

# **WESTFIELD LIVERPOOL**

## **ECONOMIC IMPACT ASSESSMENT**

JULY 2019  
PREPARED FOR SCENTRE GROUP

**URBIS**

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# INTRODUCTION

Urbis has been engaged by Scentre Group to prepare an independent assessment of the economic need, demand and impact of the proposed development of an Entertainment and Leisure Precinct (ELP) at Westfield Liverpool.

An ELP is broadly defined as an integrated development that incorporates a mix of dining, entertainment and leisure uses. These uses and the visitation they attract combine to create a place for the community to socialise and undertake leisure activities.

The report includes the following sections:

- Section 1 – Property Description and Location
- Section 2 – Trade Area Market
- Section 3 – Retail Supply and Hierarchy
- Section 4 – Current Centre Performance
- Section 5 – No Development (Status Quo) Potential
- Section 6 – Economic Need, Demand and Impacts
- Section 7 – Conclusions

## GOODS AND SERVICES TAX (GST)

The spending market and turnover estimates presented in this report are inclusive of GST.

## MARKETINFO

Retail spending estimates provided in this report are based on the MarketInfo micro simulation model developed by MDS Market Data Systems. MarketInfo is based on the Household Expenditure Survey and Australian National Accounts. Given that the estimates are based on survey data they will be subject to sampling variability.

## ANALYSIS YEARS

Analysis throughout this report relates to calendar years (ending December 31) unless otherwise stated.

## DEFINITIONS

The following definitions have been adopted for the purposes of this report:

- **Retail** refers to the Australian Bureau of Statistics (ABS) definition adopted for the use in estimating Retail Trade in Australia. This definition is also being used for the purposes of detailing the retail expenditure by residents of Australia using MarketInfo, and also for categorising shopping centre turnover and tenancy details.
- **Non-Retail** therefore refers to various store types, services and expenditure categories, not included in the appropriate Australian & New Zealand Standard Industrial Classification (ANZSIC) included within the scope of the latest Retail and Services Census. The non-retail component includes the following tenancy types:
  - Amusements
  - Appliance Rental
  - Auto Accessories
  - Banks and Building Societies
  - Cinemas
  - Equipment Hire
  - Financial & Property Services
  - Garden Supplies
  - Lottery & Gaming
  - Marine Equipment
  - Medical and Dental Services
  - Offices
  - Post Office
  - Travel Agency

In this report Urbis classifies the retail market into seven main product group as follows:

- **Food Retail.** Example product categories include bakery, deli & dairy, fish, frozen food, fruit & vegetables, meat, groceries, pharmaceutical groceries, toiletries, tobacco, take home liquor
- **Food & beverage.** Example product categories include take-away food, cafes & restaurants
- **Apparel.** Example product categories include women's clothing, children's clothing, men's clothing, other clothing, footwear, jewellery, fashion accessories.
- **Homewares.** Example product categories include glassware, tableware, home decoration, home entertainment equipment, computer hardware & software, communications, small appliances, Manchester.
- **Bulky Goods.** Example product categories include furniture, floor coverings, whitegoods, hardware, garden.
- **Leisure/General.** Example product categories include books, newspapers & magazines, stationery, music, video & games, pharmaceuticals, cosmetics & accessories, recreational equipment, toys & games.
- **Services.** Example product categories include hair & beauty, laundry & cleaning, video & games hire, optical goods & fees, photographic film, repairs & maintenance
- The composition and performance benchmarking data has been sourced from the **2018 Urbis Shopping Centre Benchmarks**. Reported composition and performance of Westfield Liverpool is for the year to May 2019.

# 1. PROPERTY DESCRIPTION AND LOCATION

## 1.1. SITE LOCATION AND CONTEXT

### Regional Context

The Liverpool City Centre is located in the south-western suburbs of Sydney, approximately 40 km south-west of the Sydney CBD by road. In a metropolitan context, Liverpool is designated as a Strategic Centre and functions as a major commercial, retail and administrative centre in the south-western suburbs of Sydney.

Liverpool is a key centre within the Western Parkland City, as defined by the Greater Sydney Commission. Liverpool City Centre is serviced by a major train station and bus interchange. The train station has an average of 19,800 barrier entries and exits per day, serviced by the T2 Leppington Line, T3 Bankstown line and T5 Cumberland line (Transport NSW, 2018).

The South West Growth Area is a group of greenfield priority developments, south of Liverpool, which comprises Oran Park, Leppington, Edmondson Park, Catherine Fields and South West Creek. The South West Growth Area will provide greater housing choice to meet the needs of the growing population in the Western Sydney region.

The Western Sydney Airport is due for completion in 2026 and will be located 25km west of the Liverpool City Centre, by road. The airport, which is now under construction, has been and will continue to be a major catalyst in the region for business investment and urban renewal.

### Local Context

Westfield Liverpool anchors the northern end of the Liverpool City Centre. Macquarie Mall, which links with the main entry to Westfield Liverpool, is a key focal point in the city centre and, together with Macquarie Street, serves as the main retail shopping strip. The remaining mix of retail shops and services are largely located in an area bounded by Bathurst Street in the west, Westfield Liverpool in the north, Bigge Street in the east and Terminus Street in the south.

The Liverpool City Centre accommodates a range of civic and educational uses, including:

- Liverpool City Council offices
- Liverpool Hospital
- Liverpool Court House
- Western Sydney University Liverpool City Campus, located next to Westfield Liverpool.
- University of Wollongong Sydney Western Sydney Campus
- Liverpool Public School
- Secondary Schools: All Saints Catholic College, Liverpool Girls High School, Liverpool Boys High School
- The Liverpool train station is located on the south-western periphery of the town centre, approximately 500 metres from Westfield Liverpool.

Increasing levels of densification are occurring in the city centre, largely underpinned by new residential developments but also a mix of commercial office space, education facilities and hotel accommodation. The broad and growing mix of uses are adding to the diversity of visitation drivers and overall vitality of the city centre.

## 1.2. RELEVANT PLANNING DOCUMENTATION

This section of the report reviews the planning strategies that are of relevance to the overall vision for the Liverpool City Centre in terms of its revitalisation and future as a diverse and sustainable commercial and community hub. The role of the proposed ELP development at Westfield Liverpool in contributing to the key objectives and initiatives of the strategies is also assessed.

### Liverpool Collaboration Area Place Strategy – Greater Sydney Commission

The Liverpool Collaboration Area Place Strategy (LCAPS) was designed to:

- Establish a vision for the Liverpool Collaboration Area.
- Identify impediments and opportunities.
- Set priorities for the Collaboration Area.
- Identify actions to deliver the vision.

Objectives of the LCAPS that relate to the provision of food and beverage and retail facilities include the following:

- *Liverpool is a place with a distinctive and welcoming character where people want to live, work, invest, study and play*
- *Liverpool is a place with a vibrant, mixed-use, walkable and connected City Centre with activity and intensity both day and night*

Priority 4 in the Strategy advocates for the creation and renewal of great places for people. The outcome for this priority is as follows:

*“Quality mixed use development, activation strategies and public domain and open space investments combine to create great places. Liverpool is a desirable place to live and to work, and a healthy and walkable city focussed on the river with a strong daytime and night-time economy and a valued arts and cultural sector.”*

In order to achieve this outcome, three actions have been identified. The most relevant to the proposed ELP at Westfield Liverpool is Action 8, which states:

*“Deliver great places by prioritising a people-friendly public realm and open spaces; providing fine grain and diverse urban form; a diverse land use and housing mix; high amenity and walkability; and recognising and celebrating the character of the place and its people.”*

The provision of an ELP, including a mix of cafes and restaurants co-located with cinemas and other entertainment/leisure uses, at Westfield Liverpool is consistent with the LCAPS as it will provide a purpose built and destination offer that would add to the uses driving visitation to the Liverpool City Centre. The proposed facility would appeal to a broad cross-section of the community and be active during both days and evenings and across weekdays and weekends.

ELPs appeal to the market and are successful due to the inclusion of a diversity of uses that have a high level of synergy within one another and are provided within well designed, safe and secure environments. This type of offer and experience is not provided elsewhere in the Liverpool City Centre and the potential to co-locate restaurants with the only cinemas in the city centre provides a unique development opportunity.

### City Activation Strategy 2019-2024 – Liverpool City Council

The vision of this strategy is *“to foster an 18-hour walkable city with a lively and well-integrated mix of activities, in order to attract private investment and stimulate Liverpool’s communities to make greater use of the City Centre and its attributes.”*

One of the activation initiatives of the City Activation Strategy is to utilise rooftop space for recreation and hospitality spaces to create new, semi-public spaces. The ELP development at Westfield Liverpool will be located at rooftop level, and will create a new space for shoppers, residents, workers, students and CBD visitors to dine, utilise attractions and spend time.



The proposed ELP development at Westfield Liverpool will assist in driving an 18-hour economy within the Liverpool City Centre. The provision of an ELP would attract new and more regular visits to the City Centre, which would have flow-on benefits to other uses in the City Centre. It would also stimulate greater visitation during the evenings which would contribute to the achievement of the objectives of the City's Activation Strategy.

## City Centre Retail Study – Liverpool City Council

Urbis is aware that Liverpool City Council has commissioned a City Centre Retail Study, the results of which are yet to be made publicly available. Urbis has been provided with the brief that was provided to tenderers which sets out the parameters for the study, which includes:

- Audit of retail floorspace within the Liverpool City Centre.
- Demographic and expenditure analysis relating to residents, workers, students and visitors.
- Projections relating to floorspace demand for retail, retail jobs, population growth and retail expenditure.
- A needs and demand analysis relating to current gaps and opportunities within the Liverpool City Centre.
- The development of a framework to assess all mixed-use DAs to consider the appropriate retail use.

A key element of the EIA report prepared by Urbis is analysis of the quantum and quality of food & beverage operators and entertainment uses in the Liverpool City Centre. This review is intended to provide insights into the strengths and weaknesses of the food and entertainment offer in the City Centre and key gaps and opportunities to improve the City Centre's role in serving this sector of the market.

## 1.3. EXISTING WESTFIELD LIVERPOOL CENTRE AND PROPOSED DEVELOPMENT

### Existing Westfield Liverpool Centre

Westfield Liverpool currently contains 80,817 sq.m of gross leasable area (GLA), including 67,801 sq.m of floorspace for retail defined tenants as of May 2019.

The major retailers in Westfield Liverpool are a Myer department store, Big W and Target discount department stores (DDS) and Coles and Woolworths supermarkets. In addition, the centre contains 10 mini-major retailers (400+ sq.m) and a range of specialty shop retailers. There is an existing 12 screen cinema located on Level 3, operated by Event. The cinemas are co-located with an apparel retailer but doesn't have any supporting dining offer.

The main pedestrian entrance to the centre is directly opposite Macquarie Street Mall, while carparking access is provided from George, Campbell and Bathurst Streets.

### Proposed Development

The development scheme for Westfield Liverpool proposes to add approximately a net additional 6,645 sq.m of GLA to the existing shopping centre, bringing total GLA to 87,462 sq.m. The expected increase in GLA for retail uses is around 4,286 sq.m, with total retail floorspace to be around 72,100 sq.m upon completion.

### Existing and Proposed GLA

Westfield Liverpool

Table 1.1

	Exsting GLA*	Incremental GLA	Proposed GLA
	sq.m	sq.m	sq.m
Major Tenants	35,978	0	35,978
Mini-Major & Retail Specialties	31,823	+4,286	36,109
<b>Total retail</b>	<b>67,801</b>	<b>+4,286</b>	<b>72,087</b>
Other (Incl Cinemas & Entertainment)	13,016	+2,359	15,375
<b>Total centre</b>	<b>80,817</b>	<b>+6,645</b>	<b>87,462</b>

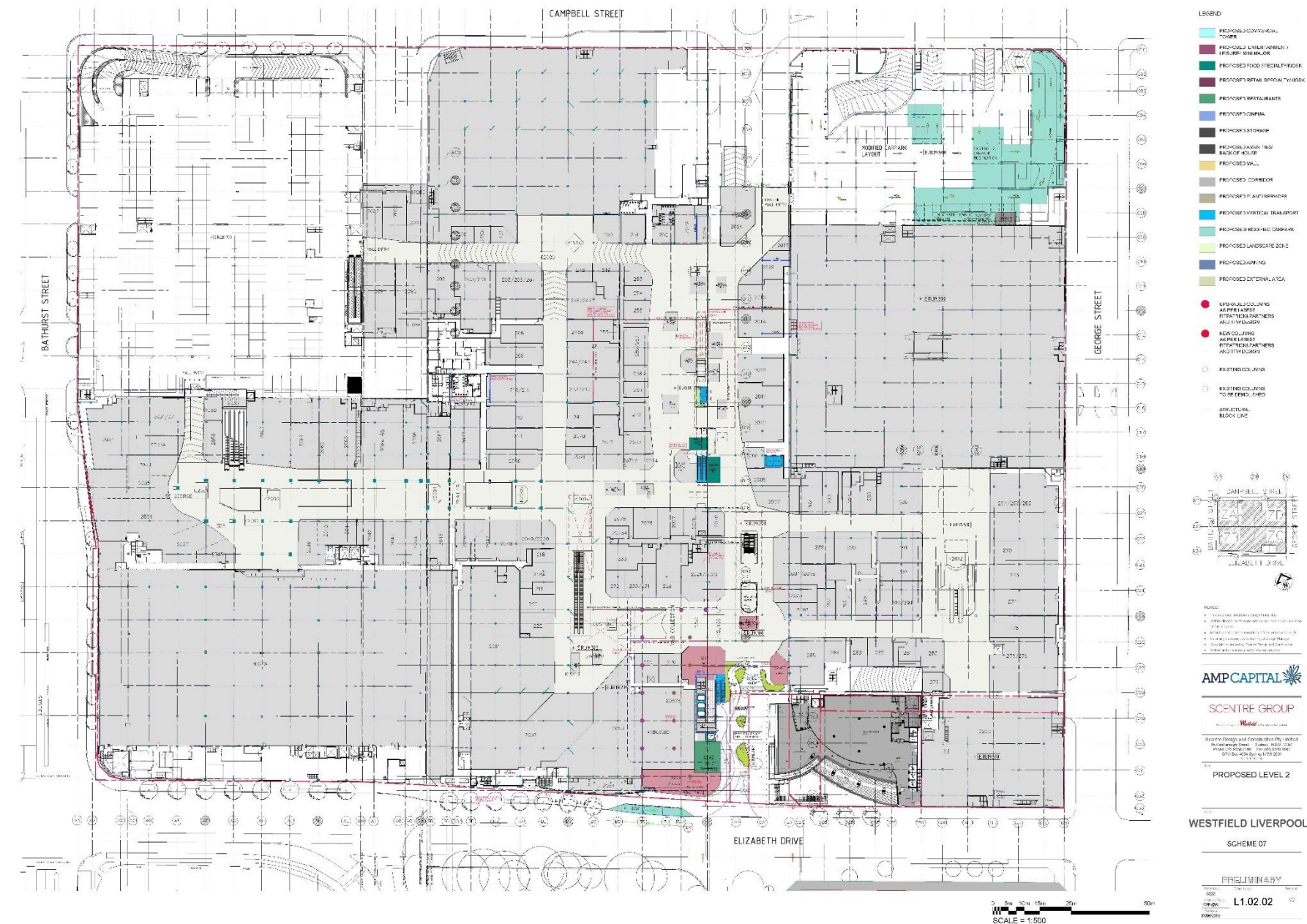
\*At May 2019

Source: Scentre Group; Urbis

The key elements of the proposed scheme are illustrated in Figures 1.1, 1.2 and 1.3 and outlined as follows:

- A minor reconfiguration of the retail offer on Levels 1 and 2 to accommodate refreshed tenancies.
- A new entertainment and leisure precinct on Level 3 with around 17 new retail tenancies and additional entertainment concepts.
- An overall increase of 6,645 sq.m in GLA provided within the shopping centre, including an assumed increase of 4,286 sq.m in retail uses.
- An 11-level commercial office tower comprising approximately 10,500 sq.m of GFA. The office tower is not included in the figures or in Table 1.1. The commercial tower is expected to accommodate a workforce of around 900.

Figure 1.1 – Westfield Liverpool Level 2





[illegible]

[illegible]



## 2. TRADE AREA ANALYSIS

### 2.1. RESIDENT TRADE AREA DEFINITION

The trade area served by a shopping centre is influenced by a number of factors, including but not limited to:

- The scale and tenant mix of the centre;
- Accessibility, including by road and public transport;
- Geography and physical barriers;
- The type and scale of competing centres; and
- Other co-located uses that can drive visitation to the location.

The trade area for Westfield Liverpool has been defined taking into account the above factors, as well as the spending patterns of National Australia Bank (NAB) card holders based on data supplied by Quantum.

The trade area served by Westfield Liverpool covers a large proportion of Sydney's southwestern suburbs [refer Map 2.1]. The region incorporates a diverse range of demographics and household types, ranging from established families and suburbs within and around Liverpool, to younger families in the rapidly developing areas within the city's designated "South West Growth Area".

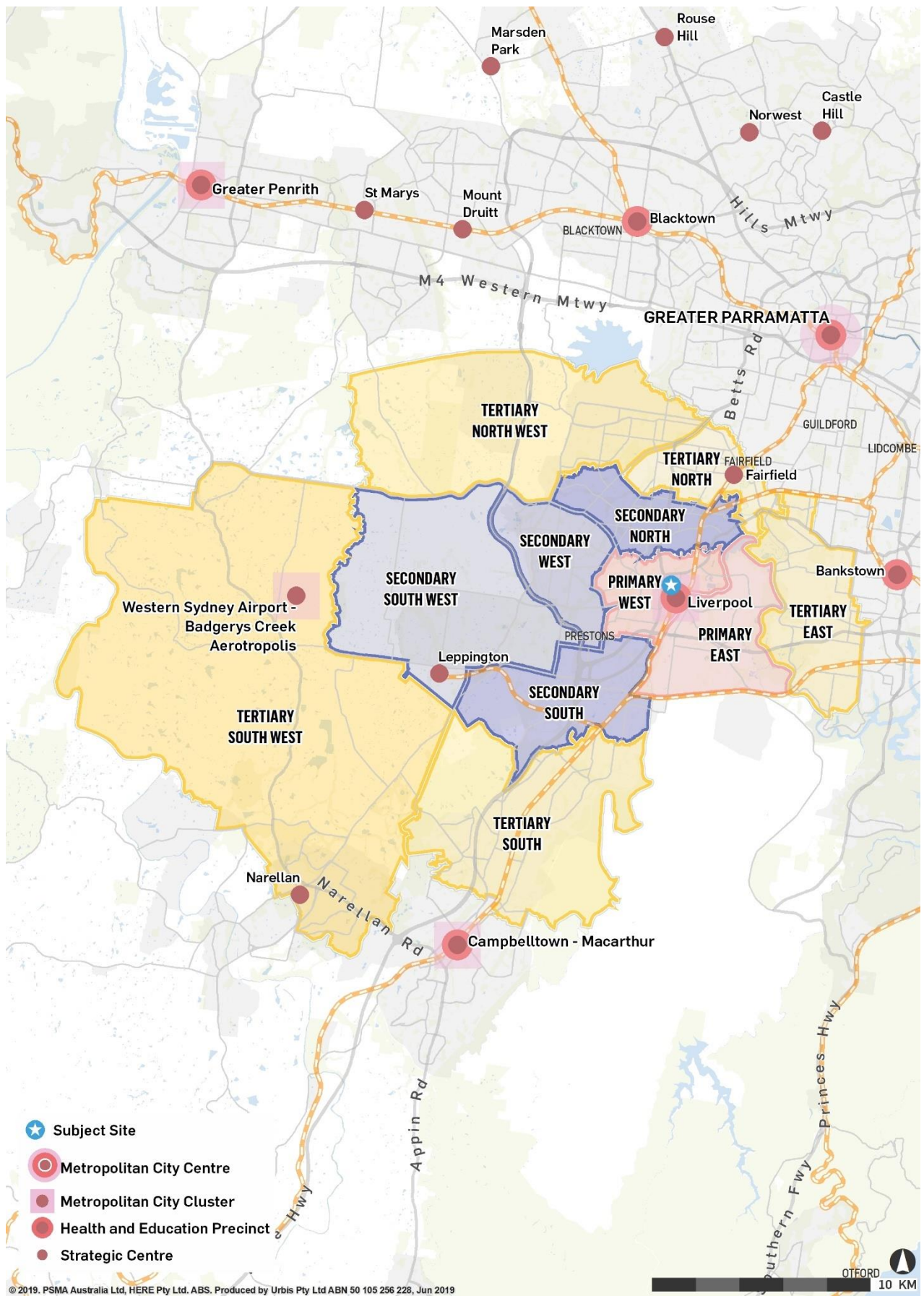
The trade area for Westfield Liverpool is outlined as follows:

- The trade area extends over 10 km north of the centre to include the suburbs of Wetherill Park, Bossley Park and Horsely Park. The Cumberland Highway and Westlink (M7) / Hoxton Park Road provide good access to Liverpool from this direction.
- To the east, the trade area extends over 10 km to Condell Park, and is limited by the influence of the Bankstown City Centre which includes Bankstown Central.
- To the southwest, the catchment expands approximately 25 km to Narellan and Mount Annan, supported by key arterial roads including Hume Motorway and Camden Valley Way.

Recent expansions at Narellan Town Centre and Macarthur Square have enhanced competition within the high growth tertiary south west and tertiary south markets. Nevertheless Westfield Liverpool continues to serve a good sized resident catchment, underpinned by its location in the Liverpool City Centre which is the main commercial and administrative centre in southwest Sydney.

In addition to the resident trade area, Westfield Liverpool benefits from access to local workers, students and general visitors within the Liverpool City Centre, which are detailed further in Sub-Section 2.5.

Map 1 – Westfield Liverpool Trade Area



## 2.2. POPULATION FORECASTS

Westfield Liverpool's trade area has achieved solid rates of population growth in recent years, supported by continued urban expansion, higher density developments and migration to Sydney generally. In the last five years the trade area population has increased by an average 2.5% p.a., compared with 1.9% p.a. for Sydney [refer Table 2.1].

Outboard sectors have accounted for a significant share of recent growth, with the secondary south, secondary south west, tertiary south and tertiary south west sectors contributing over half (62%) of the population increase since 2014.

Population growth is forecast to remain strong, averaging 2.2% p.a. to 2022 and 2.0% p.a. over the decade to 2029. This growth will be underpinned by continuing growth in the secondary south and secondary south west sectors (Edmondson Park, Leppington) and tertiary south west which includes greenfield suburbs in the Camden LGA, as well as residential intensification within the primary west sector.

### Resident Population

Westfield Liverpool Trade Area

Table 2.1

	Population				Annual Population Growth (no.)			Annual Population Growth (%)		
	2014	2019	2022	2029	14-19	19-22	22-29	14-19	19-22	22-29
Primary:										
West	52,170	59,280	62,950	69,830	1,422	1,223	983	2.6%	2.0%	1.5%
East	37,410	41,230	42,370	43,700	764	380	190	2.0%	0.9%	0.4%
<b>Total Primary</b>	<b>89,580</b>	<b>100,510</b>	<b>105,320</b>	<b>113,530</b>	<b>2,186</b>	<b>1,603</b>	<b>1,173</b>	<b>2.3%</b>	<b>1.6%</b>	<b>1.1%</b>
Secondary:										
North	75,820	79,420	81,370	82,870	720	650	214	0.9%	0.8%	0.3%
South	39,350	47,350	52,970	67,170	1,600	1,873	2,029	3.8%	3.8%	3.5%
South West	39,420	47,740	54,580	77,910	1,664	2,280	3,333	3.9%	4.6%	5.2%
West	56,700	60,530	61,880	64,110	766	450	319	1.3%	0.7%	0.5%
<b>Total Secondary</b>	<b>211,290</b>	<b>235,040</b>	<b>250,800</b>	<b>292,060</b>	<b>4,750</b>	<b>5,253</b>	<b>5,894</b>	<b>2.2%</b>	<b>2.2%</b>	<b>2.2%</b>
<b>Main Trade Area</b>	<b>300,870</b>	<b>335,550</b>	<b>356,120</b>	<b>405,590</b>	<b>6,936</b>	<b>6,857</b>	<b>7,067</b>	<b>2.2%</b>	<b>2.0%</b>	<b>1.9%</b>
Tertiary:										
North	65,610	70,370	73,050	78,360	952	893	759	1.4%	1.3%	1.0%
East	60,430	65,380	67,220	69,310	990	613	299	1.6%	0.9%	0.4%
South	71,980	79,690	82,770	88,170	1,542	1,027	771	2.1%	1.3%	0.9%
South West	48,670	72,820	87,820	124,990	4,830	5,000	5,310	8.4%	6.4%	5.2%
North West	41,240	42,820	43,730	44,440	316	303	101	0.8%	0.7%	0.2%
<b>Total Tertiary</b>	<b>287,930</b>	<b>331,080</b>	<b>354,590</b>	<b>405,270</b>	<b>8,630</b>	<b>7,837</b>	<b>7,240</b>	<b>2.8%</b>	<b>2.3%</b>	<b>1.9%</b>
<b>Total Trade Area</b>	<b>588,800</b>	<b>666,630</b>	<b>710,710</b>	<b>810,860</b>	<b>15,566</b>	<b>14,693</b>	<b>14,307</b>	<b>2.5%</b>	<b>2.2%</b>	<b>1.9%</b>

1. As at June 30.

Source: ABS; BTS Population Projections (2016); SAFI; Urbis



## 2.3. KEY SOCIO-ECONOMIC CHARACTERISTICS

The key demographic indicators for the trade area are illustrated in Chart 2.1 while detailed demographic information is provided in Appendix A.

The key features of the main trade area market include:

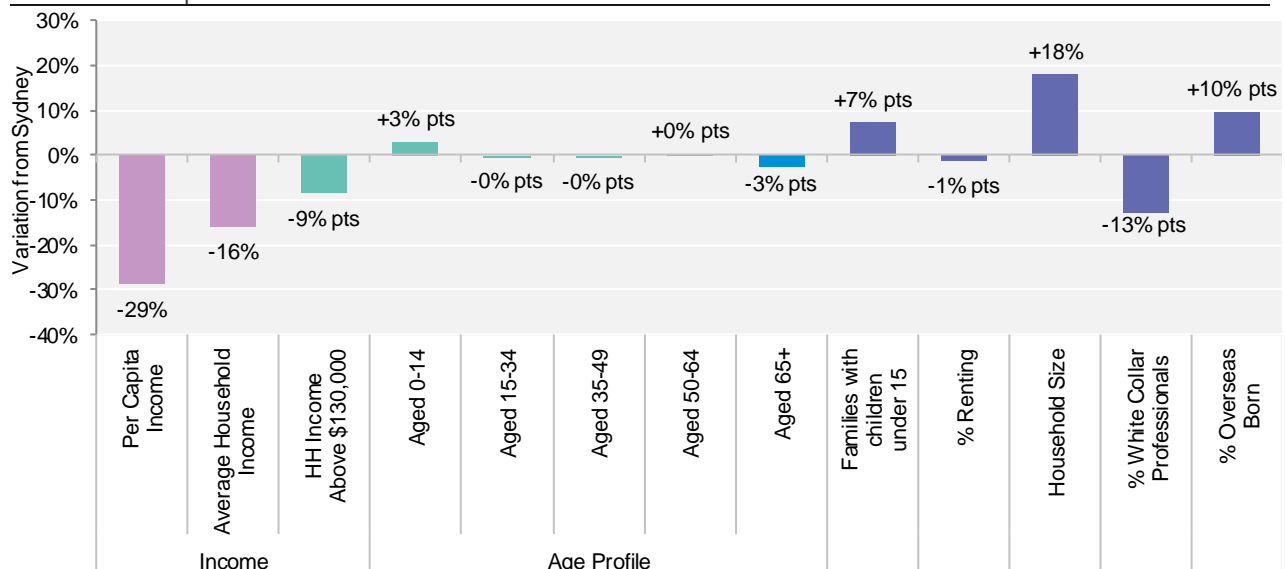
- Incomes are lower than the Sydney average.
- A high representation of families which account for 62% of all households in the main trade area and 61% of households in the total trade area, compared with 48% across Sydney. Both younger and older families are well represented (i.e. those with children aged 15 years or younger, and children over 15 years).
- Approximately 40% of households in the main trade area are paying off a mortgage, compared with 35% for Sydney. However, a number of households also own their home outright, including 28% in the main trade area and 29% in the total trade area, versus 31% for Sydney.
- The age profile reflects a slightly younger population than Sydney as a whole, with a slightly higher share of children (0-19 years) and a lower share of older residents (65+ years).
- Around 49% of residents in the main trade area were born overseas which is above the Sydney average (39%). Notable ethnic populations include:
  - Iraqi-born residents in the primary west sector (9%) and tertiary north sector (16%)
  - Vietnamese-born residents within and around Cabramatta in the secondary north sector (25%) and secondary west sector (9%),
  - Cambodian born residents (6%) in the secondary north sector.

Overall, the demographics of the trade area indicate a requirement for future F&B and entertainment / leisure uses to cater adequately for families which are a large market segment. The performance of F&B and entertainment uses at Liverpool will also be driven by and benefit from other drivers such as access to sizeable non-resident markets, including workers and students, in the Liverpool City Centre.

### Key Main Trade Area Demographics

Westfield Liverpool Main Trade Area

Chart 2.1



Source: ABS; Urbis

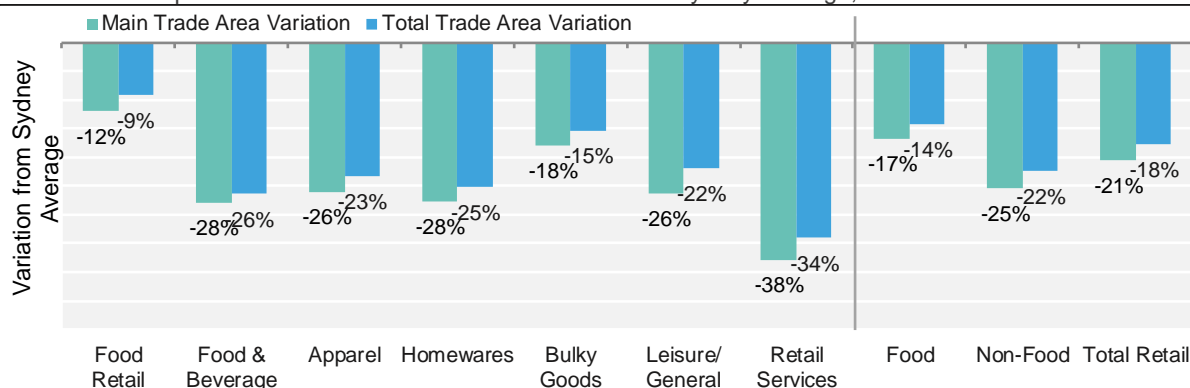
## 2.4. RETAIL EXPENDITURE CAPACITY

On a per capita basis, total retail spending in the main trade area is approximately 21% below the Sydney average, and in the total trade area 18% below average. In relation to food & beverage spending – the market of most relevance to the proposed development scheme – per capita spending is 28% below the Sydney average in the main trade area and 26% below average in the total trade area [refer Chart 2.2].

### Retail Spend per Capita Versus Sydney Average

Westfield Liverpool Main and Total Trade Area Variation from Sydney Average, 2019

Chart 2.2



Source: ABS; MarketInfo; Urbis

Based on the estimates for population and per capita spending, the total retail spending market generated by trade area residents is estimated at \$8.1 billion in 2019, including \$1.2 billion on food & beverage items [Refer Table 2.2]. As a share of total retail spending food & beverage accounts for 15% of trade area resident spend, slightly lower than the Sydney average of 17%.

### Retail Expenditure By Category and Trade Area

Westfield Liverpool Trade Area (\$2019, incl. GST)

Table 2.2

	Food Retail	Food & Beverage	Apparel	Home-ware	Bulky Goods	Leisure/General	Retail Services	Total Retail	Annual Growth	= Pop Growth	Per Cap Spend Growth
Primary Trade Area:											
2019	542	187	118	83	122	126	37	1,215			
2022	582	204	128	91	132	137	40	1,313	2.2%	1.3%	0.6%
2029	648	234	147	109	151	157	45	1,490	1.8%	1.1%	0.7%
Main Trade Area:											
2019	1,747	609	390	266	417	399	118	3,945			
2022	1,902	674	431	298	463	442	131	4,341	2.8%	1.7%	0.7%
2029	2,247	829	532	379	572	544	161	5,263	2.8%	1.9%	0.9%
Total Trade Area:											
2019	3,577	1,233	800	546	853	838	249	8,096			
2022	3,924	1,375	893	617	955	936	278	8,977	3.0%	1.8%	0.8%
2029	4,652	1,693	1,105	785	1,187	1,158	344	10,924	2.8%	1.9%	0.9%

Source: ABS; MarketInfo; Urbis

Going forward, retail expenditure by total trade area residents is forecast to grow from \$8.1 billion currently, to \$10.9 billion by 2029. This represents average annual growth of \$283 million p.a. or 3.0% p.a. over this period (excluding inflation). Population growth is expected to account for around 66% of future spending growth over the next decade (i.e. 2.0% of the 3.0% p.a.).

Food & beverage expenditure by trade area residents is forecast to increase by around 40% from \$1.2 billion to \$1.7 billion over the next decade, including an additional \$220 million from main trade area residents.

## 2.5. NON-RESIDENT MARKETS

In addition to trade area residents, Westfield Liverpool benefits from access to a mix of workers, students and other visitors in the Liverpool City Centre. To some degree, these segments overlap with the defined resident trade area market, however the workers and students would still have frequent exposure to retailing in Liverpool and many would direct more retail expenditure to the location as a result.

### City Centre Workers

According to the Western City District Plan, Liverpool City Centre had a workforce of around 19,000 in 2016. This workforce population is targeted to reach 20,400 by 2036, an increase of 1,500 workers within the Liverpool City Centre (refer Table 2.3). The retail expenditure capacity of Liverpool City Centre workers is estimated to grow from around \$24.1 million at present to \$29.3 million by 2024, with food & beverage expenditure estimated to grow from around \$9.6 million to \$11.8 million.

### City Centre Students

In addition to local workers, the City Centre includes a sizeable student population of around 14,200 given the location of two primary schools, three secondary schools and three higher education facilities. Some facilities, such as Western Sydney University's Liverpool Campus and All Saints Catholic College are located within the immediate vicinity of Westfield Liverpool. These education facilities assist in generating daytime activity around the ground level dining uses during the day, and demand for the other planned dining and entertainment uses generally.

A new campus for the University of Wollongong operates in Liverpool Council's Moore Street building. However, the University's main future campus is earmarked to open around 2023 in the Liverpool Civic Place development on Scott Street, approximately 600 metres from Westfield Liverpool. The University is proposing a progressive increase in enrolments over the next decade, and an ultimate target of 7,000 students.

The student population is an important market for food & beverage retailers and entertainment uses in the Liverpool City Centre, and the proposed Westfield Liverpool ELP will cater to market demand for these uses and provide a convenient option given its proximity to the location of key education campuses in the City Centre.

Student retail expenditure is estimated to grow from around \$9.8 million in 2019 to \$12.2 in 2024, with students diverting around 50% of their retail expenditure towards food and beverage outlets. Total food and beverage spend by students is estimated to grow from \$4.9 million to \$6.2 million.

### Other Non-Resident Segments

According to data sourced from Tourism Research Australia (TRA), the Liverpool SA2 has averaged around 116,000 overnight visitors per annum over the past three years, with domestic visitors accounting for around 7% of visitors.

Visitor nights have averaged around 730,000 per annum, on average, over the past three years, equating to an average daily population of around 2,000 per annum within the Liverpool City Centre.

### Summary

Table 2.3 below outlines the scale of population, total retail spend and food and beverage spend generated by the various non-resident customer segments within the Liverpool City Centre. We acknowledge that some of the expenditure of these customer segments will overlap with the residential trade area previously assessed (i.e. residents who work or study in the City Centre). The proportion of Liverpool City Centre workers who reside in the total trade area is around 71% (or around 13,500 workers), which out of a total trade area population of more than 666,000 indicates that the overlap would be a very minor overall (~2%).

## Liverpool City Centre

Non-Resident Market Segments (\$2019, incl. GST)

Table 2.3

	Population			Total Spend (\$M)			F&B Spend (\$M)		
	2019	2024	Growth p.a.	2019	2024	Growth p.a.	2019	2024	Growth p.a.
Non-resident Market Segments:									
Workers	19,000	21,300	2.3%	24.1	29.6	4.2%	9.6	12.0	4.4%
Students	14,200	16,500	3.0%	9.8	12.2	4.5%	4.9	6.2	4.7%
Visitors	116,000	123,000	1.2%	5.5	6.0	1.8%	3.7	4.0	2.0%
<b>Total Non-Resident Markets</b>	<b>149,200</b>	<b>160,800</b>	<b>1.5%</b>	<b>39.4</b>	<b>47.9</b>	<b>4.0%</b>	<b>18.2</b>	<b>22.2</b>	<b>4.0%</b>

Source: ABS; TfNSW; Urbis

## 3. FOOD AND BEVERAGE RETAIL AND ENTERTAINMENT SUPPLY

This section of the report outlines a review of the food and beverage retailing and entertainment uses within the Liverpool City Centre, as well as across Westfield Liverpool's broader catchment context.

### 3.1. LIVERPOOL CITY CENTRE

This sub-section examines the existing provision and type of retail shops and services in the Liverpool City Centre. The analysis is informed by a physical audit of shopfront uses in the balance of the Liverpool City Centre undertaken by Urbis in June 2019, including details on the location of tenants, number of tenants, the type of uses, the type of F&B cuisines and estimates of tenancy sizes. The retail audit was undertaken for the area bounded by Elizabeth Street in the north, Bigge Street in the east, Terminus Street in the south and Bathurst Street in the west.

#### Overview of Liverpool City Centre

Map 3.1 illustrates the recorded food & beverage offer, other retail and non-retail tenancies throughout the Liverpool City Centre (excluding Westfield Liverpool). Key overarching findings are as follows:

- Urbis' physical inspection of the Liverpool City Centre recorded in excess of 400 retail and non-retail shopfront tenancies throughout the extent of the City Centre excluding Westfield Liverpool. When including Westfield Liverpool, the broader City Centre contains in excess of 700 tenancies, of which retail accounts for around 80% (~580 tenants).
- Including GLA and turnover at Westfield Liverpool, the broader Liverpool City Centre is estimated to accommodate around 104,000 sq.m of retail GLA and achieve a total turnover of close to \$700 million. This is derived based on data provided by Scentre Group for Westfield Liverpool and estimates by Urbis from analysis of bank card transaction data from Quantum and well as Urbis' physical inspection of retailers in the City Centre.
- Excluding Westfield Liverpool, the balance of the Liverpool City Centre provides an estimated 36,000 sq.m of retail floorspace and these retailers are estimated to achieve turnover in the order of \$230 million in 2019.
- Retail facilities are broadly dispersed throughout the City Centre, however there are two main concentrations of shops and services, namely at Westfield Liverpool and the area generally bounded by Elizabeth Street to the north, George Street to the east, Memorial Avenue to the south and Northumberland Street to the west. These two areas account for around 70% of retail tenancies in the Liverpool City Centre.
- Within this core retail precinct, Macquarie Street/Mall is the main retail destination. The northern part of Macquarie Street features a pedestrianised mall, with a range of cafes and restaurants offering al fresco dining, as well as a range of convenience based retail and personal services offer.
- Liverpool Plaza is the only other enclosed supermarket based shopping centre within the Liverpool City Centre, and is anchored by an Aldi supermarket. Other specialty retailing within Liverpool Plaza is generally orientated to convenience retailing, takeaway food and personal services. The centre can be accessed from Macquarie Mall, with parking provided from Northumberland Street.
- The southern part of Macquarie Street, which is not pedestrianised, serves a broader general retailing purpose, with a range of takeaway and café operators spread along the strip.
- Retailing along George Street has a focus on the strong cultural and ethnic diversity of the area, with a number of Indian restaurants and also stores selling Indian wedding apparel (i.e. sarees, formal wear etc).
- Around 76% of Liverpool City Centre's shopfront tenancies are retail based while the remaining 24% consist of non-retail services and vacancies (around 5%).

- Westfield Liverpool has an emphasis on discretionary retailing while the balance of the City Centre caters more to everyday retail, food & beverage and services needs for the local trade area residents as well as City Centre workers, students and general visitors.

The retail offer throughout the Liverpool City Centre is diverse, supported by the number of available customer segments including local residents, workers, students and visitors. The role and function of the Liverpool City Centre is to serve these various market segments, as well support and foster the emergence of cultural offers, such as the Indian F&B and apparel cluster along George Street.

## Retail Tenants

Liverpool City Centre (including Westfield Liverpool)

Table 3.1

<b>Westfield Liverpool:</b>	<b>Unit</b>	<b>Food &amp; Beverage</b>	<b>Other Retail</b>	<b>Total Retail</b>
No. of Tenants	No.	53	217	270
GLA	Sq.m	2,700	65,100	67,800
Turnover	\$M	39	434	473

### Other Liverpool City Centre:

No. of Tenants	No.	85	215	300
GLA	Sq.m	11,800	24,200	36,000
Turnover	\$M	72	153	225

### Total Liverpool City Centre:

<b>No. of Tenants</b>	<b>No.</b>	<b>138</b>	<b>432</b>	<b>570</b>
<b>GLA</b>	<b>Sq.m</b>	<b>14,500</b>	<b>89,300</b>	<b>103,800</b>
<b>Turnover</b>	<b>\$M</b>	<b>111</b>	<b>587</b>	<b>698</b>

Source: Scentre Group; Urbis

## Food and Beverage Offer

In total, it is estimated that there is approximately 138 tenants and 14,500 sq.m of F&B floorspace within the Liverpool City Centre, consisting of 53 tenants and 2,700 sq.m in Westfield Liverpool and approximately 85 tenants and 11,800 sq.m of floorspace in the balance of the City Centre. Total turnover through F&B tenants is an estimated \$111 million, of which retailers in the balance of the City Centre (excluding Westfield Liverpool) account for 65% or \$72 million.

Food and beverage facilities are broadly dispersed throughout the City Centre. The offer south of Memorial Avenue, along Macquarie Street, includes larger-format family restaurants, some with dedicated at-grade parking, while the F&B offer near the station serves more of a convenience/fast food function.

Other than the dining facilities along Macquarie Street Mall, there are no significant consolidated food and beverage hubs in the City Centre. Most commercial office buildings have a small café or restaurant offer at ground floor and while the broader range of F&B tenants is relatively fragmented, it serves the various customer segments that frequent the Liverpool City Centre, in particular workers, students and visitors.

Other key points to note regarding the food & beverage offer are as follows:

### Tenants by Type of Use

- Within Westfield Liverpool, the F&B offer includes a food court as well as a range of cafes and restaurants.
- Within the balance of the City Centre, food and beverage retailers account for approximately one in five tenancies (21%), including takeaway food establishments, cafes, restaurants and pubs.
- Of the 85 food and beverage tenancies, around half of the food and beverage tenancies are cafes or restaurants (i.e. they are not takeaway food shops with no or small provision of seating).
- The majority of the F&B offer in the Liverpool City Centre is therefore catering to a fast food or casual dining experience, with limited emphasis on restaurants and evening trade.

## Tenancy Size

- In undertaking the audit, the approximate size of each retail tenancy was estimated. Across the Liverpool City Centre (including Westfield Liverpool), tenancy sizes for the F&B shops are generally in the order of the 50-100 sq.m or 100-200 sq.m (53% of the total), though the average F&B tenant size at Westfield Liverpool is only around 50 sq.m.
- There are around five larger food and beverage tenancies greater than 400 sq.m, which were typically standalone restaurants located towards the southern end of the City Centre.

## Tenants by Type of Cuisine

- A breakdown of the various cuisines on offer in Westfield Liverpool and the balance of Liverpool City Centre is shown in Table 3.1. Key points to note are as follows:
  - In Westfield Liverpool:
    - There are around 53 food catering tenants, including a food court offer
    - Takeaway food outlets are the predominant tenant type, accounting for 47% of tenants
    - Chinese is the most represented cuisine type in the centre, followed by Japanese
  - In the balance of the Liverpool City Centre:
    - Cafes account for the largest share of the offer, followed by generic takeaway food shops.
    - Approximately 42% of all F&B establishments have an alignment with the cultural diversity throughout the area.
    - In terms of specific cuisines, Middle Eastern (14%) and Indian (9%) are prevalent throughout the Liverpool City Centre, reflecting the prominence of these ethnic communities in Liverpool.
    - Other notable cuisine types on offer in the City Centre included Thai (4), Japanese (3), Chinese (3) and Fijian (2).

## Food and Beverage Tenants by Cuisine

Liverpool City Centre

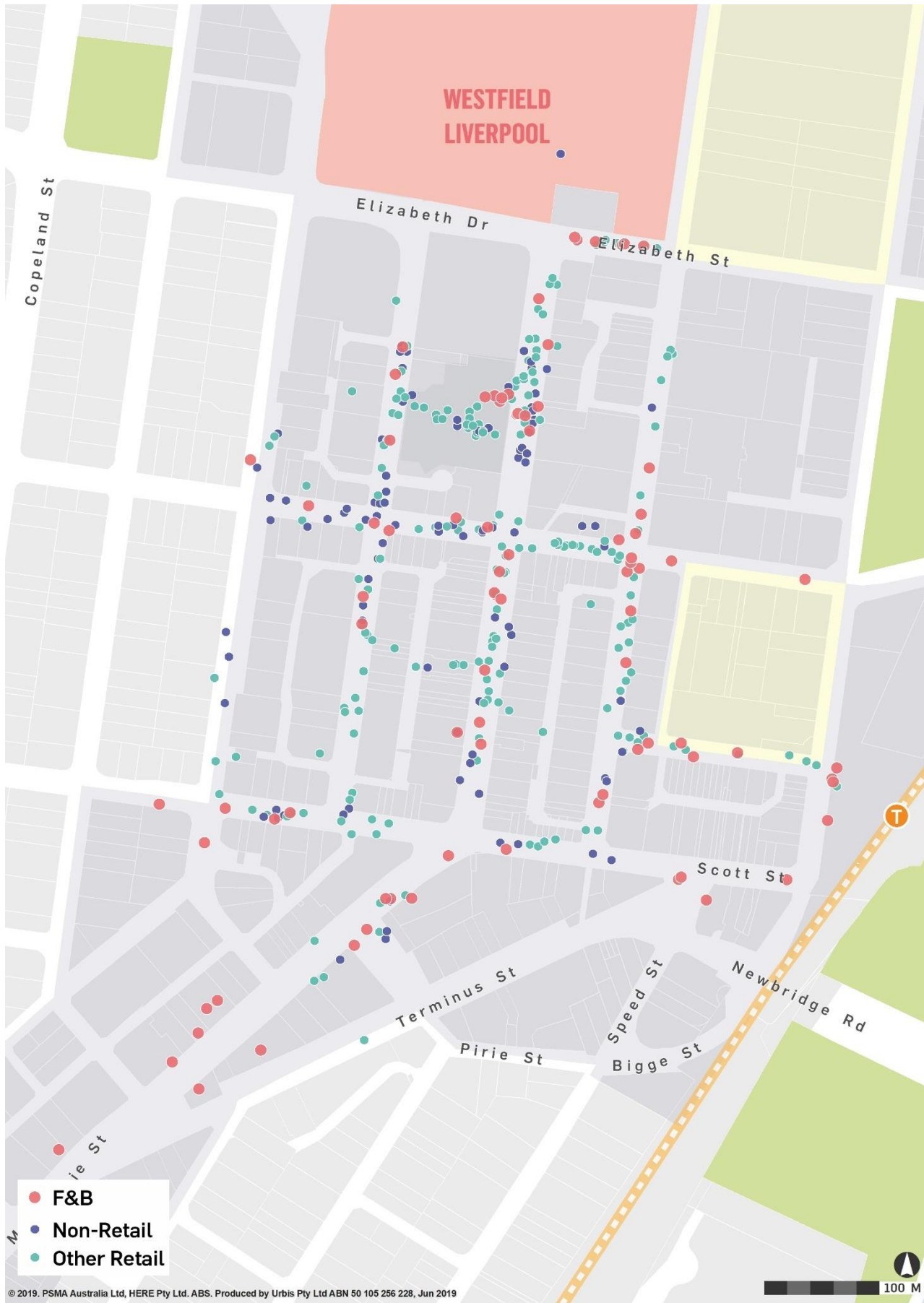
Table 3.2

Cuisine/Offer:	Balance of City Centre		Westfield Liverpool		Liverpool City Centre	
	No. Tenants	% of Tenants	No. Tenants	% of Tenants	No. Tenants	% of Tenants
Takeaway Food	13	15%	25	47%	38	28%
Café	23	28%	11	21%	34	25%
Middle Eastern	12	14%	2	4%	14	10%
Chinese	4	5%	6	11%	10	7%
Indian	8	9%	1	2%	9	7%
Japanese	3	4%	5	9%	8	6%
Pub	6	7%	0	0%	6	4%
Thai	4	5%	1	2%	5	4%
Other	5	5%	0	0%	5	4%
Australian (Generic)	3	4%	0	0%	3	2%
Italian	2	2%	1	2%	3	2%
Kebab	2	2%	1	2%	3	2%
<b>Total</b>	<b>85</b>	<b>100%</b>	<b>53</b>	<b>100%</b>	<b>138</b>	<b>100%</b>

Source: Urbis Fieldwork June 2019



Map 3.1 – Liverpool City Centre Shopfront Tenancy Supply by Type of Use (June 2019)



NB: Each dot reflects an approximate but not exact georeferenced location



## Entertainment Uses

There is a modest range of entertainment uses throughout the Liverpool City Centre. There are two main entertainment venues, the 12 screen cinema complex at Westfield Liverpool and Club Liverpool, which hosts a range of events (e.g. weekly live music, variety concerts, comedy).

There is no ancillary entertainment offer (e.g. bowling, laser tag, arcade/amusements, children play facilities, etc.) which are typically provided in major shopping destinations.

## Future Evolution of the Liverpool City Centre

The Liverpool City Centre will undergo significant evolution over the next decade, with further investment and development driving an increase in the immediate worker, student and residential populations. In particular, we note the following proposed or mooted developments which will have a considerable impact on the composition and place value of the Liverpool City Centre:

- Liverpool Civic Place – relocation of the Council offices and Chambers to a new site on Scott Street. The development will also include a new library and community hub; child care facilities; a University of Wollongong campus; commercial office space; retail facilities and a new Civic Plaza.
- Elizabeth Street & Bigge Street – 20-storey multi-purpose aged care and independent living centre.
- Elizabeth Place – 29-storey office tower, including ground floor retail uses.
- Elizabeth Street – 35-storey mixed use development accommodating residential apartments, commercial office, a hotel and food and beverage facilities.
- Commercial Hotel – redevelopment of the Commercial Hotel site to accommodate a 27,000 sq.m office tower and ground floor retail facilities, including a laneway-based food and beverage component.

These developments will be a further catalyst for change across the broader City Centre and significantly increase demand for retail shops and services, including food and beverage retailers. A greater breadth and depth of retail facilities will be required to serve the diverse and growing customer segments that visit and live in the City Centre and will support the provision of stronger people-based and civic places (in alignment with the aims of the Activation Strategy).

## Summary

In summary, the Liverpool City Centre includes a broad range of food & beverage shops dispersed across the Westfield shopping centre and the street-based offer in the balance of the City Centre.

The food & beverage offer has an emphasis on daytime trade and casual/fast food establishments. There is a good provision of cafes and establishments catering to local residents (including an emphasis on cuisines embracing the ethnic diversity of Liverpool), workers and students however there is a modest range of restaurants and no genuine evening-oriented dining precinct.

A broader range of restaurants and provision of consolidated dining and entertainment precincts are key gaps in the City Centre's offer. These uses are vital to the establishment of a genuine night economy and 18-hour destination which is a key objective of the Liverpool City Activation Strategy 2019-2024

The development of an ELP at Westfield Liverpool will address the existing gaps in the City Centre's offer and provide a new social space for the community through adding to the diversity of F&B and entertainment facilities in the City Centre.

Future mixed-use developments throughout Liverpool will drive additional worker, student and resident population growth, and new retail and dining offers will be required to meet growing demand and needs of the market.

## 3.2. LEAKAGE LOCATION ANALYSIS

Table 3.2 below indicates that retail spending of main trade area residents is dispersed across a range of centres and suburbs. Key points to note include:

- Based on the Quantum data analysis, Westfield Liverpool receives around 9.2% share of all core retail expenditure from the main trade area, with Casula recording the highest share of leakage at around 10.7%.
- In terms of café, restaurant and takeaway food expenditure, the Liverpool City Centre achieves the highest share of spending at around 6.9%, followed by the Sydney CBD (4.4%), Wetherill Park (4.3%) and Casula (3.4%). This shows that, at present, Westfield Liverpool is not a major dining destination for residents within the main trade area.
- The expenditure leakage shares achieved across the top 10 locations for food & beverage show that spending in this category is broadly distributed. The top 10 locations account for only 39.6% of food & beverage spending, however the top 10 locations for apparel expenditure leakage account for 73.3%. Therefore, the impacts of any food & beverage based development will be absorbed by a much broader competitive network than any traditional discretionary retail impact.

### Quantum Electronic Transaction Analysis – Top 10 Retail Spend Leakage Locations

Westfield Liverpool Main Trade Area (Card Holders)

Table 3.3

All Core Categories		Cafes, Restaurant & Takeaway		Adult Clothing & Accessories	
Location	Leakage (%)	Location	Leakage (%)	Location	Leakage (%)
Unknown*	12.5	Unknown*	8.6	Online	22.8
Casula	10.7	Liverpool	6.9	<b>Westfield Liverpool</b>	<b>18.3</b>
<b>Westfield Liverpool</b>	<b>9.2</b>	Sydney	4.4	Wetherill Park	6.8
Wetherill Park	4.5	Wetherill Park	4.3	Sydney	5.1
Liverpool	4.1	Casula	4.1	Parramatta	4.2
Horningsea Park	3.6	<b>Westfield Liverpool</b>	<b>3.4</b>	Campbelltown	4.0
Sydney	3.2	Parramatta	2.4	Liverpool	3.6
Bonnyrigg	2.6	Green Valley	1.9	Warwick Farm	3.3
Green Valley	2.5	Campbelltown	1.9	International	2.7
Campbelltown	2.2	Hoxton Park	1.8	Narellan	2.5

\*Including online

Source: Quantum; Urbis

### 3.3. OTHER KEY RETAIL AND ENTERTAINMENT LOCATIONS

Based on the analysis of expenditure leakage data above, other key existing retail and entertainment locations of differing levels of relevance to the Liverpool City Centre include:

- **Casula.** Casula accommodates a single DDS based shopping centre (Casula Mall) as well as the Crossroads Homemaker Centre and standalone Costco store. Costco is a high turnover retailer that draws trade from a broad area, and this is likely why Casula is achieving such a large share of expenditure distribution, in addition to the successful traditional shopping centre and bulky goods offer. The F&B offer throughout Casula is primarily orientated towards lower value, fast food chain operators, which serve a different role to the proposed ELP at Westfield Liverpool.
- **Sydney CBD.** The Sydney CBD indexes highly in terms of F&B expenditure distribution, though this is likely being driven by trade area residents who work in the Sydney CBD and divert the majority of their lunchtime F&B spend towards the extensive food court, café and restaurant offer. This is expenditure that is unlikely to be able to be clawed back from the CBD, given the expenditure behaviour of typical CBD office workers.
- **Stockland Wetherill Park.** A \$230 million expansion opened in late 2015 and included 'The Grove' indoor/outdoor food court and a new laneway dining precinct (Kinchin Lane). The 12 Screen Hoyts Cinema was also upgraded. The F&B offer caters well to the local market and has established as a popular day and evening destination for quick service and restaurant dining.
- **Macarthur Square.** The main casual dining component at Macarthur Square is provided in 'Kellicar Lane', which also includes a 12 screen Event cinema, including Gold Class, and Kingpin Bowling. A recent expansion also added a new western mall including an internal 'dining terrace'. The dining offer throughout the remainder of Campbelltown City Centre is modest.
- **Westfield Parramatta.** Centre serves an extensive trade area market across the middle western suburbs of Sydney. The centre also includes a 11 screen Events cinema. The Parramatta CBD also includes a substantial range of dining options, especially toward the northern end of Church Street, which accommodates a range of restaurants along the main street
- **Narellan Town Centre.** A major \$200M expansion completed in August 2017 which added a new external dining precinct on Camden Valley Way. The precinct includes Hurricane's, Nando's, Guzman Y Gomez, and Max Brenner. Whilst Narellan has significantly elevated its role for discretionary shopping, its food and beverage offering still lags Macarthur Square in terms of scale. The 8 screen United Cinema Complex is situated in the older wing of the centre and provides negligible spin-off benefits for the dining precinct.
- **Green Valley and Hoxton Park.** Local facilities within these suburbs are attracting around 1.8% share of main trade area F&B spending, respectively. They are generally of limited competitive relevance to Westfield Liverpool given the scale of facilities, and they serve a local function only.
- **Orange Grove and Fashion Spree.** The Orange Grove and Fashion Spree precinct accommodates a mix of retail uses, including bulky goods and outlet fashion, as well as a bowling and laser tag facility.
- **Cabramatta.** Cabramatta includes a broad range of takeaway, cafe and restaurant options catering mostly to the local Vietnamese and other Asian communities but also has appeal to wider markets who are seeking an Asian food experience.
- **Bankstown Central.** The Bankstown City Centre has a comparable civic / retail role to Liverpool but services a largely separate and distinct region to the east. The main retail elements in the city centre include Bankstown Central and an 8-screen Hoyts complex.

Across the total trade area there are a wide range of other entertainment uses, including the following:

- Bowling alleys at Warwick Farm, Villawood, Revesby, Wetherill Park, Campbelltown and Fairfield.
- Arcade/amusements facilities at Warwick Farm, Campbelltown, Wetherill Park and Bankstown.
- Laser skirmish facilities at Warwick Farm Campbelltown, Narellan, Wetherill Park, Bankstown and Villawood.
- Mini-golf at Campbelltown.

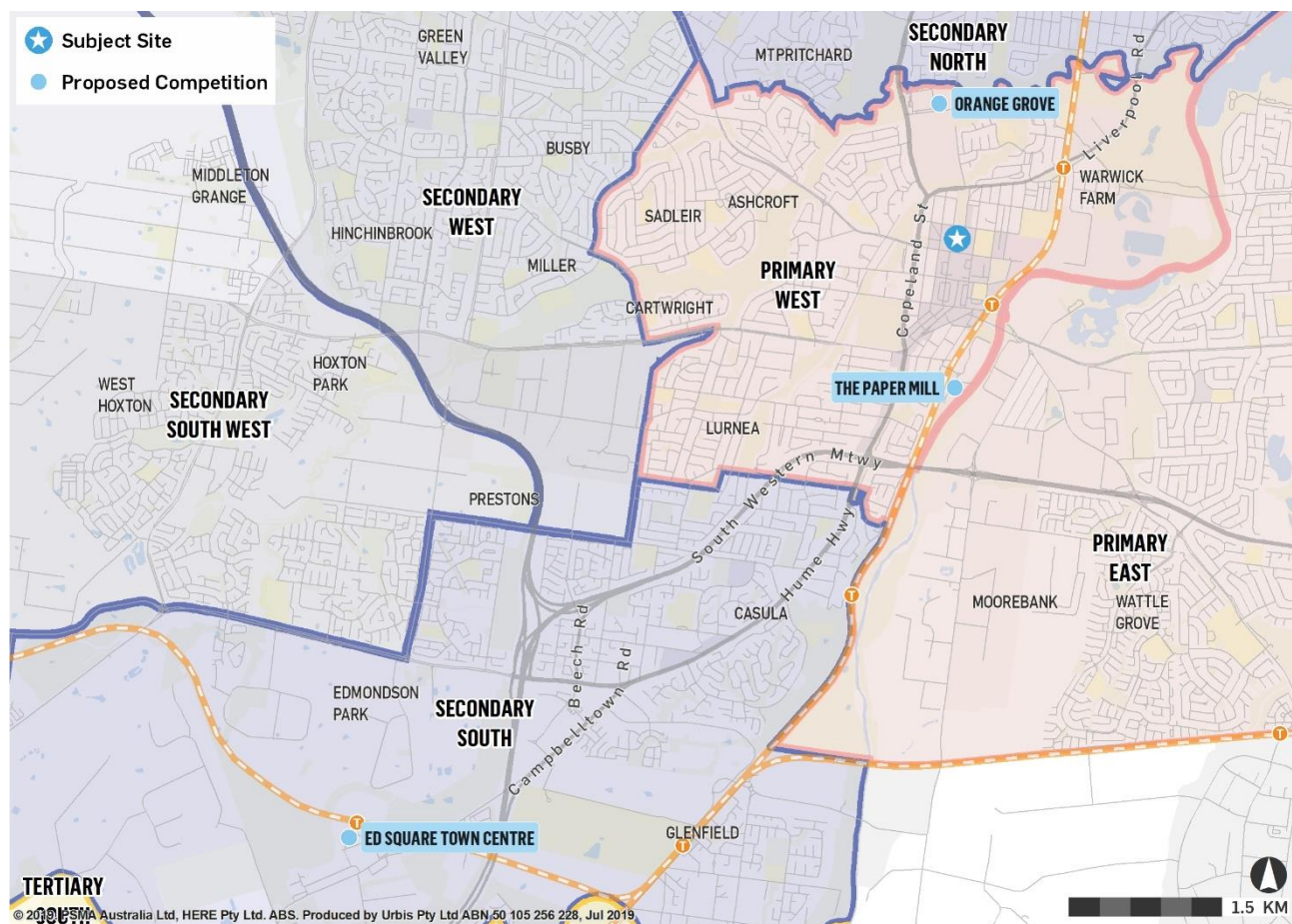
### 3.4. PROPOSED DEVELOPMENTS

There are a number of retail developments including a notable F&B and/or entertainment offer, that would have varying levels of trading impact on Westfield Liverpool and the overall Liverpool City Centre in the short to medium term, including the following:

- **Ed. Square Town Centre** – under construction. This development is situated within the emerging Edmonson Park residential area, some 9 km from Liverpool in the secondary south trade area. The first stage of development is due for completion in mid-2020 and will include an eat street and six-screen cinema, in addition to a full-line supermarket and other supporting specialty space. This development is situated within the secondary sector and is likely serve its immediate residential catchment only.
- **Papermill** – under construction. The Papermill development, situated around 1 km south of the Liverpool City Centre in the primary west trade area, is earmarked to accommodate 1,888 sq.m of food and beverage floorspace across five tenancies. Such a concept, in a unique heritage building, will likely be a drawcard for the region, but it is unlikely to have any positive flow on benefits to the Liverpool City Centre given its physical disconnection.
- **Orange Grove** – proposed. Orange Grove is situated within the Primary West trade area, around 1.5 km north of the Liverpool City Centre. The proposed development of a single DDS based centre adjacent to Orange Grove and Fashion Spree in Warwick Farm would accommodate around 17,000 sq.m of retail floorspace, including a DDS, two supermarkets, mini-majors and retail specialty space. This development will divert visits from the Liverpool City Centre.

These developments will not bring customers into the Liverpool City Centre, rather they would divert trade from the City Centre. The proposed development at Westfield Liverpool will result in additional visitation to the City Centre.

Map 3.2 – Proposed Competitive Developments





## 4. CURRENT CENTRE PERFORMANCE

This section provides an overview of the current composition and turnover of Westfield Liverpool.

### 4.1. TURNOVER PERFORMANCE

Based on data supplied by Scentre Group, Westfield Liverpool generated annualised turnover of \$498 million, including \$472 million by retail defined tenants, for the year ended May 2019 (incl. GST). The retail turnover excludes a small portion of turnover generated by non-retail uses within the centre.

Table 4.1 shows that the annualised retail turnover equates to an average turnover productivity level of \$7,000 per sq.m. This trading rate is around 5% higher than the average for Other Regional shopping centres (i.e. excluding the top 10 performing Regional Shopping Centres, as sourced from the 2018 *Urbis Shopping Centre Benchmarks*).

In particular, the food and beverage performance of the centre is strong, at around \$14,700 per sq.m (+31% vs benchmark), though that reflects the existing offer of which the majority of stores are food court or small tenants with a small GLA per store (around 50 sq.m per store). Compared with regional shopping centres, many of which currently have or have intentions to add an ELP, Westfield Liverpool is lacking a restaurant/dining style F&B offer, a key element of successful regional shopping centres. The ELPs, including restaurants and entertainment uses, are important drivers of visitation and help to mitigate the impact of online retailing on a centre's usage and overall trading performance.

#### Centre Turnover Performance

Westfield Liverpool, Year end May 2019 (incl. GST)

Table 4.1

Average Trading Level:	Turnover (\$ per sq.m)		
	Westfield Liverpool	Other Regional Shopping Centres	Variance
Total Retail	7,000	6,700	+4%
Food and beverage	14,700	11,200	+31%

Source: Scentre Group; Urbis Shopping Centre Benchmarks 2018; Urbis

### 4.2. MARKET SHARES

The current market shares achieved by Westfield Liverpool are derived taking into account:

- The estimated geographic distribution of trade of the shopping centre.
- The estimated size of the trade area retail spending market per the analysis outlined in section 2.
- The moving annual turnover of Westfield Liverpool as outlined in Section 4.1.

Table 4.2 shows that Westfield Liverpool is capturing a 4.5% market share of annual retail expenditure by trade area residents, including a 7.8% market share from the main trade area and 13.3% market share from the primary trade area. Some 23% of total centre turnover (\$107 million of \$473 million) is sourced from shoppers living beyond the trade area, reflecting the destination role and broader regional attraction of Westfield Liverpool.

The main trade area market share of 7.8% is below the typical rate achieved by regional centres (i.e. 10%-12%). This reflects the competitive offers throughout the area, including the likes of Casula, Wetherill Park, Bonnyrigg and Campbelltown, as well as leakage to online retailing and smaller scale of Westfield Liverpool compared with regional centres generally.

In terms of market share captured in the food & beverage category, the centre achieves a 2.3% market share across the total trade area, a 3.8% market share from the main trade area and a 6.2% market share from the primary trade area. Around 28% of food & beverage turnover is generated by customers who live beyond the total trade area.

Whilst some expenditure leakage is inevitable given the range and diversity of retail centres available to trade area residents, there is an opportunity for Westfield Liverpool to grow its retention of local spending through redeveloping and expanding its offer. Increasing shopping activity at the centre, especially in the evening, would be expected to also have positive flow-on benefits for the balance of retail in the Liverpool City Centre.

### Current Market Shares

Westfield Liverpool, 2019 (\$2019, incl. GST)

Table 4.2

	Market (\$M)			Market Shares (%)			Turnover (\$M)		
	F&B	Other Retail	Total	F&B	Other Retail	Total	F&B	Other Retail	Total
Primary Trade Area	187	1,027	1,215	6.2%	14.6%	13.3%	11.6	150.2	161.8
Secondary Trade Area	421	2,309	2,730	2.8%	5.9%	5.4%	11.8	135.6	147.4
<b>Main Trade Area</b>	<b>609</b>	<b>3,336</b>	<b>3,945</b>	<b>3.8%</b>	<b>8.6%</b>	<b>7.8%</b>	<b>23.4</b>	<b>285.8</b>	<b>309.2</b>
Tertiary trade Area	625	3,526	4,151	0.9%	1.5%	1.4%	5.4	51.2	56.6
<b>Total Trade Area</b>	<b>1,233</b>	<b>6,862</b>	<b>8,096</b>	<b>2.3%</b>	<b>4.9%</b>	<b>4.5%</b>	<b>28.8</b>	<b>337.0</b>	<b>365.9</b>
<i>Beyond Trade Area</i>				28.4%	22.1%	22.6%	11.5	95.6	107.1
<b>Total Centre</b>							<b>40.3</b>	<b>432.7</b>	<b>472.9</b>

Source: Urbis

## 5. NO DEVELOPMENT (STATUS QUO) POTENTIAL

Prior to assessing the market need, demand and impact of the proposed development of Westfield Liverpool, the trading outlook for the centre is assessed assuming the centre remains in its current format. This provides the base case upon which the future trading potential of Westfield Liverpool is assessed.

The key assumptions and factors which are considered in assessing the future turnover potential of Westfield Liverpool under a No-Development (status quo) scenario are as follows:

- The centre is assumed to continue operating in the coming years with no ostensible economic shocks or significant changes in operation methods, tenant mix or material capital / operational expenses. The centre continues to be leased and managed to a high standard and there are no shocks to the NSW economy or broader national economy that would materially influence retail trading conditions or that could be reasonably expected to influence the performance of the centre.
- Both population and spending growth are in-line with the forecasts outlined in Section 2.
- Consideration of trading impacts from competitive developments throughout the trade area and the assumption that there are no unforeseen competitive developments prior to the expansion of the centre.
- The assessment year for the No Development scenario coincides with the assumed first full year of trade for the proposed expansion of Westfield Liverpool (i.e. calendar year 2022).

Table 5.1 outlines the turnover potential considered achievable and likely at Westfield Liverpool in the absence of any redevelopment. In this regard, Westfield Liverpool is estimated to achieve retail turnover of approximately \$497 million (\$2019, incl. GST) in 2022, reflecting growth of 1.7% per annum in constant dollar terms.

### Market Share and Retail Turnover Potential, No Development (Status Quo)

Westfield Liverpool, 2022 (\$2019, incl. GST)

Table 5.1

	Resident Spending (\$M)			Market Share Potential			Turnover Potential (\$M)		
	F&B	Other Retail	Total	F&B	Other Retail	Total	F&B	Other Retail	Total
Total Primary	204	1,109	1,313	5.9%	13.9%	12.7%	12.1	154.7	166.8
Total Secondary	470	2,558	3,028	2.6%	5.5%	5.1%	12.4	141.7	154.2
<b>Main Trade Area</b>	<b>674</b>	<b>3,667</b>	<b>4,341</b>	<b>3.6%</b>	<b>8.1%</b>	<b>7.4%</b>	<b>24.5</b>	<b>296.4</b>	<b>320.9</b>
Tertiary Trade Area	701	3,875	4,576	0.8%	1.4%	1.3%	5.9	55.3	61.3
<b>Total Trade Area</b>	<b>1,375</b>	<b>7,542</b>	<b>8,917</b>	<b>2.2%</b>	<b>4.7%</b>	<b>4.3%</b>	<b>30.4</b>	<b>351.8</b>	<b>382.2</b>
Turnover From Beyond TA				28.5%	22.7%	23.2%	12.1	103.1	115.2
<b>Centre Retail Turnover (\$M)</b>							<b>42.6</b>	<b>454.8</b>	<b>497.4</b>

Source: Urbis

## 6. ECONOMIC NEED, DEMAND AND IMPACT

This section outlines the market need, demand and economic impact of the proposed expansion of Westfield Liverpool.

### 6.1. PROPOSED DEVELOPMENT

Table 6.1 outlines the increase in GLA at Westfield Liverpool based on the proposed masterplan.

#### Existing and Proposed GLA

Westfield Liverpool

Chart 6.1

	Exsting GLA*	Incremental GLA	Proposed GLA
	sq.m	sq.m	sq.m
Major Tenants	35,978	0	35,978
Mini-Major & Retail Specialties	31,823	+4,286	36,109
<b>Total retail</b>	<b>67,801</b>	<b>+4,286</b>	<b>72,087</b>
Other (Incl Cinemas & Entertainment)	13,016	+2,359	15,375
<b>Total centre</b>	<b>80,817</b>	<b>+6,645</b>	<b>87,462</b>

\*At May 2019

Source: Scentre Group; Urbis

The key features of the proposed development, as detailed in Sub-Section 1.3 include:

- A minor reconfiguration of the retail offer on Levels 1 and 2 to accommodate new retailers and improved vertical access to the new ELP.
- A new entertainment and leisure precinct (ELP) on Level 3 with around 17 new retail tenancies and additional entertainment concepts.
- An overall increase of 6,645 sq.m in GLA provided within the shopping centre, including an increase of 4,286 sq.m in retail tenancies.
- An 11-level commercial office tower comprising approximately 10,500 sq.m of GFA, which is expected to accommodate around 900 workers.

### 6.2. MARKET NEED AND DEMAND

The market need and demand for the proposed expansion of floorspace (ELP development) at Westfield Liverpool is supported by the following:

- **Cater to future market growth.** Retail expenditure by total trade area residents is forecast to increase by \$882 million between 2019 and 2022, \$396 million within the main trade area, and \$98 million within the primary sectors.

Food & beverage expenditure by residents is estimated to grow by around \$141 million across the total trade area between 2019 and 2022, \$65 million across the main trade area and \$16 million from the primary trade area. The proposed Westfield Liverpool ELP development is estimated to capture 15% of forecast food & beverage spending growth by trade area residents between 2019 and 2022. As a result, 85% of food & beverage market growth will still be available for other centres, including the balance of the Liverpool City Centre, which will support improved performance and/or expansion of existing centre and the development of new retail centres over the forecast period.

The new developments in the Liverpool City Centre, including new residential towers and office buildings, will increase the level of visitor and worker activity in the City Centre. This will provide a further increase in demand for food & beverage retailing and entertainment uses in the City Centre.

Westfield Liverpool's proposed ELP development will be integral in addressing the future growth in market demand within the next three years.



- **Reduce leakage of resident expenditure out of the trade area and better satisfy needs locally.** It is estimated that currently the Liverpool City Centre captures 15% of F&B spend by primary trade area residents, 10% by main trade area residents and 6% by total trade area residents.

The establishment of a consolidated dining offer would enable Liverpool City Centre to compete more effectively with other centres in western Sydney such as Narellan, Campbelltown, Parramatta and Wetherill Park, which each offer substantial dining and entertainment offers, and overall retain a larger share of expenditure locally in Liverpool. The greater level of food based activity will have flow-on benefits to other forms of retailing in the Liverpool City Centre and enhance the overall vitality and amenity of the City Centre, which can also have catalytic impacts on driving new residential and commercial development.

- **Better support the role of Liverpool City Centre.** With its Strategic Centre classification and high order role in its trade area, Westfield Liverpool is strategically important in servicing the higher order retail needs of residents within the trade area. While the retail offer within the City Centre has improved in recent years, Westfield Liverpool has not undertaken any significant improvements for some time. Given the centre's role in anchoring the northern end of the City Centre and Macquarie St Mall and its importance in driving visitation to the City Centre from a broad geographic area, further investment would clearly provide greater support to the overall function and vitality of the City Centre, in addition to enhancing the role and profile of Liverpool generally in Western Sydney.
- **Protection of the Liverpool City Centre.** It is important for Liverpool City Centre to evolve and grow in order to protect and support its market position in the face of increased competition, particularly in the entertainment and leisure space. Increasingly, shopping centre developments and expansions are placing a greater focus on F&B and entertainment as major drawcards (e.g. Ed.Square). The establishment of an ELP at Westfield Liverpool will further entrench the Liverpool City Centre's position as a major dining and entertainment destination and will protect its position from competitive developments that would otherwise erode market share of the City Centre more broadly.
- **ELPs generate spin-off benefits for other retail and uses.** Analysis shows that ELPs are very effective in driving additional visitation to a location, extending the market reach of a location through capturing a greater proportion of visits from a broader geographic area and increasing dwell times. These outcomes have a significant positive impact on the overall performance and sustainability of a retail centre/precinct. The quality of the proposed Westfield ELP development, in terms of its design features, scale and mix of tenants, would be expected to underpin the realisation of the typical benefits associated with the addition of an ELP.
- **ELPs have an integral role in the evolution of regional centres and meeting consumer needs.** Regional shopping centres are ever evolving, and the provision of an integrated ELP is increasingly an essential element in driving visitation and in turn supporting a successful trading performance and the overall sustainability of these centre. An ELP addresses consumers needs and preference for more engaging and greater diversity of experiences. Furthermore, as ELPs are important in driving visitation to a centre they are essential in helping to mitigate the effects of the diversion of shopping online and associated shopping trips to physical retail such as Westfield Liverpool and the broader offer in the Liverpool City Centre. Around 61% of all regional centres provide a sizeable ELP and the vast majority of the balance of the centres without an ELP have plans to add a larger dining and entertainment offer. The proposed development at Westfield Liverpool is consistent with the development trends occurring across Australia and globally.
- The existing food and beverage offer at Westfield Liverpool, at around 2,600 sq.m, is undersized relative to regional centres with an ELP (6,300 sq.m) and is therefore not serving its catchment to its full potential. The ELP addresses a key gap in the F&B offer in the Westfield Liverpool but also importantly in the broader Liverpool City Centre. Over the past 10 years the average amount of F&B floorspace in regional shopping centres has increased by 45%, which is in direct response to market demand and better serving the needs of the communities they serve.
- **The Westfield development would address key initiatives in the City Centre's Activation Strategy.** The overarching vision of the strategy is to *"foster an 18-hour walkable city with a lively and well-integrated mix of activities, in order to attract private investment and stimulate Liverpool's communities to make greater use of the City Centre and its attributes"*. The establishment of an ELP at Westfield Liverpool is consistent with this vision, as it assists in creating an 18-hour economy within the city centre.
- One of the activation initiatives of the City Activation Strategy is to utilise rooftop space for recreation and hospitality spaces to create new, semi-public spaces. The ELP development at Westfield Liverpool will

be located at rooftop level, and will create a new space for shoppers, residents, workers, students and CBD visitors to dine, utilise attractions and spend time.

- ELPs allow for extended trading hours and activation into the evening, creating true destinations for consumers and allowing for the expanded function of the centre to service the broader needs of the community.
- **Westfield's ELP development represents a unique opportunity for Liverpool City Centre.** Certain food and beverage operators seek out/or prefer locations that offer a high quality and managed environment and co-location with cinemas/other entertainment facilities as part of an integrated development. The Westfield development is therefore best positioned to cater to this tenant demand in a way that cannot be easily achieved in the Liverpool City Centre, particularly in terms of the timeframe proposed by Scentre Group. This unique/tailored tenant demand creates the opportunity for new to market operators to locate at the centre, extending the appeal of the Liverpool City Centre for dining and entertainment activities and adding to the depth and breadth of food and beverage mix across the broader City Centre.
- **Upside for Cinemas.** The productivity for the existing cinema at Westfield Liverpool is around \$1,300 per sq.m, which is around 33% lower than the benchmark for other regional shopping centres (around \$2,000 per sq.m). The lower productivity level reflects the standalone location of the cinema complex and the impact of not being co-located within an ELP with a mix of complementary uses such as a modern F&B offer and other entertainment concepts. A new ELP offer would enhance the appeal of the Liverpool City Centre as a place for entertainment and leisure activities and support an increase in visitation to the existing cinema complex at the Westfield centre. Greater cinema admissions/visits would have positive spin-off benefits for the Liverpool City Centre.

### 6.3. TURNOVER POTENTIAL OF WESTFIELD LIVERPOOL DEVELOPMENT

As outlined earlier in Section 6.1, the proposed scheme for Westfield Liverpool comprises an increase of around 4,286 sq.m of retail GLA, in addition to an improved and repositioned cinema and entertainment offer. In assessing the turnover potential for the proposed centre, the following has been considered:

- The typical floorspace composition, across major tenants mini-majors and specialty shops as well as other uses, of regional centres of a similar scale to Westfield Liverpool.
- The typical composition and performance of food & beverage facilities in regional shopping centres.
- Achievable and sustainable market share and turnover levels having regard to the capacity of the trade area market, role and market position of Westfield Liverpool as well as industry benchmarks.

When taking these factors into account, Westfield Liverpool with approximately 72,100 sq.m of retail floorspace has the potential to achieve an annual retail turnover of \$532.0 million, at an average trading level of approximately \$7,400 per sq.m in 2022 (calendar year).

This is based on Westfield Liverpool capturing a 4.6% share of total trade area retail expenditure, including 7.9% from the main trade area and 13.7% in the primary trade area.

The forecasts overall reflect:

- With the proposed expansion, retail turnover at Westfield Liverpool could potentially increase by \$35 million, including \$26 million from trade area residents' retail expenditure in 2022. The expansion is estimated to achieve an additional \$29 million in food & beverage turnover, including \$21 million from the total trade area.
- The additional \$21 million of food & beverage turnover from trade area residents represents an additional 1.5% share of their food & beverage expenditure in 2022 relative to the case where the centre is not expanded.
- Relative to the current turnover level of \$472 million, the proposed expansion would capture approximately a 15% share of forecast growth in food & beverage expenditure by trade area residents (i.e. from 2019 to 2022). Across all retail categories, the expansion is estimated to capture an additional 6% of forecast growth in retail expenditure.
- In particular, Westfield Liverpool is estimated to achieve a 3.7% share of the food & beverage market across the total trade area, including 6.1% from the main trade area and a 10.0% share of primary trade

area food & beverage expenditure. The increase in market share would be a modest 1.5% points from the total trade area and 2.5% points from the main trade area.

The level of market share that would be captured by the redeveloped Westfield Liverpool is appropriate in the context of the overall available market and would be integral in addressing the future growth in market demand and driving greater activity in the Liverpool City Centre.

### Market Shares and Retail Turnover, Post Expansion

Westfield Liverpool, 2022 (\$2019, incl. GST)

Table 6.1

	Resident Spending (\$M)			Market Share Potential			Turnover Potential (\$M)		
	F&B	Other Retail	Total	F&B	Other Retail	Total	F&B	Other Retail	Total
Total Primary	204	1,109	1,313	10.0%	14.4%	13.7%	20.5	159.8	180.3
Total Secondary	470	2,558	3,028	4.4%	5.6%	5.4%	20.9	142.7	163.5
<b>Main Trade Area</b>	<b>674</b>	<b>3,667</b>	<b>4,341</b>	<b>6.1%</b>	<b>8.2%</b>	<b>7.9%</b>	<b>41.3</b>	<b>302.5</b>	<b>343.8</b>
Tertiary Trade Area	701	3,875	4,576	1.4%	1.4%	1.4%	9.6	54.5	64.0
<b>Total Trade Area</b>	<b>1,375</b>	<b>7,542</b>	<b>8,917</b>	<b>3.7%</b>	<b>4.7%</b>	<b>4.6%</b>	<b>50.9</b>	<b>356.9</b>	<b>407.8</b>
Turnover From Beyond TA				28.4%	22.6%	23.3%	20.2	103.9	124.2
<b>Centre Retail Turnover (\$M)</b>							<b>71.2</b>	<b>460.9</b>	<b>532.0</b>

Source: Urbis

### Net Additional Market Shares and Retail Turnover

Westfield Liverpool, 2022 (\$2019, incl. GST)

Table 6.2

	Resident Spending (\$M)			Market Share Potential			Turnover Potential (\$M)		
	F&B	Other Retail	Total	F&B	Other Retail	Total	F&B	Other Retail	Total
Total Primary	204	1,109	1,313	4.2%	0.5%	1.1%	8.5	6.0	14.5
Total Secondary	470	2,558	3,028	1.7%	0.0%	0.3%	8.2	-0.5	7.7
<b>Main Trade Area</b>	<b>674</b>	<b>3,667</b>	<b>4,341</b>	<b>2.5%</b>	<b>0.1%</b>	<b>0.5%</b>	<b>16.7</b>	<b>5.5</b>	<b>22.2</b>
Tertiary Trade Area	701	3,875	4,576	0.5%	0.0%	0.1%	3.7	-0.5	3.3
<b>Total Trade Area</b>	<b>1,375</b>	<b>7,542</b>	<b>8,917</b>	<b>1.5%</b>	<b>0.1%</b>	<b>0.3%</b>	<b>20.5</b>	<b>5.0</b>	<b>25.5</b>
Turnover From Beyond TA							8.1	1.0	9.2
<b>Centre Retail Turnover (\$M)</b>							<b>28.6</b>	<b>6.0</b>	<b>34.6</b>

Source: Urbis

## 6.4. TURNOVER IMPACT

This sub-section outlines an assessment of the potential trading impacts on other centres in the region of relevance as a result of the proposed redevelopment of Westfield Liverpool.

### Impact Approach and Methodology

An impact assessment is expected to provide an indication of the trading environment and average trading conditions within which retailers operate, and implications for likely turnover declines or gains on average for the retailers involved. Because an impact assessment forecasts how groups of people are likely to alter their shopping behaviour in response to a given change in the competitive environment, it is not possible to estimate individual retailer impacts or each group of retailers in each location.

Therefore in any impact assessment of this type it is not possible to estimate impacts on any specific individual retailer. The impact on any one individual retailer or any small group of retailers in a given location would depend on many factors (e.g. retailer profitability), some of which are within their control. The actions

which each of these retailers take will determine the eventual impact on each, and furthermore the actions which they each take will also determine the eventual impact on the other retailers involved.

All of these factors need to be kept in mind when considering the likely impact of any relocation and expansion of a retailer within the existing retail network. Existing retailers are not passive participants but rather will play a major role in the eventual impact which they will experience.

Shopper behaviour is related to the satisfaction of particular requirements. Decisions made regarding where to shop are based on a number of judgements, including relative accessibility, availability of particular retailers, convenience, variety, carparking and others. As a result, residents like to spread their purchases across a wide variety of shopping centres and areas, and use the full range of facilities available to satisfy particular needs.

The method of analysis used to assess the impacts on individual centres from a retail development is based on a 'competitive usage' model. This model is based on the principle that if shoppers choose to direct some of their retail expenditure to the subject development proposal, then they will reduce their expenditure at other centres in a similar proportion to their usage of each centre or location (reflected by each centre's market share from the various trade area sectors). In assessing the potential impacts on other centres in the hierarchy we have adopted a 'turnover allocation approach'.

The assessment of impacts on specific retail centres relies upon an understanding of the existing turnover and level of usage of centres in the trade area and beyond. The model estimates the degree to which various shopping locations within and beyond the trade area are used for retail shopping, by allocating a proportion of turnover to each trade area sector (i.e. source of sales). These estimates result in market share calculations for each competitive centre, and thereby form the basis of which the impact of the proposed retail development is distributed to all other centres used by residents of the trade area for retail shopping. This is commonly referred to as the 'one-off' impact.

It is also relevant to consider the dollar impacts in relation to the turnover that would potentially be generated by these and other shopping centres over the intervening period. The impact analysis therefore details the turnover change, or net impact, which is expected for each centre/location, expressed as a reduction in turnover and as a percentage of the turnover level for each centre between 2019 and 2022, for example.

## Key Findings

Given the nature of the development and the purpose of this report (i.e. to assess the potential trading impacts on the Liverpool City Centre), we have therefore focussed the analysis on the Liverpool City Centre, based on the audit of retail floorspace, and in particular the provision of food & beverage floorspace, with key findings as follows:

- The overall trading impact on the balance of the Liverpool City Centre is estimated to be in the order of \$2.4 million, or around -1%.
- The trading impact on food and beverage operators in the Liverpool City Centre is estimated to be in the order of \$1.7 million, which equates to a minor impact of -2.2%.
- Given the forecast growth in the catchment, investment into the Liverpool City Centre, as well as the additional visitation the ELP will bring to the Liverpool City Centre, the estimated competitive impacts would be expected to be absorbed within less than one year, with the balance of the City Centre returning to growth in subsequent years.
- The impact levels on the Liverpool City Centre are well within the acceptable levels and substantially less than 10%, which is the notional benchmark for when impacts may be deemed an issue.
- The share of retail market captured by the expanded Westfield Liverpool will not impede the capacity or ability to expand and/or improve other centres of offers within the Liverpool City Centre or broader competitive hierarchy, and it will not limit the ability for additional facilities to be developed within the Liverpool City Centre over the longer term. Rather the development would be expected to improve the overall level of visitation to the Liverpool City Centre and have positive spin-off benefits for other retailing and overall vitality of the City Centre.
- Trade area residents currently distribute their spending across a broad range of centres and precincts, including Westfield Liverpool, the balance of the Liverpool City Centre, Wetherill Park, Casula, the Sydney CBD, Campbelltown and Parramatta, among many other, and therefore the impacts are expected to also be widely dispersed.

- Furthermore, the commercial tower is expected to accommodate a workforce of around 900, which will drive additional spend across the Liverpool City Centre in the order of \$2.8 million, including \$1 million of F&B spend.

## Turnover Impacts

Westfield Liverpool, 2022 (\$2019, incl. GST)

Table 6.3

	Est. Retail Turnover (\$M)			Turnover Inc./Dec. (\$M)		Impact		Est. Retail Turnover (\$psm)		
	Existing	Pre-Dev*	Post-Dev*	Existing	Pre-Exp	2019	2022	Existing	Pre-Dev	Post-Dev.
	2019	2022	2022	2019	2022			2019	2022	2022
	(1)	(2)	(3)	(4)=(3)-(1)	(5)=(3)-(2)	(6)=(4)/(1)	(7)=(5)/(2)			
<b>Westfield Liverpool</b>	<b>472.9</b>	<b>497.4</b>	<b>532.0</b>	<b>+59.1</b>	<b>+34.6</b>	<b>n.a.</b>	<b>n.a.</b>	<b>7,000</b>	<b>7,300</b>	<b>7,400</b>
Balance Liverpool CBD	225.0	234.8	232.4	+7.4	-2.4	+3.3%	-1.0%	6,300	6,500	6,500
• F&B Retail	72.0	76.2	74.5	+2.5	-1.7	+3.5%	-2.2%	6,100	6,500	6,300

\* Takes into account trading impacts from competitive developments other than the proposed Westfield Liverpool development

Source: Urbis

## 6.5. ECONOMIC AND COMMUNITY BENEFITS

A development of the scale proposed at Westfield Liverpool will generate a number of tangible economic and community benefits, as follows.

### Choice / Convenience

Providing choice and convenience to consumers is a key consideration in the requirement for new retail space. Demand for retail space is not simply a function of relative floorspace provision. Community benefit is created through increased convenience and choice in the type of retail stores offered, and the range of goods able to be provided through the provision of multiple retail options.

The proposed development would enhance local residents' choice through providing greater breadth and depth of food and beverage and entertainment facilities. Westfield Liverpool plays a vital role in the provision of this type of consolidated dining and entertainment offer that is currently not accessible to the majority of residents throughout the trade area.

### Competition

An outcome of the additional retail floorspace, is increased competition amongst retailers within the area, thus possibly leading to enhanced service levels and better quality offerings that provide an improved experience for consumers. This strengthens the overall retail offer across all centres / precincts and acts as a catalyst for ongoing investment and improvement of centres generally.

### Employment Generation

The additional retail floorspace provided in Liverpool Westfield will generate a greater requirement for ongoing retail employment within the centre. In addition, the project will also generate a sizeable short term employment boost during the construction process.

Through the creation of new construction and ongoing jobs, further employment benefits will be realised through economic multiplier effects. The employment benefits are as follows:

### Construction Benefits

- The additional retail floorspace is expected to generate additional employment during the construction phase. Scentre Group has stated that the estimated construction cost for the whole development (including the commercial office tower) is approximately \$93.5 million over 18 months (annual equivalent of \$62.3 million), it is projected that around 128 construction jobs would be created for the equivalent of one year of employment during development. Multiplier effects would contribute to additional employment creation, estimated at 150 jobs, resulting in a total construction benefit of 278 jobs.

	<b>Direct Jobs</b>	<b>Indirect Jobs</b>	<b>Total Jobs</b>
Construction Phase	128	150	<b>278</b>

Source: REMPLAN

Note: Total full-time, part-time and casual jobs for the equivalent of one year of employment during development.

### Ongoing Employment Benefits

- The additional 4,286 sq.m of retail floorspace and 2,359 sq.m of cinema / entertainment space is expected to provide employment for around 151 workers. Multiplier effects would contribute to further employment creation of 23 jobs, resulting in a total employment benefit of 174 jobs (full time, part time and casual), within the Liverpool LGA.

	<b>Direct Jobs</b>	<b>Indirect Jobs</b>	<b>Total Jobs</b>
Retail, Cinema and Entertainment Operations	151	23	<b>174</b>

Source: REMPLAN

Note: Total full-time, part-time and casual jobs for the equivalent of one year of employment during operation.

## 7. CONCLUSIONS

The analysis of market need, demand and economic impacts indicates the following conclusions in relation to the proposed Westfield Liverpool ELP development:

- The development of an ELP at Westfield Liverpool will support the 18-hour activation strategy of Liverpool City Centre and is consistent with objectives of key planning policies and strategies for the rejuvenation and activation of the Liverpool City Centre, including the Liverpool Collaboration Area Place Strategy and the City Activation Strategy 2019-2024. The ELP will drive additional visitation to the Liverpool City Centre, especially after standard business hours, and the provision of a consolidated entertainment offer will have flow on benefits across the Liverpool City Centre driven by additional visitation.
- Cinema facilities at regional shopping centres are key components within ELPs and are increasingly supported by a range of casual dining options. The model of a standalone or separate cinema complex has evolved into an integrated leisure and entertainment offer. Westfield Liverpool is currently underprovided in terms of food and beverage floorspace relative to the regional centre benchmarks and is within the minority of regional shopping centres without a consolidated ELP offer.
- The development of an ELP at Westfield Liverpool is the next step in the centre's evolution and is an opportunity for a consolidated mix of dining and entertainment uses to co-locate within the same precinct. The integrated ELP development (including dining and entertainment facilities) will appeal to new to market operators, who otherwise would not seek a presence in the Liverpool City Centre. The proposed Westfield ELP development therefore represents a unique opportunity for the Liverpool City Centre and its enhancement as a destination for dining, leisure and entertainment activities. The development also addresses an existing market gap for restaurants and entertainment facilities.
- In addition to addressing a gap in the offer in the Liverpool City Centre, the proposed ELP development at Westfield Liverpool would serve the growing demand for F&B retailing and entertainment facilities which will be driven by the increase in the trade area market (11% over the three year period and 37% over the next 10 years) and increasing level of activity in the Liverpool City Centre (new developments providing more workers and other visitors).
- Trade area residents currently direct their food & beverage expenditure across a broad range of locations. The assessed trading impacts on the balance of the Liverpool City Centre from the proposed ELP development at Westfield Liverpool are estimated to be minor, given the broad distribution of food & beverage expenditure and modest increase in food & beverage tenants (i.e. around 17 net additional tenants which represents a 12% increase in F&B tenants in the City Centre). In total, the impact is estimated to be in the order of \$2.4 million, or around 1% of estimated total retail turnover, which is well within acceptable levels. The impact on F&B tenants in the balance of the City Centre would be a low 2.2%. The level of impacts are well within the acceptable levels and substantially less than 10%, which is the notional benchmark for when impacts may be deemed an issue. Any impacts on the Liverpool City Centre would be expected to be absorbed within less than one year, given the strong growth in the catchment and the City Centre more broadly, as well as the additional visitation to the City Centre driven by the ELP.
- The incremental visitation driven by the development of the ELP at Westfield Liverpool will have an additional benefit to the Liverpool City Centre that would not otherwise exist. A proportion of visitors to Westfield Liverpool also visit the City Centre retail core, and it is expected that the Liverpool City Centre can attract a greater share of the additional visits generated by the ELP development Westfield Liverpool.
- The development of an ELP at Westfield Liverpool will not prevent the addition of new retail facilities, or expansion of existing retail facilities, within the Liverpool City Centre, as they will continue to serve a diverse range of customer segments and address the strong forecast market growth.

Ultimately, the proposed ELP development at Westfield Liverpool will result in a net community benefit. The range of choice available to local residents will be enhanced, with existing and planned centres and developments still continuing to serve their role in the retail hierarchy. The proposed ELP development will also be integral in contributing to the realisation of key revitalisation strategies for the Liverpool City Centre.



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APPENDIX A

SUPPLEMENTARY TABLES AND CHARTS

## Socio-Economic Indicators (1)

Westfield Liverpool Total Trade Area, Census 2016

Table A.1

	Primary West	Primary East	Total Primary	Secondary North	Secondary South	Secondary South West	Secondary West	Total Secondary	Main Trade Area	Tertiary North	Tertiary East	Tertiary South	Tertiary South West	Tertiary North West	Total Tertiary	Total Trade Area	Sydney	Total Australia
<b>Household Income:</b>																		
\$Nil	2%	1%	1.8%	3.0%	1.0%	1.3%	1.7%	1.9%	1.9%	2.6%	1.8%	1.0%	0.8%	2.3%	1.6%	1.8%	2.0%	1.6%
\$1-\$20,800	11%	2%	7.4%	8.3%	4.1%	2.8%	5.8%	5.8%	6.3%	8.6%	6.7%	4.9%	1.7%	4.5%	5.5%	5.9%	4.8%	5.7%
\$20,800-\$52,000	35%	17%	27.7%	32.0%	19.8%	17.0%	24.3%	24.8%	25.7%	35.0%	26.4%	25.3%	14.8%	25.0%	25.6%	25.7%	21.4%	27.3%
\$52,000-\$78,000	19%	15%	17.8%	18.3%	15.8%	15.4%	17.6%	17.1%	17.3%	18.3%	15.5%	19.1%	14.2%	16.6%	16.9%	17.1%	14.9%	17.1%
\$78,000 - \$130,000	21%	29%	24.5%	21.8%	29.2%	30.2%	26.6%	26.1%	25.6%	21.2%	23.5%	29.0%	31.1%	25.4%	26.1%	25.8%	25.0%	24.7%
\$130,000-\$208,000	9%	25%	15.4%	12.6%	21.6%	24.8%	17.1%	17.8%	17.1%	11.0%	18.1%	15.9%	27.2%	17.5%	17.6%	17.3%	19.6%	16.0%
\$208,000 plus	2%	10%	5.5%	4.1%	8.6%	8.4%	6.9%	6.5%	6.2%	3.3%	7.9%	4.9%	10.3%	8.8%	6.7%	6.4%	12.2%	7.6%
Average Household Income	\$67,272	\$111,660	\$85,800	\$75,455	\$102,493	\$109,196	\$91,714	\$91,250	\$89,509	\$72,231	\$94,956	\$89,481	\$115,573	\$95,520	\$92,554	\$91,042	\$106,502	\$91,654
Var'n from Sydney Avg.	-37%	+5%	-19%	-29%	-4%	+3%	-14%	-14%	-16%	-32%	-11%	-16%	+9%	-10%	-13%	-15%	0%	-14%
Average Household Size	2.9	3.1	3.0	3.3	3.3	3.6	3.5	3.4	3.3	3.2	3.0	3.0	3.2	3.3	3.2	3.2	2.8	2.6
<b>Per Capita Income (all persons):</b>																		
Per Capita Income	\$24,500	\$37,061	\$30,070	\$24,255	\$32,353	\$31,917	\$27,419	\$28,112	\$28,680	\$23,542	\$32,402	\$30,498	\$37,155	\$30,165	\$30,577	\$29,617	\$40,234	\$37,247
Var'n from Sydney Avg.	-39%	-8%	-25%	-40%	-20%	-21%	-32%	-30%	-29%	-41%	-19%	-24%	-8%	-25%	-24%	-26%	0%	-7%
<b>Per Capita Income (% persons aged 15 - 64):</b>																		
\$Neg/Nil	15%	13%	14.2%	18.3%	15.7%	14.4%	16.1%	16.5%	15.8%	15.8%	13.4%	13.4%	10.9%	14.0%	13.5%	14.7%	13.1%	11.3%
\$1 - \$20,800	26%	13%	20.2%	26.1%	16.3%	15.6%	21.7%	21.0%	20.8%	28.8%	17.5%	17.1%	12.9%	20.7%	19.5%	20.2%	14.6%	16.7%
\$20,800 - \$41,600	25%	17%	21.6%	24.2%	20.1%	20.0%	22.7%	22.2%	22.0%	24.0%	21.2%	23.1%	19.0%	22.1%	22.0%	22.0%	18.5%	20.8%
\$41,600 - \$78,000	23%	30%	26.3%	21.7%	28.9%	29.8%	26.1%	25.8%	25.9%	21.1%	26.7%	29.8%	31.2%	26.4%	27.1%	26.5%	26.0%	26.3%
\$78,000+	2%	9%	5.1%	1.6%	6.0%	6.0%	2.9%	3.6%	4.0%	1.5%	6.9%	3.5%	8.8%	4.4%	4.8%	4.4%	0.0%	0.0%
<b>Age Distribution:</b>																		
Aged 0-14	22%	23%	22.2%	18.7%	22.9%	24.6%	21.4%	21.3%	21.6%	19.5%	21.1%	21.6%	24.6%	18.2%	21.1%	21.4%	18.7%	18.7%
Aged 15-19	6%	7%	6.3%	7.4%	7.3%	7.8%	8.2%	7.7%	7.3%	6.8%	6.6%	6.8%	7.3%	6.9%	6.9%	7.1%	6.0%	6.1%
Aged 20-34	24%	20%	22.4%	21.8%	21.7%	20.7%	21.3%	21.4%	21.7%	21.7%	19.2%	21.9%	21.7%	19.8%	21.0%	21.4%	23.2%	21.1%
Aged 35-49	20%	23%	21.0%	19.3%	22.0%	23.0%	19.8%	20.7%	20.8%	19.7%	20.0%	19.9%	22.8%	19.0%	20.3%	20.5%	21.1%	20.2%
Aged 50-64	16%	16%	16.3%	19.7%	16.3%	15.4%	19.6%	18.2%	17.6%	18.5%	17.6%	19.3%	15.6%	20.4%	18.2%	17.9%	17.2%	18.3%
Aged 65-79	9%	9%	9.1%	9.5%	7.4%	6.7%	8.0%	8.2%	8.4%	10.2%	11.2%	8.9%	6.9%	12.2%	9.7%	9.1%	10.2%	11.7%
Aged 80+	3%	3%	2.8%	3.6%	2.4%	1.8%	1.7%	2.5%	2.6%	3.7%	4.3%	1.7%	1.1%	3.5%	2.8%	2.7%	3.6%	3.9%
Average Age	35.1	34.2	34.7	36.9	34.0	32.4	34.4	34.8	34.8	36.7	37.0	34.8	32.2	38.3	35.7	35.2	36.8	37.8
Dependency Ratio <sup>1</sup>	34%	34%	34.0%	31.7%	32.7%	33.1%	31.1%	32.0%	32.6%	33.3%	36.5%	32.2%	32.7%	33.8%	33.6%	33.1%	32.5%	34.3%
<b>Car Ownership</b>																		
% 0 Cars	19%	3%	12.1%	12.6%	5.3%	2.8%	6.9%	7.9%	9.2%	14.6%	8.3%	7.1%	1.5%	5.3%	7.7%	8.4%	11.8%	8.0%
% 1 Car	46%	28%	38.5%	37.4%	31.1%	21.3%	27.1%	30.5%	33.0%	39.7%	33.6%	38.0%	21.2%	27.4%	32.9%	33.0%	39.8%	37.4%
% 2 Cars +	35%	68%	49.4%	50.0%	63.6%	75.9%	65.9%	61.6%	57.8%	45.7%	58.1%	54.9%	77.3%	67.3%	59.5%	58.6%	48.4%	54.6%

Source: ABS Census; Urbis

<sup>1</sup> Dependency ratio refers to the proportion of the population between 0-14 and over 65 years

## Socio-Economic Indicators (2)

Westfield Liverpool Total Trade Area, Census 2016

Table 7.2

	Primary West	Primary East	Total Primary	Secondary North	Secondary South	South West	Secondary West	Total Secondary	Main Trade Area	Tertiary North	Tertiary East	Tertiary South	South West	North West	Total Tertiary	Total Trade	Sydney	Total Australia
<b>Household Composition (%)</b>																		
Total Family (with children)	53%	62%	<b>56.7%</b>	61.7%	63.8%	69.7%	67.5%	<b>65.1%</b>	<b>62.4%</b>	58.9%	56.6%	58.5%	62.9%	62.1%	<b>59.5%</b>	<b>60.9%</b>	<b>48.0%</b>	<b>43.5%</b>
- Family with children <15 years	33%	39%	<b>35.2%</b>	32.5%	40.0%	44.0%	36.9%	<b>37.2%</b>	<b>36.6%</b>	31.7%	32.7%	34.8%	41.7%	30.0%	<b>34.3%</b>	<b>35.4%</b>	<b>29.3%</b>	<b>27.6%</b>
- Family with children 15+ years	<u>20%</u>	<u>23%</u>	<b>21.5%</b>	29.2%	23.7%	25.7%	30.6%	<b>27.9%</b>	<b>25.9%</b>	27.2%	24.0%	23.7%	21.2%	32.0%	<b>25.2%</b>	<b>25.5%</b>	<b>18.7%</b>	<b>15.8%</b>
Couples with no children	18%	23%	<b>19.8%</b>	18.8%	21.3%	18.5%	18.0%	<b>19.0%</b>	<b>19.2%</b>	18.0%	21.7%	21.3%	24.3%	22.2%	<b>21.3%</b>	<b>20.3%</b>	<b>24.8%</b>	<b>27.1%</b>
Group Household	2.6%	0.9%	<b>1.9%</b>	2.2%	1.2%	0.5%	0.6%	<b>1.3%</b>	<b>1.5%</b>	1.9%	1.3%	1.6%	0.9%	1.0%	<b>1.4%</b>	<b>1.5%</b>	<b>4.3%</b>	<b>3.8%</b>
Lone Person	25%	13%	<b>20.3%</b>	15.5%	13.1%	10.6%	12.7%	<b>13.4%</b>	<b>15.6%</b>	19.0%	19.2%	17.6%	11.2%	13.5%	<b>16.5%</b>	<b>16.1%</b>	<b>21.8%</b>	<b>24.5%</b>
Other	2%	1%	<b>1.7%</b>	2.2%	0.8%	0.7%	1.3%	<b>1.4%</b>	<b>1.5%</b>	2.8%	1.5%	1.2%	0.8%	1.4%	<b>1.5%</b>	<b>1.5%</b>	<b>1.6%</b>	<b>1.4%</b>
<b>Housing Tenure<sup>1</sup></b>																		
Owner	21%	30%	<b>25.2%</b>	34.1%	26.2%	24.7%	30.3%	<b>29.8%</b>	<b>28.3%</b>	29.8%	37.4%	26.6%	23.8%	43.5%	<b>31.2%</b>	<b>29.8%</b>	<b>31.0%</b>	<b>33.0%</b>
Purchaser	26%	48%	<b>35.5%</b>	29.7%	49.7%	56.5%	44.5%	<b>42.5%</b>	<b>40.3%</b>	27.7%	37.2%	45.0%	56.2%	35.1%	<b>40.5%</b>	<b>40.4%</b>	<b>35.5%</b>	<b>36.8%</b>
Renter	57%	23%	<b>42.4%</b>	39.1%	26.6%	21.7%	28.3%	<b>30.6%</b>	<b>34.4%</b>	46.0%	28.2%	30.8%	21.7%	23.8%	<b>30.9%</b>	<b>32.6%</b>	<b>35.6%</b>	<b>32.3%</b>
<b>Birthplace</b>																		
Australian Born	44%	67%	<b>54.4%</b>	40.3%	53.4%	59.7%	52.0%	<b>49.6%</b>	<b>51.0%</b>	38.6%	67.6%	63.0%	79.7%	53.1%	<b>60.3%</b>	<b>55.6%</b>	<b>60.8%</b>	<b>71.7%</b>
Overseas Born	56%	33%	<b>45.6%</b>	59.7%	46.6%	40.3%	48.0%	<b>50.4%</b>	<b>49.0%</b>	61.4%	32.4%	37.0%	20.3%	46.9%	<b>39.7%</b>	<b>44.4%</b>	<b>39.2%</b>	<b>28.3%</b>
- India	5%	3%	<b>4.2%</b>	0.3%	5.1%	1.5%	0.5%	<b>1.5%</b>	<b>2.3%</b>	0.5%	1.1%	3.6%	1.0%	0.4%	<b>1.5%</b>	<b>1.9%</b>	<b>2.9%</b>	<b>2.1%</b>
- New Zealand	2%	2%	<b>1.8%</b>	1.5%	2.0%	1.6%	1.9%	<b>1.7%</b>	<b>1.8%</b>	1.6%	1.3%	3.0%	1.4%	1.2%	<b>1.8%</b>	<b>1.8%</b>	<b>1.9%</b>	<b>2.4%</b>
- Philippines	2%	2%	<b>1.8%</b>	1.0%	3.0%	2.6%	1.9%	<b>1.9%</b>	<b>1.9%</b>	1.4%	0.7%	3.2%	0.8%	1.4%	<b>1.6%</b>	<b>1.7%</b>	<b>1.6%</b>	<b>1.0%</b>
- Pakistan	1%	0%	<b>0.7%</b>	0.1%	1.3%	0.6%	0.3%	<b>0.5%</b>	<b>0.5%</b>	0.2%	0.2%	0.9%	0.2%	0.1%	<b>0.4%</b>	<b>0.5%</b>	<b>0.5%</b>	<b>0.3%</b>
- China	2%	2%	<b>1.7%</b>	2.7%	2.0%	1.0%	1.0%	<b>1.8%</b>	<b>1.8%</b>	2.4%	2.7%	1.1%	0.8%	0.8%	<b>1.6%</b>	<b>1.7%</b>	<b>4.9%</b>	<b>2.3%</b>
- Sri Lanka	0%	0%	<b>0.3%</b>	0.1%	0.6%	0.2%	0.1%	<b>0.2%</b>	<b>0.2%</b>	0.1%	0.1%	0.4%	0.2%	0.1%	<b>0.2%</b>	<b>0.2%</b>	<b>0.6%</b>	<b>0.5%</b>
- Other Overseas	44%	23%	<b>35.0%</b>	54.0%	32.6%	32.7%	42.2%	<b>42.7%</b>	<b>40.5%</b>	55.2%	26.4%	24.8%	15.8%	42.8%	<b>32.6%</b>	<b>36.6%</b>	<b>26.8%</b>	<b>19.8%</b>
<b>Tertiary Education (%)<sup>2</sup></b>																		
Bachelor Degree or Higher	13%	22%	<b>16.4%</b>	10.9%	21.8%	16.1%	12.0%	<b>14.2%</b>	<b>14.9%</b>	11.0%	16.8%	16.1%	15.1%	12.6%	<b>14.4%</b>	<b>14.6%</b>	<b>28.3%</b>	<b>21.9%</b>
Advanced Diploma or Associate Degree	8%	10%	<b>8.8%</b>	6.6%	9.6%	9.5%	8.0%	<b>8.1%</b>	<b>8.3%</b>	7.2%	8.8%	8.6%	10.1%	8.2%	<b>8.5%</b>	<b>8.4%</b>	<b>9.3%</b>	<b>8.9%</b>
Undertaking Tertiary Education	5%	6%	<b>5.5%</b>	6.6%	7.0%	6.3%	6.4%	<b>6.6%</b>	<b>6.3%</b>	5.8%	5.8%	5.3%	4.8%	5.4%	<b>5.4%</b>	<b>5.9%</b>	<b>7.5%</b>	<b>6.1%</b>

Source: ABS Census; Urbis

<sup>1</sup> 'Other' Tenure Types have not been included.

<sup>2</sup> As a percentage of the total population aged over 18 years. Not all qualification and education options have been stated, therefore the percentages are of a range much larger than shown and won't add to 100%

