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January 2024

Dear Nick,

11 HARP STREET, CAMPSIE ECONOMIC UPLIFT AND BENEFIT UPDATE

Urbis was appointed by Neetan Investments to review the employment uplift potential and economic benefits associated with a planning proposal for the site at 11 Harp St, Campsie (subject site). This report was prepared in January 2024 and updates sections of our original August 2019 report and July 2020 update to reflect changes to the proposed scheme.

The subject site occupies an area of approximately three hectares on the southern side of Canterbury Road in the south of Campsie. It is currently zoned IN2 Light Industrial and is utilised as a car storage yard.

The planning proposal involves rezoning of the site to allow for a proposed integrated health precinct. The precinct is proposed to include a Private Hospital including a Rehabilitation Centre and Respite Care, an Integrated Ambulatory Health Hub, a Medical Centre and Specialist Services, a Medical Research and Innovation Hub, Day Procedure Centre, Clinical Teaching and Learning Centre, Medi Hotel, a Hospital-related Childcare Centre, Retail – Medical Support and a Publicly Accessible Park.

Given the site's scale and location, it represents a significant development opportunity. Nevertheless, the position of the Greater Cities Commission in the 2018 update South District Plan was to 'retain and manage' existing industrial and urban services land, with emphasis on the protection of local urban services. We note however that current site conditions may limit potential for new building construction without substantial remediation works, therefore limiting the ability to optimise employment outcomes through traditional industrial development.

While this presents a complication to approval of the proposed development, there is also a significant need for employment lands in suburban locations to achieve the 30-minute city aspiration and a NSW Health desire for increased innovation and medical services based on their Future Health Report 2022-2032, which support the proposed development at the Subject Site.

The purpose of this update is to:

- Re-assess the employment and potential uplift based on the proposed development.
- Re-evaluate the net employment impact of the proposed development on the Canterbury-Bankstown LGA

- Identify the broader economic impact associated with the proposed development scheme.

The following sections contain updated information and reporting for the following sections of the report:

- Employment Uplift Potential
- Economic Benefits
- Orderly and Efficient Use of the Land

Employment Uplift Potential

The proposed development incorporates a mix of health uses that will create additional jobs compared to business as usual at the subject site.

Table 1 represents an indicative breakdown of the proposed employment generating land uses and estimates of future on-site jobs based on the new planning proposal dated October 2023. It shows that the subject site will accommodate a total of around 425 jobs. This compares to five (5) jobs at current.

These job estimates have been provided by Neetan Investments and are based on analysis of the daily shift workers required to operate each of facilities on site. The childcare and medi-hotel estimates are approximately aligned to Urbis job estimates that are made by applying industry benchmark employment densities to the various land uses within the proposed development. The Health and Medical Centre jobs potentially could be increased based on benchmarks for hospitals and medical centres.

Table 1: **Proposed Development Job Yield**

Employment-Generating Land Uses	Proposed Provision	Direct On-Going Jobs
Hospital /Medical Uses	GFA	no.
Integrated Ambulatory Health Hub	12,958 sq.m	80
Private Hospital and Rehab	25,382 sq.m	114
Medical Centre and Research	6,057 sq.m	75
Day Procedure Centre	5,695 sq.m	62
Clinical Teaching and Learning Centre	2,655 sq.m	15
Clinical Support Services	8,343 sq.m	30
	GFA (rooms / places)	no.
Hospital-related childcare centre	4,250 sq.m (150 places)	29
Medi Hotel	5,792 sq.m (100 rooms)	20
Total	71,132 sq.m	425

Source: Neetan Investments; Urbis

Table 2 presents a comparison of the employment outcome of the proposed development compared to the existing use of the site and a hypothetical General Industrial use of the site.

The table shows that the proposed development will result in:

- **a net uplift of 420 jobs compared to current uses at the subject site, accounting for 2% of projected employment for the LGA by 2036**
- **250 more jobs than the employment generated by an average general industrial use of the site.**

We note that the estimation of potential jobs under a General Industrial use assumes there is demand to undertake such development and that there are no constraints to doing so. The subject site is adjacent to residential uses, the development potential and demand for Industrial uses is, therefore, likely to be heavily constrained.

For the purposes of estimating job potential, we have assumed that a hypothetical industrial use will have an average FSR of 0.9, which is typical of general industrial land uses in Sydney. We have assumed a single-storey development based on the current planning controls. We have also assumed an average job density for warehouse, transport and storage land uses of 150 sq.m per job, in line with the 2023 Common Planning Assumptions Group (CPAG) Workspace Ratio guidance for NSW released by the then Department of Planning and Environment.

Table 2: **Employment Uplift**

		Current Use	General Industrial Use¹	Proposed Development
Site Area	sq.m	30,000	30,000	30,000
Job Density of Land Area	sq.m / job	6,000	167	71
Jobs	no.	5	180	425
Uplift from Current Use	no.		+175	+420
Uplift from general industrial outcome	no.			+250

1. General Industrial Land use is assumed to have an average FSR of 0.9, typical of general industrial land uses in Sydney, and benchmark job density of 100 sq.m of GFA per job, based on Landcom's 2019 Workspace Ratios for job enabling land uses in Greater Sydney.

Economic Benefits

Construction Phase

The construction of the proposed development would require substantial capital investment, which would sustain significant employment in the local economy.

To calculate the economic benefits of the proposed development at the subject site, the REMPLAN input-output model was used. Table 3 shows the estimated potential jobs and gross value added (GVA) to the economy as a result of the construction of the proposed development. This is based on an indicative construction cost of \$430 million (supplied by Neetan Investments) and an estimated construction timeframe of 4 years and 8 months starting in 2024.

The construction of the proposed development would generate **141 direct jobs** and **197 indirect jobs** in supporting industries. Total employment generated could be in the order of **338 jobs per annum for the construction period**. There will also be direct and indirect GVA for the NSW economy of **\$44.14 million** per annum (in net present value terms).

Table 3: **Construction Phase Benefits**

	Units	Benefits	
Annual Construction Cost	(\$ million)	\$89.583	
Employment ¹			
Direct Jobs	(no.)	141	Indirect Multiplier
Indirect Jobs	(no.)	197	2.397
Total Jobs	(no.)	338	
Annual Gross Value Added (GVA) ²			
Direct GVA	(\$ million)	\$18.93	Indirect Multiplier
Indirect GVA	(\$ million)	\$25.21	2.446
Total GVA	(\$ million)	\$44.14	

1. Reflects construction employment generated per annum

2. Expressed as net present value of future GVA

Source: Neetan Investments, REMPLAN Economy and Urbis

Operational Phase

The proposed development has the potential to deliver 425 direct ongoing jobs at the subject site.

Table 4 shows that these on-site operational jobs could support up to an additional 84 indirect supply chain jobs throughout the wider economy, based on REMPLAN analysis. Therefore, The proposal would generate 509 direct and indirect jobs throughout the NSW economy.

According to the 2022 Transport for NSW projections, Canterbury-Bankstown LGA is projected to accommodate an additional 17,952 jobs between 2029 and 2048. The proposed development will contribute 3.0% of these projected jobs that would not otherwise be achieved under the existing potential site use under the current planning controls.

As shown in Table 4, the operation of the proposed development also has the potential to deliver \$32.3 million in total (direct and indirect) gross value added to the economy. This value is expressed as a net present value of future GVA over a 20-year operating period starting in the expected year of operation in 2029, using a 7% discount rate.

Table 4: **Ongoing Annual Economic Benefits**

	Units	Benefits	
Employment			
Direct Jobs	(no.)	425	<i>Indirect Multiplier</i>
Indirect Jobs	(no.)	84	1.198
Total Jobs	(no.)	509	
Annual Gross Value Added (GVA) ¹			
Direct GVA	(\$ million)	\$24.23	<i>Indirect Multiplier</i>
Indirect GVA	(\$ million)	\$8.03	1.332
Total GVA	(\$ million)	\$32.27	

Orderly and Efficient Use of the Land

The proposed development reflects the orderly and efficient use of land within the Canterbury-Bankstown LGA as it:

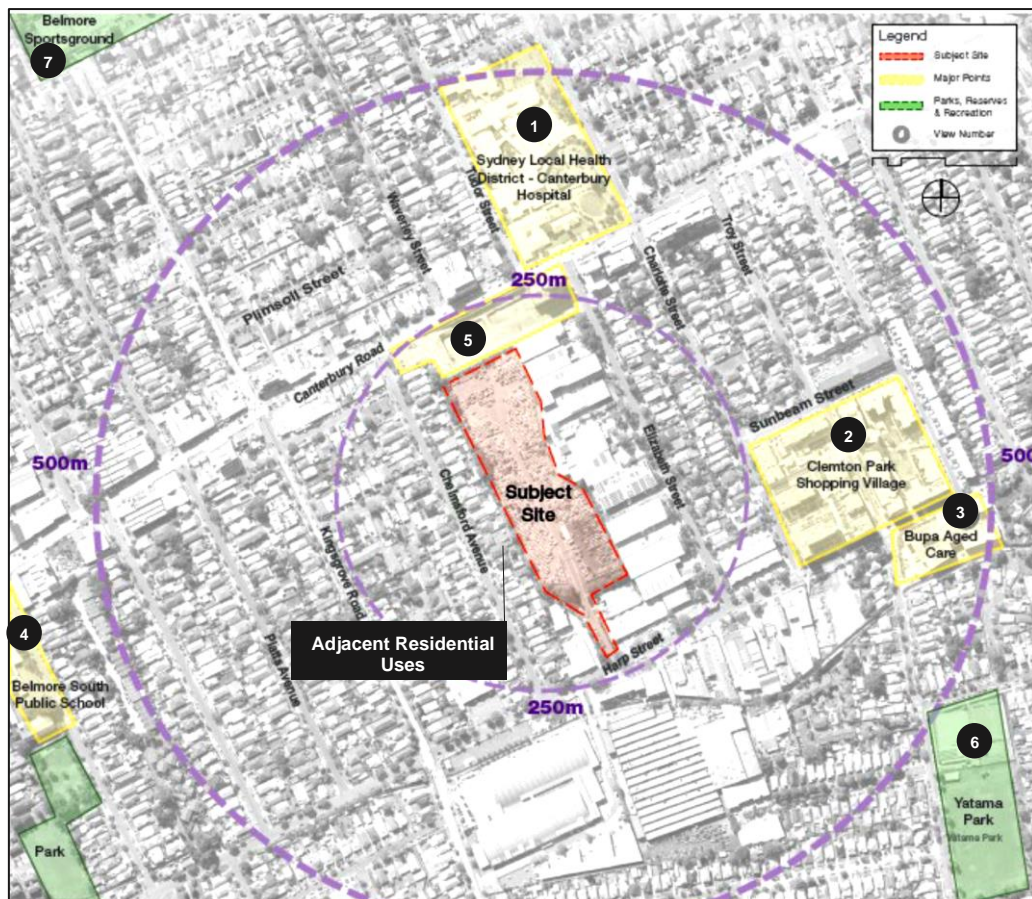
- Utilises land that is otherwise constrained and not developed with industrial built form due to **site constraints**. Most notably, separation from sensitive noise receptors: As shown on Map 1, the western and northern boundaries of the site are adjacent to residential land uses, restricting the types of industrial uses that could be developed on the site.
- Provides an integrated health precinct that will **increase employment density** on the site and support an overall increase in employment in the wider health precinct. Canterbury Hospital and Bupa Aged Care are shown on Map 1.

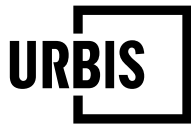
- Supports an on-site worker population that can sustain and retain **retail expenditure** within the Canterbury-Bankstown LGA. The Clemton Park Shopping Village will benefit from increased employment on the Subject Site.
- Accommodates health jobs, supporting the growing number of LGA resident workers in these industries and enhancing **employment creation and retention** in the LGA.

Landmarks within walking distance of the subject site include:

1. Canterbury Hospital
2. Clemton Park Village
3. Bupa Aged Care Facility
4. Belmore South Public School
5. Emporia residential development
6. Yatama Park and
7. Belmore Sports ground

Map 1: **Subject Site Industrial Development Considerations**





The update provided above indicates that the proposed development offers a significant job uplift for the Subject Site. It also assists in providing economic value for the Canterbury Bankstown LGA and NSW economy contributing 3.0% of the expected jobs totals for the LGA between 2029 and 2048. It would also add an ongoing \$32.27 million each year to the NSW economy.

Please do not hesitate to contact me if you have any questions about this updated information.

Kind regards,

A handwritten signature in black ink, appearing to read "C. Ostwald". The signature is fluid and cursive, with a large, stylized "O" and "W".

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11 HARP ST, CAMPSIE ECONOMIC IMPACT ASSESSMENT

Neetan Investments

AUGUST 2019

This report is dated 7 August 2019 and incorporates information and events up to that date only and excludes any information arising, or event occurring, after that date which may affect the validity of Urbis Pty Ltd's (Urbis) opinion in this report. Urbis prepared this report on the instructions, and for the benefit only, of Neetan Investments (Instructing Party) for the purpose of an Economic Impact Assessment (Purpose) and not for any other purpose or use. Urbis expressly disclaims any liability to the Instructing Party who relies or purports to rely on this report for any purpose other than the Purpose and to any party other than the Instructing Party who relies or purports to rely on this report for any purpose whatsoever (including the Purpose).

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All surveys, forecasts, projections and recommendations contained in or made in relation to or associated with this report are made in good faith and on the basis of information supplied to Urbis at the date of this report. Achievement of the projections and budgets set out in this report will depend, among other things, on the actions of others over which Urbis has no control.

Urbis has made all reasonable inquiries that it believes is necessary in preparing this report but it cannot be certain that all information material to the preparation of this report has been provided to it as there may be information that is not publicly available at the time of its inquiry.

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Urbis staff responsible for this report were:

Director	Clinton Ostwald
Consultant	Ryan Condon

Project code	P0006948
Report number	Economic Impact Assessment RP2

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EXECUTIVE SUMMARY

SITE AND DEVELOPMENT CONTEXT

The Subject Site at 11 Harp St, Campsie, is a three-hectare site that is land-locked by a mix of residential and industrial uses, with a single entry point to Harp Street. It is currently zoned IN2 light industrial and is utilised as a car storage yard accommodating an estimated 5 employees.

Urbis has been appointed by Neetan Investments to review the economic impacts associated with a planning proposal to rezone the site to allow for a proposed medical and aged care development. The proposed development includes a residential aged care (RAC) facility, independent living units (ILUs), private hospital and rehab centre, research and medical centre, disability housing, and an early learning centre.

INDUSTRIAL FLOORSPACE DEMAND

Overall, economic and employment trends across NSW are expected to have the following land use implications for the Canterbury-Bankstown LGA :

- A forecast need for 12,238 sq.m of health-related floorspace in the LGA each year to 2036
- A forecast need for 893 sq.m of industrial floorspace in the LGA each year to 2036
- An intensification of land use in the LGA, including mixed-use development and the co-location of residential development with compatible land uses.

The proposal for the subject site is aligned to the expected future employment landscape of the Canterbury-Bankstown LGA, by:

- Creating health-related employment floorspace to meet growing demand
- Providing retirement living options for a growing population.

INDUSTRIAL FLOORSPACE SUPPLY

As at January 2018, there were 968 hectares of zoned industrial land in the Canterbury-Bankstown LGA, of which 31 hectares was undeveloped. This undeveloped land is estimated to be able to provide a 311-year supply of industrial land for the LGA, based on TfNSW annual employment projections and assuming an average utilisation of the land for general industrial use.

The proposed rezoning of the subject site will result in the withdrawal of 3 hectares of industrial zoned land from the LGA. This withdrawal is expected to be well accounted for within the LGA by:

- 22,900 sq.m of industrial floorspace proposed for development by 2022
- 109,200 sq.m of vacant industrial floorspace as at July 2019

INDUSTRIAL DEMAND / SUPPLY GAP

After taking into consideration the withdrawal of industrial land at the subject site, proposed industrial development and currently vacant industrial sites indicate an **excess supply of 89,900 sq.m of industrial floorspace in the LGA by 2036.**

The proposal for the subject site is aligned to the expected future land use patterns of the LGA, as:

- Proposed and vacant industrial sites are expected to sustain a significant excess supply to 2036
- Beyond this, undeveloped industrial zoned land is expected to meet the long-term industrial needs of the LGA.

EMPLOYMENT UPLIFT

The proposed aged care and medical development at the subject site is estimated to generate **375 jobs** on site under full operation, based on analysis provided by Neetan Investments. This job outcome represents:

- a 370 job uplift compared to the current site operations, accounting for 2% of the projected employment for the LGA to 2036
- 105 more jobs compared to an average general industrial use of the site.

ECONOMIC BENEFITS

The proposed construction of an aged care and health precinct at the subject site will also have the following economic benefits:

- 417 direct and indirect jobs created throughout the construction period, and a total gross value add (GVA) of \$46.59 million per annum
- The 375 ongoing jobs on site will generate 74 indirect supply chain jobs, and total direct and indirect GVA of \$15.56 million to the wider economy per annum
- Orderly and efficient use of land at the subject site, including utilisation of a site that is highly constrained in terms of vehicle access and proximity to sensitive noise receptors
- Provision of retirement living options in a suburb and LGA that has been historically undersupplied with ILUs
- Future ILU residents on site will spend an estimated \$2.69 million on retail each year upon opening, which in turn will support an additional 413 sq.m of local retail, or 4 local retail businesses.

INTRODUCTION

BACKGROUND

Urbis has been appointed by Neetan Investments to review the economic impacts associated with a planning proposal for the site at 11 Harp St, Campsie (subject site).

The subject site occupies an area of approximately three hectares on the southern side of Canterbury Road in the south of Campsie. It is currently zoned IN2 Light Industrial and is utilised as a car storage yard.

The planning proposal involves rezoning of the site to allow for a proposed medical and aged care development. The proposed development includes a residential aged care facility, independent living units, private hospital and rehab centre, research and medical centre, disability housing, and an early learning centre.

Given the site's scale and location, it represents a significant development opportunity. Nevertheless, the position of the Greater Sydney Commission, in the 2018 South District Plans, is to 'retain and manage' all existing industrial and urban services land, with emphasis on protection from pressures for residential and mixed-use. This presents a clear barrier to approval of the proposed development.

We understand that initial discussions with Council indicate that the rezoning is unlikely to be supported by Council on the basis of loss of employment lands. Therefore, an economic study is required as part of the planning proposal, demonstrating that the current permissible uses are no longer economic for the location of the site.

PURPOSE OF THE REPORT

The purpose of this report is to:

- Consider the economic and employment outlook for the Canterbury-Bankstown LGA, having regard to the existing and proposed supply of industrial floorspace and long-term employment projections at the LGA level
- Assess the level of employment that can be delivered on the subject site through the proposed development
- Evaluate the net employment impact of the proposed development on the Canterbury-Bankstown LGA
- Identify the broader economic impact associated with the proposed development.

REPORT OUTLINE

The remainder of this report is structured as follows:

- Chapter 1 – considers the local and regional context of the site, having regard to location, access, surrounding land uses, and current operations at the site
- Chapter 2 - sets out an overview of the Canterbury-Bankstown LGA employment profile, having regard to historic, current and projected labour market segmentation. This is expanded on to produce an long-term forecast of demand for industrial floorspace in the LGA
- Chapter 3 - provides a summary of the current developed and undeveloped industrial land in the LGA. It also summarises the vacant and proposed industrial floorspace in the LGA and the capacity of this to accommodate long-term demand for industrial floorspace
- Chapter 4 – assesses the net employment impact of the proposed development as well as the contribution that this can make to employment targets for the LGA
- Chapter 5 - considers the economic benefits associated with the proposed development including employment, gross value added, housing choice and affordability, retail expenditure, and orderly and efficient use of land.

CHAPTER 1

SITE CONTEXT

SUBJECT SITE

LOCAL CONTEXT

The subject site is located at 11 Harp St, Campsie. As shown on Map 1, it occupies an area of approximately three hectares on the southern side of Canterbury Road in the south of Campsie.

The site is currently zoned IN2 Light Industrial and lies within the Clemton Park Industrial Precinct of 17 hectares. Currently utilised as a **car storage yard**, the only built form on site is a demountable administration building of approximately 130 sq.m. The current tenants employ approximately **five staff** on site, according to information provided by Neetan Investments.

The site is land-locked by private properties with no substantial street frontages. The only access to the site is through a two-lane driveway off Harp St at the south of the site. The site is bound by:

- A recently developed apartment complex (Empirio) to the north of the site, comprising four eight-storey buildings adjacent to Canterbury Road
- Large one- and two-storey industrial buildings to the east, along Elizabeth Street, including a mix of large format retailers, construction, warehousing and distribution businesses
- Single-level, older style industrial buildings accommodating a range of auto-related businesses to the south, along Harp Street
- Detached residential housing to the west, along Chelmsford Avenue.

SUBJECT SITE

MAP 1



REGIONAL CONTEXT

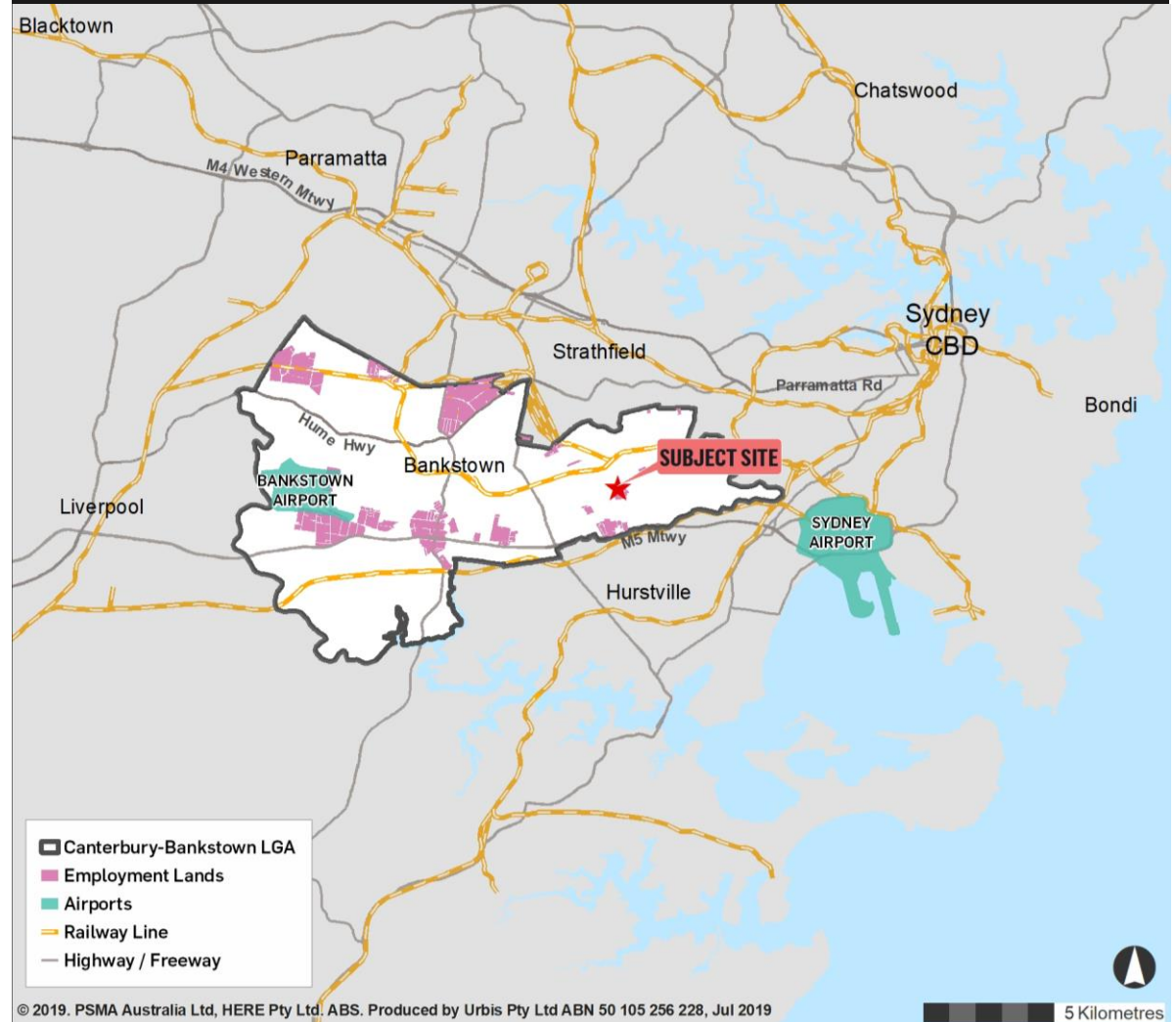
SITE CONTEXT

As shown in Map 2, opposite, the Subject Site is located within the Canterbury-Bankstown LGA. It is approximately 15 km from the Sydney CBD, 8 km from Sydney Airport, and 8 km from Bankstown as the nearest Strategic Centre.

The site is part of the Clemton Park Industrial Precinct, which currently comprises 17ha of land zoned for industrial and urban services uses. The map shows that the Clemton Park industrial precinct is one of the smaller precincts within the LGA. Unlike much of the other employment lands within the LGA, the precinct is not located adjacent to a motorway, airport or train line.

REGIONAL CONTEXT

MAP 2



PROPOSED MEDICAL AND AGED CARE PRECINCT

PROPOSED DEVELOPMENT

The planning proposal for the subject site involves the rezoning of the site to allow for construction of a medical and aged care precinct with a total Gross Floor Area (GFA) of 63,301 sq.m.

The proposed concept includes:

- A 200-bed residential aged care facility (RACF) (12,958 sq.m GFA)
- A 100-bed medi hotel (5,792 sq.m GFA)
- A 180-bed private hospital (21,132 sq.m GFA)
- A rehabilitation facility (4,250 sq.m GFA)
- A 150-place childcare centre (2,125 sq.m GFA)
- A medical centre (1,594 sq.m GFA)
- A medical research and innovation hub (4,463 sq.m GFA)
- 140 independent living units (ILU) (14,038 sq.m GFA)
- 15 disability housing units and one caretaker unit (2,655 sq.m GFA)

INDICATIVE PROPOSED CONCEPT

FIGURE 1



Source: Neetan Investments

CHAPTER 2

EMPLOYMENT PROFILE AND PROJECTED DEMAND FOR INDUSTRIAL FLOORSPACE

NSW OVERVIEW

NSW ECONOMIC TRENDS

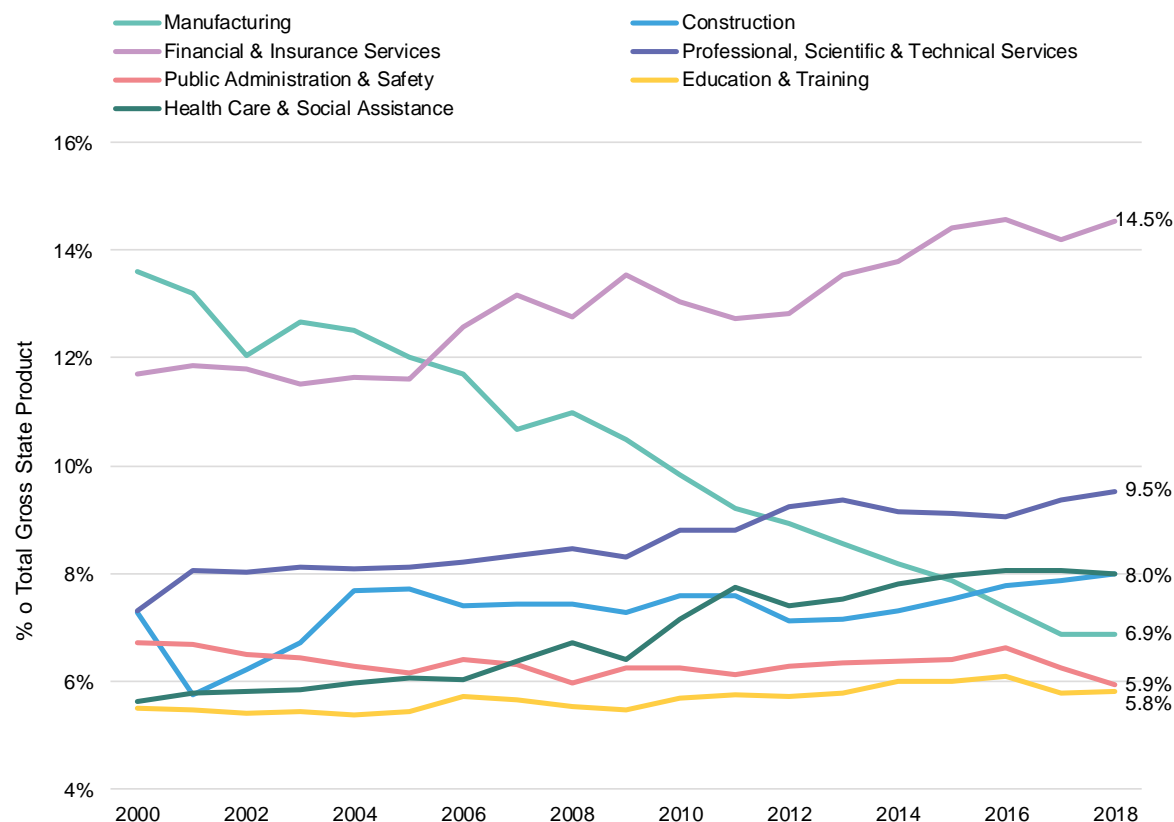
Structural changes have occurred across NSW, shifting both workforce capacity and local jobs away from manufacturing to services sectors. The result of this has been a trend in the reduction of manufacturing employment and an increase in 'white collar' workers. The structural change is affecting land use where areas have a combination of marginal employment lands and strong residential amenity such as the subject site.

Employment trends over time between 2000 and 2018 are shown in Chart 1, indicating the structural changes in the economy:

- A **downturn in the NSW manufacturing industry** as a result of steep international competition, particularly from more cost-effective manufacturers in Asia
- **Increasing residential construction**, maintaining its share of NSW GSP
- **Growth in 'knowledge based' sectors** such as financial and professional services
- **Growth in health care services**, driven by an ageing population requiring health and aged care services.

TOP 7 INDUSTRY SECTORS IN NSW BY GROSS STATE PRODUCT (GSP) %

CHART 1



Source: ABS Census 2016; Urbis

LGA EMPLOYMENT PROFILE

LGA JOBS

Table 1 presents a review of employment by industry in the Canterbury-Bankstown LGA between 2011 and 2016, based on Transport for NSW (TfNSW) data. The LGA employment profile presents the following key characteristics:

- Overall, there was an increase of 6,300 jobs in the LGA between 2011 and 2016, reflecting an uplift of 6%.
- Only three industries experienced a decline in jobs in the LGA between 2011 and 2016, including:
 - Manufacturing: -1,170 jobs (-6.2%)
 - Transport, postal and warehousing: -105 jobs (-1.2%)
 - Agriculture, Forestry and Fishing: -13 jobs (-12%)
- The **manufacturing** industry accounted for the highest proportion of jobs in the LGA in 2011 (18%) and 2016 (16%). However, it was also the industry that experienced the largest decline in jobs in this period, with 1,170 fewer manufacturing jobs in the LGA in 2016 compared to 2011. This is in line with broader structural shifts away from manufacturing in NSW.
- The **health care and social services** industry accounted for the next highest proportion of jobs in the LGA in 2016 (12%). It is also the industry that experienced the most growth in jobs between 2011 and 2016, with an additional 1,840 workers (increase of 16.2%).

LGA HISTORIC EMPLOYMENT GROWTH

TABLE 1

Industry	2011		2016		2011-2016 Change	
	No.	%	No.	%	No.	%
Health Care and Social Assistance	11,335	11%	13,173	12%	+1,838	+16.2%
Education and Training	8,275	8%	9,559	9%	+1,284	+15.5%
Construction	10,718	10%	11,412	10%	+694	+6.5%
Retail Trade	11,922	11%	12,585	11%	+663	+5.6%
Professional, Scientific and Technical Services	4,016	4%	4,572	4%	+556	+13.8%
Other Services	4,889	5%	5,434	5%	+545	+11.1%
Public Administration and Safety	4,281	4%	4,778	4%	+497	+11.6%
Accommodation and Food Services	6,226	6%	6,689	6%	+464	+7.4%
Rental, Hiring and Real Estate Services	1,412	1%	1,659	1%	+247	+17.5%
Wholesale Trade	6,015	6%	6,227	6%	+212	+3.5%
Financial and Insurance Services	1,697	2%	1,896	2%	+199	+11.7%
Information Media and Telecommunications	1,361	1%	1,544	1%	+183	+13.4%
Arts and Recreation Services	1,031	1%	1,132	1%	+101	+9.8%
Administrative and Support Services	2,914	3%	2,966	3%	+52	+1.8%
Electricity, Gas, Water and Waste Services	1,028	1%	1,061	1%	+33	+3.2%
Mining	22	0%	44	0%	+22	+97.1%
Agriculture, Forestry and Fishing	105	0%	92	0%	-13	-12.0%
Transport, Postal and Warehousing	8,440	8%	8,336	8%	-105	-1.2%
Manufacturing	19,050	18%	17,877	16%	-1,173	-6.2%
Total	104,737	100%	111,034	100%	+6,296	+6.0%

Source: Transport for NSW; Urbis

LGA RESIDENT WORKER PROFILE

LGA RESIDENT WORKERS

By comparing changes in LGA resident workers and jobs, we can examine the propensity of LGA residents to travel outside the LGA for work. Table 2 shows the change in resident workers in the LGA between 2011 and 2016, based on ABS Census data, finding:

- In 2016, there were more residents living in the Canterbury-Bankstown LGA (138,199) than there were available jobs (111,034). This indicates that many LGA residents are leaving the LGA to go to work each day. Further, the number of additional resident workers (13,670) was more than double the number of additional jobs (6,300) in the LGA between 2011 and 2016, showing that this trend is becoming more prevalent.
- Growth in resident workers in the five years to 2016 was most pronounced in the **construction** industry (3,115 additional resident workers) followed by the health care sector (2,582 additional residents), reflecting strong demand for workers in these industries.
- **Health care and social services** employees comprised the largest share of LGA residents at 11% in 2016. The 16,030 resident health care workers in 2016 compares to 13,170 health care jobs, indicating many of these residents work outside the LGA.
- Similarly to LGA jobs, the **manufacturing** industry experienced the largest decline of resident workers in the LGA between 2011 and 2016 of -3,595 workers (28% of all resident manufacturing workers in the LGA in 2011).
- There was a 29% decline in resident **wholesale trade** workers in the LGA from 2011 to 2016.

LGA HISTORIC RESIDENT WORKER GROWTH

TABLE 2

Industry	2011		2016		2011-2016 change	
	No.	%	No.	%	No.	%
Construction	9,999	8.0%	13,114	9.5%	+3,115	+31.2%
Health care & social assistance	12,394	10.0%	14,976	10.8%	+2,582	+20.8%
Education & training	7,990	6.4%	10,028	7.3%	+2,038	+25.5%
Professional, scientific & technical services	7,390	5.9%	8,759	6.3%	+1,369	+18.5%
Accommodation & food services	8,891	7.1%	10,053	7.3%	+1,162	+13.1%
Administrative & support services	4,514	3.6%	5,456	3.9%	+942	+20.9%
Retail trade	13,674	11.0%	14,416	10.4%	+742	+5.4%
Financial & insurance services	6,434	5.2%	6,917	5.0%	+483	+7.5%
Transport, postal & warehousing	10,128	8.1%	10,590	7.7%	+462	+4.6%
Other services	5,550	4.5%	6,005	4.3%	+455	+8.2%
Public Administration & safety	6,543	5.3%	6,974	5.0%	+431	+6.6%
Rental, hiring & real estate services	1,758	1.4%	2,095	1.5%	+337	+19.2%
Arts & recreation services	1,608	1.3%	1,900	1.4%	+292	+18.2%
Agriculture, forestry & fishing	143	0.1%	251	0.2%	+108	+75.5%
Information media & telecommunications	2,683	2.2%	2,729	2.0%	+46	+1.7%
Mining	94	0.1%	105	0.1%	+11	+11.7%
Electricity, gas, water & waste services	954	0.8%	853	0.6%	-101	-10.6%
Wholesale trade	6,645	5.3%	4,751	3.4%	-1,894	-28.5%
Manufacturing	12,784	10.3%	9,189	6.6%	-3,595	-28.1%
Total Employed	124,529	100%	138,199	100%	+13,670	+11.0%

Source: ABS Census; Urbis

PROJECTED EMPLOYMENT BY INDUSTRY

PROJECTED EMPLOYMENT

In order to assess future demand for industrial floorspace, we have adopted 2016 employment projections by industry sector from Transport for NSW (TfNSW). Table 3 shows the projected employment by industry sector for the Canterbury-Bankstown LGA between 2019 and 2036.

The TfNSW methodology for projecting employment firstly estimates employment at the Greater Metropolitan Area (GMA) level through a combination of ABS workforce estimates and macro-economic trend analysis. Employment by industry is then disaggregated to regions and then travel zones through further trend analysis and indicator series.

The primary input into shifting employment projections from a base trend is a database of new developments that is used as a 'possible capacity' and 'preferred timing' dataset. Such a methodology is considered a good projection of future employment, taking into account shifts in policy trends.

The key sectors of projected change between 2019 and 2036 are outlined in Table 3:

- **Health Care and Social Assistance** to increase by +5,310 jobs, equal to +1.9% growth per annum
- **Education and Training** to increase by +3,864 jobs, equal to 1.9% growth per annum
- **Transport, postal and warehousing** to decrease by -1,657 jobs, equal to -1.3% growth per annum.

LGA PROJECTED EMPLOYMENT GROWTH BY INDUSTRY, 2019-2036

TABLE 3

Industry Sector	Forecast				2019-36	
	2019		2036			
	No.	%	No.	%	Total Change	%
Health Care and Social Assistance	13,945	12%	19,251	14%	+5,306	+1.9%
Education and Training	10,178	9%	14,042	10%	+3,864	+1.9%
Construction	11,876	10%	14,845	11%	+2,969	+1.3%
Retail Trade	13,053	11%	15,649	12%	+2,596	+1.1%
Accommodation and Food Services	7,001	6%	8,944	7%	+1,943	+1.5%
Professional, Scientific and Technical Services	4,918	4%	6,577	5%	+1,659	+1.7%
Public Administration and Safety	4,986	4%	6,233	5%	+1,247	+1.3%
Other Services	5,574	5%	6,122	5%	+547	+0.6%
Electricity, Gas, Water and Waste Services	1,212	1%	1,698	1%	+486	+2.0%
Rental, Hiring and Real Estate Services	1,748	2%	2,237	2%	+490	+1.5%
Financial and Insurance Services	1,988	2%	2,383	2%	+395	+1.1%
Administrative and Support Services	3,059	3%	3,431	3%	+372	+0.7%
Arts and Recreation Services	1,180	1%	1,454	1%	+274	+1.2%
Manufacturing	17,890	16%	17,925	13%	+34	+0.0%
Mining	46	0%	56	0%	+10	+1.2%
Information Media and Telecommunications	1,570	1%	1,551	1%	-18	-0.1%
Agriculture, Forestry and Fishing	91	0%	85	0%	-6	-0.4%
Wholesale Trade	6,279	5%	6,211	5%	-68	-0.1%
Transport, Postal and Warehousing	8,211	7%	6,553	5%	-1,657	-1.3%
Total Employment	114,832	100%	135,247	100%	+20,416	+1.0%

Source: Transport for NSW; Urbis

PROJECTED EMPLOYMENT BY PROPERTY TYPE

PROJECTED EMPLOYMENT

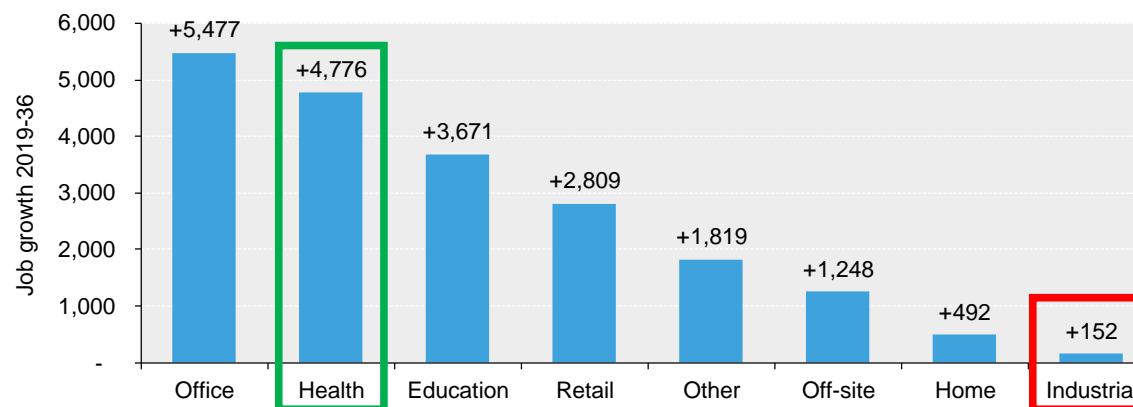
Different industry sectors have different needs when it comes to the type of floorspace required to operate their respective organisations.

Using benchmarks that Urbis have derived looking at land use demands by different categories of employment and applying these to TfNSW job projections, Chart 2 shows the expected split of projected jobs in the Canterbury-Bankstown LGA by property type. It provides an indication of the demand for different land uses within the LGA between 2019 and 2036, including:

- **Office:** An additional +5,480 jobs, accounting for 27% of growth in the LGA
- **Health:** An additional +4,780 jobs, accounting for 23% of growth in the LGA
- **Industrial:** An additional +152 jobs, accounting for 1% of growth in the LGA.

PROJECTED EMPLOYMENT GROWTH BY PROPERTY TYPE, 2019-2036

CHART 2



Source: ABS Census 2016; Transport for NSW; Urbis

INDUSTRIAL TREND: AGGLOMERATION AND CONSOLIDATION

Agglomeration and consolidation of industrial floor space is a trend currently being experienced in global cities, which is driving a higher density of workers per square metre of industrial floorspace.

Dense developments can create extensive ecosystems and create advantages and incentives for companies to locate if they see synergies with their business. Being close to suppliers, clients and competitors helps businesses adapt and develop new solutions.

This global trend has resulted in the following effects on industrial land in Greater Sydney:

1. More outsourcing of supply chain and logistics to **specialist third-party logistics** (3PL) providers that have buying power and cost and efficiency benefits of scale
2. **High-bay automation** is increasing and is driving different built form requirements due to the heights required
3. Changes in technology and introduction of robots and AI into logistics will drive demand for more **dark warehouses** (likely to cause a shift away from square metres to cubic metres as a measure of space).

Ultimately, these changes in the nature of industrial land in Greater Sydney are expected to result in:

- An overall lower floorspace requirement for industrial businesses,
- Fewer but larger industrial precincts where multiple businesses within the supply chain are co-located
- A higher density of jobs per square metre of industrial floorspace.

On the following page, we assume a current average job density of 100 sq.m of industrial floorspace per job. However, given this trend, the future requirement for industrial floorspace per job may fall, reducing the future demand for industrial floorspace.

PROJECTED DEMAND FOR EMPLOYMENT FLOORSPACE

FLOORSPACE DEMAND

Table 4 shows the indicative floorspace required to accommodate forecast jobs in the LGA between 2019 and 2036. This demand is based on Urbis benchmarks of floorspace per employee for different land uses, derived from our experience with similar developments in Sydney.

The table shows that approximately **15,186 sq.m of industrial floorspace** will be required between 2019 and 2036 to accommodate the employment growth projected by TfNSW. This is based on a benchmark industrial job density of 100 sq.m per job, taken from Landcom's 2019 Workspace Ratios for job enabling land uses in Greater Sydney. This is equivalent to 893 sq.m of industrial floorspace per year.

TOTAL FLOORSPACE DEMAND, 2019-2036

TABLE 4

Land Use	Jobs Growth 2019 – 2036	Benchmark Job Density (sq.m per job)	Total Floorspace Demand (sq.m)	Annual Floorspace Demand (sq.m)
Office	5,480	15	82,152	4,832
Health	4,776	44	208,046	12,238
Education	3,671	56	203,923	11,995
Retail	2,809	35	98,300	5,782
Industrial	152	100	15,186	893

Source: ABS Census 2016; Transport for NSW; Landcom; Urbis

IMPLICATIONS FOR THE SUBJECT SITE

Overall, historic and projected employment patterns in the Canterbury-Bankstown LGA and NSW point towards future trends in:

- Lower reliance on the **manufacturing** industry to support jobs and the economy
- Strongest growth in LGA jobs in the **health care and social assistance** industry
- Increased employment in knowledge-based sectors across Sydney, such as **financial and professional services**
- More residents moving into the LGA than new jobs being created in the LGA, driving **demand for housing**.

In turn, these economic and employment trends are expected to have the following land use implications for the LGA and for the subject site:

- An estimated requirement for **12,238 sq.m of health-related floorspace** in the LGA each year to 2036
- An estimated requirement for **893 sq.m of industrial floorspace** in the LGA each year to 2036
- An intensification of land use in the LGA, including mixed-use development and the co-location of residential development with compatible land uses

The proposal for the subject site is aligned to the expected future employment landscape of the Canterbury-Bankstown LGA, by:

- Creating health-related employment floorspace to meet growing demand
- Providing retirement living options for a growing population.

CHAPTER 3

CANTERBURY-

BANKSTOWN LGA

INDUSTRIAL FLOORSPACE

SUPPLY

CANTERBURY-BANKSTOWN LGA INDUSTRIAL LAND

INDUSTRIAL LAND OVERVIEW

In January 2018, there was a total of 967.7 hectares of zoned industrial land in the Canterbury-Bankstown LGA, according to the NSW Department of Planning and Environment (DPE) 2018 Employment Lands Development Monitor (ELDM).

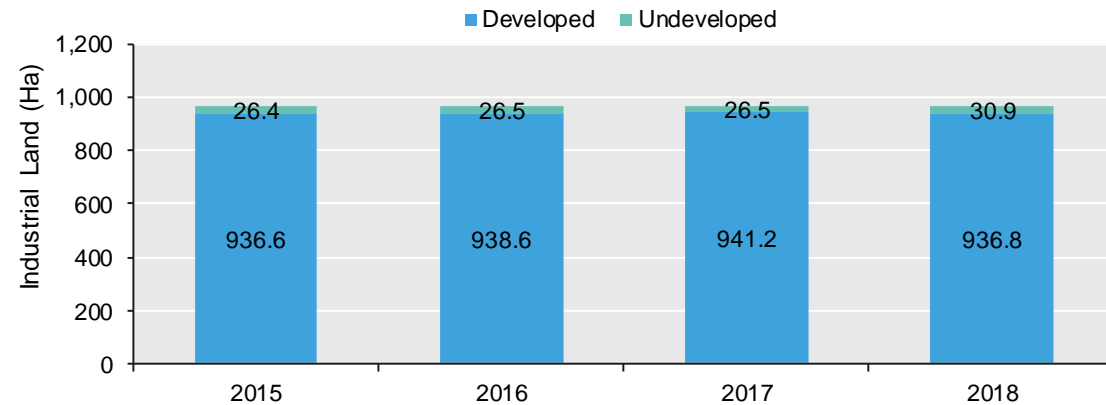
As shown in Chart 3, since 2015, there has only been a slight increase of less than 5 hectares in the overall quantum of zoned industrial land. In 2018, zoned industrial land remained at the same level, however, 4.4 hectares of industrial land shifted from developed to undeveloped.

Chart 4, opposite, shows all current industrial precincts in the Canterbury-Bankstown LGA and the quantity of zoned industrial land in each. It shows that the largest precincts by land area are those located close to the Hume Highway (Chullora and Leightonfield Station) and to the M4 Motorway (Revesby, Milperra and Padstow North).

The subject site is in the Clemton Park precinct, which is much **smaller in size** (17 hectares), accounting for 2% of all industrial land in the LGA. Compared to other major precincts in the LGA, it has **inferior access to a major motorway**, with Canterbury Road the nearest arterial road to the precinct. All land in the Clemton Park precinct is developed.

ZONED INDUSTRIAL LAND IN CANTERBURY-BANKSTOWN LGA

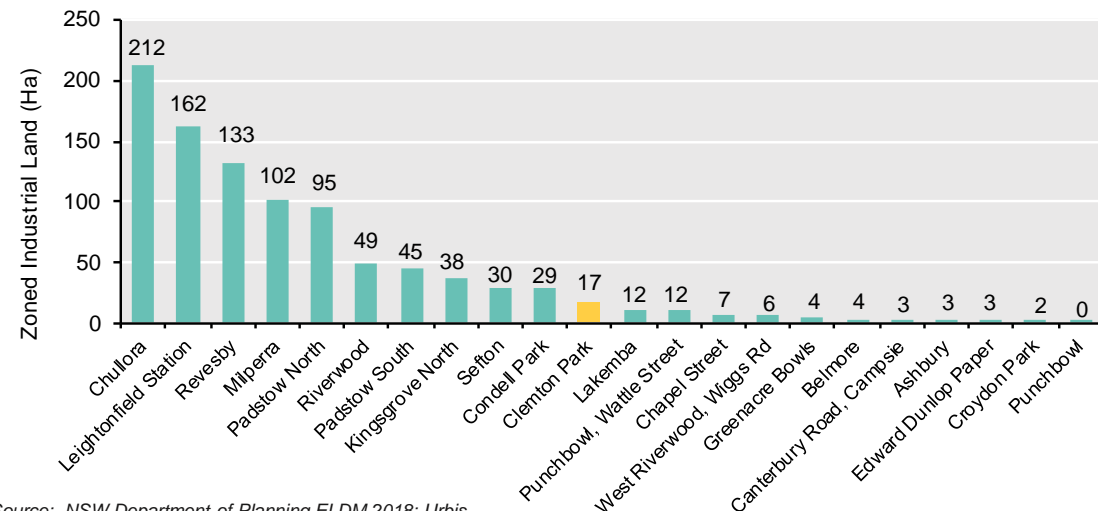
CHART 3



Source: NSW Department of Planning ELDM 2018; Urbis

ZONED INDUSTRIAL LAND IN LGA INDUSTRIAL PRECINCTS

CHART 4



Source: NSW Department of Planning ELDM 2018; Urbis

UNDEVELOPED INDUSTRIAL LAND

UNDEVELOPED INDUSTRIAL LAND

As at January 2018, 31 hectares (3%) of zoned industrial land in the Canterbury-Bankstown LGA was undeveloped. Almost all of this land is located in the Chullora and Padstow South industrial precincts.

This undeveloped land represents significant untapped employment and economic potential for the region. Table 5 shows that the 31 hectares of undeveloped land could support **up to 28 hectares of industrial Gross Floor Area (GFA)** if developed as general industrial uses. This assumes an average floor space ratio (FSR) of 0.9, typical of general industrial uses in Greater Sydney.

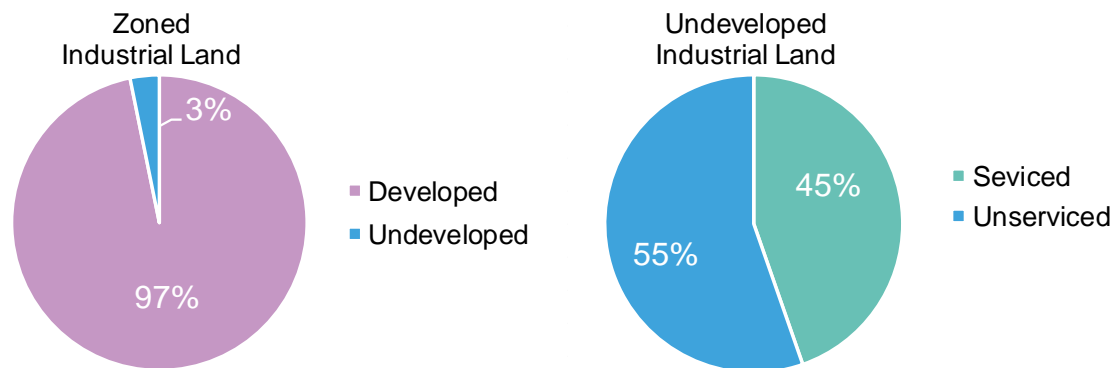
Of the undeveloped industrial land in the LGA, 17 hectares (55%) is **not provided with sewer, water or electricity services**. This unserviced industrial land has an indicative capacity to support up to 15.4 hectares of future industrial GFA, while already serviced industrial land has an indicative capacity to support 12.4 hectares of industrial GFA.

Table 5 compares this potential future capacity for industrial floorspace in the LGA to the forecast annual demand for industrial floorspace between, 2019 and 2036, as detailed in Chapter 1 of this report. It shows that demand for industrial floorspace in the LGA could be supported by currently serviced undeveloped industrial land for 139 years, and unserviced undeveloped industrial land for another 172 years.

To note, this comparison does not consider the changing land use requirements of businesses that currently use industrial land. A **311-year supply of undeveloped industrial land** indicates that demand for industrial space will be adequately catered for into the future.

UNDEVELOPED INDUSTRIAL LAND IN CANTERBURY-BANKSTOWN LGA

CHART 5



Source: NSW Department of Planning ELDM 2018; Urbis

FLOORSPACE POTENTIAL OF UNDEVELOPED INDUSTRIAL LAND (JAN 2018)

TABLE 5

	Served	Unserved	Total
Canterbury-Bankstown LGA Undeveloped Industrial Land (ha)	13.8	17.1	30.9
Bankstown LEP 2015 General Industrial Maximum FSR	1.0	1.0	1.0
Typical FSR for General Industrial uses in Greater Sydney	0.9	0.9	0.9
Potential Industrial Gross Floor Area (ha)	12.4	15.4	27.8
Forecast Annual Demand for Industrial Floorspace (ha)		0.09	
Years Supply of Industrial Floorspace	139	172	311

Source: NSW Department of Planning ELDM 2018; Canterbury-Bankstown LEP 2015; TfNSW; Urbis

INDUSTRIAL DEVELOPMENT PIPELINE

INDUSTRIAL DEVELOPMENT PIPELINE

Analysis of market data including projects listed in Cordell Connect indicates that there is a strong pipeline of industrial projects planned within the Canterbury-Bankstown LGA.

Table 6 shows eight proposed new industrial developments in the LGA. These developments will contain a combined **industrial floorspace of 22,852 sq.m GFA**, expected to be completed by 2021. Around 72% of this new proposed industrial GFA has gained development approval and is considered 'firm' future supply.

Table 7 shows an additional 14 proposed redevelopments of existing industrial floorspace, comprising an additional 68,830 sq.m of industrial GFA. These projects represent a further increase and improvement to the supply of industrial land in the LGA.

Key proposals include:

- 13 Birmingham Ave, Villawood: Construction of 17 bulky goods/warehouse units within the site of the existing Villawood Immigration Detention Centre, due for completion in 2020.
- 77 Hume Hwy, Chullora: Construction of a three-storey, 3,240 sq.m vehicle storage facility at the Suttons Motor site, replacing an at-grade car yard. This development reflects the trend of consolidation of industrial floorspace, and is an indicative re-location option for the current use of the subject site.

PROPOSED INDUSTRIAL PROJECTS (NEW INDUSTRIAL FLOORSPACE)

TABLE 6

Address	Suburb	Industrial GFA (sq.m)	Stage	Status	Completion Year
61-65 Bellona Ave	Regents Park	1,301	Development Approval	Firm	2020
24 Anzac St	Greenacre	1,598	Development Approval	Firm	2020
13 Birmingham Ave	Villawood	9,624	Development Approval	Firm	2020
85 Lakemba St	Belmore	654	Development Approval	Firm	2021
77 Hume Hwy	Chullora	3,240	Development Approval	Firm	2021
1 Monier Square	Villawood	5,667	Development Application	Possible	2020
12 Claremont Ave	Greenacre	328	Development Application	Possible	2020
194-196 Milperra Rd	Revesby	440	Development Application	Possible	2021
Total		22,852			

Source: Cordell Connect; Urbis

PROPOSED INDUSTRIAL PROJECTS (REDEVELOPMENT OF EXISTING INDUSTRIAL FLOORSPACE)

TABLE 7

Address	Suburb	Industrial GFA (sq.m)	Stage	Status	Completion Year
72 Canterbury Rd	Bankstown	3,136	Under Construction	Commenced	2019
88-98 Fairford Rd	Padstow	25,147	Under Construction	Commenced	2020
51 Hoskins Ave	Bankstown	332	Development Approval	Firm	2020
21 Garema Cct	Kingsgrove	189	Development Approval	Firm	2020
1122 Canterbury Rd	Roselands	528	Development Approval	Firm	2020
5 Ilma St	Condell Park	751	Development Approval	Firm	2020
19-21 Hugh St	Belmore	1,751	Development Approval	Firm	2020
121 & 125 Canterbury Rd	Bankstown	2,470	Development Approval	Firm	2020
95 Gow St	Padstow	7,620	Development Approval	Firm	2020
37-67 Violet St	Revesby	12,900	Development Approval	Firm	2020
348 Hume Hwy	Bankstown	1,560	Development Approval	Firm	2021
14-16 Belmore Rd North	Punchbowl	1,707	Development Application	Possible	2020
34-36 Mavis St	Revesby	8,389	Development Application	Possible	2020
41 Anzac St	Greenacre	2,350	Development Application	Possible	2022
Total		68,830			

Source: Cordell Connect; Urbis

VACANT INDUSTRIAL FLOORSPACE

VACANT INDUSTRIAL FLOORSPACE

In addition to the pipeline of new industrial development, there is an already large quantum of vacant industrial floor space currently within the Canterbury-Bankstown LGA.

Interrogation of realcommercial.com.au identifies in excess of 100 industrial premises within the LGA that are available to rent. The Table and Map on this page show 15 sites available to rent as at July 2019. These sites represent **110,915 sq.m of available industrial floorspace**. Further property details are provided in Appendix A.

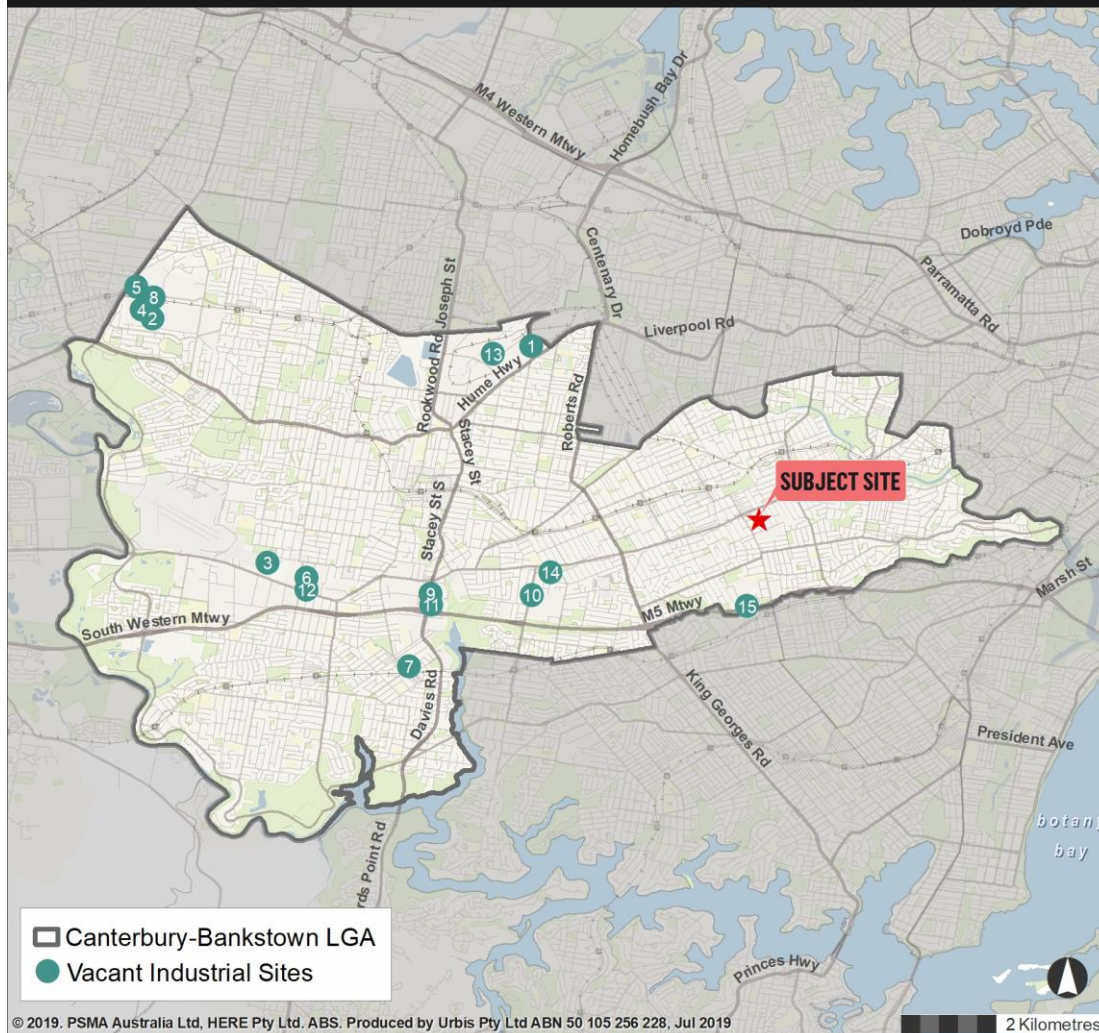
These under-utilised properties therefore provide significant opportunities for emerging businesses to find space to operate within the LGA.

Ref	Address	Industrial NLA
1	2 Hume Hwy, Chullora	3,000 - 12,000sq.m
2	33 Shaddock Ave, Villawood	5,000sqm
3	233 Milperra Rd, Revesby	8,000 - 12,212sq.m
4	Villawood (address n/a)	5,000 - 15,650sq.m
5	110a Christina Rd, Villawood	4,752sq.m
6	271 Edgar St, Condell Park	6,907sq.m
7	Padstow (address n/a)	6,900sq.m
8	Villawood (address n/a)	2,900 - 8,330sq.m
9	10-12 Fairford Rd, Padstow	4,000 - 10,000sq.m
10	62 Belmore Rd, Riverwood	3,000 - 7,800sq.m
11	56 Fairford Rd, Padstow	2,915sq.m
12	71 Milperra Rd, Revesby	3,083sq.m
13	Chullora (address n/a)	5,808sq.m
14	53 Christian Rd, Punchbowl	2,469sq.m
15	25 Forrester St, Kingsgrove	5,423sq.m
Total		109,249sq.m

Source: realcommercial.com.au; Urbis

VACANT INDUSTRIAL FLOORSPACE IN CANTERBURY-BANKSTOWN LGA

MAP 3



LGA INDUSTRIAL SUPPLY AND DEMAND BALANCE

INDUSTRIAL SUPPLY AND DEMAND

Table 8 presents a summary of our assessment of supply of and demand for future industrial land in the Canterbury-Bankstown LGA from 2019 to 2036.

As detailed in this chapter, there is currently 132,100 sq.m of proposed and vacant industrial floorspace in the LGA. The subject site has capacity to accommodate 27,000 sq.m of industrial floorspace, assuming an average FSR for general industrial uses of 0.9:1. However, we note that this development outcome is unlikely given the site constraints. Taking the proposed rezoning of industrial land at the subject site into account, there will be an estimated supply of 105,100 sq.m of industrial floorspace by 2036.

Based on our forecasts of industrial floorspace demand from Chapter 1, there is ample supply of industrial floorspace to meet demand, with a forecast **excess supply of +89,900 sq.m of industrial floorspace by 2036.**

CANTERBURY-BANKSTOWN LGA INDUSTRIAL SUPPLY / DEMAND 2019-2036

TABLE 8

	Gross Floor Area (GFA)
Proposed industrial floorspace	22,900 sq.m
Vacant existing industrial floorspace (sample of 15 sites)	109,200 sq.m
Estimated supply of available industrial floorspace (2036)	132,100 sq.m
Subject site industrial zoned land area	30,000 sq.m
Typical FSR for General Industrial land uses in Greater Sydney	0.9
Withdrawal of potential industrial floorspace at subject site	27,000 sq.m
Supply of available industrial floorspace net of proposed rezoning (2036)	105,100sq.m
Demand for industrial floorspace 2019 - 2036	15,200 sq.m
Excess (+) / Deficit (-) of industrial floorspace 2036	+89,900 sq.m

Source: Cordell Connect; realcommercial.com.au; Neetan Investments; TfNSW; Urbis

IMPLICATIONS FOR THE PROPOSED DEVELOPMENT

As at January 2018, there were 968 hectares of zoned industrial land in the Canterbury-Bankstown LGA, of which 31 hectares was undeveloped. Due to the changing nature of industrial uses, undeveloped land is estimated to be able to provide a **311-year supply of industrial land for the LGA**, based on TfNSW annual employment projections and assuming average utilisation of the land for general industrial use. This includes:

- A 139-year supply of undeveloped land currently serviced with sewer, water and electricity
- A 172-year supply of undeveloped land not serviced with sewer, water and electricity

The proposed rezoning of the subject site will result in the withdrawal of 3 hectares of industrial zoned land from the LGA. This withdrawal is expected to be well accounted for within the LGA by:

- 22,900 sq.m of new industrial floorspace proposed for development by 2022
- 109,200 sq.m of vacant industrial floorspace as at July 2019

After taking into consideration the withdrawal of industrial land at the subject site, proposed industrial development and currently vacant industrial sites indicate an **excess supply of 89,900 sq.m of industrial floorspace in the LGA by 2036.**

The proposal for the subject site is aligned to the expected future land use patterns of the Canterbury-Bankstown LGA, as:

- Proposed and vacant industrial sites in the LGA are expected to sustain a significant excess supply to 2036
- Beyond this, undeveloped industrial zoned land is expected to meet the long-term industrial needs of the LGA.

CHAPTER 4

EMPLOYMENT UPLIFT POTENTIAL

PROPOSED DEVELOPMENT EMPLOYMENT YIELD

EMPLOYMENT YIELD

The proposed development incorporates a mix of health, aged care and social service land uses that will create additional jobs at the subject site.

Table 9 presents an indicative breakdown of proposed employment generating land uses and estimates of future on-site jobs. It shows that the subject site will accommodate a **total of around 375 jobs**.

These job estimates have been provided by Neetan Investments and are based on analysis of the daily shift workers required to operate each of facilities on site. The estimates are approximately aligned to Urbis job estimates that are made by applying industry benchmark employment densities to the various land uses within the proposed development.

PROPOSED DEVELOPMENT JOB YIELD

TABLE 9

Employment-Generating Land Uses	Proposed Provision	Direct Jobs
	<i>GFA</i>	<i>no.</i>
Residential Aged Care	12,958 sq.m	97
Private Hospital and Rehabilitation	25,382 sq.m	114
Medical Centre and Research & Innovation Hub	6,057 sq.m	85
	<i>units / places</i>	<i>no.</i>
Childcare Centre	150 places	93
Medi Hotel	100 rooms	29
Independent Living Units	140 units	20
Disability Housing ¹	15 units	1
Total		375

1. One caretaker staff member for disability units

Source: Neetan Investments; Urbis

EMPLOYMENT UPLIFT

EMPLOYMENT UPLIFT

Table 10, opposite, presents a comparison of the employment outcome of the proposed development compared to the existing use of the site, and a hypothetical General Industrial use of the site.

The table shows that the proposed development will result in:

- **a net uplift of 370 jobs compared to current uses at the subject site, accounting for 2% of projected employment for the LGA by 2036**
- **105 more jobs than the employment generated by an average general industrial use of the site.**

We note that the estimation of potential jobs under a General Industrial use assumes there is demand to undertake such development and that there are no constraints to doing so. Given the poor road access and adjacent residential uses to the subject site, the development potential for General Industrial uses is likely to be heavily constrained.

For the purposes of estimating job potential, we have assumed that a hypothetical General Industrial use will have an average FSR of 0.9, typical of general industrial land uses in Sydney. We have also assumed an average job density for General Industrial uses of 100 sq.m per job, in line with Landcom's 2019 Workspace Ratios for job enabling land uses in Greater Sydney.

EMPLOYMENT UPLIFT

TABLE 10

		Current Use	General Industrial Use ¹	Proposed Development
Site Area	sq.m	30,000	30,000	30,000
Job Density of Land Area	sq.m / job	6,000	111	80
Jobs	no.	5	270	375
Uplift from Current Use	no.		+265	+370
Uplift from general industrial outcome	no.			+105

1. General Industrial Land use is assumed to have an average FSR of 0.9, typical of general industrial land uses in Sydney, and benchmark job density of 100 sq.m of GFA per job, based on Landcom's 2019 Workspace Ratios for job enabling land uses in Greater Sydney.

Source: Neetan Investments; Landcom; Urbis

IMPLICATIONS FOR THE PROPOSED DEVELOPMENT

The proposed aged care and medical development at the subject site is estimated to generate **375 jobs** on site under full operation, based on analysis provided by Neetan Investments.

This job outcome represents:

- a 370 job uplift compared to the current site operations, accounting for 2% of the projected employment for the LGA to 2036
- 105 more jobs compared to an average general industrial use of the site.

CHAPTER 5

ECONOMIC BENEFITS

CONSTRUCTION PHASE

CONSTRUCTION PHASE BENEFITS

The construction of the proposed development would require substantial capital investment, which would sustain significant employment in the local economy.

Using the REMPLAN model, Table 11 shows the estimated potential jobs and gross value added (GVA) to the economy as a result of the construction of the proposed development. This is based on an indicative construction cost of \$412 million (supplied by Neetan Investments and calculated by Richard Crookes Construction), and an estimated construction timeframe of 4 years and 9 months starting in 2022.

The construction of the proposed development would generate **162 direct jobs** and **255 indirect jobs** in supporting industries. Total employment generated could be in the order of **417 jobs for the duration of the construction period per annum**. There will also be direct and indirect GVA for the NSW economy of **\$46.59 million** per annum (in net present value terms).

CONSTRUCTION PHASE BENEFITS

TABLE 11

	Units	Benefits	
Annual Construction Cost	(\$ million)	\$86,806,263	
Employment¹			
Direct Jobs	(no.)	162	<i>Indirect Multiplier</i>
Indirect Jobs	(no.)	255	<i>2.574</i>
Total Jobs	(no.)	417	
Annual Gross Value Added (GVA)²			
Direct GVA	(\$ million)	\$18.10	<i>Indirect Multiplier</i>
Indirect GVA	(\$ million)	\$28.48	<i>2.728</i>
Total GVA	(\$ million)	\$46.59	

1. Reflects construction employment generated per annum

2. Expressed as net present value of future GVA

Source: Neetan Investments, REMPLAN Economy, Urbis

OPERATIONAL PHASE

OPERATIONAL PHASE BENEFITS

As detailed in Chapter 5 of this report, the proposed development has the potential to deliver **375 direct ongoing jobs** at the subject site.

Table 12 shows that these on-site operational jobs could support up to an additional **74 indirect supply chain jobs** throughout the wider economy, based on REMPLAN analysis. The proposal will therefore generate a total of **449 direct and indirect jobs** throughout the NSW economy.

According to Transport for NSW projections, Canterbury-Bankstown LGA is projected to accommodate an additional 20,416 jobs between 2019 and 2036. The proposed development will contribute **2.2% of these projected jobs** that would not otherwise be achieved under the existing approval for or potential use of the site under the current planning controls.

As shown in Table 12, operation of the proposed development also has the potential to deliver **\$15.56 million in direct and indirect gross value add** to the economy. This value is expressed as net present value of future GVA over a 20-year operating period starting in the expected full year of operation in 2027.

ONGOING ECONOMIC BENEFITS

TABLE 12

	Units	Benefits	
Employment			
Direct Jobs	(no.)	375	<i>Indirect Multiplier</i>
Indirect Jobs	(no.)	74	1.197
Total Jobs	(no.)	449	
Annual Gross Value Added (GVA) ¹			
Direct GVA	(\$ million)	\$11.77	<i>Indirect Multiplier</i>
Indirect GVA	(\$ million)	\$3.78	1.321
Total GVA	(\$ million)	\$15.56	

Source: Neetan, REMPLAN Economy, Urbis

ORDERLY AND EFFICIENT USE OF LAND

ORDERLY AND EFFICIENT USE OF LAND

The proposed development reflects the orderly and efficient use of land within the Canterbury-Bankstown LGA as it:

- Utilises land that is otherwise constrained and not developed with industrial built form due to **significant site constraints**. Most notably, constraints include:
 - **Vehicle access:** A single entry point to the site through a narrow driveway to Harp St, as indicated on Map 4, limiting truck access into the site and creating the need for the construction of an internal street to allow for tenant car access.
 - **Separation from sensitive noise receptors:** As shown on the map, the western and northern boundaries of the site are adjacent to residential land uses, restricting the types of industrial uses that could be developed on site.
- Provides a mixed use aged care and health precinct that will **increase employment density** on the site and support an overall increase in employment in the wider industrial precinct, as detailed in Chapter 4 of this report
- Supports a resident population that can sustain and retain **retail expenditure** within the Canterbury-Bankstown LGA
- Take advantage of nearby **residential amenity** at Clemton Park Shopping Village (300 metres)
- Accommodates health and aged care jobs, supporting the growing number of LGA resident workers in these industries and enhancing **employment retention** in the LGA.

SUBJECT SITE INDUSTRIAL DEVELOPMENT CONSTRAINTS

MAP 4



RETIREMENT LIVING OPTIONS

RETIREMENT LIVING

Table 13 presents retirement living provision in Campsie and Clemton Park compared to the Canterbury-Bankstown LGA and Greater Sydney.

There are currently no Independent Living Units (ILUs) in Campsie and Clemton Park, compared to around 0.38% of dwellings in the Canterbury-Bankstown LGA and 1.5% of dwellings in Greater Sydney that are ILUs. This indicates that **Campsie, Clemton Park and the wider Canterbury-Bankstown LGA have been historically undersupplied with ILUs.**

By comparison, Campsie and Clemton Park are well supplied with Residential Aged Care (RAC) facilities. Table 14 lists the 4 RAC facilities in Campsie and Clemton Park. This includes Rosemore Aged Care, which is on the border of Campsie and Belmore, close to the subject site.

In total, there are currently 370 RAC beds in Campsie and Clemton Park. If we assume 100% occupancy, residents in these RAC facilities account for 3.5% of residents in these suburbs. This compares to around 2.3% of LGA residents and 0.94% of Greater Sydney residents that live in RAC facilities.

Overall, given the undersupply of ILUs in the site's suburb and LGA, the proposed development helps to address a lack of retirement living options for Sydney ageing population.

RETIREMENT LIVING PROPENSITIES

TABLE 13

	Campsie and Clemton Park	Canterbury-Bankstown LGA	Greater Sydney
Total Dwellings ¹	9,502	121,434	1,858,607
Retirement Village ILU Dwellings ¹	0 (0%)	462 (0.38%)	27,876 (1.50%)
Total Population ²	21,846	361,023	5,132,355
Residential Aged Care residents ³	333 (3.5%)	2,848 (2.3%)	49,030 (0.96%)

1. 2016 data from the ABS Census 2016

2. 2016 data from the Department of Planning and Transport for NSW

3. Assumes 100% of occupancy of current RAC beds, based on data from agedcareguide.com.au and GEN Aged Care Source: ABS Census; TfNSW; Department of Planning; agedcareguide.com.au; GEN Aged Care Data; Urbis

RESIDENTIAL AGED CARE FACILITIES IN CAMPSIE / CLEMTON PARK

TABLE 14

Name	Address	RAC Beds
Opal Canterbury	20 Albert St, Campsie	85
CASS Residential Aged Care Facility	67-75 Fifth Ave, Campsie	63
Rosemore Aged Care	18 Kingsgrove Rd, Belmore	78
Bupa Clemton Park	1 Tedbury St, Clemton Park	144
Total		370

Source: agedcareguide.com.au; Urbis

RETAIL EXPENDITURE BY FUTURE ILU RESIDENTS

RETAIL EXPENDITURE

Table 15, opposite, outlines the total estimated retail spending by future ILU residents at the subject site in the expected first full year of operation in 2027.

The proposed 140 ILU dwellings at the subject site are expecting to house 182 aged residents, assuming an average household size of 1.3, typical of ILU development in Sydney.

Based on Marketinfo data and Urbis forecasts, a typical adult resident in the Canterbury-Bankstown LGA will spend \$18,459 on retail in 2027. Analysis of credit card data spend across NSW finds that residents aged 70+ spend 20% less than the typical adult. As such, future ILU residents at the site are expected to spend \$14,767 on retail in 2027. This equates to a **total annual retail spend of \$2.69 million by future on site ILU residents.**

To note, the retail spending of future Residential Aged Care residents and hospital guests are expected to be mostly catered for within the proposed development and these benefits will not be felt as significantly throughout the local economy.

Additional spending by ILU residents would contribute to improved performance of existing local retail, most notably at Clemton Park Shopping Village. It will also support the expansion of new local retail businesses.

Table 16 demonstrates that this additional retail spending could support an **additional 413 sq.m of retail** floorspace. Based on an average store size of 100 sq.m, retail spending from the on site population could support up to an additional 4 small local retail businesses.

RETAIL SPENDING BY ILU RESIDENTS, 2027 (\$2019)

TABLE 15

	Proposed Development
Proposed ILU Dwellings	140
Residents per Dwelling ¹	1.3
Total Future Residents	182
Annual Retail Spend per LGA adult resident (2027) ²	\$18,459
Discount retail spending for aged 70+ residents in Sydney	20%
Annual Retail Spend per LGA 70+ resident (2027)	\$14,767
Total Annual Retail Spend by Future ILU Residents	\$2.69 million

1. Average resident per ILU, based on Urbis experience of ILU developments in Sydney

2. Average retail spend per capita (\$2019) for adult Canterbury-Bankstown LGA residents in 2027

Source: Neetan Investments, Marketinfo, ABS, Urbis

ADDITIONAL SUPPORTABLE RETAIL FLOORSPEACE AND BUSINESSES, 2027

TABLE 16

	Proposed Development
Total Retail Spend	\$2.69 million
Benchmark Average Trading Level for Retail ¹	\$6,500 per sq.m
Additional Supportable Retail GFA	413 sq.m
Average Floorspace of Specialty Store	100 sq.m
Potential new businesses	4

1. Indicative turnover per sq.m across all retail types and centres in comparable locations

Source: Urbis

APPENDIX A

INDUSTRIAL VACANCIES

CANTERBURY- BANKSTOWN LGA

INDUSTRIAL VACANCIES (SELECTION AS AT JULY 2019)

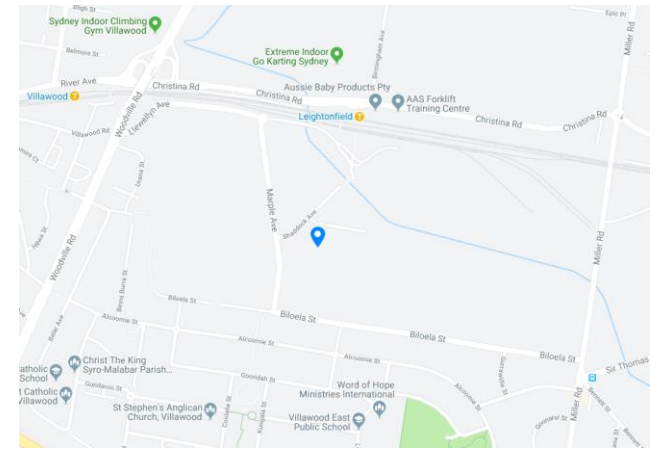
2 Hume Highway, Chullora

Suburb	Chullora
Address	2 Hume Highway
Floorspace	3,000-12,000sq.m



33 Shaddock Avenue, Villawood

Suburb	Villawood
Address	33 Shaddock Avenue
Floorspace	5,000sq.m



INDUSTRIAL VACANCIES (SELECTION AS AT JULY 2019)

233 Milperra Road, Revesby

Suburb	Revesby
Address	233 Milperra Road
Floorspace	8,000-12,212sqm



Villawood site

Suburb	Villawood
Address	Not available
Floorspace	5,000-15,650sq.m



INDUSTRIAL VACANCIES (SELECTION AS AT JULY 2019)

110a Christina Road, Villawood

Suburb Villawood

Address 110a Christina Road

Floorspace 4,752sq.m



271 Edgar Street, Condell Park

Suburb Condell Park

Address 271 Edgar Street

Floorspace 6,907sq.m



INDUSTRIAL VACANCIES (SELECTION AS AT JULY 2019)

Padstow site

Suburb	Padstow
Address	Not available
Floorspace	6,900sq.m



Villawood site

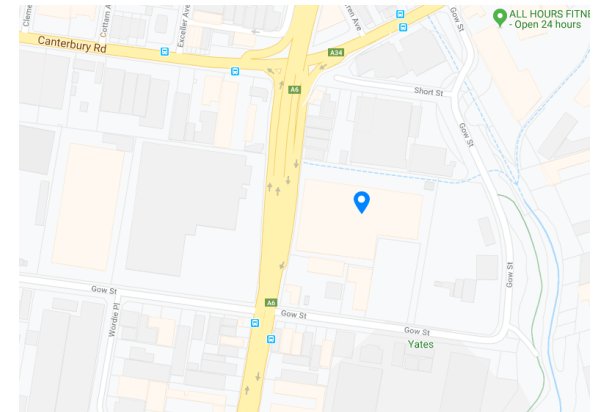
Suburb	Villawood
Address	Not available
Floorspace	2,900-8,330sq.m



INDUSTRIAL VACANCIES (SELECTION AS AT JULY 2019)

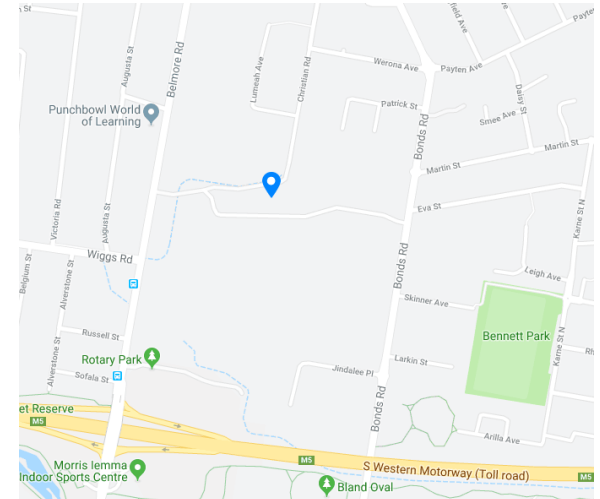
10-12 Fairford Road, Padstow

Suburb	Padstow
Address	10-12 Fairford Road
Floorspace	4,000-10,000sq.m



62 Belmore Road, Riverwood

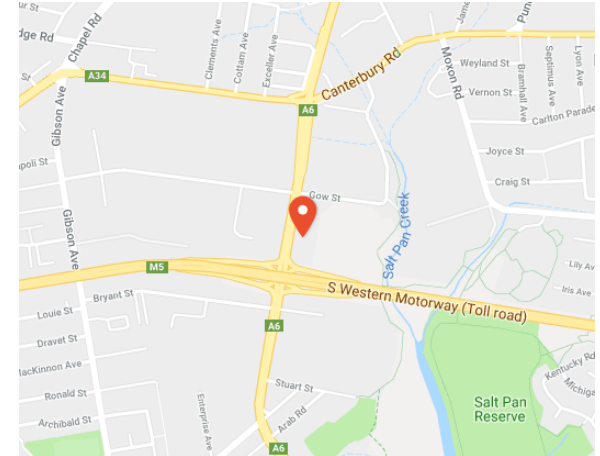
Suburb	Riverwood
Address	62 Belmore Road
Floorspace	3,000-7,800sqm



INDUSTRIAL VACANCIES (SELECTION AS AT JULY 2019)

56 Fairford Road, Padstow

Suburb	Padstow
Address	56 Fairford Road
Floorspace	2,915sq.m



71 Milperra Road, Revesby

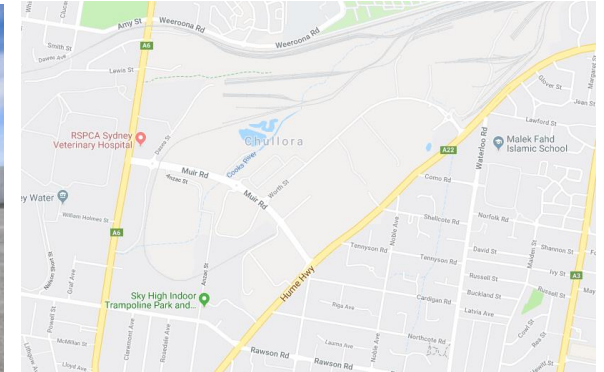
Suburb	Revesby
Address	71 Milperra Road
Floorspace	3,083sq.m



INDUSTRIAL VACANCIES (SELECTION AS AT JULY 2019)

Chullora site

Suburb	Chullora
Address	Not available
Floorspace	5,808sq.m



53 Christian Road, Punchbowl

Suburb	Punchbowl
Address	53 Christian Road
Floorspace	2,469sq.m



INDUSTRIAL VACANCIES (SELECTION AS AT JULY 2019)

25 Forrester Street, Kingsgrove

Suburb	Kingsgrove
Address	25 Forrester Street
Floorspace	5,423sq.m



