

27 April 2020  
17717

Georgia Welsh  
Project Manager  
APP  
Level 7, 116 Miller Street  
North Sydney NSW 2000

Dear Georgia,

## RE: Kellyville and Bella Vista SSDAs

This letter has been prepared to outline Ethos Urban's response to submissions received for the Kellyville and Bella Vista SSDAs Economic Impact Assessment and Benefit Statements.

This letter addresses each item raised in the submissions and should be read in conjunction with the following supporting documents:

- Updated Bella Vista Economic Impact Assessment and Benefit Statement; and
- Updated Kellyville report Economic Impact Assessment and Benefit Statement

### 1.1 Response to Request for Amendments and Information

A response to each item raised is presented in **Table 1** below.

**Table 1 Response to Submissions**

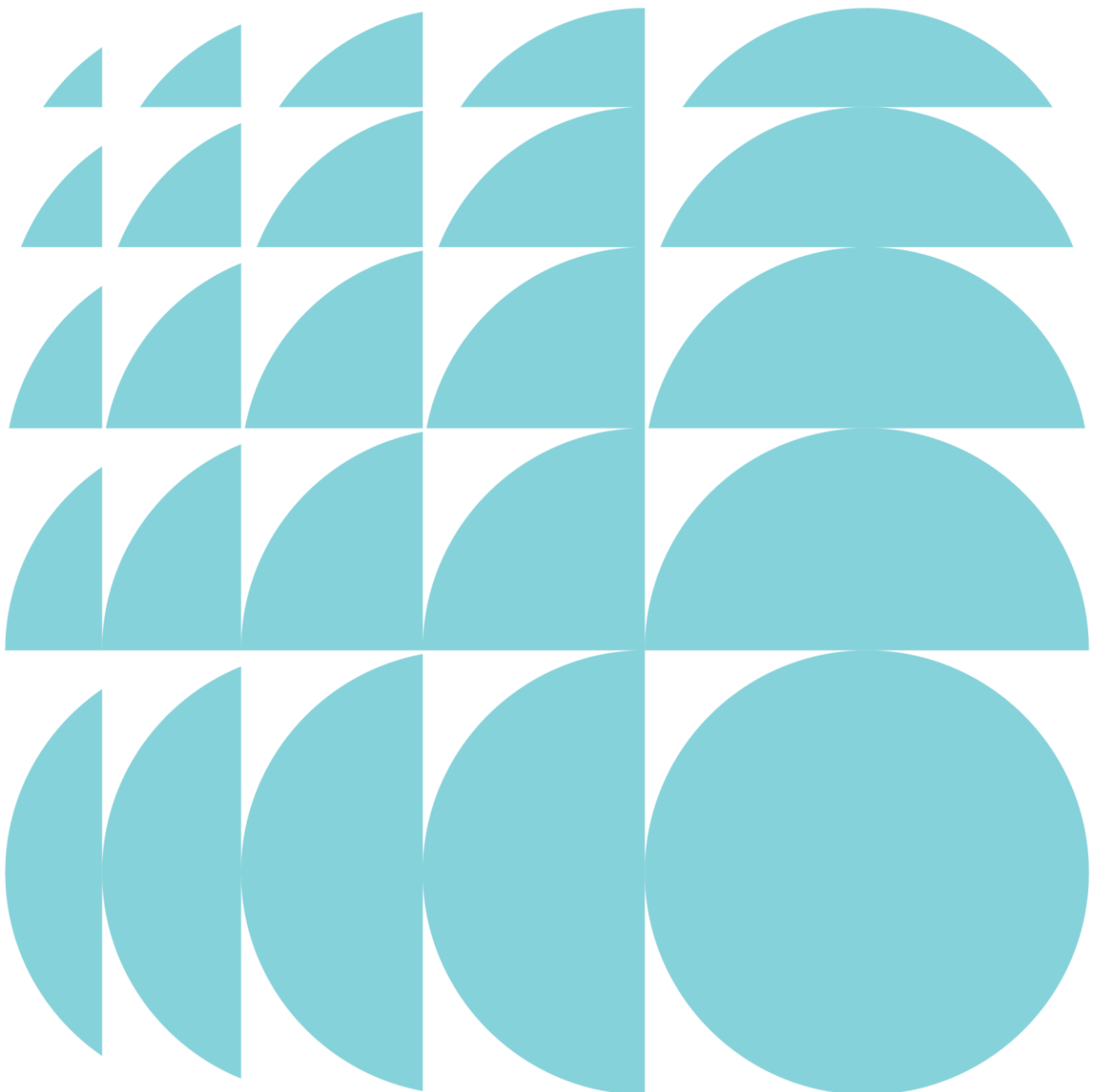
Item and Description	Response
<b>Economic Retail</b>	
<p>A) The Economic Impact Assessment did not consider the Fabcot (Woolworths) owned land that is zoned B2 at the corner of Memorial Ave and Hector Ct which is within the primary catchment and has potential for more than 15,000 sqm GFA.</p> <p>The EIA does not acknowledge Woolworths DA approval for 7,800sqm which post-dates the EIA but pre-dates the exhibition.</p>	<p>The Development Application for the Woolworths at Memorial Avenue, Kellyville, was lodged on 20 December 2016. It was subject to a lengthy assessment process due to numerous issues and challenges, most notably being the negotiations around road closures and land transfers/exchanges between Woolworths to the Hills Shire Council. The development consent was granted on 20 July 2019, after completion of the EIA That accompanied the SSDAs for both Bella Vista and Kellyville.</p> <p>Following review of this submission Ethos Urban has updated the EIA reports for both Kellyville and Bella Vista to factor in the approved supermarket at the corner of Memorial Ave and Hector Ct, Kellyville. It is noted that inclusion of this supermarket does not have a significant affect on the findings of the EIAs, which still conclude that there is sufficient future demand and capacity to support retail within both precincts.</p>
<b>Strategic Planning Policy</b>	
<p>A) The EIA does not consider 'The Hills Shire Council Productivity and Centres Strategy' dated October 19 which acknowledges The Balmoral Rd Release Area centre (Memorial and Hector) as a Village Centre.</p>	<p>Both reports have been updated to consider the Productivity and Centres Strategy that was adopted by the Hills Council in October 2019, being after the original EIA was prepared.</p>

We trust that this information is sufficient to enable a prompt assessment of the proposed developments. Should you have any queries about this matter, please do not hesitate to contact me on (02) 9409 4979 or [bcraig@ethosurban.com](mailto:bcraig@ethosurban.com)

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Ben Craig', with a stylized flourish underneath.

**Ben Craig**  
Director  
(02) 9409 4979  
[bcraig@ethosurban.com](mailto:bcraig@ethosurban.com)



**COVID-19 is an unprecedented global health crisis and a global economic event that is rapidly evolving. In these circumstances the economic environment is extremely uncertain, especially where the forecasting of economic trends is involved. In this report, the research and analysis of economic data – such as forecasts of economic activity, population and employment growth, and so on – reflects a “business as usual” scenario, while also noting the potential impacts that may be associated with the COVID-19 virus and the anticipated return to growth in economic indicators.**

#### CONTACT

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1	29 May 2019	Malcolm Spence Mark McManus	Ben Craig
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## 1.0 Executive Summary

Ethos Urban has been appointed by Landcom to undertake an economic impact assessment and economic benefits statement to accompany the Concept SSD Application for the Bella Vista Station Precinct. The Station Precinct is located immediately adjacent to the new Bella Vista Station within The Hills local government area (LGA). Located approximately 1.5km to the west of the Norwest Business Park, the Station Precinct is also approximately 10km north of the Parramatta CBD.

The Station Precinct is currently characterised by a mix of office and warehouse units, vacant land and low-density residential development to the east and west.

Concept SSD Applications will seek development consent at the Station Precinct for medium to high density residential and commercial buildings with a retail offering. It will also seek consent for the indicative location of a future primary school. The concept SSDA will not seek development consent for any physical works. All development set out in each concept proposal will be subject to a separate approval.

The concept SSDA identifies the following residential, commercial and retail yields which are highlighted in **Table 2** below.

**Table 1 Proposed Development**

Bella Vista Station Precinct	Yield
Residential Yield	3,804 units
Commercial Yield GFA	151,000m <sup>2</sup>
Retail Yield GFA	15,000m <sup>2</sup>

Source: Landcom

This report comprises two parts: **Part A – Economic Impact Assessment** and **Part B – Economic Benefits Statement**.

### 1.1 Part A: Economic Impact Assessment

The Economic Impact Assessment:

- Provides an overview of the relevant strategic policy and planning documents.
- Examines the demographic profile of the local area and commentary on the likely future demographic profile.
- Analyses the economic impact of the commercial offering at Bella Vista Station Precinct and the broader north-west regional economy, and positioning of the proposed project within this context.
- Analyses the economic impact of retail offerings at Bella Vista Station Precinct and the broader north-west regional economy, and positioning of the proposed project in the context of this within this context.
- Analyses the relevant economic activity generated as a result of the proposed development, including definition of appropriate geographies of analysis.
- Assesses the economic costs and benefits, framed by the profile of local income and expenditure, quantification of commercial floorspace, and quantification of the overall project effect on short-term construction as well as continuing on-site employment.

This Economic Impact Assessment has found the following:

- New retail floorspace at Bella Vista Station Precinct is expected to generate \$99.0 million in sales in 2036. Approximately 66% of this turnover will be drawn from sales that would have been achieved at nearby centres if the 10,000m<sup>2</sup> retail component of the Station Precinct was not constructed.
- The balance of sales at Bella Vista Station Precinct would be drawn from commuters utilising the station, office workers in nearby commercial office buildings and small impacts on a wide range of shopping facilities further afield.

- Impacts of Bella Vista Station Precinct on individual centres in 2036 range from -11% to -2% relative to sales that would have been achieved if retail at Bella Vista Station Precinct was not established. These impacts are within the range expected in circumstances of rapid trade area population growth, as will be case in the resident trade area.
- While the results of this retail trading impact analysis should be regarded as indicative only, the analysis does indicate that impacts on centres in the hierarchy associated with the development of retail at the Bella Vista Station Precinct are within the normal bounds of a competitive retail environment
- Between 2012 and 2018, the North West sub-market recorded a decline in overall office stock of 14,000m<sup>2</sup>, while at the same time, the region experienced a significant reduction in vacancies – from 19.4% in 2012 to a very tight 2.6% in 2018 – indicating strong tenant demand. Over the same period, average A-grade gross face rents increased by about 25%.
- Over time as Norwest business park approaches capacity, Bella Vista Station Precinct is expected to capture a greater share of new major office developments. By 2036, the stock of significant office buildings at Bella Vista Station Precinct could reach around 90,000m<sup>2</sup> NLA, or approximately 112,500m<sup>2</sup> GFA.
- The concept SSDA has provision for commercial office space totalling 151,000m<sup>2</sup> GFA, with an anticipated development timeframe of approximately 25 years.
- With an allowance of an additional 20% for office space in smaller developments, total office GFA of 145,000m<sup>2</sup> may be achievable within Bella Vista Station Precinct by 2036
- Bella Vista Station Precinct has an opportunity to offer a different office product from the car-based campus style offer at Norwest business park, possibly along the lines of other office locations such as Parramatta where taller office towers are more common. However, whether this strategy is successful will be determined by medium and long-term tenant demand for new office space and their preferences for the style of commercial office in the region.

## 1.2 Part B: Economic Benefits

Part B of the report covers the economic benefits of the concept SSDA. It provides an assessment of economic benefits, framed by the profile of local income and expenditure, quantification of commercial floorspace, and quantification of the overall project effect on short-term construction as well as continuing on-site employment. The concept SSDA has the potential to deliver a range of economic benefits including:

- The alignment of Bella Vista Station Precinct, as a commercial and business destination station with residential offering, with the vision for the precinct as set out in a number of strategic planning policies. The concept SSDA will help achieve this vision by providing a transit -oriented development.
- Development of the site consistent with the concept SSDA is expected to significant number of new job opportunities in a variety of industries for the local worker market. This will be particularly beneficial for local residents who have a preference to work close to home. It is expected that at conclusion of the project approximately 7,580 jobs will be located in the Bella Vista Station Precinct.
- An indicative total construction costs benchmark figure of \$1.93 billion would support 9,840 construction jobs in total. This would comprise 3780 jobs *in the construction industry* and 6,060 jobs *in related (supplier) industries* over the development period.
- The provision of office space will help alleviate some of the tight office conditions. In recent years, the commercial office market within Sydney has been particularly tight, characterised by significant withdrawals of office space in key markets and strong tenant demand driven on the back of strong employment growth. The provision of office space in the concept SSDA will increase the stock of office space over the next 25 years, placing downward pressure on office rents in an area of high office demand.
- An increase in expenditure on local retail of \$21 million per annum is expected to occur as a result of the new development.
- An increase in the availability of goods and services for local residents will be achieved through the retail offering within the precinct, which is being generated by the new resident and worker population.
- New business opportunities that arise due to the expected future population growth and associated expansion of the local economy.



## 2.0 Introduction

Ethos Urban has been appointed by Landcom to undertake an Economic Impact Assessment and Economic Benefits Statement to accompany the Concept SSD Application for the Bella Vista Station Precinct (the Station Precinct). The Station Precinct is located immediately adjacent to the new Bella Vista Station within The Hills local government area (LGA). Located approximately 1.5km to the west of the Norwest Business Park, the Station Precinct is also approximately 10km north of the Parramatta CBD.

The Station Precinct is currently characterised by a mix of office and warehouse units, vacant land and low-density residential development to the west.

The Concept SSD Applications seeks concept approval consent for the Bella Vista Station Precinct, which comprises medium to high density residential and commercial buildings together with a new with retail offering located within the town centre. It also seeks consent for the indicative location of a future primary school. The concept SSDA does not seek development consent for any physical works. All development set out in each concept proposal will be subject to a separate detailed development application.

This report comprises two parts: **Part A – Economic Impact Assessment** and **Part B – Economic Benefits Statement**.

### 2.1 Background

The Bella Vista station precinct is part of Stage 1 of the Sydney Metro Norwest that opened in 2019. The metro line links the North West Priority Growth Area through Macquarie Park to Chatswood and consists of five upgraded stations and eight new metro stations, including a new station located at Bella Vista.

Bella Vista Station Precinct has been the subject to strategic planning and associated background studies by the NSW Department of Planning and Environment (DP&E) over a number of years, including the release of final rezoning and structure plans in early 2018. Further, a number of strategic objectives for the evolution of Norwest Strategic Centre and associated employment growth in the wider precinct have been identified in the Central City *District Plan* which was adopted in March 2018.

In 2017, Landcom and Transport for NSW (TfNSW) entered into a Program Delivery Agreement with the objective of developing surplus government land at Bella Vista while ensuring that opportunities to maximise government investment in rail infrastructure are delivered within the wider precinct area.

### 2.2 Site Location

The Precinct is located immediately adjacent to and surrounding the new Bella Vista Station. It is located approximately 1.5km to the east of the Norwest Business Park, with the Parramatta CBD located 10km to the south. It is currently characterised by a mix of office and warehouse units, vacant land and low-density residential development to the west.

The Precinct is irregular in shape and is situated adjacent to the SMNW corridor. This consists of an approximate 1.4 km stretch of government owned land, extending from Celebration Drive in the south to Memorial Avenue in the north and generally bound by Old Windsor Road and existing private land holdings to the west and Elizabeth Macarthur Creek to the east.

The Bella Vista Station Precinct is shown in **Figure 1** below.



**Figure 1 The Station Precinct**

Source: Landcom

The Station Precinct is occupied by new road and railway infrastructure associated with former State Significant Infrastructure (SSI) approvals, SSI 5414 and SSI 5100, including the new Bella Vista Station which is located at the southern end of the Precinct (indicated by the shaded blue). Other existing site activities associated with the SSI approvals include a large multi-storey commuter car park immediately north of the station and a large construction site compound in the north of the precinct between Balmoral Road and Memorial Avenue.

The Bella Vista Station Precinct site is defined by the Schedule 2 State Significant Development Sites Map of *State Environmental Planning policy (State and Regional Development) 2011* (SRD SEPP). The site is made up of 40 allotments and has a total area of approximately 33.5 hectares.

## 2.3 Proposed Development

The Concept SSD Application seeks concept development approval for the Bella Vista Station Precinct, which comprises medium to high density residential and commercial buildings together with new retail offering located within a new town centre. It also seeks consent for the indicative location of a future primary school. The concept SSDA site is defined as land owned by, or under the control of, Sydney Metro. This includes lands under the ownership of Office of Strategic Lands. The concept SSDA does not seek development consent for any physical works. All development set out within the concept proposal will be subject to a separate detailed development application.

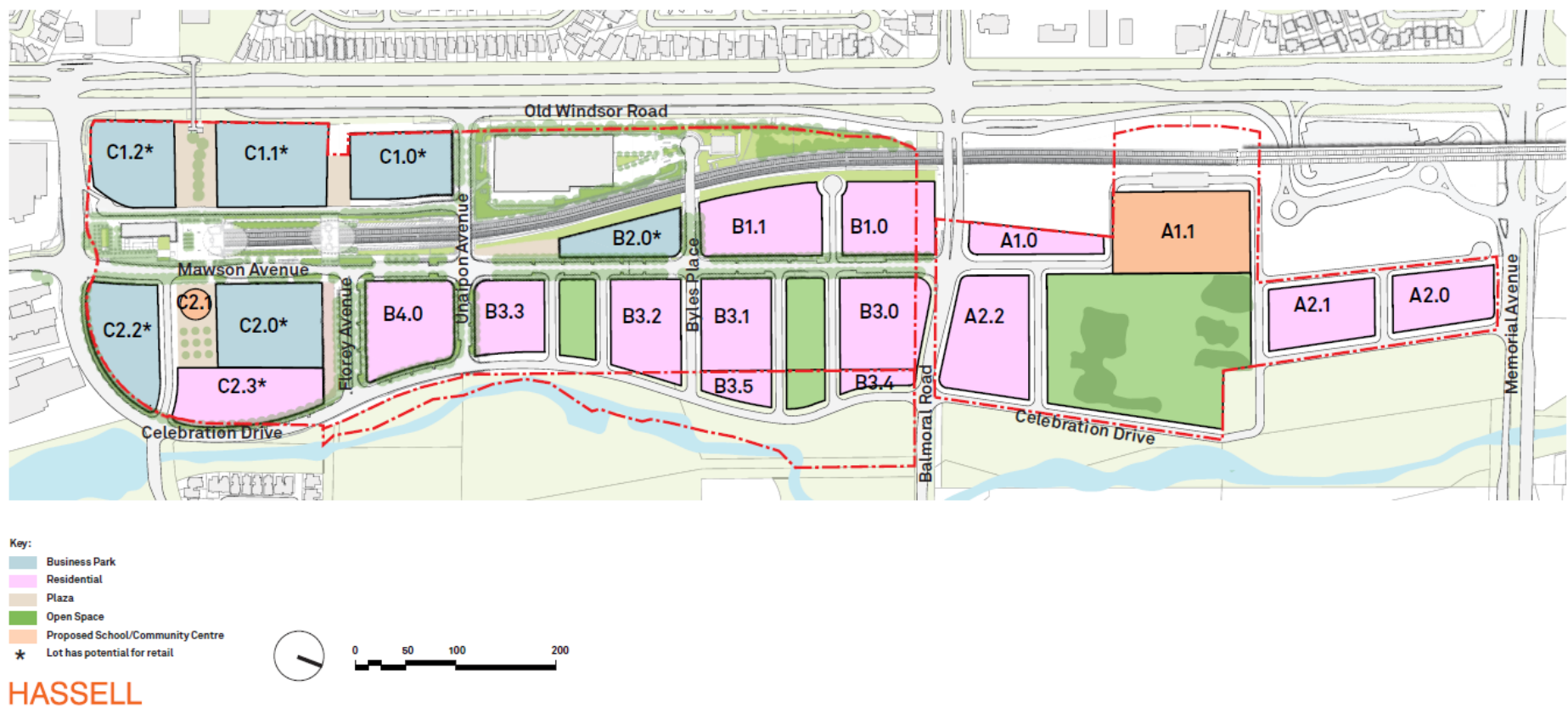
The concept SSDA identifies the following residential, commercial and retail yields which are highlighted in **Table 2**.

**Table 2 Proposed Development**

Bella Vista Station Precinct	Yield
Residential Yield	3,804 units
Commercial Yield GFA	151,000m <sup>2</sup>
Retail Yield GFA	15,000m <sup>2</sup>

Source: Landcom

**Figure 2** below shows the precinct masterplan according to the concept SSDA.



**Figure 2** Bella Vista Precinct Masterplan

Source: Landcom; Hassell



## Part A – Economic Impact Assessment

Part A of this report details the findings of the Economic Impact Assessment, that has been produced to accompany the concept SSDA for the Bella Vista Station Precinct. It seeks to:

- Provide commentary on and review of strategic policy and planning documents
- Provide an overview of the demographics and commentary on the likely future demographic profile of the area surrounding the precinct
- Analyse the economic impact of the commercial offering at Bella Vista Station Precinct and the broader north-west regional economy, and positioning of the proposed project in the context of this balance
- Analyse the economic impact of retail offerings at Bella Vista Station Precinct and the broader north-west regional economy, and positioning of the proposed project in the context of this balance
- Analyse the relevant economic activity generated as a result of the proposed development, including definition of appropriate geographies of analysis
- Assess the economic costs and benefits, framed by the profile of local income and expenditure, quantification of commercial floorspace, quantification of the overall project effect on short-term construction as well as continuing on-site employment, and interactions with demand for residential development and public domain / associated community infrastructure.

### 3.0 Strategic Planning and Policy Framework

This section provides commentary on the relevant the strategic planning and policy context that has helped shape the current vision, principles and objectives for the Bella Vista Station Precinct.

#### 3.1 Strategic Transport Framework

##### 3.1.1 Future Transport 2056

The Future Transport Strategy 2056 is an update to the NSW Government's Long-Term Transport Master Plan. It has been developed together with the Greater Sydney Commission's Sydney Region Plan, Infrastructure NSW's State Infrastructure Strategy, and the Department of Planning and Environment's regional plans to provide an integrated 40-year vision. This vision is built on six outcomes:

- Improved customer focus – by moving to a customer focused, data enabled and dynamic system, can ensure that customer experiences are seamless, interactive and personalised.
- Successful places – by improving access to centres, and focusing on the liveability, amenity and economic success of communities and places.
- A stronger economy – improvements in the transport system will help support and power NSW's economy and help connect people to jobs, and goods and services across NSW.
- Safety and performance – by ensuring that every customer enjoys safe travel access a high performing, efficient network.
- Accessible services – by creating a full accessible network that enables barrier-free travel, ensuring that customer service and information is inclusive.
- Improved sustainability – by creating an affordable network that is responsible to change and by supporting more environmentally sustainable travel.

These overarching outcomes, in addition to the goals and objectives of the previous transport strategy, have guided the implementation of the recently opened Sydney Metro North West (SMNW), which services the North West Growth Centres and better connects people to jobs, education and other services. Prior to its opening, the local community was primarily dependent on bus services, which frequently experience congestion, particularly as they

approach the CBD. While the addition of the SMNW will relieve pressure on the corridor, it is likely that demand for travel to the North West from other centres will increase with population growth. Ultimately, the SMNW aims to reduce car dependency by embedding an integrated network of public transport services, close to homes, jobs and other services.

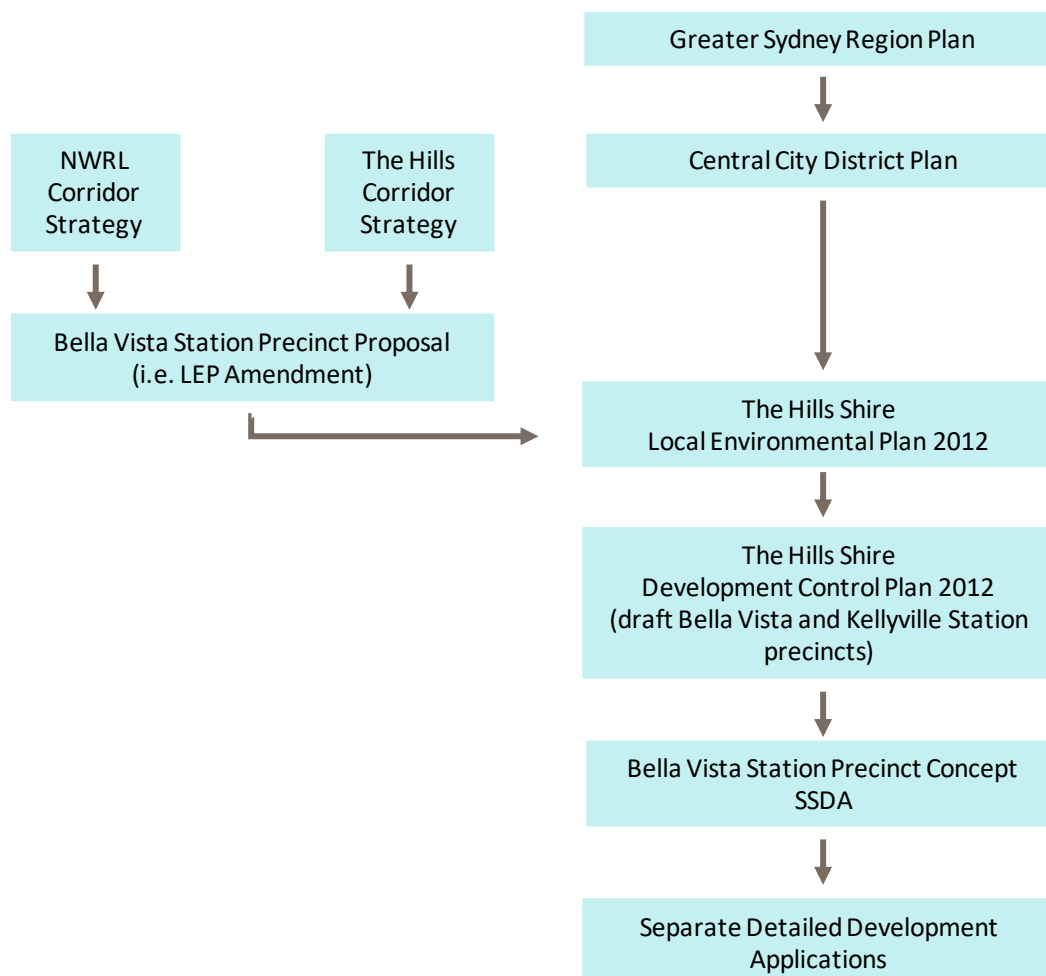
### 3.1.2 Sydney Metro North West

Sydney's rail network connects the suburban homes of the city's skilled workforce with the city's highest value employment land located throughout the Global Economic Corridor. The recently opened SMNW will for the first time bring high capacity, fast, frequent and reliable public transport to the North West. It links the North West Priority Growth Area through Macquarie Park to Chatswood and comprises 36km of new rail line, 8 new stations and 5 upgraded stations, fully automated single deck trains, and a train every four minutes during peak periods. This piece of transport infrastructure will be important to support future population growth in the area, where it is expected that over the coming decades, an extra 200,000 people will move into Sydney's North West, taking its population above 600,000. Over the coming years, SMNW will connect with Sydney Metro City and South West to provide direct, metro rail services between the North West, Sydney CBD and Bankstown. Sydney Metro City and Southwest is the second stage of the rail link.

Prior to its opening, the North West did not have a high frequency, reliable public transport system. This was a key contributor to it having the highest rate of car ownership per household in the country, which is an unsustainable urban pattern and has the potential for significant adverse impacts on the North West's environment, quality of life and economy in the future.

## 3.2 Strategic Planning Framework

A number of strategic and statutory plans and policies have been prepared to inform the future development of the Precinct. **Figure 3** below provides an illustrative overview of the framework and their relationship to one another. These documents seek to work together to provide a comprehensive framework to guide and regulate the pattern, use and scale of development within Bella Vista, including the Station Precinct. There are numerous planning and strategic documents at the regional, sub-regional and local level, all of which have implications on the future direction of development in Bella Vista Station Precinct, or which have been prepared to assist with the future planning and development of the precinct.

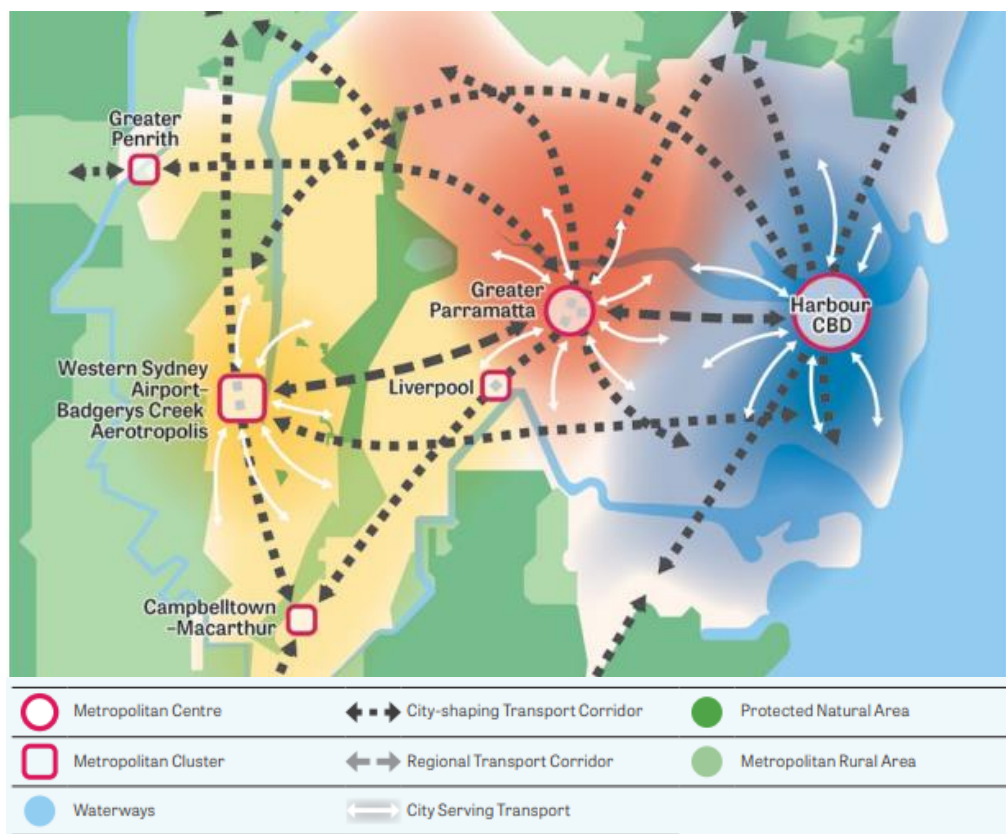


**Figure 3 The Strategic Context at Bella Vista**

### 3.2.1 The Greater Sydney Region Plan (March 2018)

The Greater Sydney Plan outlines the vision, objectives, strategies and actions for the growth and development of Sydney to 2056. The plan intends to guide infrastructure delivery over the next 40 years and seeks to reposition Sydney as a metropolis of three cities – the western parkland, central river and eastern harbour cities. To support realisation of this vision the GSC have established ten (10) key Directions which set out the aspirations for Greater Sydney over the next 40 years. They are:

1. A city supported by infrastructure
2. A collaborative city
3. A city for people
4. Housing the city
5. A city of great places
6. A well-connected city
7. Jobs and skills for the city
8. A city in its landscape
9. An efficient city
10. A resilient city



**Figure 4 Greater Sydney's three city metropolises**

Source: Greater Sydney Commission

Bella Vista Station Precinct is identified as a location for Transit Oriented Development under the Greater Sydney Region Plan. The Plan states that of critical importance to delivering on the vision of a Metropolis of Three Cities is *"the integration of the mass transit network with the economic corridors, centres, transit-oriented development, urban renewal and health and education precincts."* The Bella Vista Station Precinct is therefore a central feature in the Region Plan's aspirations for achieving the growth aspirations for Sydney.

### 3.2.2 Central City District Plan

Transitioning the aspirations of the Greater Sydney Region Plan into actions is achieved via the **Central City District Plan**. Adopted in March 2018, the District Plan sets out the planning priorities and actions for growth and development within the Central City District over the next 20 years. The District Plan fills the gap between the Metropolitan Plan (the Greater Region Plan) and Council's Local Environmental Plans giving effect to the Directions of the Greater Sydney Region Plan by setting out priorities and actions for the Central City District.

The Central City District is forecast to grow by approximately 550,500 more people by 2036, encompassing 31% of Greater Sydney's population growth to 2036. Norwest has been identified as one of the key locations for accommodating this jobs growth. This growth rate demonstrates a need to plan and meet the demands of a rapidly changing population. The District Plan highlights the following key objectives for the Central City District:

- Infrastructure supporting new developments,
- Working together to grow a Greater Sydney,
- Celebrating diversity and putting people at the heart of planning,
- Giving people housing choices,
- Designing places for people,
- Developing a more accessible and walkable city,
- Creating the conditions for a stronger economy,

- Valuing green spaces and landscape,
- Using resources wisely; and
- Adapting to a changing world.

In addition, the District Plan seeks to encourage and facilitate the growth and development of centres and other renewal areas within the District, including Bella Vista. To do this it seeks to ensure that any future renewal and development supports the creation great places that:

- Attract investment and business activity,
- Promote and support jobs growth,
- Provide a diversity and range of complimentary activities and uses,
- Foster the creation of vibrant and safe places defined by a high-quality public realm; and
- Create conditions for residential development but not at the expense of attracting jobs, retailing and services.

### 3.2.3 The North West Rail Link Corridor Strategy - 2013

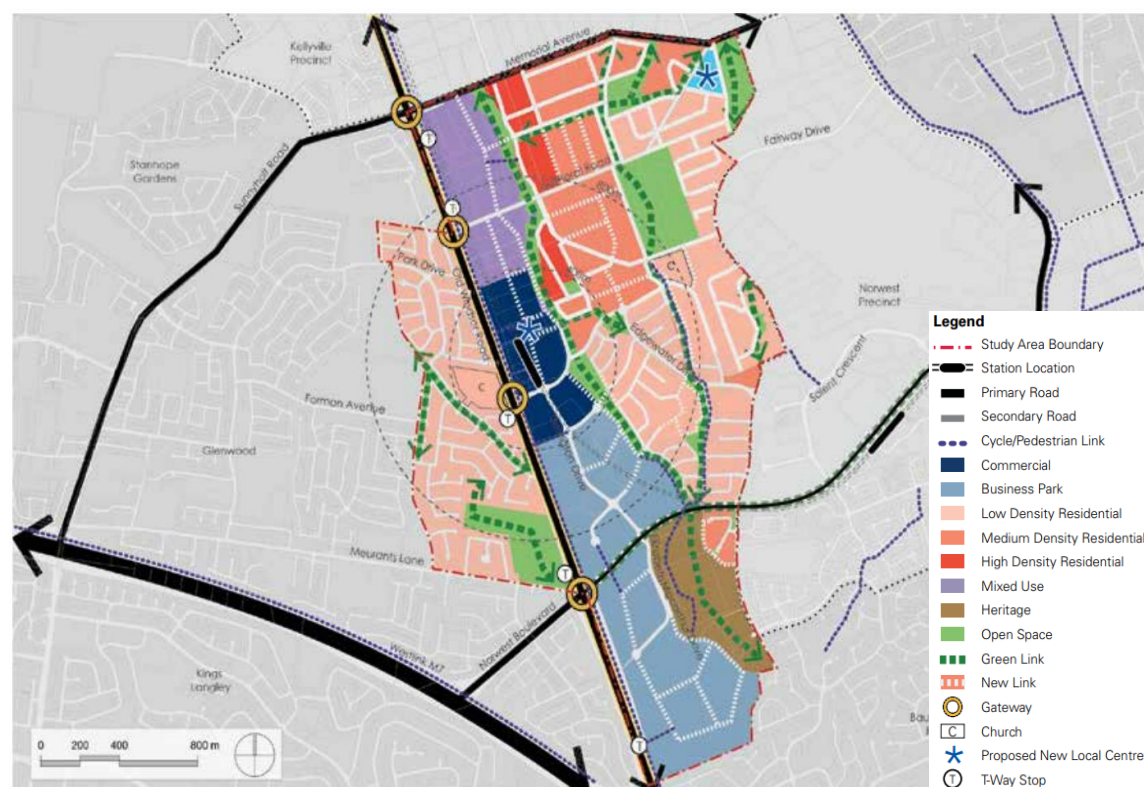
The North West Rail Link Corridor Strategy was prepared to support the commencement of the North West Rail Line extension from Epping Station to Cudgegong Road, the DP&E prepared the Strategy to guide the future development along the rail corridor over the next 20 years. The aim of the strategy was to engage with the community, landowners, state and local government agencies to assist with the formulation of future visions for precincts surrounding the future stations and establish frameworks for managing future land use change within these precincts.

The purpose of the Strategy was to facilitate community and stakeholder discussion about the desired future character of station precincts and ultimately inform future planning controls and infrastructure requirements. The Vision and Objectives for Bella Vista under the Strategy are:

- Bella Vista Study Area will have an important function in the NWRL corridor as a business and commercial 'destination' station, while also providing increased residential development opportunities.
- Bella Vista Business Park is a logical extension of Norwest Business Park and with the delivery of the NWRL provides an opportunity to increase its catchment and desirability beyond the immediate context of the North West of Sydney.
- The vision is to see the orderly expansion and intensification of the Bella Vista Business Park, in line with this increase in demand.
- Provide opportunities for increased employment and housing capacities within walking/cycling distance of the station, while ensuring the heritage, open space network and natural environment are protected.
- Integrate expanded retailing, community uses and cultural facilities which will activate a number of new pedestrian streets, plazas and squares and cater for the increased number of workers, residents and visitors alike.

To achieve this vision the Strategy provides a Structure Plan for each station and their surrounds. The Structure Plan for Bella Vista proposes a commercial/retail core centred around the station, reinforcement and enlargement of the Bella Vista Business Park to the south of the station, creation of a new mixed use area to the north of the Station that is intended to serve as a transition area between the employment core and new residential development to the north. Beyond the immediate surrounds of the Bella Vista Station Precinct is intended to be predominantly residential of varying densities and scales. A copy of the Structure Plan is shown in **Figure 5**.





**Figure 5 Bella Vista Station Structure Plan**

Source: Greater Sydney Commission

### 3.2.4 The Hills Corridor Strategy

The Hills Corridor Strategy was prepared and adopted by the Hills Shire Council on 24 November 2015 in response to the North West Rail Link. The Strategy sought to create a vision for the Hills Shire of the future, with a specific focus on how the Council could plan to meet future housing and employment growth expected for the areas around the proposed future metro rail station. The Strategy seeks to establish a centres-based strategic framework that sits between the NSW Government's NWRL Corridor Strategy and the implementation of the LEP and DCP controls to guide development within The Hills. The strategy notes:

*"The success of Norwest Business Park to date provides a springboard for attracting new higher order business activities. The delivery of the rail and improved accessibility will enhance the attractiveness of the business park, providing opportunity to leverage investment in businesses and jobs suited to the Shire skilled, professional workforce."*

*"An emerging health and medical cluster provide opportunities to continue to encourage such uses that will support the aging population and deliver jobs suited to the workforce."*

The Strategy envisages that Bella Vista will function as a business and commercial destination and provide some residential development opportunities. The vision set out for the Bella Vista Station Precinct by the Council is for a "high-rise commercial core close to station with opportunity for some high-density residential living and some support retail".

### 3.2.5 The Bella Vista Planned Precinct

In October 2013, the Hills Shire Council nominated Bella Vista as a Priority Precinct (now referred to as a Planned Precinct). Following this, in August 2014 Bella Vista was announced by the NSW Government as a Station Precinct, forming part of the Sydney Metro Northwest Urban Renewal Corridor. The Precinct and its development are regionally significant as it will support the Sydney Metro Northwest and provide new homes and jobs to meet growing demand. Under this delegation, the government is planning to provide more homes and jobs close to the

rail station, with a focus on creating well-connected neighbourhoods that achieve the housing targets, support jobs close to homes, and creates vibrant, safe and desirable places supported by the necessary infrastructure.

The Bella Vista Planned Precinct covers an area of 472 hectares, and includes land within an 800m radius, or roughly a 10-minute walk, of the new Bella Vista Station. The boundary has also considered the surrounding road network, natural features, and the development pattern of the area. The precinct is bounded by Memorial Avenue in the north, along Old Windsor Road, Glenwood Park Drive and Meurants Lane to the west, Prestige Avenue to the south and Westwood Way, Edgewater Drive and Fairway Drive to the east. The vision for the Bella Vista Precinct by 2036 is “a 21st Century Living and Business Precinct” which is guided by the following principles:

- Provision of a range of housing, employment and retail services close to transport connections and high-quality open space,
- Creation of an attractive, convenient and walkable local centre around the station, providing shops, cafes, restaurants, a village square and jobs,
- Provision of a high quality, pleasant network of public, green open space areas including new local parks, riparian corridors and the existing Bella Vista Farm Park,
- Expansion of employment and business opportunities through the revitalisation of the existing Norwest Business Park, and the creation of new business locations adjoining the station,
- Delivery of more homes close to the station to meet growing demand, and increase housing choice to reflect changing household sizes and lifestyles,
- Improving access and connections to the new station and throughout the precinct through new local roads, improved bus services, pedestrian and bicycle paths, and crossings over creek corridors; and
- Managing impacts on the natural environment including protection of remnant ecological communities in the creek corridors running through the precinct.

A map of the Planned Precinct boundary is shown in **Figure 6** below.





**Figure 6 Bella Vista Planned Precinct Boundary**

Source: Bella Vista Station Planning Proposal Report

The Planned Precinct led to the gazettal of an LEP Amendment to the Hills LEP 2012 on 1 December 2017, resulting in a change to the zone, floor space ratio and building height controls as they relate to land within the Bella Vista Planned Precinct.

### 3.3 Statutory Planning Framework

#### 3.3.1 The Hills Local Environmental Plan 2012

The Hills LEP 2012 is the primary local environmental planning instrument, which sets development parameters for the majority of the LGA and applies to the study area. It includes key development standards, such as building height and floor space ratios. Under the provisions of the Hills LEP 2012 the Bella Vista Station Precinct is zoned part B7 Business Park and part B2 Local Centre. A maximum building height of 68m applies and a maximum floor space ratio of 3:1 and 4:1 applies to the B2 and B7 zoned land respectively.

### LEP Amendment – Bella Vista Station Precinct

In December 2015 the DP&E published the Bella Vista Station Precinct Proposal (the Plan) which outlined the land use and built form controls proposed for the area in accordance with the Structure Plan of the NWRL Corridor Strategy. The Plan proposed a number of amendments to The Hills LEP 2012 to including changes to zoning, maximum heights and floor space ratio and was recently on public exhibition earlier this year.

The proposed changes to controls focused on opportunities around the station to meet goals of transit-oriented development, with greater density applied around the station, along with high quality public spaces and community facilities to cater for the population growth. The overarching vision outlined within the Plan is summarised below:

- New commercial premises around the Bella Vista station with improved road network and pedestrian and cycle connections,
- Renew and expand existing commercial areas in Norwest Business Park,
- An estimated 4,200 new homes and 9,400 new jobs over the next 20 years,
- A local centre focused around the station, transport interchange and a new town square to provide 5,000m<sup>2</sup> to 10,000m<sup>2</sup> of shops and services,
- Higher scale commercial development in a B7 Business Park zone and B2 Local centre zone around the station with heights up to 68 metres (approximately 20 storeys),
- Increase in heights and floor space allowance for land in the existing business park area,
- Apartments with heights up to 8 storeys on the northern side of the new local centre and 6 storeys adjacent to Memorial Avenue; and
- Apartments up to 6 storeys for land along Elizabeth Macarthur Creek.

In December 2017, The Hills Local Environmental Plan 2012 (the LEP) was amended through a State Environmental Planning Policy (SEPP) as part of the Bella Vista Priority Precinct process. The SEPP established new statutory controls for the precinct, including the relevant zoning and development standards, with the Planned Precinct set to accommodate 10,400 new jobs and 8,400 new homes over the next 20 years. Note that the Priority Precinct boundary extends beyond the Study Area boundary for this project.

### **3.3.2 Productivity and Centres Strategy 2019**

The Productivity and centres Strategy (the Strategy) was adopted by the Hills Council in October 2019. The Strategy establishes the foundation for strategic planning of employment lands and centres within the Hills Shire and works alongside a number of other strategic plans. Five planning priorities are identified of which priorities 1 through to 3 are relevant to the concept SSDA. These priorities are:

1. Planning for sufficient jobs, targeted to suit the skills of the workforce,
2. Building strategic centres,
3. Provide retail services to meet residents' needs,
4. Renew and create great places, and
5. Retain and manage valuable industrial and urban service land.

The strategy identifies Bella Vista Station Precinct as one of three precincts that comprise the Norwest strategic centre, with the other precincts being Norwest Station and Showground Station. The strategy identifies Bella Vista Station Precinct as having the potential for an additional supermarket (4,000 m<sup>2</sup>) and speciality retail. The concept SSDA outlined in this report, will enable the precinct to function as a strategic centre.

The strategy also identifies the Bella Vista Station Precinct (along with Kellyville station precinct) as having capacity to accommodate up to 2,000 new dwellings by 2036, and an additional, 7,100 dwellings after 2036.

The scale and scope the proposal will enable Council to achieve a number of jobs by leveraging off the new metro station and connect workers to a wider range of retail jobs. In addition, these new retail jobs will be able to service increase in local residents within the Bella Vista Station Precinct. Dwellings proposed for the precinct will be able to meet expected residential capacity up to and beyond 2036.



### 3.3.3 The Hills Development Control Plan 2012

Relevant local planning controls for the Bella Vista Station Precinct are outlined in The Hills Development Control Plan (DCP) 2012. This sets the development and built form parameters for the LGA and includes controls relating to land use, building form and setbacks, open space and public domain, the movement network, sustainability etc.

In its current form, the DCP does not provide for a new town centre at Bella Vista. Accordingly, the DP&E are currently preparing a precinct-specific DCP for the Bella Vista Station Precinct (Draft Bella Vista and Kellyville Precinct Development Control Plan 2017), which once adopted will provide detailed planning and design controls that align with the recent amendments to the LEP. The Department of Planning and Environment is currently working with the Hills Shire Council to finalise this Draft DCP. A summary of the principles underlying future development of the Bella Vista Station Precinct are outlined below.

#### Development Principles – Bella Vista and Kellyville Station Precincts Draft Development Control Plan

- Provide a mix of housing, retail and commercial services within the precinct.
- Ensure development occurs in a coordinated manner consistent with the vision and development principles.
- Locate higher scale mixed use developments close to the station to optimise access to the station facilities as well as outlook and amenity.
- Develop a local centre in the area surrounding the station to provide local shopping and other services to support the incoming population.
- Create an attractive, convenient and walkable local centre around the station, providing shops, cafes, restaurants, village square and jobs.
- Provide high quality, pleasant network of public, green open space areas including new sports fields, local parks and riparian corridors.
- Deliver homes close to the station to meet growing demand and increase housing choice to reflect changing household sizes and lifestyles.
- Improve access and connections to the new stations and throughout the precincts.
- Provide new and improved flexible community facilities including a facility at either the Kellyville or Bella Vista Station Precinct, centrally located, close to the station and town square.
- Manage impacts on the natural environment including protection of remnant ecological communities in the creek corridors.

Source: Draft Bella Vista and Kellyville DCP

Informed by the above, a precinct plan for Bella Vista and Kellyville has been prepared to guide future development within the station precincts. A summary of the key elements from this Draft DCP is provided in **Table 3** below:

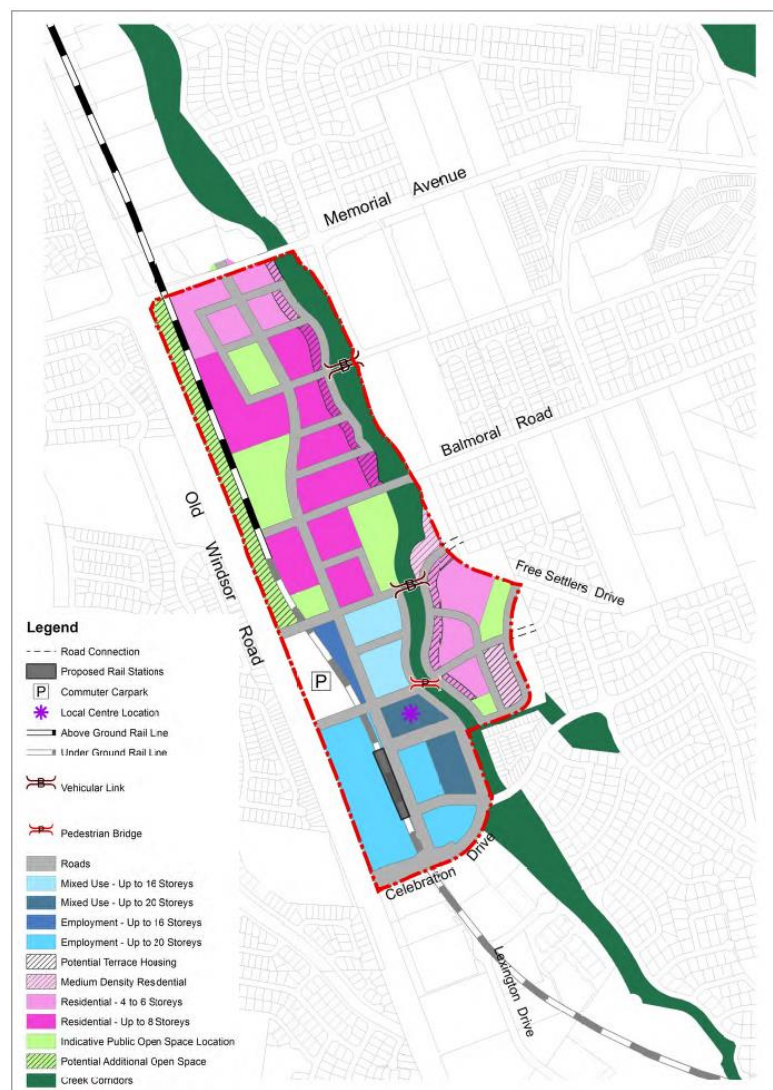
**Table 3 Bella Vista Key Elements**

Element	Description
<b>Land Use</b>	<ul style="list-style-type: none"> <li>• A mixed-use local centre is to be located adjacent to the station with high density residential uses and ground floor retail, including the potential for a local supermarket.</li> <li>• The new business park area offers opportunities for larger scale commercial development in an urban setting that includes a walkable street network.</li> <li>• Extension of Norwest business park surrounding the station along Old Windsor Road.</li> <li>• High density residential areas are located to the north and east of the station and are focussed on Elizabeth Macarthur Creek.</li> <li>• High density residential areas are expected to transition to medium and low-density areas located further away from the station.</li> </ul>
<b>Built form</b>	<ul style="list-style-type: none"> <li>• Building heights are at their tallest around the station.</li> <li>• Parks and other key public domain areas should be framed by buildings.</li> </ul>

Element	Description
	<ul style="list-style-type: none"> <li>• Use of appropriate setback from streets, noting that 0m setback is permissible in the B7 zone under the draft DCP 2017. (Note that all buildings are to comply with the building setback requirements of the Hills LEP 2012. This includes Old Windsor Road frontage in the B7 zone which is subject to clause 8.4 of the Hills LEP 2012, refer <b>Table 5</b>).</li> <li>• Building setbacks reinforce the character and identity of each neighbourhood and create a positive relationship with the public domain, including facilitating solar access.</li> <li>• Active frontages should be provided in accordance with the Hills LEP 2012 and be considered for buildings on sites adjoining or directly opposite an urban plaza/town square or similar, for use by the public and has an area of 500m<sup>2</sup> or greater.</li> <li>• Where an active frontage is not identified in the business zones, buildings are to be designed to create a positive relationship with the street and public domain, through architectural treatments and materials.</li> </ul>
<b>Open Space</b>	<ul style="list-style-type: none"> <li>• An open space network to the north of the station connects to Elizabeth Macarthur Creek and includes local play areas, passive planted areas and spaces for community gardens.</li> <li>• Green open spaces along the Elizabeth Macarthur Creek corridor with pedestrian and bicycle paths, seating, lighting and play elements.</li> <li>• A planted buffer along Old Windsor Road to provide separation between the new rail cutting and surrounding area.</li> <li>• New neighbourhood and local parks providing a range of activities for active recreation, such as fields, fitness stations, a children's playground, seating and shading.</li> <li>• Urban plaza focussed on the train station that facilitate town centre activities such as community interaction and gathering and informal passive recreation and are largely hard-scaped to create an urban character.</li> </ul>
<b>Movement network</b>	<ul style="list-style-type: none"> <li>• Provide a network of street typologies that reinforce the character of each neighbourhood.</li> <li>• Includes an integrated pedestrian and cycle network that connects with the existing network and connects both north-south and east-west through the precinct.</li> <li>• Key streets are designed to connect with the station and T-Way transit node and cater for new bus routes and bus only connections.</li> <li>• Pedestrian / cycle activity and public transport interchange functions are to be prioritised around the station.</li> </ul>

Source: Draft Bella Vista and Kellyville DCP 2017

The Draft Development Control Plan notes that development within Bella Vista is to comply with the desired future character set out in the DCP, as well as the Key Element outlined above and the Bella Vista Precinct Structure Plan which is contained within the Draft DCP and shown in **Figure 7** below.



**Figure 7 Bella Vista Station Precinct Structure Plan**

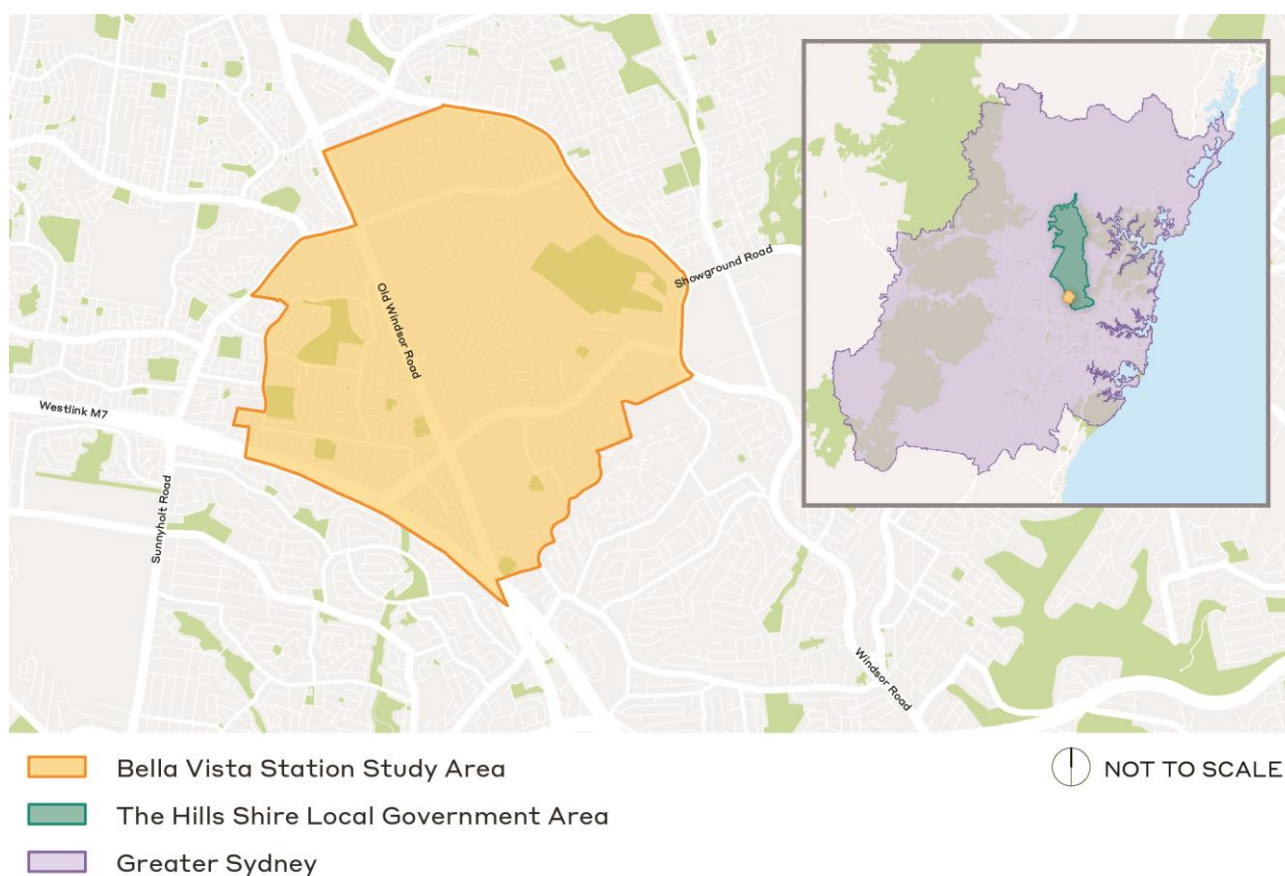
As shown in **Figure 7** above, the Structure Plan prepared for the Bella Vista Station Precinct and which forms part of the Draft DCP, identifies what is considered to represent the most likely ultimate growth and land use pattern. As shown, the intention is to expand and intensify the existing Bella Vista Business Park around the proposed metro station, while focusing high density residential and mixed-use development to the north.

## 4.0 Community Profile

The following section analyses the existing demographic profile of Bella Vista and also provides some commentary on the likely future demographic profile of the area.

For the purposes of this analysis, the *Bella Vista Study Area* has been defined as the aggregation of multiple statistical areas Level 1 using the 2016 definition of these areas (**Figure 8**). This area has been benchmarked against:

- The Hills Shire Council (Hills Shire) as at 2016, and
- Sydney Greater Capital City Statistical Area (Greater Sydney) as at 2016.



**Figure 8 Study Areas**

Source: Ethos Urban; Nearmaps.com.au

### 4.1 Existing Population

#### Population and age structure

- In 2016, the population of the study area was approximately 23,670.
- The population of the study area was slightly younger than Greater Sydney, with the median age of the area being 35, compared to 38 in the Hills Shire LGA and 36 in Greater Sydney. 49.7% of residents were under 35 years old, 41.3% were aged 35 to 64 and 9% were aged 65 years and over.
- This suggests that the local population are of a working age that could benefit from either jobs at site or by the access to jobs that the metro will provide.



## Household Composition

- In the study area, 89.6% of households were family households, this was higher than the proportion in the Hills Shire (87.1%) and much higher than Greater Sydney's (73.7%). Of these family households, 67.7% were couple with children households. Overall, this proportion of couple households with children was slightly higher than Hills LGA's (62.5%) and significantly higher than Greater Sydney's (50.9%). This suggests that the area is an attractive location for families. It's expected that the development will cause a decrease in the proportion of couple families with children, as the future development will provide a greater range of housing choice and accommodate a broader range of household types.

## Dwelling Structure

- In the study area, a significant proportion of dwellings were separate houses (83.1%). This was similar to the proportion in the Hills Shire but well above the proportion in Greater Sydney (57.2%). Only 3.3% of houses were flats, units or apartments. This was similar to the proportion in the Hills Shire (5.5%) but well below that of Greater Sydney's 28.2%.
- The concept SSDA, will lead to a slight change in character for the area and will result in an increase in the number of medium to high density housing. However, this residential development is similar to what is occurring alongside other metro stations.

## Tenure type

- 78.4% of occupied private dwellings owned either outright or with a mortgage. This was slightly lower than the Hills Shire (81.6%) but much higher than Greater Sydney's at 64.2%. Around 20.7% of dwellings were rented, which was slightly higher than Hills Shire (17.4%) but below that of Greater Sydney's (35.1%). It's expected that the proportion of dwellings being rented will increase as a result of future development within the precinct.

## Income and Housing Costs

- In 2016, the median household income within the study area was \$135, 640. This was much higher than both Hills Shire's at \$121,300 and Greater Sydney's \$92,200.
- In the study area, the median monthly mortgage repayment was \$2,660, which was higher than Hills Shire's at \$2,270 and Greater Sydney's at \$2,240.
- Median weekly rent was \$600, being slightly higher than Hills Shire's \$570 and Greater Sydney's at \$450.

## Education

- 33.8% of residents have obtained a bachelor's degree or above, being slightly greater than the proportion in Greater Sydney (28.3%).

## Occupation and Employment

- Around 79.8% of residents in the study area were employed in white collar occupations. This was broadly comparable to the proportion of residents of the Hills Shire (80.1%) but well above the proportion of residents in Greater Sydney in white collar occupations. This suggests that residents will be able to work in the types of jobs that will be available at the site.
- Residents primarily worked in the following key industries: Health Care and Social Assistance (12.6%); Retail Trade (10.7%); Professional, Scientific and Technical Services (9.4%). It's likely that the jobs created within the area will also be highly concentrated in these industries.

## Travel to work

- The majority of residents travelled to work via private vehicle (61.9%). This was higher than Greater Sydney's share of residents commuting via private vehicle (53.9%) but comparable to the share of residents within the Hills Shire (62.5%). It's expected that this share will decrease upon completion and operation of Norwest Metro.

## Place of Work

- Within the Hills Shire, around 31.1% of residents also work within the Hills Shire. This is followed by around 12.4% working in Sydney LGA and 11.7% working in Parramatta LGA. This suggests there is a relatively high level of job containment within the LGA. The provision of office and retail space in Bella Vista will assist local residents in finding a place to work close to home.

## 4.2 Forecast Population

While it is difficult to forecast with great accuracy, it is expected that the population of the study area will change in the following ways:

- There will be a significant increase in the study area's population in line with the completion of new residential development in the precinct.
- The share of detached houses within the study area is expected to decrease as medium and high-density residential development is delivered in the precinct.
- The proportion of couple households without children and group households is expected to increase as a result of the increase in housing diversity within the precinct. Households without children and group households are expected to occupy much of the new medium and high-density housing.
- The proportion of dwellings being rented or owned with a mortgage is also expected to increase.
- The median age is likely to reduce with more younger people living in the new residential apartment developments.

## 5.0 Retail Trading Impacts

**The analysis that follows is on a 'business as usual' basis and does not explicitly consider the economic implications of the COVID-19 pandemic. While it is generally acknowledged there will be significant and widespread disruption to economic activity, the specific impacts of the pandemic on the retail sector generally, and on the Bella Vista region, in particular, are unknown at this stage.**

The masterplan for the Bella Vista Station Precinct shows the area is planned to support an estimated 15,000m<sup>2</sup> of retail GFA, of which 13,500m<sup>2</sup> is proposed to be located within the town centre adjacent to the Bella Vista Metro Station. It is expected that this retail GFA will largely comprise a supermarket with supporting food and non-food speciality shops.

This section estimates the trading impacts that new retail associated with the development of the Bella Vista Station Precinct will have on existing and proposed retail centres in the vicinity.

### 5.1 Impact Considerations and Methodology

Observed shopping patterns – where people choose to spend their retail dollars - result from highly complex interactions between consumers, transport networks, store operators, shopping centres, other sales channels and suppliers of retail goods and services. The retail industry is dynamic and ever changing in response to market circumstances – such as disruption introduced by new entrants (e.g. online competitors) and evolving trends in the supply and composition of physical shopping destinations.

In these circumstances, it is unrealistic to expect that any existing shopping facility will experience no impacts on trading performance when additional new centres are introduced into a local area.

Modelling can only approximate these interactions. In the case of modelling retail trading impacts of a significant change in the retail competitive environment, economists must rely on simplified representations of behavioural shifts. The intent of an impact assessment is to broadly estimate the redistributive effects of a change in supply, rather than to project the precise impacts on individual businesses.

With these caveats in mind, we have broadly assessed the retail trading impacts of new retail floorspace at Bella Vista Station Precinct by:

- a. Defining a trade area for the Station Precinct retail and estimating the retail spending potential of residents in the trade area now and into the future.
- b. Identifying the centres and retail areas that are likely to be materially impacted by retail at the Station precinct. While all centres within the trade would be expected to experience a trading impact, a few centres are located outside the trade area.

- c. Identifying likely new centres that would also be impacted by retail facilities at the Bella Vista Station Precinct
- d. Estimating the retail floorspace and 2019 turnover levels at each impacted centre. In this analysis, floorspace and turnover was divided into Food Retail (take home food), Food Catering (eat in food) and Non-Food categories.
- e. Estimating the trading levels of centres at a future date under a scenario of no retail development at the Station Precinct.
- f. Estimating the trading levels of centres at a future date under a scenario of the planned retail developments at the Station Precinct.
- g. Measuring the difference in trading levels between the two scenarios (i.e. the forecast trading impact).

This analysis provides a long-term view about potential trading impacts. While impacts on individual centres are estimated, these individual centre impacts are highly indicative and, as already noted, dependent upon simplified representations of shopping behaviour.

The more important implication of the analysis is whether the proposed retail facilities at Bella Vista Station can be supported by economic demand without significantly impacting, in aggregate, traders and the local retail hierarchy.

## 5.2 Trade Area Analysis

### 5.2.1 Trade Area Definition

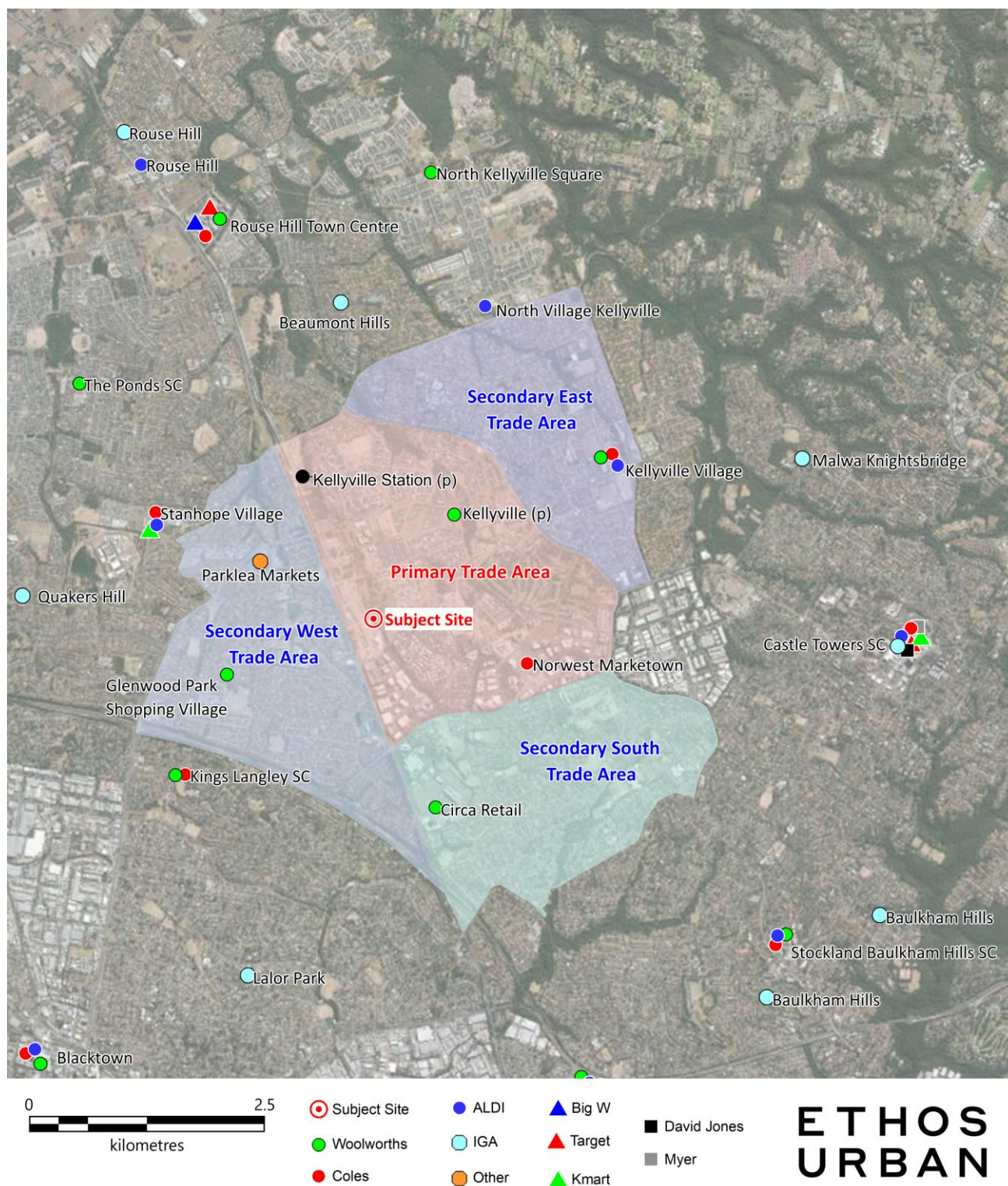
A potential trade area for a supermarket in the Bella Vista Station Precinct is shown in **Figure 9** below. General factors influencing the definition of the Station Precinct trade area include:

- The location and relative attractiveness of competing shopping centres/outlets.
- Road, public transport and pedestrian access to the centre.
- Physical barriers impacting access, such as major roads, rail corridors, rivers, farmland etc.
- Journey times and relative ease of access to the centre.
- Exposure to passing traffic, and
- Existing travel patterns, such as travel to work.

The main trade area, comprising a primary and three secondary sectors, extends to areas in Hills Shire and Blacktown City. The figure also shows the main retail competition within and beyond the trade area:

- The **Primary Trade Area** extends east of Old Windsor Road to Windsor Road, and is bounded by Samantha Riley Drive in the north, and by Norwest Boulevard in the south.
- The northern boundary of the **Secondary East sector** is Samantha Riley Drive, while the eastern boundary is Green Road.
- The southern boundary of the **Secondary South sector** is Merindah Road/Seven Hills Road.
- The southern boundary of the **Secondary West sector** follows Westlink M7, while the western and northern boundaries broadly follow Sunnyholt Road, Candice Crescent, and Perfection and Newbury Avenues.





**Figure 9 Bella Vista Station Precinct Trade Area**

Source: Ethos Urban

Of note, as well as spending generated by trade area residents, further sources of business for retail facilities at Bella Vista Station Precinct will be commuters passing through the station and a daytime population comprising workers in nearby commercial office developments.

## 5.2.2 Population

Current and forecast population levels in the trade area are shown in **Table 4** below

**Table 4 Bella Vista Trade Area Population, 2019 to 2036**

Trade Area	2019	2021	2026	2031	2036
<b>Population (No.)</b>					
Primary	9,580	11,340	16,280	19,810	21,870
Secondary East	16,700	17,150	17,340	17,420	17,620
Secondary South	14,080	14,240	14,630	14,790	15,490
Secondary West	20,930	21,200	21,680	22,100	22,550
<b>Main Trade Area</b>	<b>61,290</b>	<b>63,930</b>	<b>69,930</b>	<b>74,120</b>	<b>77,530</b>
<b>Average Annual Growth (%)</b>					
Primary		+8.8%	+7.5%	+4.0%	+2.0%
Secondary East		+1.3%	+0.2%	+0.1%	+0.2%
Secondary South		+0.6%	+0.5%	+0.2%	+0.9%
Secondary West		+0.6%	+0.4%	+0.4%	+0.4%
<b>Main Trade Area</b>		<b>+2.1%</b>	<b>+1.8%</b>	<b>+1.2%</b>	<b>+0.9%</b>
<b>Average Annual Growth (No.)</b>					
Primary		+880	+990	+710	+410
Secondary East		+230	+40	+20	+40
Secondary South		+80	+80	+30	+140
Secondary West		+140	+100	+80	+90
<b>Main Trade Area</b>		<b>+1,320</b>	<b>+1,200</b>	<b>+840</b>	<b>+680</b>

Source: ABS ERP data; NSW State Government forecasts; Ethos Urban

The primary sector currently has a population of approximately 9,500 residents. However, the population of the primary sector is expected to grow rapidly by 2031, before levelling out slightly by 2036. Further growth beyond 2036 in the primary sector population is expected, particularly as the development period of Bella Vista Station Precinct may continue for another decade beyond this date.

Population growth in the secondary sectors is expected to be more modest due to the fact that these areas will not be the subject of the same level of renewal and development. By 2036, the main trade area population (primary + secondary sectors) is expected to have grown to 77,530, or by 16,240 people since 2019, or by an average of 1.4% per year.

## 5.2.3 Per Capita Spending

Per capita retail spending by residents of the main trade area is shown in **Table 5** below. Spending per capita is based on the MDS MarketInfo model, which draws on numerous official sources of economic data to model the spending capacity of an area. The key influence on retail spending is income, while other determining factors include life cycle stages and family structures.

Per capita spending is divided into four categories:

- **Food retail** - mainly comprising groceries and liquor, or broadly, food items found in supermarkets and specialty food retailers such as butchers and fruit and vegetable traders.
- **Food catering** - namely, food and beverages purchased in cafes, restaurants and take-away food shops.
- **Non-Food** - such as clothing and footwear, pharmacy items, books and magazines, as well as numerous other retailers.
- **Services** – including, hairdressers, beauty salons and key-cutting kiosks.

**Table 5** Bella Vista Station Precinct Trade Area Retail Spending per Capita, 2019

Trade Area	Food, Liquor and Groceries	Food Catering	Non-Food	Services	Total Retail
<b>Per Capita Spending (\$2018)</b>					
<b>Primary</b>	<b>\$5,790</b>	<b>\$2,250</b>	<b>\$6,860</b>	<b>\$560</b>	<b>\$15,460</b>
Secondary East	\$5,730	\$2,150	\$6,950	\$540	\$15,380
Secondary South	\$5,370	\$1,960	\$6,210	\$470	\$14,000
Secondary West	\$5,880	\$2,370	\$7,310	\$590	\$16,150
<b>Total Secondary Trade Area</b>	<b>\$5,620</b>	<b>\$2,130</b>	<b>\$6,750</b>	<b>\$520</b>	<b>\$15,030</b>
<b>Main Trade Area</b>	<b>\$5,650</b>	<b>\$2,150</b>	<b>\$6,770</b>	<b>\$530</b>	<b>\$15,100</b>
<i>Greater Sydney</i>	<i>\$5,650</i>	<i>\$2,190</i>	<i>\$5,950</i>	<i>\$540</i>	<i>\$14,330</i>
<b>Variation from Greater Sydney average</b>					
<b>Primary</b>	<b>+2.5%</b>	<b>+2.7%</b>	<b>+15.3%</b>	<b>+3.7%</b>	<b>+7.9%</b>
Secondary East	+1.4%	-1.8%	+16.8%	+0.0%	+7.3%
Secondary South	-5.0%	-10.5%	+4.4%	-13.0%	-2.3%
Secondary West	+4.1%	+8.2%	+22.9%	+9.3%	+12.7%
<b>Total Secondary Trade Area</b>	<b>-0.5%</b>	<b>-2.7%</b>	<b>+13.4%</b>	<b>-3.7%</b>	<b>+4.9%</b>
<b>Main Trade Area</b>	<b>+0.0%</b>	<b>-1.8%</b>	<b>+13.8%</b>	<b>-1.9%</b>	<b>+5.4%</b>

Source: MarketInfo; Ethos Urban

The trade area residents of Bella Vista Station had an average annual retail spending capacity of \$15,100 per person in 2019. This per capita spending potential was 5.4% above the Sydney average, largely driven by the higher per capita incomes and demographic differences reported earlier. Food spending per capita was close to the Sydney average, with spending in the food retail category slightly higher than average and spending in the food catering category slightly lower than average. Non-food spending per person was significantly higher in the Bella Vista Station trade area than in Sydney overall.

#### 5.2.4 Total Spending

The final step in trade area analysis is to estimate total retail spending. **Table 6** shows the total retail spending capacity of Bella Vista Station trade area residents, calculated by multiplying population by per capita spending levels. In the table, the non-food and services categories have been combined.

Total retail spending by residents of the main trade area is expected to increase from \$925.5 million in 2019 to \$1.38 billion by 2036. These figures are in constant 2019 dollars (i.e. excluding retail inflation) and include GST.

In line with population growth, the most significant increases in retail spending potential will be in the primary sector, where spending will increase 2.7-times from \$148.2 million in 2019 to \$397.3 million by 2036.

**Table 6 Bella Vista Station Precinct Trade Area Spending 2019 to 2036 (\$2019)**

Trade Area/Spending Category	2019	2021	2026	2031	2036
<b>Primary</b>					
Food Retail	\$55.5m	\$66.1m	\$96.2m	\$118.7m	\$133.0m
Food Catering	\$21.6m	\$25.8m	\$38.0m	\$47.4m	\$53.6m
Non-Food	\$71.1m	\$86.8m	\$134.5m	\$176.7m	\$210.7m
<b>Total Retail</b>	<b>\$148.2m</b>	<b>\$178.7m</b>	<b>\$268.7m</b>	<b>\$342.8m</b>	<b>\$397.3m</b>
<b>Secondary East</b>					
Food Retail	\$95.7m	\$98.8m	\$101.3m	\$103.2m	\$105.9m
Food Catering	\$36.0m	\$37.3m	\$38.7m	\$39.8m	\$41.3m
Non-Food	\$125.1m	\$132.5m	\$144.6m	\$156.9m	\$171.4m
<b>Total Retail</b>	<b>\$256.8m</b>	<b>\$268.6m</b>	<b>\$284.6m</b>	<b>\$299.9m</b>	<b>\$318.6m</b>
<b>Secondary South</b>					
Food Retail	\$112.3m	\$114.4m	\$118.6m	\$122.6m	\$126.9m
Food Catering	\$41.0m	\$41.9m	\$43.9m	\$45.9m	\$48.0m
Non-Food	\$139.8m	\$146.0m	\$161.3m	\$177.6m	\$195.8m
<b>Total Retail</b>	<b>\$293.0m</b>	<b>\$302.3m</b>	<b>\$323.8m</b>	<b>\$346.1m</b>	<b>\$370.7m</b>
<b>Secondary West</b>					
Food Retail	\$82.8m	\$84.3m	\$87.7m	\$89.9m	\$95.6m
Food Catering	\$33.4m	\$34.1m	\$35.9m	\$37.2m	\$40.0m
Non-Food	\$111.2m	\$116.0m	\$128.7m	\$140.5m	\$159.0m
<b>Total Retail</b>	<b>\$227.4m</b>	<b>\$234.4m</b>	<b>\$252.3m</b>	<b>\$267.7m</b>	<b>\$294.5m</b>
<b>Main Trade Area</b>					
Food Retail	\$346.4m	\$363.6m	\$403.9m	\$434.5m	\$461.2m
Food Catering	\$131.9m	\$139.1m	\$156.5m	\$170.3m	\$182.9m
Non-Food	\$447.2m	\$481.3m	\$569.0m	\$651.7m	\$736.9m
<b>Total Retail</b>	<b>\$925.5m</b>	<b>\$984.0m</b>	<b>\$1,129.4m</b>	<b>\$1,256.6m</b>	<b>\$1,381.1m</b>

Source: MarketInfo; Ethos Urban

### 5.3 Centres Likely to be Impacted by Bella Vista Station Precinct

Bella Vista Station Precinct will face competition from several centres inside and beyond the main trade area, as shown by **Figure 9** above. While all centres within the main trade area are likely to be impacted to varying extents by new retail at Bella Vista Station Precinct, only a handful of centres outside the trade area are likely to be materially affected.

Centres in the vicinity of Bella Vista Station Precinct classified according to the extent to which the centre is likely to be impacted by new Bella Vista floorspace are shown in **Table 7** below:

- Six existing centres in the main trade area, plus an allowance for non-centre retail floorspace currently accommodate 65,090m<sup>2</sup> Gross Leasable Area (GLA). These centres are expected to experience trading impacts from new Bella Vista floorspace.
- The provision of floorspace in Norwest Marketown totals around 8,330m<sup>2</sup>. Mulpha Corporation has applied to increase this provision to over 25,000m<sup>2</sup>; however, our understanding is that this proposal is part of a much larger expansion of Norwest business park that does not have The Hills Council support. Given the uncertainty surrounding that proposal, we have assumed that Norwest Marketown does not expand for the purposes of this assessment. It is noted however that some extension of the centre may occur in the future.
- In addition, two proposed centres in the main trade area would be impacted:
  - A proposed Woolworths anchored centre (GFA 7,860m<sup>2</sup> including non-retail floorspace) on the corner of Memorial Drive and Hector Avenue in Kellyville. The centre was granted 'deferred commencement consent'



on 20 July 2019 under conditions of road closures and a land exchange with the Hills Shire Council. For the purposes of this EIA, it is assumed that a 5,200m<sup>2</sup> GLA centre is operating before 2036.

- New retail facilities in the Kellyville Station precinct, totalling 10,000m<sup>2</sup> GLA
- The table makes allowance for 10,000m<sup>2</sup> of retail shops within the main trade area but outside enclosed shopping centres.
- A further five centres outside the main trade area, accommodating 31,800m<sup>2</sup> GLA are also expected to experience material trading impacts.
- Six centres, varying in size from 103,500m<sup>2</sup> (Castle Towers) to 6,500m<sup>2</sup> (North Kellyville Square) are not expected to be materially impacted by new retail at Bella Vista, although small impacts are likely to be experienced.

**Table 7 Centres Likely to be Impacted by Bella Vista Station Precinct**

Centre	Location	Distance from Bella Vista	GLA	Major Traders
<b>Relevant Centres inside MTA</b>				
Kellyville Station <sup>1</sup>	Primary	2.0km	10,000m <sup>2</sup>	Major supermarket
Woolworths Memorial Drive <sup>1</sup>	Primary	1.5km	5,200m <sup>2</sup>	Woolworths
Norwest Marketown	Primary	1.7km	8,330m <sup>2</sup>	Coles
Kellyville	Primary	1.7km	8,330m <sup>2</sup>	Major supermarket
Woolworths Memorial Drive*	Primary	1.5km	5,200m <sup>2</sup>	Woolworths
Kellyville Village	Sec East	3.0km	18,000m <sup>2</sup>	Woolworths, Coles, ALDI, First Choice
CircaRetail (Norwest)	Sec South	2.1km	5,240m <sup>2</sup>	Woolworths
Glenwood Park Shopping Village	Sec West	1.7km	3,190m <sup>2</sup>	Woolworths
Parklea Markets	Sec West	1.3km	12,000m <sup>2</sup>	
Allowance for Non-Centre Retail	MTA		10,000m <sup>2</sup>	
<b>Total</b>			<b>70,290m<sup>2</sup></b>	
<b>Relevant centres outside MTA</b>				
North Village Kellyville	Beyond	3.5km	3,000m <sup>2</sup>	ALDI
Kings Langley SC	Beyond	2.6km	9,700m <sup>2</sup>	Woolworths, Coles
Stanhope Village SC	Beyond	2.6km	16,400m <sup>2</sup>	Coles, ALDI
Beaumont Hills	Beyond	3.2km	2,700m <sup>2</sup>	IGA
<b>Total</b>			<b>31,800m<sup>2</sup></b>	
<b>Other Centres with low to very low impacts</b>				
Castle Towers SC (Castle Hill)	Beyond	5.6km	103,460m <sup>2</sup>	Coles, ALDI, Myer, David Jones, Kmart, Target
Stockland Baulkham Hills SC	Beyond	5.4km	17,580m <sup>2</sup>	Woolworths, Coles, ALDI
Rouse Hill Town Centre	Beyond	4.5km	51,730m <sup>2</sup>	Woolworths, Coles, Big W, Target
Winston Hills Mall	Beyond	5.4km	24,240m <sup>2</sup>	Woolworths, Coles, ALDI, Big W
The Ponds SC	Beyond	4.0km	7,480m <sup>2</sup>	Woolworths
North Kellyville Square	Beyond	4.8km	6,500m <sup>2</sup>	Woolworths
<b>Total</b>			<b>210,990m<sup>2</sup></b>	

1: Proposed centres  
Source: Ethos Urban

## 5.4 Impacted Centre Trading Performance at 2019

The current trading performance of centres likely to be impacted by new retail at Bella Vista Station Precinct is shown in **Table 8** below. Trading levels at 2019 are estimated by assigning retail turnover densities to food retail, food catering and non-food floorspace in each centre.



The retail turnover densities and resulting sales, while consistent with industry standards should be regarded as indicative only in the absence of direct sales evidence from the centres.

As shown in **Table 8**:

- The centres within the main trade area are estimated to generate \$313.8 million in sales, with Kellyville Village achieving sales of \$120.4 million.
- Centres outside the main trade area likely to be impacted by new retail at Bella Vista Station Precinct are estimated to generate \$237.3 million in sales, with Stanhope Village achieving sales of \$102.4 million.

**Table 8 Estimated Trading Performance of Impacted Centres, 2019**

Impacted Centre	Food Retail	Food Catering	Non-Food	Total
<b>GLA (m<sup>2</sup>)</b>				
Norwest Marketown	4,350	1,200	2,780	8,330
Kellyville Village	8,200	2,500	7,300	18,000
CircaRetail (Norwest)	3,100	550	1,590	5,240
Glenwood Park Shopping Village	2,650	200	340	3,190
Parklea Markets	1,000	500	10,500	12,000
Allowance for Non-Centre Retail	1,000	6,500	2,500	10,000
<b>Centres in MTA</b>	<b>20,300</b>	<b>11,450</b>	<b>25,010</b>	<b>56,760</b>
North Village Kellyville	2,600	200	200	3,000
Kings Langley SC	7,450	1,000	1,250	9,700
Stanhope Village SC	3,900	1,800	10,700	16,400
Beaumont Hills	2,500	100	100	2,700
<b>Centres outside MTA</b>	<b>16,450</b>	<b>3,100</b>	<b>12,250</b>	<b>31,800</b>
<b>Total</b>	<b>36,750</b>	<b>14,550</b>	<b>37,260</b>	<b>88,560</b>
<b>Retail Sales Density (sales per m<sup>2</sup>)</b>				
Norwest Marketown	\$9,500	\$5,500	\$4,500	\$7,260
Kellyville Village	\$9,000	\$5,500	\$4,500	\$6,690
CircaRetail (Norwest)	\$9,800	\$5,500	\$4,500	\$7,740
Glenwood Park Shopping Village	\$9,800	\$5,500	\$4,500	\$8,970
Parklea Markets	\$3,200	\$1,800	\$1,400	\$1,570
Allowance for Non-Centre Retail	\$7,000	\$4,500	\$3,500	\$4,500
<b>Centres in MTA</b>	<b>\$8,950</b>	<b>\$4,770</b>	<b>\$3,100</b>	<b>\$5,530</b>
North Village Kellyville	\$9,900	\$5,500	\$4,500	\$9,250
Kings Langley SC	\$9,900	\$5,500	\$4,500	\$8,750
Stanhope Village SC	\$10,000	\$5,500	\$5,000	\$6,240
Beaumont Hills	\$8,500	\$5,500	\$4,500	\$8,240
<b>Centres outside MTA</b>	<b>\$9,710</b>	<b>\$5,500</b>	<b>\$4,940</b>	<b>\$7,460</b>
<b>Total</b>	<b>\$9,290</b>	<b>\$4,930</b>	<b>\$3,700</b>	<b>\$6,220</b>
<b>Total Sales</b>				
Norwest Marketown	\$41.3m	\$6.6m	\$12.5m	\$60.4m
Kellyville Village	\$73.8m	\$13.8m	\$32.9m	\$120.4m
CircaRetail (Norwest)	\$30.4m	\$3.0m	\$7.2m	\$40.6m
Glenwood Park Shopping Village	\$26.0m	\$1.1m	\$1.5m	\$28.6m
Parklea Markets	\$3.2m	\$0.9m	\$14.7m	\$18.8m
Allowance for Non-Centre Retail	\$7.0m	\$29.3m	\$8.8m	\$45.0m
<b>Centres in MTA</b>	<b>\$181.7m</b>	<b>\$54.6m</b>	<b>\$77.5m</b>	<b>\$313.8m</b>
North Village Kellyville	\$25.7m	\$1.1m	\$0.9m	\$27.7m
Kings Langley SC	\$73.8m	\$5.5m	\$5.6m	\$84.9m
Stanhope Village SC	\$39.0m	\$9.9m	\$53.5m	\$102.4m
Beaumont Hills	\$21.3m	\$0.6m	\$0.5m	\$22.3m
<b>Centres outside MTA</b>	<b>\$159.7m</b>	<b>\$17.1m</b>	<b>\$60.5m</b>	<b>\$237.3m</b>
<b>Total</b>	<b>\$341.4m</b>	<b>\$71.7m</b>	<b>\$138.0m</b>	<b>\$551.1m</b>

Source: Ethos Urban

## 5.5 Bella Vista Station Precinct Retail

The development of Bella Vista Station Precinct is likely to extend well into the future. While anticipating a 25-year development period, retail at the site is likely to be progressively constructed to meet demand from a rapidly growing population and to service the needs of commuters and local office workers. As such, it is assumed that retail at Bella Vista Station Precinct will be fully complete and trading by 2036.

For the purposes of this assessment, where the timing of development is yet to be determined, we have chosen 2036 as the year when the retail at Bella Vista Station Precinct should be fully completed and trading at its maximum capacity.

As a first step in assessing impacts on competing centres, the likely performance of Bella Vista Station Precinct retail at 2036 needs to be estimated. **Table 9** below shows the potential composition and trading levels of retail at Bella Vista Station Precinct in 2036.

The main centre will have approximately 7,850m<sup>2</sup> GLA (GFA 10,200m<sup>2</sup>) with food retail floorspace of 5,000m<sup>2</sup> including a significant supermarket. Other retail in and around the station is expected to total 2,150m<sup>2</sup> GLA (GFA 2,800m<sup>2</sup>), with the main emphasis on food catering traders.

Applying projected trading levels to food retail, food catering and non-food floorspace, the total retail sales at Bella Vista Station Precinct are expected to be in the order of \$99.0 million. This turnover is expressed in constant \$2019 terms and includes GST.

Retail at Bella Vista Station Precinct is expected to trade successfully, driven by its location in a high population growth area, proximity to a substantial office workforce and the convenience afforded by co-location with a significant railway station.

**Table 9 Composition and Performance of Bella Vista Station Precinct Retail, 2036 (\$2019)**

Centre	Food Retail	Food Catering	Non-Food	Total
<b>GLA (m<sup>2</sup>)</b>				
Main Centre	5,000	1,100	1,750	7,850
Other retail	750	1,000	400	2,150
<b>Total</b>	<b>5,750</b>	<b>2,100</b>	<b>2,150</b>	<b>10,000</b>
<b>Retail Sales Density (sales per m<sup>2</sup>)</b>				
Main Centre	\$12,000	\$8,000	\$7,200	\$10,370
Other retail	\$10,000	\$7,500	\$6,500	\$8,190
<b>Total</b>	<b>\$11,740</b>	<b>\$7,760</b>	<b>\$7,070</b>	<b>\$9,900</b>
<b>Total Sales</b>				
Main Centre	\$60.0m	\$8.8m	\$12.6m	\$81.4m
Other retail	\$7.5m	\$7.5m	\$2.6m	\$17.6m
<b>Total</b>	<b>\$67.5m</b>	<b>\$16.3m</b>	<b>\$15.2m</b>	<b>\$99.0m</b>

Source: Ethos Urban

The majority of sales at Bella Vista Station Precinct (68%) would be in food retail, mainly from supermarket trading.

## 5.6 Centre Trading Performance at 2036 – No Change

To assess trading impacts of Bella Vista Station Precinct retail on other centres at 2036, it is necessary to form a view about how centres would perform without retail being established at the Bella Vista Station Precinct.

These calculations essentially assume that improvements in centre performance (without Bella Vista Station Precinct) will be in line with market (main trade area) growth and take into account the proportion of business that each centre is likely to draw from the Bella Vista Station Precinct trade area. The sales estimates at each centre in 2036 without new retail at the Bella Vista Station Precinct are indicative only.

The resulting estimates of 2036 trading levels are shown in **Table 10**:

- Centres in the main trade area are projected to achieve sales of \$573.7 million, an increase of \$223.9 million over sales in 2019. Figures are in 2019 terms and include GST.
- This total includes \$64.1 million in sales expected at Kellyville Station, where a new supermarket centre will be established and an estimated \$50.5 million in sales at the new centre at Memorial Drive.

- However, the estimated sales at these two new centres are highly uncertain given no detail about the timing of opening, ultimate composition and other factors which will influence performance.
- Similarly, impacted centres outside the main trade area are projected to achieve sales of \$348.2 million, an increase of \$110.9 million.
- Overall, centres likely to be impacted by Bella Vista Station Precinct are projected to achieve sales of approximately \$921.9 million in 2036 assuming no Bella Vista Station Precinct retail developments. This growth would represent a 67% increase (+\$366.8 million) over 2019 sales.

**Table 10 Estimated Trading Performance of Centres, 2036 (\$2019) - No Change**

Impacted Centre	Food Retail	Food Catering	Non-Food	Total
<b>Total Sales (\$2019)</b>				
Norwest Marketown	\$55.0m	\$9.2m	\$20.6m	\$84.8m
Kellyville Station	\$45.2m	\$12.9m	\$6.0m	\$64.1m
Woolworths Memorial Drive	\$42.0m	\$4.9m	\$3.6m	\$50.5m
Kellyville Village	\$105.1m	\$20.3m	\$57.9m	\$183.2m
CircaRetail (Norwest)	\$40.5m	\$4.2m	\$11.8m	\$56.4m
Glenwood Park Shopping Village	\$34.6m	\$1.5m	\$2.5m	\$38.6m
Parklea Markets	\$4.6m	\$1.3m	\$25.9m	\$31.8m
Allowance for Non-Centre Retail	\$9.3m	\$40.6m	\$14.4m	\$64.3m
<b>Centres in MTA</b>	<b>\$336.3m</b>	<b>\$94.8m</b>	<b>\$142.7m</b>	<b>\$573.7m</b>
North Village Kellyville	\$34.7m	\$1.2m	\$0.9m	\$36.9m
Kings Langley SC	\$98.2m	\$7.6m	\$9.3m	\$115.1m
Stanhope Village SC	\$55.5m	\$14.6m	\$94.3m	\$164.3m
Beaumont Hills	\$30.2m	\$0.8m	\$0.8m	\$31.8m
<b>Centres outside MTA</b>	<b>\$218.6m</b>	<b>\$24.2m</b>	<b>\$105.3m</b>	<b>\$348.2m</b>
<b>Total</b>	<b>\$554.9m</b>	<b>\$119.0m</b>	<b>\$248.0m</b>	<b>\$921.9m</b>

Source: Ethos Urban

## 5.7 Impacted Centre Trading Performance at 2036 – with Bella Vista Station Precinct Retail

The final step in assessing trading impacts is to estimate the performance of impacted centres after new Bella Vista Station Precinct retail floorspace is trading, then comparing results with and without new Bella Vista Station Precinct floorspace. These calculations are summarised in **Table 11** below.

**Table 11 Estimated Trading Performance of Impacted Centres, 2036 (\$2019) - with Bella Vista Station Precinct Retail**

Impacted Centre	Total Sales in 2019	Total Sales in 2036 (No Bella Vista)	Total Sales in 2036 (With Bella Vista)	Trading Impact	Change on No Bella Vista 2036 Sales	Change on 2019 Sales
Norwest Marketown	\$60.4m	\$84.8m	\$75.5m	-\$9.3m	-10.9%	25.0%
Kellyville Station	\$0.0m	\$64.1m	\$61.3m	-\$2.8m	-4.4%	n.a.
Woolworths Memorial Drive	\$0.0m	\$50.5m	\$48.0m	-\$2.4m	-4.8%	n.a.
Kellyville Village	\$120.4m	\$183.2m	\$164.4m	-\$18.9m	-10.3%	36.5%
CircaRetail (Norwest)	\$40.6m	\$56.4m	\$50.8m	-\$5.6m	-10.0%	25.2%
Glenwood Park Shopping Village	\$28.6m	\$38.6m	\$34.9m	-\$3.7m	-9.7%	22.0%
Parklea Markets	\$18.8m	\$31.8m	\$30.9m	-\$0.9m	-2.9%	64.2%
Allowance for Non-Centre Retail	\$45.0m	\$64.3m	\$57.9m	-\$6.4m	-10.0%	28.6%
<b>Centres in MTA</b>	<b>\$313.8m</b>	<b>\$573.7m</b>	<b>\$523.6m</b>	<b>-\$50.1m</b>	<b>-8.7%</b>	<b>66.9%</b>
North Village Kellyville	\$27.7m	\$36.9m	\$35.1m	-\$1.8m	-4.9%	26.6%
Kings Langley SC	\$84.9m	\$115.1m	\$109.5m	-\$5.6m	-4.9%	29.0%
Stanhope Village SC	\$102.4m	\$164.3m	\$157.2m	-\$7.1m	-4.3%	53.5%
Beaumont Hills	\$22.3m	\$31.8m	\$31.2m	-\$0.6m	-1.9%	40.1%
<b>Centres outside MTA</b>	<b>\$237.3m</b>	<b>\$348.2m</b>	<b>\$333.0m</b>	<b>-\$15.2m</b>	<b>-4.4%</b>	<b>40.4%</b>
<b>Total</b>	<b>\$551.1m</b>	<b>\$921.9m</b>	<b>\$856.6m</b>	<b>-\$65.3m</b>	<b>-7.1%</b>	<b>55.4%</b>

Source: Ethos Urban

Stepping through **Table 11**:

- Total 2019 sales in impacted centres are estimated to be \$551.1 million.
- Without any retail floorspace being established at Bella Vista Station Precinct, total sales in 2036 within the main trade area are projected to be \$921.9 million. This total includes new centres at Kellyville station and Memorial Drive.
- Retail shops outside significant enclosed centres (e.g. strip centres) are allowed for in the analysis. These shops would be expected to generate around \$58 million in sales in 2036, including any impacts from Bella Vista Station Precinct shops.
- With 10,000m<sup>2</sup> of new retail GLA at Bella Vista Station Precinct, total sales in 2036 for the impacted centres would be \$856.6 million, or \$65.3 million lower.
- This trading impact of -\$65.3 million represents an average impact of -7.1% across centres identified to be materially affected relative to sales that would have been achieved without new retail facilities at Bella Vista Station Precinct
- The largest impacts would be expected on nearby Norwest Marketown (-10.9%; -\$9.3 million) and Kellyville Village (-10.3%; -\$18.9 million), assuming the centre does not significantly expand.
- However, in all cases, centres would experience substantial increases over 2019 sales, ranging from +22% (Glenwood Park) to +64% (Parklea Markets).

The indicative trading impacts shown in **Table 11** are well within the normal bounds of a competitive retail network. When a strong retail offer, such as the one proposed at Bella Vista Station Precinct, is introduced into an existing retail network, other centres are inevitably affected as consumer patterns adjust to different circumstances and spending is re-distributed.

Despite the expected strong performance of retail at Bella Vista Station Precinct, all centres in the vicinity should experience strong sales growth inclusive of any impacts arising from Bella Vista Station Precinct shops.

Finally, impacts expected on centres in the vicinity are not sufficient to undermine the role of individual centres in the local retail hierarchy.

## 5.8 Summary of Retail Trading Impacts

### Key Findings – Retail Trading Impacts

- Nearby centres are expected to see an increase in sales revenue as a result of the residential development in the main trade area, with a particular focus in the vicinity of Bella Vista Station Precinct.
- In 2036, new retail floorspace at Bella Vista Station Precinct is expected generate \$99.0 million in sales.
- Approximately 66% of this turnover would be drawn from sales that would have been achieved at nearby centres if the 10,000m<sup>2</sup> GLA at Bella Vista Station Precinct was not constructed.
- Other sources of sales at Bella Vista Station Precinct include commuters, office workers and small impacts on a wide range of other centres further afield.
- Impacts of Bella Vista Station Precinct on nearby individual centres range from -11% to -2% relative to sales that would have been achieved at nearby centres if the 10,000m<sup>2</sup> GLA at Bella Vista Station Precinct was not constructed. These impacts are within the range expected in circumstances of rapid trade area population growth, as will be case in the primary sector of the Bella Vista Station Precinct trade area.
- This analysis of impacts necessarily relies on key assumptions about current and future performance of shopping centres. In addition, impact models substantially simplify complex real-world interactions between consumers and suppliers of retail goods and services. Further, the analysis extends to 2036, or 16 years into the future, where the level of uncertainty about economic circumstances is significant.
- Accordingly, the results of this retail trading impact analysis should be regarded as indicative only.
- However, the analysis does indicate that impacts on centres in the hierarchy associated with the development of retail at the Bella Vista Station Precinct are within the normal bounds of a competitive retail environment.

## 6.0 Commercial Office Impacts

The concept SSDA has provision for commercial office space totalling 151,000m<sup>2</sup> GFA. An estimated 15,500m<sup>2</sup> is located within Lot B1.2, while the majority of office floorspace (124,000m<sup>2</sup>) is planned for in the town centre around the station. The development timeframe at Bella Vista Station Precinct will be up to 25 years.

Office markets are very different from retail markets. While retail centres are strongly connected to population concentrations (“retail follows rooftops”), office development patterns tend to more strongly clustered and “lumpy”, follow different economic cycles, and be driven by different fundamentals. Ultimately, tenant demand and preferences are the key drivers.

The office market is also notoriously difficult to forecast with high certainty, especially over a long time period. Overall economic and employment growth; government policies and infrastructure provision; accessibility to an appropriately qualified workforce; development opportunities; construction costs; access to finance and relative yields; levels of pre-commitment; leasing costs; and employer location preferences are some of the factors that influence the growth patterns of office markets.

This discussion focusses on the broad market for office space in the region, including projections of office floorspace supply. However, it does not cover key market indicators such as rents and vacancy rates, which can experience significant fluctuations over relative short time periods.

### 6.1 Sydney Office Market

The Sydney office market is closely monitored by commercial real estate agents, including Knight Frank, which releases regular bulletins covering the major central city and suburban regions. The Knight Frank Research reports consider office buildings with more than 1,000m<sup>2</sup> Net Leasable Area (NLA) of office space.

As measured by total office floorspace, the Sydney market has experienced patchy and modest growth in recent years. As shown in **Table 12**, total office floorspace has remained at just over 11 million m<sup>2</sup> NLA in the period 2012 to 2018. In the 7 sub-markets, 4 experienced a net increase in office stock between 2012 and 2018, while 3 sub-markets recorded declines.

**Sydney CBD**, the location of choice for sizeable Australian and international companies, has the largest cluster of office stock at 5.0 million m<sup>2</sup>. CBD office floorspace grew by 95,000m<sup>2</sup> (+2%) over the period, retaining its share at 45% of the total market. However, the low overall growth in the CBD masked different trends between office space classified as Prime or Secondary – Prime office space grew by 18% between 2012 and 2018, while Secondary space declined by 15%.

**Table 12 Sydney Office Market Total Stock 2012 to 2018<sup>1,2</sup>**

Major Office Markets	2012	2013	2014	2015	2016	2017	2018
<b>Total Stock ('000 m<sup>2</sup> NLA)</b>							
Sydney CBD	4,929	4,859	4,959	4,962	5,066	5,080	5,024
North Sydney	860	862	849	822	792	822	824
Crows Nest/St Leonards	358	369	357	348	334	316	308
Chatswood	266	281	281	285	279	279	279
North Ryde/Macquarie Park	808	840	854	866	883	879	865
Parramatta <sup>3</sup>	625	628	637	660	682	706	705
Other Suburban	3,206	3,229	3,287	3,256	3,201	3,189	3,187
<b>TOTAL</b>	<b>11,052</b>	<b>11,068</b>	<b>11,223</b>	<b>11,200</b>	<b>11,239</b>	<b>11,271</b>	<b>11,192</b>

1: Buildings with more than 1,000 m<sup>2</sup> of office provision

2: Different office precincts measured at different times within years

3: Parramatta floorspace estimated for 2012-2015

Source: Knight Frank Research; Ethos Urban

## 6.2 Suburban Office Markets

Trends in office floorspace provision in “Other Suburban” markets are shown in **Table 13**.

**Table 13 Suburban Sydney office market total stock 2012 to 2018**

Suburban Office Markets	2012	2013	2014	2015	2016	2017	2018
<b>Total Stock ('000 m<sup>2</sup> NLA)</b>							
City Fringe	949	952	952	929	917	937	923
South	533	560	595	599	574	536	551
North	568	555	561	542	548	552	550
Inner West	434	450	459	471	472	468	476
North West	333	322	337	332	326	328	320
South West	244	246	230	232	205	209	206
West	144	144	152	152	160	160	161
<b>TOTAL</b>	<b>3,206</b>	<b>3,229</b>	<b>3,287</b>	<b>3,256</b>	<b>3,201</b>	<b>3,189</b>	<b>3,187</b>

Source: Knight Frank Research; Ethos Urban

Most of these suburban office markets (except for City Fringe) are characterised by:

- Lower density, business park, campus style office developments – typically 2 to 6 storey buildings in landscaped surroundings.
- Heavy dependence on cars as the mode of travel to work.
- More affordable rents than in the major markets.
- A tenancy mix weighted towards smaller corporates and medium to small business.
- A mix of traditional tenancy leasehold arrangements in single owner premises, as well owner occupiers in strata-titled office buildings.

The North West region, with total stock of 320,000m<sup>2</sup> of floorspace in 2018, contributes 10% of suburban and 3% of Sydney office market stock. The north west sub-market encompassing the Bella Vista Station Precinct, as well as Norwest Business Park is the most significant commercial cluster in the region.

The North West sub-market recorded a decline in overall office stock of 14,000m<sup>2</sup> between 2012 and 2018. At the same time, the region experienced a significant reduction in vacancies – from 19.4% in 2012 to a very tight 2.6% in 2018 – indicating strong tenant demand. Over the same period, average A-grade gross face rents increased by about 25%.

### 6.3 Norwest Business Park

A purpose-built commercial precinct, the first stage of Norwest Business Park was completed in 1992. Offering low to medium rise accommodation in a typical business park, campus style format, Norwest has been successful in attracting some key tenants including Woolworths (45,000m<sup>2</sup>), Resmed (38,000m<sup>2</sup>) two private hospitals (20,000m<sup>2</sup>) and the Hills Shire Council (15,000m<sup>2</sup>). However, the majority of tenants are currently medium to small businesses.

Both Woolworths and Coles have supermarkets in the business park. The Business Park accommodates over 20,000 employees, with expansion expected to increase capacity to over 35,000 employees. It is noted that the Central City District Plan sets a baseline employment target of 49,000 for Norwest.

Strategic advantages of Norwest Business Park include direct access to Sydney's orbital motorway system providing Norwest Business Park with easy access to the CBD, airport and Sydney's manufacturing and distribution heartland.

Norwest Business Park does not include the Bella Vista Station Precinct and will provide significant competition to any commercial office development planned at Bella Vista - Norwest has not yet fully exhausted office development opportunities.

### 6.4 Commercial Office Outlook for Bella Vista Station Precinct

The Sydney office market has experienced subdued growth in available stock of around 0.9% per year between 2012 to 2018. Developer preferences for higher yielding residential projects has been a significant driver of this trend, however, there are clear recent indications of underlying office tenant demand through increasing rents and tightening vacancy rates.

A reasonable longer-term expectation is for the Sydney office market to grow by 1.5% per year between 2018 and 2036, given recent trends in office vacancy rates and rents, and softening demand for residential developments, particularly apartments.

If this overall growth was to materialise, based on our estimates the total Sydney office stock would increase by 3.5 million m<sup>2</sup> NLA by 2036. While the CBD would retain its dominant position, suburban office markets would be expected to grow by up to 920,000m<sup>2</sup> by 2036.

The outlook for the north west suburban market suggests growth of 190,000m<sup>2</sup> by 2036, given land availability and likely development activity, which would need to be largely shared between new developments at Bella Vista Station Precinct and the existing Norwest Business Park.

Further, over time as Norwest Business Park approaches capacity, Bella Vista Station Precinct would be expected to capture a greater share of new major office developments. By 2036, our estimates indicate that the stock of significant office buildings at Bella Vista Station Precinct could reach around 90,000m<sup>2</sup> NLA, or approximately 112,500m<sup>2</sup> GFA.

With an allowance of an additional 20% for office space in smaller developments, total office GFA of 145,000m<sup>2</sup> may be achievable.

### 6.5 Competition between Bella Vista Station Precinct and Norwest Business Park

Some key potential strategic advantages of office development at Bella Vista Station Precinct include:



- Situated adjacent to a new railway station, providing excellent public transport access.
- In a region with strong population and employment growth.
- Within walking distance of up to 3,800 new dwellings.
- Already in an area with a strong suburban office market pedigree provided by the successful Norwest Business Park
- Scarcity of office development opportunities in city fringe and inner-city regions.
- Relative affordability of rents in the north west region compared with CBD, city fringe and inner-city locations.

Some of these strategic advantages are also shared by Norwest Business Park, where a station is planned as part of Sydney Metro Northwest. The success of Bella Vista Station Precinct will be strongly influenced by the competitive response of Norwest Business Park.

Bella Vista Station Precinct has an opportunity to offer a different office product from the car-based campus style currently offered at Norwest Business Park, possibly along the lines of other office locations such as Parramatta where taller office towers are more common.

However, whether this strategy is successful will be determined by medium and long-term tenant demand for new office space and their preferences for the style of commercial office in the region:

- If the campus style park prevails as the preferred choice for office tenants locating in the region, Norwest Business Park would likely have a first mover advantage.
- On the other hand, if tenants increasingly prefer denser tower-style office accommodation, Bella Vista Station Precinct may become the location of choice for new office tenants.

These issues will be thoroughly explored by developers as they shape their product to meet demand and maximise commercial returns. At this early stage in the evolution of Bella Vista Station Precinct as a key office location these issues remain an open question.

## 6.6 Summary of Commercial Trading Impacts

### Key Findings – Commercial Trading Impacts

- Between 2012 and 2018, the North West sub-market recorded a decline in overall office stock of 14,000m<sup>2</sup>, while at the same time, the region experienced a significant reduction in vacancies – from 19.4% in 2012 to a very tight 2.6% in 2018 – indicating strong tenant demand. Over the same period, average A-grade gross face rents increased by about 25%.
- It is expected that as Norwest business park approaches capacity, the Station Precinct would be expected to capture a greater share of new major office developments. By 2036, the stock of significant office buildings at Bella Vista Station Precinct could reach around 90,000m<sup>2</sup> NLA, or approximately 112,500m<sup>2</sup> GFA.
- The concept SSDA has provision for commercial office space totalling 151,000m<sup>2</sup> GFA, with a development timeframe of the development timeframe at the Station precinct will be up to 25 years.
- With an allowance of an additional 20% for office space in smaller developments, total office GFA of 145,000m<sup>2</sup> may be achievable.
- Bella Vista Station Precinct has an opportunity to offer a different office product from the car-based campus style offer at Norwest business park, possibly along the lines of other office locations such as Parramatta where taller office towers are more common. However, whether this strategy is successful will be determined by medium and long-term tenant demand for new office space and their preferences for the style of commercial office in the region.

## 7.0 Summary of Economic Impact Assessment

In summary, this economic assessment of the concept SSDA has demonstrated:

- Nearby centres are expected to see an increase in retail sales as a result of the residential development within the Bella Vista Station Precinct.
- New retail floorspace at Bella Vista Station Precinct is expected generate \$99.0 million in sales in 2036. Approximately 66% of this turnover will be sales that would have been achieved at nearby centres if the 10,000m<sup>2</sup> GLA at the Station Precinct was not constructed.
- Impacts of Bella Vista Station Precinct on individual centres in 2036 range from -11% to -2% relative to sales that would have been achieved if retail at Bella Vista Station Precinct was not established. These impacts are within the range expected in circumstances of rapid trade area population growth, as will be case in the resident trade area.
- Between 2012 and 2018, the North West sub-market recorded a decline in overall office stock of 13,000m<sup>2</sup>, while at the same time, the region experienced a significant reduction in vacancies – from 19.4% in 2012 to a very tight 2.6% in 2018 – indicating strong tenant demand. Over the same period, average A-grade gross face rents increased by about 25%.
- Over time as Norwest business park approaches capacity, Bella Vista Station Precinct would be expected to capture a greater share of new major office developments. By 2036, the stock of significant office buildings at Bella Vista Station Precinct could reach around 90,000m<sup>2</sup> NLA, or approximately 112,500m<sup>2</sup> GFA.
- The concept SSDA has provision for commercial office space totalling 151,000m<sup>2</sup> GFA, with a development timeframe of the development timeframe at Bella Vista Station Precinct will be up to 25 years.
- With an allowance of an additional 20% for office space in smaller developments, total office GFA of 145,000m<sup>2</sup> may be achievable.
- Bella Vista Station Precinct has an opportunity to offer a different office product from the car-based campus style offer at Norwest business park, possibly along the lines of other office locations such as Parramatta where taller office towers are more common. However, whether this strategy is successful will be determined by medium and long-term tenant demand for new office space and their preferences for the style of commercial office in the region.
- Recent enrolment figures from 2017 indicate that the local primary and secondary schools are generally operating at capacity.
- While, the soon to be completed Bella Vista Public School will help alleviate some of the pressure for local primary schools, a growing population will continue to add to demand for primary schools in the area.
- It is expected that the proposed school within the concept SSDA will help alleviate current capacity issues within the surrounding area.

## PART B – Economic Benefit Statement

This section examines the wider economic benefits that will likely be generated by the Bella Vista Station Precinct as proposed under the concept SSDA.

### 8.0 Economic Benefits

#### 8.1 Employment Outcomes

Jobs supported by the concept SSDA will accrue through direct and indirect employment generated during the construction phase; and ongoing employment in the retail shops and the commercial office components of the concept SSDA.

The following analysis has been undertaken under the following assumptions:

- The entire concept SSDA is assumed to be a single project with a single estimated construction cost. This total construction cost is an indicative cost and has been used for benchmarking purposes only. It does not consider any site-specific costs. Dollar values are in today's dollars and have not been escalated.
- The total number of construction years is expected to be 25 years. This figure is a total figure that adds the construction time of all projects. In reality, separate construction projects in the precinct will be occurring simultaneously. It is expected that most projects commencing and completing within the first five to ten years.

##### 8.1.1 Construction Phase

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

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

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

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

Direct construction costs are estimated to be approximately \$1.93 billion. Which includes all construction related expenses such as allowance for demolitions, and construction of residential, retail and commercial premises.

Total construction costs of \$1.93 billion would support 3,780 FTE jobs *in the construction industry* and support a further 6,060 FTE jobs *in related (supplier) industries* over the development period. This equates to a total of around 9,840 FTE jobs being created directly or indirectly during the construction of the Bella Vista Station Precinct. This is highlighted in the **Table 15** below

**Table 14 Estimated Construction Phase Jobs at Bella Vista Station Precinct**

Job Type	Estimated FTE Jobs
Indirect	3,780 FTE
Direct	6,060 FTE
Total	9,840 FTE

Source: Ethos Urban

It is assumed that construction will take a total of 25 years across all projects. Scaling by the duration of this construction period, the concept SSDA would support an average of 151.4 direct and 242.2 indirect FTE jobs for each year of the development phase. It's likely that in the first five to ten years, the actual number for FTE jobs will be much higher than this average figure, as multiple projects are being constructed simultaneously. Towards the end of the construction period the number of jobs per year is expected to be lower than this average figure, as most of the sites have been fully developed and only a few sites remain under construction.

Local businesses, workers and jobseekers are likely to benefit from increased employment and contracts afforded by the construction phase of the project.

### 8.1.2 Operations Phase

During the operations phase, it is expected that the concept SSDA would generate a number of office-based and retail jobs. It is expected that approximately 7,170 office jobs will be created as a result of the concept SSDA (see **Table 15** below). This assumes of 1 office job per 15 m<sup>2</sup> of leasable floorspace.

These office jobs will most likely be in the Professional, Scientific and Technical Services industry. Firms occupying these office spaces will demand highly skilled workers. As illustrated by the demographic analysis, the area has a relatively high proportion of highly educated workers. Notwithstanding this, the site is in proximity to sustainable public transport options and has access to a relatively large pool of highly skilled workers.

It is expected that by 2036 approximately 410 retail jobs will be located on the site based on application of industry benchmarks (see **Table 15** below). These jobs will most likely be within the Accommodation and Food Services industry and will be provided on a range of employment types: casual, part-time and full-time. This type of job is highly suitable for the high proportion of younger residents in the area, including people studying and for whom a casual retail position is important in achieving financial stability.

**Table 15 Estimated Ongoing Jobs at Bella Vista Station Precinct**

Activity	GFA	Provision	Direct Job Ratio <sup>a</sup>	Estimated Jobs <sup>b</sup>
Commercial	151,000 m <sup>2</sup>	113,250 NLA m <sup>2</sup>	1 job per 15 m <sup>2</sup>	7,170
Retail	15,000 m <sup>2</sup>	11,200 GLA m <sup>2</sup>	1 job per 28 m <sup>2</sup>	410

Source: Ethos Urban

Note: a. these job ratios are an average figure for the entire precinct and not for a specific office or retail space. The actual number of jobs per m<sup>2</sup> will depend on the size of the office or retail premise.  
b. assumes an average yearly vacancy rate of 5%.

In total, the concept SSDA is expected to have the potential to generate around 7,580 jobs. These figures represent an average and don't necessarily represent the maximum or minimum number of jobs that could be at the site at any given time.

In addition, it is expected that a number of jobs will be generated as a result of the development in the precinct. These types of jobs will range from business and household services, such as cleaning services, food services and other delivery services.

### 8.1.3 Increased Local Expenditure

The additional workers located within the precinct will also increase retail expenditure available in the local area. This local retail expenditure is expected to be directed toward food-related purchases such as take-away, cafés, restaurant dining and take-home groceries.

Assuming that the 7,580 additional office and retail workers spend an average of \$12 per working day on local food and beverages, this would result in a net increase in annual spending on local businesses of \$22.5 million per annum.<sup>1</sup> Spread across a number of traders, this will help support overall trading viability and profitability for businesses in the precinct.

<sup>1</sup> The \$12 per work day is an average estimate of how much an average worker is likely to spend on an average working day. The actual distribution of daily spending per worker per working day is expected to be quite varied.

The remainder of workforce expenditure is dedicated to spending on retail goods, such as clothing and accessories, entertainment, leisure activities and personal services. As a result, the trading conditions of retailers near the proposed development will be benefited. The level of spending by workers on these non-food categories is more difficult to specifically forecast. However, local non-food businesses are expected to experience a positive impact on sales associated with exposure to a larger local workforce population.

## 8.2 Alignment with the Strategic Planning Framework

The concept SSDA will help achieve the vision of Bella Vista Station Precinct, as expressed in a number of strategic planning documents, as a commercial and business destination station.

Such policies include the Greater Sydney Regional Plan where Bella Vista Station Precinct is identified as a location for Transit Oriented Development.

The North West Rail Link Corridor Strategy, is a strategy that has a vision and objective for Bella Vista Station Precinct as a commercial and business destination station, with Bella Vista Station Precinct functioning as an extension of Norwest Business Park. To achieve this vision, the strategy seeks to increase the intensification of commercial and business activity within Bella Vista Station Precinct. The strategy also seeks for Bella Vista Station Precinct to contain residential capabilities and providing retail and community and cultural facilities which will activate a number of new pedestrian streets, plazas and squares within the precinct.

The Hills Shire under the 'The Hills Corridor Strategy' has a vision of Bella Vista Station Precinct as a business and commercial destination with residential development opportunities. Under the strategy, Bella Vista Station Precinct is seen to be a *"high-rise commercial core close to station with opportunity for some high-density residential living and some support retail"*.

The concept SSDA will provide a transit-oriented development, with high density residential, mixed use and commercial development. Together it seeks approval for around 3,804 residential units, a commercial GFA of 151,000m<sup>2</sup> and a retail GFA of 15,000m<sup>2</sup>. It will also provide space for a primary school and community facilities.

## 8.3 Alleviate Tight Office Market Conditions

The provision of office space will help alleviate some of the tight office conditions. In recent years, the commercial office market within Sydney has been particularly tight, characteristics by significant withdrawals of office space in key markets and strong tenant demand driven on the back of strong employment growth. Between 2012 and 2018, the North West sub-market recorded a decline in overall office stock of 15,000m<sup>2</sup>, while at the same time, the region experienced a significant reduction in vacancies – from 19.4% in 2012 to a very tight 2.6% in 2018 – indicating strong tenant demand. Over the same period, average A-grade gross face rents increased by about 25%.

The concept SSDA has provision for commercial office space totalling 151,000m<sup>2</sup> GFA, with a development timeframe of the development timeframe at Bella Vista Station Precinct will be up to 25 years. The increase in office stock over this period will help place downward pressure on office rents in an area of high office demand.

## 8.4 Other Benefits

Other benefits likely to accrue as a result of the Bella Vista Station Precinct Concept SSDA include:

- **A more efficient and productive use of land.** The concept SSDA will be able to achieve a relatively high level productive and efficient use of land within the precinct. It will achieve this by providing high density residential and commercial development with retail offering in proximity to Bella Vista metro station. The metro station improves the access to the site from other areas of Greater Sydney, while high density mixed use and commercial development seeks to maximise usage of the precinct resulting from this increase in access. In addition, it enables residents to both live and work within the precinct while reducing reliance on private vehicles. In consequence a greater number of people are able to live and work, which in turn allows for a greater range of economic activity to occur within the precinct. The achievement of a transit-oriented development at Bella Vista Station Precinct is also consistent with its designation under the Greater Sydney Region Plan.



- **Local access to jobs and improvement in local access to jobs.** The concept SSDA will provide a location for local residents to work, in addition, it will also be a place for residents to both live and work.
- **Reducing car dependence.** The concept SSDA will help reduce car dependence within the area. It will establish land use and urban form patterns that are less reliant on private vehicle use and more reliant on public transport and active modes of travel. This will also have a number of important social benefits by encouraging more activity lifestyles and greater chance for community interactions.
- **Transit Orientated Business Development.** Bella Vista Station Precinct has an opportunity to offer a different office product from the car-based campus style offer at Norwest business park, possibly along the lines of other office locations such as Parramatta where taller office towers are more common. However, whether this strategy is successful will be determined by medium and long-term tenant demand for new office space and their preferences for the style of commercial office in the region.
- **Catalyst for further investment.** If development were to proceed in line with the concept SSDA, it could be a catalyst for future residential, commercial and retail investment in the area. If the market deems the Bella Vista Station Precinct to be a success, more investment will be directed to areas adjacent to the precinct. These investments will enhance the range of services for the local community and workers and options to live within the area.
- **Addition housing stock and housing choice.** The medium and high-density offering will significantly increase the housing yield within the precinct. This increase in yield is necessary to support the Hills Shire's population growth over the next two decades and will also support local businesses locating at the site. It will also provide greater housing diversity for a range of household types. This will also assist the Central City District in achieving its housing targets and objectives of increased housing choice within the district.
- **Secure Bella Vista as a place to do business.** The concept SSDA will assist in reinforcing Bella Vista Station Precinct and the surrounding area as a place to do business. It will improve worker amenity within the area by providing retail uses to support local workers and make the area an attractive place for persons seeking a place to work. The precincts proximity to the metro station will also increase the site's accessibility to Sydney's skilled labour market. In addition to these factors, the precincts location within North West Sydney, will make the precinct an attractive place for businesses to locate.
- **New business opportunities.** The concept SSDA provides new opportunities for businesses to locate in the area. These businesses will provide a range of services to support the local community and Greater Sydney.
- **Employment containment.** The increase in jobs within the precinct as a result of the concept SSDA is likely to increase the level of job containment within the Hills Shire LGA, with many jobs likely to be taken up by local residents. At present around 31.1% of residents who live in the Hills Shire currently work within the LGA. The increase in jobs at the precinct is expected to lift the level of job containment within the LGA.
- **Increase convenience and choice.** The increased population densities and overall population within the study area will incentivise and support a higher number of retail and business services than are currently available in the area. This higher number of services will also enable a greater range of services than is currently provided, providing residents and workers with greater convenience and choice.
- **Medical services.** While the concept SSDA doesn't explicitly dedicate GFA to medical services, medical suites could be established in the precinct. Medical suites have a number of potential economic benefits for the local area:
  - Medical services within the precinct will support the emerging health and medical cluster within the surrounding area,
  - As retail and health services are symbiotic, there will be a more efficient use of car parking, as there will be less of an increase in demand for car parking (they will create a modestly longer stay, and ample walk-in by residents),
  - In recent years, the Health Care and Social Assistance industry has been an important source of employment growth.

## 9.0 Summary of Economic Benefits Statement

This analysis has found that the Bella Vista Station Precinct concept SSDA will provide a number of economic benefits through both its construction phase and operation phase. The key findings are as follows:

- The most significant economic benefit of the concept SSDA is the alignment of the Station Precinct, as a commercial and business destination station with residential offering, with the vision for the precinct as set out in a number of strategic planning policies. The concept SSDA will help achieve this vision by providing a transit-oriented development, with high density residential, mixed use and commercial development.
- Development of the site consistent with the concept SSDA is expected to provide a range of job opportunities for the local worker market. This will be particularly beneficial for local residents who have a preference to work close to home. It is expected that at conclusion of the project approximately 7,580 jobs will be located on the site.
- An indicative total construction costs benchmark figure of \$1.93 billion would support 9,840 jobs in total. This would comprise 3,780 jobs *in the construction industry* and 6,060 jobs *in related (supplier) industries* over the development period.
- An increase in expenditure on local retail of \$21 million per annum is expected to occur as a result of the new development.
- The provision of office space will help alleviate some of the tight office conditions. In recent years, the commercial office market within Sydney has been particularly tight, characterised by significant withdrawals of office space in key markets and strong tenant demand driven on the back of strong employment growth. The provision of office space in the concept SSDA will increase the stock of office space over the next 25 years, placing downward pressure on office rents in an area of high office demand.
- An increase in the availability of goods and services for local residents will be achieved through the retail offerings.
- There will be new business opportunities that will arise due to the expected expansion of the local economy.
- The possibility for medical support services to locate within the precinct will help support the medical cluster present within Bella Vista Station Precinct and the surrounding area. It will also provide job opportunities within an industry that has been experiencing a high level of employment growth in recent years.
- The high and medium density residential component of the concept SSDA will provide an opportunity for older residents to locate within the precinct while having access to a range of essential services. This will be suitable for older residents who wish to maintain independence as they age.