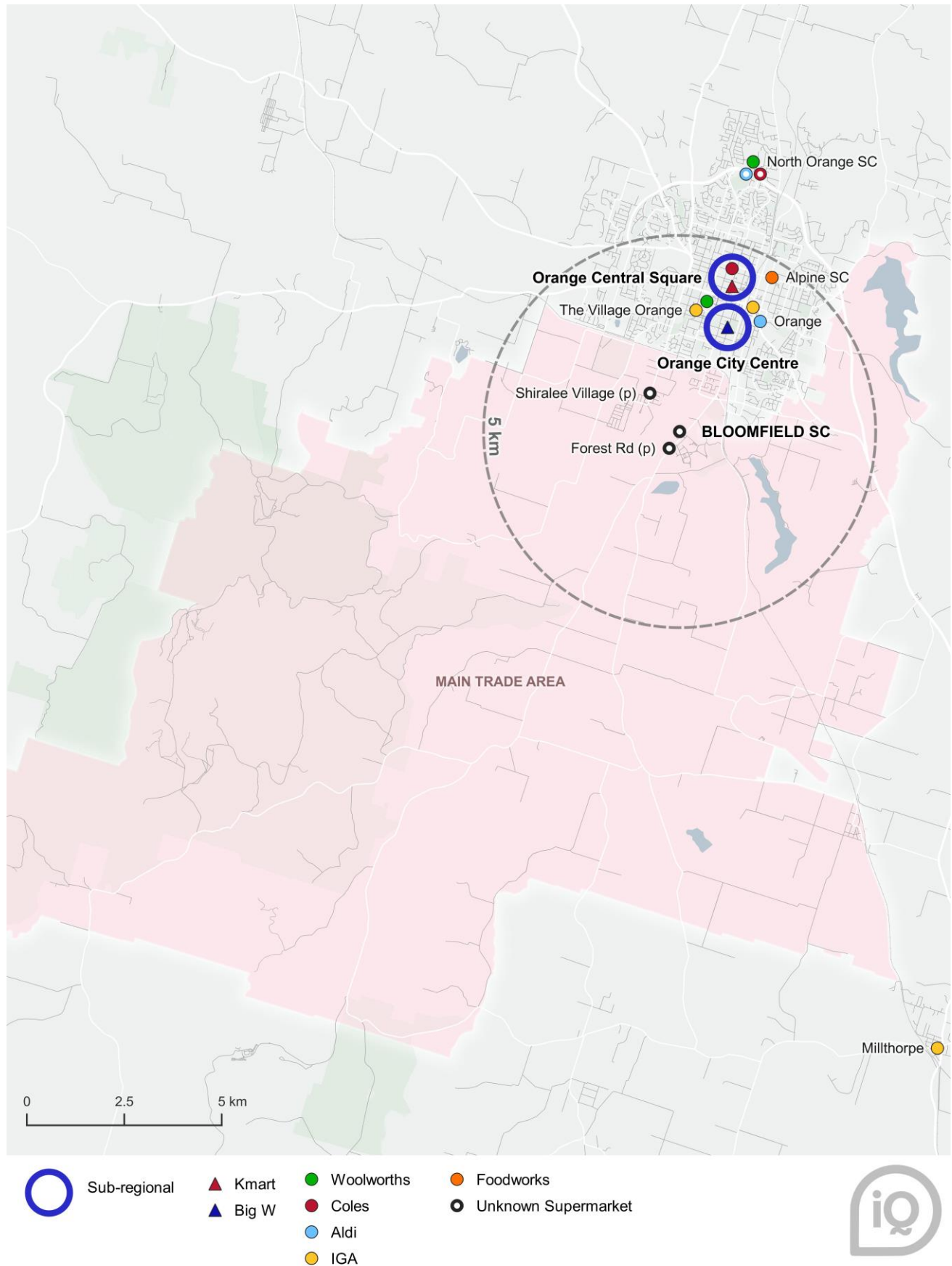
This section of the report provides a summary of the existing and future competitive developments within the region. As shown in Maps 3.1 and summarised by Table 3.1.

**TABLE 3.1. EXISTING COMPETITION**

Centre	Shopfront GLA (sq.m)	Anchor Tenants	Dist. From Site (km)
<b>Regional Shopping Centres</b>			
<u>Orange CBA</u>	<u>61,400</u>		<u>5.0</u>
• Orange City Centre	14,400	Big W (7,015)	
• Orange Central Square	7,700	Coles (3,715)	
• The Village Orange	5,900	Supa IGA (2,200)	
• Orange Arcade	2,000	Harris Farm (1,115)	
• Other	31,400	Kmart (5,500), Woolworths (3,100), Supa IGA (1,800), Aldi (1,700)	
Alpine Shopping Centre	1,000	Foodworks (640)	
<b>Supermarket Based Shopping Centres</b>			
<u>North Orange</u>	<u>5,900</u>		<u>9.0</u>
• North Orange Shopping Centre	4,900	Woolworths (3,500)	
• Other	1,000		
<u>Blayney</u>	<u>7,200</u>		<u>30.0</u>
• Bernardi's Marketplace	5,000	Supa IGA (2,500)	
• Other	2,200		
<u>Cowra</u>	<u>15,900</u>		<u>90.0</u>
• Cowra Plaza	3,900	Coles (2,220)	
• Other	12,000	Woolworths (2,850), Aldi (1,600)	

Source: Location IQ Database

MAP 3.1. MAIN TRADE AREA & COMPETITION



## 3.1. Existing Retail Facilities

- i. Currently, there are no retail facilities provided within the resident main trade area.
- ii. Beyond the resident main trade area, the focus for retail facilities is within the Orange Central Business Area (CBA) located 5 km to the north of the Bloomfield site, which encompasses in-excess of 60,000 sq.m of retail floorspace. The main components include:
  - Orange City Centre (14,400 sq.m) includes a Big W discount department store, with Myer having vacated the centre in 2017. The remainder of the centre comprises a number of national brand tenants although no fresh food offer.
  - Orange Central Square (7,700 sq.m) owned by Charter Hall Orange Central Square is around 7,700 sq.m in size and includes a Coles supermarket, as well as two mini-majors and 32 specialty shops.
  - Directly behind Orange Central Square is a Kmart discount department store (5,500 sq.m) which links into the Coles anchored centre.
  - The Village Orange (4,100 sq.m) is at the western extent of the main retail strip (Summer Street). The centre is anchored by an Ashcroft's IGA supermarket (2,200 sq.m) and a Dan Murphy's liquor outlet. The centre was redeveloped in 2013 and now provides external food catering tenants onto an at-grade car park, with modern store fit-outs provided throughout.
  - Orange Arcade of 2,000 sq.m is provided off the main retail strip along Summer Street, offering Harris Farm Markets.
  - Three free-standing supermarkets are also provided within close proximity to the strip, including a Woolworths on Anson Street (3,100 sq.m), and Aldi and Supa IGA both on Peisley Street.
  - Over 300 specialty shopfronts are provided elsewhere within the Orange CBA, with national brand tenants including Rivers, Best and Less, Kathmandu and Harris Farm Markets.
- iii. In addition to retailing within the Orange CBA, there are two neighbourhood centres serving the Orange Urban Area, including:
  - North Orange Marketplace totals around 4,700 sq.m and is anchored by Woolworths (3,500 sq.m). The centre also includes 13 specialty shops.
  - Alpine Shopping Centre, a small convenience based centre is located along Dalton Street to the north-east of the Town Centre. The centre includes a small FoodWorks supermarket (640 sq.m) and six specialty shops.

## 3.2. Future Retail Developments

- i. The Shiralee Village development has submitted an application to include neighbourhood retail facilities, including a childcare centre and a small supermarket. The site does not benefit from the critical success factors necessary to provide a strong retail offer (e.g. main road exposure, easily accessible and central location in relation to the broader population etc.). The scale and composition of floorspace is not known at this stage, however given the Neighbourhood Centre designation, a foodstore (less than 500 sq.m – not a supermarket) is assumed.
- ii. Conversely, the subject site is well positioned along a main road, can serve multiple customer segments (e.g. workers and visitors as well as residents), and could commence development in a relatively short time frame.
- iii. An area of E1 zoned local centre land located immediately south of the Bloomfield site allows for 1,470 sq.m of floorspace. E1 local centre zoned land a range of uses which are not necessarily retail-related, including: childcare centres, commercial, community facilities; educational establishments; entertainment facilities and medical centres. The Orange Blayney and Cabonne Regional Economic Development Strategy, 2018 – 2022 indicates that the DPI land has a role to play as part of the Regional Action Plan to “develop agriculture, agricultural processing, agritechology and manufacturing”. The potential for a meaningful retail offering is limited by the fact that the DPI site is subject to an FSR control of 0.0421:1. Based on its site area of 34,930 sq.m, the maximum floor area for any purpose allowed in the E2 Zone (not necessarily retail) is ~1,470 sq.m.
- iv. Beyond the main trade area, Orange City Council approved an expansion of the existing North Orange Shopping Centre Woolworths by 523 sq.m and a small supermarket (Aldi). More recently, a rezoning application was submitted for a Coles-based expansion to the north of the existing centre, this would result in a total centre size of 12,500 sq.m, if the development were to proceed. This is of no competitive relevance to the subject site.



# 4 Market Potential

The overall Bloomfield retail precinct (1,791 sq.m) already has development approval and is constructed. The existing Planning Scheme, however, does not currently allow for a larger-sized tenancy such a small supermarket to be included within the 1,791 sq.m provision.

This section of the report considers the forecast retail sales for the Bloomfield retail precinct both with and without a small supermarket within the designated 1,791 sq.m of retail floorspace. Under a scenario without a small supermarket, the entirety of the 1,791 sq.m of retail floorspace is assumed to comprise retail specialty floorspace.

The impacts of the incremental sales under a scenario where a small supermarket is included is also detailed, as well as other impacts which can be anticipated as a result of the proposed development.

## 4.1. Sales Overview

- i. In order to assess the potential economic benefits and impacts that may arise from the development of the proposed small supermarket as part of the Bloomfield retail precinct, the sales level which the supermarket is projected to achieve is outlined.
- ii. The sales performance of any particular retail facility, be it an individual store or a collection of stores provided in a shopping centre or precinct, is determined by a combination of the following critical factors:
  - The composition and quality of the facility, including the major trader or traders; the specialty mix; centre layout and configuration; ease of accessibility and parking; and the overall feel of the centre.
  - The size of the available catchment(s) which the facility serves.
  - The locations and strengths of competitive retail facilities.
- iii. The sales potential for the retail component of the proposed development at the Bloomfield site, which is planned to be anchored by a supermarket of 640 sq.m is now considered taking into account these factors.

## 4.2. Supermarket Sales Potential

- i. Supermarkets generate sales primarily from the food and groceries market, as discussed and measured in Section 3 of this report. Supermarkets are defined as grocery and dry goods stores of at least 500 sq.m. Smaller foodstores less than 500 sq.m are excluded from this analysis.
- ii. Table 4.1 details the potential sales for the proposed small supermarket at Bloomfield, noting that there are currently no existing supermarkets within the resident main trade area. The calculations in Table 4.1 detail a series of steps, commencing with the available supermarket expenditure that is of relevance to supermarkets and concluding with the likely sales which main trade area supermarkets can expect to generate.

- iii. The assessment detailed in Table 4.1 is based on the experience of many comparable analyses in locations throughout both New South Wales and Australia, as follows:
- As detailed in sub-section 2.4 (previously), supermarket spending within the resident main trade area is currently \$20.0 million and is projected to more than double to \$42.3 million by 2041, reflecting an average annual growth rate of 4.3% — largely driven by population growth in the Shiralee Village development.
  - The next step in the analysis is to estimate the likely proportion of supermarket expenditure which can be retained by main trade area supermarkets; specifically in this case, the proportion of expenditure that can be retained by the proposed small supermarket development at Bloomfield (given that there are no other existing or proposed supermarkets in the main trade area), as compared with spending directed to supermarkets beyond the main trade area in FY2026.
  - The level of main trade area retained spending is estimated at around 18% in FY2026. This reflects the geographic extent of the main trade area, as well as the current and future network of supermarkets throughout the region. As a result, around 82% of main trade area supermarket spending would go to supermarkets beyond the main trade area (i.e., around \$18 million).
  - Additionally, a proportion of supermarket sales are likely to be attracted from beyond the resident main trade area (i.e., from the worker, visitor, and tourist markets), estimated at \$1 million in FY2026 — reflecting the high-profile location of the site within a major medical precinct.
- iv. The steps detailed above generate the annual estimates of supermarket spending (i.e., the proposed small supermarket at Bloomfield) within the main trade area. On this basis, upon completion of the planning proposal in FY2026, this figure is projected at \$5.1 million (i.e. expressed in constant 2023 dollar terms).
- v. The proposed small supermarket at Bloomfield is projected to trade at an average level of ~\$7,800 per sq.m (constant 2023 dollars and including GST) and will grow over time to almost \$14,000 per sq.m in 2041, as the resident population of the main trade area — in particular the Shiralee development — is established.
- vi. Taking the above into account, there is clearly demand for a small supermarket at the subject site. The projected sales level of ~\$7,800 per sq.m would be in-line with the typical sales level achieved by similar-sized supermarkets in similar locations within regional New South Wales.
- vii. The inclusion of a small supermarket of 640 sq.m at the site would provide a highly convenient top-up food and grocery offer for current and future residents of the southern Orange area. Currently, main trade area residents forced to drive into the Orange CBA or to Blayney for their weekly food and grocery shopping needs.
- viii. Main trade area residents would still continue to use the Orange CBA for their higher-order shopping needs as well as the majority of their supermarket shopping based on:
- The proposed Bloomfield supermarket is small in scale (640 sq.m), compared with the offer in the Orange CBA (comprising two major full-line (>3,000 sq.m) supermarkets (Woolworth and Coles) and three other supermarkets of larger than 1,700 sq.m (Aldi and two Supa IGA stores) — in addition to Harris Farm Markets. The proposed supermarket would account for less than 5% of total supermarket floorspace in the Orange CBA.

- The Bloomfield site is 5 km (by road) south of the Orange CBA. Residents of South Orange currently have to undertake a round trip of ~10 km or more in order to access supermarkets.
- Total supermarket sales in the Orange CBA are estimated at ~\$175 million; significantly larger than any sales generated by a small format supermarket (640 sq.m) at Bloomfield (estimated at \$5.1 million in FY2026).
- The Orange CBA is currently the focus for food and non-food retail facilities in Orange. Over time, as the population of Orange and the surrounding region continues to grow, the focus for the CBA will be reinforced, and be focused around providing non-food retail floorspace.
- Everyday shopping will also be an important element of the Orange CBA but given its higher-order status in the retail hierarchy, the Orange CBA is also the focus for non-food retail and other services. Food and grocery shopping in the Orange urban area adds to congestion and inefficiencies, with convenient at-grade car parking being limited. This is evidenced by the location of the Ashcroft's IGA supermarkets on the eastern and western edges of the Orange CBA. These supermarkets effectively operate independently of facilities in the central core of the Orange CBA, being located approximately 400 metres away.
- Conveniently located supermarkets in outer-suburban areas close to a growing population base should be provided. The provision of a small format supermarket at the site would provide residents with a local, convenience shopping destination which would not significantly compete with retail facilities located in the Orange CBA.
- The Bloomfield site would provide an attractive destination for a small supermarket, being in a high-profile location, adjacent to the growing Shiralee Village residential development and forming part of a major medical precinct. As such, the proposed development will serve multiple customer segments including local residents, as well as workers and visitors to the medical precinct. It is important to provide the opportunity for retailers to locate new stores in growth areas, which results in benefits for customers as well as generates employment opportunities and other benefits.
- Retail is a follower and not an incubator, in that retail is provided for a population. The local resident and worker populations within the main trade area (as well as visitors to the precinct) will demand a level of floorspace to meet their needs and the proposed Bloomfield responds to this demand.

TABLE 4.1. BLOOMFIELD SMALL SUPERMARKET FORECAST SALES, 2023-41

	Financial Year				
	2023	2026	2031	2036	2041
<b>Spending to Smkts (\$M)</b>					
Main Trade Area	20.0	22.5	29.6	33.3	42.3
<b>Supermarket Spending Retained by TA Smkts</b>					
Main Trade Area (@ 0% incr. to 18.1% in 25/26)	0.0	4.1	5.4	6.0	7.7
Supermarket Sales from Beyond TA (@ 0% incr. to 20% in 25/26)	0.0	1.0	1.2	1.2	1.4
<b>Total Supermarket Sales for TA Smkts</b>	<b>0.0</b>	<b>5.1</b>	<b>6.5</b>	<b>7.3</b>	<b>9.1</b>
Smkt Floorspace in TA (sq.m)**	0	650	650	650	650
Average Trading Level (\$/sq.m)	n.a.	7,846	10,023	11,159	13,953
<b>Distribution of TA Smkt Sales</b>					
Bloomfield Smkt	0.0	5.1	6.5	7.3	9.1
Other TA Supermarkets**	0.0	0.0	0.0	0.0	0.0
<b>Total TA Smkt Sales</b>	<b>0.0</b>	<b>5.1</b>	<b>6.5</b>	<b>7.3</b>	<b>9.1</b>

\*Constant 2022/23 dollars & including GST

No existing supermarkets within resident main trade area

## 4.3. Total Centre Sales Potential

- i. Table 4.2 provides a summary of forecast sales for the Bloomfield retail precinct under two scenarios as follows:
  - **Scenario 1:** all approved retail floorspace or 1,791 sq.m within the Bloomfield precinct is assumed to be retail specialty space.
  - **Scenario 2:** a small supermarket of 640 sq.m is assumed within the Bloomfield retail precinct, with the remaining 1,151 sq.m being retail specialty floorspace.
- ii. Small format supermarkets (500 - 1,000 sq.m) in non-metropolitan locations typically trade at \$6,000 - \$8,000 per sq.m — less than the benchmark for full-line supermarkets (\$10,000 - \$12,000 per sq.m). This reflects the more limited offer and destination appeal of smaller format supermarkets. As such, their trading level is more aligned with that of a retail specialty shop (~\$5,000 - \$7,000 per sq.m in regional locations). The retail specialty component is assumed to trade at a slightly higher rate under Scenario 2, given the appeal of a small supermarket.
- iii. On the basis of the above, total Bloomfield retail precinct forecast sales are only \$1.6 million higher under Scenario 2, compared with Scenario 1 (\$11.9 million vs \$10.3 million).

TABLE 4.2. BLOOMFIELD RETAIL PRECINCT FORECAST SALES, FY2026

Bloomfield Retail Precinct	GLA			Fcast Sales/Sq.m		Forecast Sales \$M		
	Smkt	Spec	Total	Smkt	Spec	Smkt	Spec	Total
Scenario 1 (Approved)	0	1,791	1,791	-	5,750	0.0	10.3	<b>10.3</b>
Scenario 2 (Proposed)	<u>640</u>	<u>1,151</u>	<u>1,791</u>	7,846	6,000	<u>5.0</u>	<u>6.9</u>	<b><u>11.9</u></b>
<b>Variance</b>	<b>640</b>	<b>-640</b>	<b>0</b>			<b>5.0</b>	<b>-3.4</b>	<b>1.6</b>

\*Constant 2022/23 dollars & including GST

## 4.4. Sales Impacts

- i. This sub-section of the report outlines the likely sales impacts on competitive retail facilities because of the proposed development.
- ii. It is important to note that impacts outlined in this report are indicative as it is difficult to precisely project the sales impact of the opening of a new store or centre on existing retail facilities. The following factors are typically considered when assessing the potential impacts of a new supermarket-based development on each existing facility or centre:
  - The distance of the (impacted) centre, by road, from the proposed development.
  - The size of the centre, in terms of total retail floorspace.
  - The amount of supermarket floorspace, and brands of these supermarkets.
  - The quality of offer and unique attributes including 24-hour trade etc.
  - The role and function of the centre/retailer.
  - Relative accessibility and convenience compared with the proposed development.
  - The estimated performance of the centre (in current sales) and future performance (in the impact year), accounting for any future developments in the region that may also impact on the future sales of existing centres. For the purposes of this analysis, no developments are assumed to come online within the forecast period, besides the proposed small supermarket at Bloomfield.
  - The share of available expenditure which the centre attracts from the identified main trade area of the proposed development. A centre may not be situated in the identified main trade area of the proposed development, but its main trade area may extend to include parts, or all, of the main trade area. For example, the main trade area for large regional shopping centres typically includes ~250,000 persons. Such a trade area is likely to include (partially or completely) trade areas for surrounding smaller convenience-based centres, sub-regional centres, retail strips and stand-alone supermarkets.



- iii. Table 4.3 outlines projected sales impacts from the retail component of the proposed Bloomfield development. The steps involved in assessing the sales and impacts on competitive centres are presented as follows:
- **Step 1:** - Estimate sales levels for existing centres in the FY2026. Sales for all centres outlined are based on:
    - Estimated existing centre sales.
    - Expert opinions formed through qualitative consideration of factors including location, catchment, brand, and infrastructure (our experience).
    - Field work undertaken by this office.
    - Actual data that includes publicly available information and Location IQ proprietary data (acquired from various retail clients and similar).
    - For centres where actual data was not available, the current sales levels are conservatively estimated.
  - **Step 2:** Project sales for existing and proposed centres in the FY2026, the assumed first full year of trading for the proposed Bloomfield development. These projections allow for retail market growth and new retailers/centres if applicable. All sales projections in FY2026 are presented in constant 2023 dollars (i.e., excluding inflation).
  - **Step 3:** Outline the change in sales at each centre in FY2026 as a result of the incremental sales resulting from the development of a small supermarket at the Bloomfield site instead of a retail specialty only precinct (variance between Scenario 1 and 2 in Table 4.2 previously). Again, all sales are expressed in constant 2023 dollars.
  - **Step 4:** Show the impact on sales in FY2026, both in dollar terms and percentage of sales for each centre.
- iv. Generally, retail trading impacts between -10% - 15% are considered by the industry to be high but acceptable, with impacts less than -10% considered relatively moderate, and impacts less than -5% generally considered minor/negligible. Other factors such as trading performance; expansions/refurbishments of centres; potential loss of services to the community; expected growth; and overall net community benefit should be considered.
- v. The key information outlined in Table 4.3 is summarised as follows:
- As outlined in sub-section 4.2 previously, projected sales for the proposed small format supermarket based development at Bloomfield (Scenario 2) are \$1.6 million higher in FY2026 than a retail specialty only development at the site (Scenario 1) – refer Table 4.2 previously.
  - Overall, the Orange CBA will be impacted by an estimated -0.3% (or \$1.6 million). This analysis assumes that all of the impact resulting from the proposed development falls on the Orange CBA — i.e., a worst case scenario. Given that the Bloomfield medical precinct serves a number of customer segments, the (albeit negligible) impacts would like be across a range of centres and precincts.
  - Following the development of the proposed development, all supermarkets within the Orange CBA will trade at higher levels to what is currently being achieved. As a result, all supermarkets within the Orange CBA will easily remain viable.

- vi. It is important to note that the impacts will be one-off impacts resulting from the opening of the proposed Bloomfield supermarket. Each of these centres/supermarkets are likely to benefit in the future from population growth within the resident trade area but also the broader Orange region. Sales for all centres in FY2026 will still be above current (2023) levels following the proposed development.
- vii. Overall, the proposed development will not impact on the viability or continued operation of any retail facilities in the region. The proposed development will provide an improved convenience shopping destination (compared with a no supermarket scenario) for residents of the growing southern Orange area, with main trade area residents still travelling into the Orange CBA for their full-line supermarket and higher-order retail needs.

**TABLE 4.3. BLOOMFIELD SMLL FORMAT SUPERMARKET PROJECTED IMPACTS, FY2026**

	Unit	Estimated 2023	Projected 2026		Impact 2026	
			Pre Dev.	Post Dev.	\$M	%
<b><i>Bloomfield Retail Precinct</i></b>	<b><i>\$M</i></b>	<b><i>n.a.</i></b>	<b><i>10.3</i></b>	<b><i>11.9</i></b>	<b><i>1.6</i></b>	<b><i>15.8%</i></b>
Orange CBA	\$M	453.1	532.6	531.0	-1.6	-0.3%

*\*Constant 2022/23 dollars & including GST*

# 5 Needs Analysis

The final section of this report summarises the key conclusions of the impact analysis for the proposed small supermarket at Bloomfield.

'Need' or 'Community Need' in a planning sense is a relative concept that relates to the overall wellbeing of a community. A use is needed, for example, if it would, on balance, improve the services and facilities available in a locality. The reasonable demands and expectations of a community are important, therefore, in assessing need.

A number of important factors that relate to need, particularly economic need, include:

- Population and supermarket supply and demand.
- Consumer trends.
- Impacts on existing retail facilities.
- Location.
- Net community benefits.

## 5.1. Supermarket Floorspace Supply & Demand

- A major full-line supermarket (>3,000 sq.m) typically requires a catchment population of 8,000 – 10,000 persons in order to be sustainable. The proposed small format supermarket at Bloomfield is only 640 sq.m in size (i.e., around 20% of the size of a major full-line supermarket). On this basis, a catchment population of ~1,500 – 2,000 persons would be required to sustain a supermarket of this size.
- There are currently ~3,500 persons living in the Bloomfield resident main trade area, increasing to just over 4,000 persons by FY2026 (assumed first full year of development). A population of this size is typically served by 1 - 2 convenience-focused retail centres, anchored by a small supermarket. Currently, none are provided. By 2041, the resident main trade area population will reach over 7,700 and could support a full-line (>3,000 sq.m) supermarket.
- Alternatively, the provision of supermarket floorspace per 1,000 residents across regional New South Wales is 406 sq.m. Applying this benchmark to the Bloomfield resident main trade area population indicates demand for 1,633 sq.m of supermarket floorspace in FY2026, increasing to 3,156 sq.m (i.e., equivalent to a full-line supermarket) by 2041. The worker and visitor market to the Bloomfield medical precinct would generate additional demand for supermarket-based facilities.
- The inclusion of a small-format supermarket of 640 sq.m at Bloomfield would provide a convenient top-up shopping destination for residents of the development Shiralee Village residential estate, with main trade area residents primarily travelling into the Orange CBA to undertake their weekly food and grocery shop.

- v. The proposed small supermarket at Bloomfield will not prohibit the development of a supermarket within the Shiralee Village development. As outlined above, a full-line supermarket could be supported within the main trade area (at Shiralee Village) by 2041.

## 5.2. Consumer Trends

- i. There is a strong need for a wider choice of convenient supermarket/convenience-based retail facilities within proximity to the homes of main trade area residents, with consumers visiting supermarkets 2 - 3 times per week on average.
- ii. Over the past decade, there has been an increasing trend towards convenience shopping. This trend has been largely driven by broader social trends that have resulted in consumers becoming more time poor. These social trends include:
  - Longer working hours.
  - An increase in the number of women in the labour force.
- iii. Time pressures are ranked at the top of the list of issues that consumers face when undertaking their regular food and grocery shopping.
- iv. As a result of the increasing time pressures that consumers face when it comes to food and grocery shopping, there is growing demand for convenience shopping facilities to meet the needs of local residents.
- v. The resident main trade area population would demand a convenient supermarket destination, particularly given the large number of families many of whom are likely to have two working parents residing within the area.

## 5.3. Impacts on Existing Retailers

- i. The analysis of impacts provided in the previous section of this report shows the projected impacts on other retailers throughout the area from the development of a small supermarket within the already approved retail precinct at Bloomfield would not threaten the viability or continued operation of any centres. The impacts are less than -1% — well within the normal competitive range of 10%.
- ii. Each of these impacts will be one off impacts resulting from the opening of a small supermarket within the Bloomfield development, with the centres/retailers likely to benefit in the future from population growth within the Orange region over time.
- iii. The impacts for the proposed supermarket-based development are only likely to be experienced by other facilities in the short-term, and these centres stand to benefit from market growth after these impacts have been absorbed. The proposed small supermarket at Bloomfield will not prohibit the development of a larger format supermarket at Shiralee Village as the development is established.

## 5.4. Location

- i. Future population growth within will be driven by the development of the Shiralee Village which is expected to ultimately accommodate ~5,000 residents.
- ii. By FY2026, the resident main trade area population is expected to reach around 4,000 and as such could independently support 1 - 2 small-format supermarkets. Over the short-medium term, the growing resident population in this region will require access to convenience retail facilities.
- iii. As outlined above, the proposed small supermarket at Bloomfield will not prohibit the development of a larger format supermarket at Shiralee Village as the development is established. The Bloomfield site is already constructed. The development of Shiralee Village is expected to commence in the longer term given the land consolidation issues.
- iv. The Bloomfield site is easily accessible, being located with frontage onto Forest Road, a main north-south arterial route through the region.
- v. The provision of a small format supermarket at the Bloomfield site will reduce the number of trips made by residents of the main trade area for this type of shop.
- vi. Given that Orange CBA is the focus for higher-order retail within the region, residents of the main trade area will still visit these retail facilities regularly for full-line supermarkets and non-food requirements. The Orange CBA also serves the visitor and worker markets.
- vii. As such, proposed retail facilities which include a small supermarket at the Bloomfield site would be well positioned to serve convenience needs of the existing main trade area population and the growing Shiralee Village residential estate.

## 5.5. Net Community Benefits

- i. It is the conclusion of this report that a substantial net community benefit will result from the development of the proposed small format supermarket at Bloomfield. Offsetting the trading impacts on some existing retailers, there are very substantial positive impacts including the following:
  - The creation of a top-up shopping destination for local residents in a centralised location.
  - The reduction in travel time and savings in petrol consumption. Smaller shopping is usually undertaken 2 – 3 times a week, meaning the proposed development will result in substantial time and petrol savings.
  - Stronger retail offer with a small supermarket reinforcing the convenience retail specialty offer.
- ii. It is concluded that the combination of the substantial positive economic impacts serve to more than offset the negligible trading impacts that could be anticipated for a small number of the existing retail stores, particularly supermarkets, in the region. Further, the impacts would not threaten the viability of any of these retailers or centres.







# Location*iq*

## **Contact Us**

(02) 8248 0100

Level 27 | 25 Martin Place

Sydney NSW 2000

[locationiq.com.au](http://locationiq.com.au)