APPENDIX N

Economic Impact Appraisal

Prepared by
Tesrol Ettalong Pty Ltd

Ettalong Beach
218-220 Memorial Avenue & 47-50 The Esplanade
Ettalong Beach Town Centre

Development Application January 2010

SOCIAL IMPACT IN THE LOCALITY

The Ettalong Beach area comprises a population of approximately 3800 people and 1800 households, including many holiday homes. Large portions of the population, approximately 37%, are aged over 60 suggesting the area is popular for retirement. The area has a high number of people from Australasian, Oceanic and European backgrounds and local unemployment is high amongst those of working age.

The Department of Planning NSW and Gosford City Councils îShaping the Central Coastò has targeted a further 80,000 people living on the Central Coast over the next 20 years. 10,000 of these additional persons are to live on the Woy Woy peninsula. As there are few vacant sites and no further land releases on the peninsula, this scenario is only possible with urban consolidation initiatives. Ettalong has the potential to make a significant contribution towards accommodating an additional 10,000 people on the peninsula.

The proposed redevelopment of the site will introduce some 45 apartments to the Ettalong Town Centre in addition to the 228 services apartments provided by the Outrigger Resort, 14 apartments contained within the Ettalong Beach Hotel and the 61 apartments contained within the development proposal for the former Ettalong Beach War Memorial Club site. The potential outcome of the combination of this development activity could produce an increase the population in the area by some 800-1000 people.

This will result in a number of benefits for the existing residents of Ettalong Beach. The introduction of such a population is likely to bring a significant improvement in the level of local employment and the range of services available to local residents. The increase in population density may also increase the viability transport services like the fast ferry to Sydney and thus have a significant benefit to those residents currently commuting by car.

ECONOMIC IMPACT IN THE LOCALITY

An assessment of the economic impact of the proposed development within the locality has been undertaken, based on a previous report prepared for original Development Application by Hill PDA. The report dated January 2005 is entitled, *"Ettalong: An Appraisal of Economic Impact".*

The following outcomes where determined:-

Housing

Only 8% of all dwellings in Gosford LGA are units or apartments, compared with 25% in the Sydney Statistical Division. Yet 32% of households in Gosford are lone person households and couples without children ï the types of households that are suited to unit living. Unit living is ideal for older persons that canõt look after houses and gardens and young middle-class professionals that donõt have time to look after houses and gardens.

Redevelopment of the town centre with higher density housing in conjunction with other initiatives like the proposed fast ferry service will accommodate several markets including retirees, Sydney CBD and local workers. These residents will have significant levels of accumulated wealth and/or above average income levels with a strong demand for local goods and services that will stimulate local employment.

The increases in economic benefits arising from the outcomes are presented in the table below.

Indicator	Tesrol Development Site 1
No. of Likely Dwellings	45
Additional Population	90
Additional Retail Expenditure*	$310,000

* Source: ABS Retail Expenditure Survey 1998-99

The economic and planning benefits resulting from the proposed development concept with more intense housing provision in the Town Centre include:

- providing a major contribution to urban consolidation objectives ï 45 more dwellings;
- reducing demand for housing in the fringe suburbs and the associated cost of providing services to these areas;

- providing additional housing choice to meet the diverse housing needs of the population;

- contributing to the State Governmentõs land use transport policies ï given the higher concentration of residential units near the Woy Woy bus service and the future fast ferry terminal;

- improving environmental sustainability and reducing the dependency on private motor vehicle usage;

- increasing the demand for local goods and services that will stimulate local employment in the town centre ï an additional $310,000 per annum expenditure; and

- improving the feasibility and financial viability of the existing Palm Beach ferry service and the proposed fast ferry service to Sydney CBD.

Retail and Commercial Services

Retail activity in the Central Coast region is widely distributed and diverse in scale and type. The principal focuses of employment in this sector are the large regional centres of Gosford city centre, Erina, most particularly the Erina Fair Shopping Centre and Tuggerah (Westfield Shoppingtown and Tuggerah Supa Centre).

Despite the widespread distribution, it is apparent that the Gosford city centre is the primary focus for commercial services in the region, with a significant proportion of enterprises performing a wider regional role. In the smaller centres, commercial services operate essentially with a local focus.

Below Erina in the retail hierarchy is Woy Woy which is a large traditional district centre serving the Woy Woy Peninsula. It comprises 28,000sqm of retail space and 8,000sqm of commercial space. Anchor tenants include Kmart, Coles, Franklins, Woolworths and Country Target.

Ettalong is a neighbourhood centre below Woy Woy in the retail hierarchy. It comprises around 5,000sqm of occupied retail space and around 2,500sqm of commercial space. It is anchored by an IGA supermarket with limited offer for tourists despite its natural beauty and location.

The development proposes to increase the level of retail by 872sqm. Most of this new retail will consist of specialty shops, cafes and restaurants which support residents of and visitor to Ettalong. The increases in economic benefits arising from the outcomes are presented in the table below.

Indicator	Tesrol Development Site
Retail Floor Area	872sqm
Approx Turnover**	$3.05m/ann

* The Tesrol Development being the first stage of the masterplan concept
** Estimated from an assumed turnover of ($3,500/sqm for specialty stores and tourism related retail

The economic benefits of the retail space proposed along The Esplanade include:

- Different retail experiences for local consumers.
- Enhanced economic sustainability of the town centre through a deeper and wider retail offer.
- Reduction of escape expenditure, particularly to Woy Woy and Erina.
- Contribution to the development of Ettalong as a tourist destination.

In addition to retail space envisaged in the Concept Masterplan provides the potential for further commercial growth. Attracted by the transport services including the proposed fast ferry, the natural beauty and beach amenity, and accessibility to Sydney, the opportunity will exist for home-based businesses, professionals and creative industry workers to locate in the Town Centre.

Tourism

The Central Coast region in NSW is widely recognised as an important focus of tourism/recreational activity in Australia, due to its diverse mix of attractions and opportunities, its array of natural and man-made attractions, nature-based recreation, its close proximity to Sydney and good transport links to Sydney and other tourist generating localities. Combined these characteristics make the Central Coast a most unique tourist destination.

In a study by Alan Nordsvan & Associates titled ôTourism Infrastructure Analysis Central Coast Regionô tourism plays an important role in the economy of the region and has the potential for further growth. The growth will not only result with the inflow of additional income into the region, but expanded job opportunities through infrastructure development. It is recognised that a variety of tourist infrastructure developments are being planned or under development which will significantly alter the face tourism in the Central Coast.

Alan Nordsvan & Associates concluded in their study that despite the existing level of infrastructure and the impact of proposed developments, future demand will still not be met. Specifically, opportunities were identified in the emerging forms of tourism such as nature based activities and that there is a need for new quality tourist accommodation.

Both the public and private sectors are becoming increasingly aware of the potential for tourism to generate income and employment opportunities, both direct and indirect. The economic output originating from tourism can be significant. For guidance purposes the Australian Bureau of Statistics (Indirect Economic Contribution of Tourism to Australia 2002), has found that for every job directly generated by tourism, a further 1.96 jobs are indirectly generated.

Ettalong has few tourists (perhaps as little as 50,000 day trippers) due to its lack of infrastructure and services. However with its natural beauty, its beach, development of further transport infrastructure and more intense development in the town centre it has considerable potential to develop a tourist destination role. The Outrigger Resort development represents recognition by the Council and the community that tourism based infrastructure is an important contributor to the realisation of Ettalong's potential as a tourist destination.

The Tesrol development seek to further contribute towards the development of Ettalong as a tourist destination through a more diverse accommodation and retail choice within the town centre.

We estimate that once the Ettalong Town Centre is developed to its potential it will attract an additional 90,000 or more day-trippers per annum resulting in additional expenditure in the local area of around $3m per annum.

The Public Domain

Public domain improvements including the proposed pedestrian link through the Tesrol site will result in the following economic benefits:

- User benefit (people appreciate the landscaped public area as measured by the additional time spent in them).
- Travel time savings with through site links.
- Increased investment and improved property values in the local area due to its added attractiveness.

Employment Generation

The growth in local employment opportunities has not kept pace with the increases in the Central Coast regionõs population. Substantial numbers of the regionõs working age population are subject to long periods of unemployment, discouraged out of the workforce or are required to commute long distances for a job. A prominent characteristic of the Central Coast economy is a low level of labour force participation and a comparatively high rate of unemployment.

A lack of managerial, administration and professional employment opportunities in the Central Coast Region has led to some 80% of all employed residents spending an average of three hours a day commuting to and from work outside the region ï Sydney (Kaplan, 2004).

Tourism and hospitality is one of the most rapidly growing sectors within the region, providing significant numbers of unskilled or semiskilled positions. An additional 3,000 jobs are predicted over the next 5 years, 90% being local.

The tourism/hospitality sector offers attainable incremental employment opportunities beyond those purely created by population growth. To realise these opportunities will require major developments, supported by both the appropriate attitude of the general population and local Councils of the region (PacALLIANCE, 2002).

Specifically the Tesrol proposal will generate employment opportunities in both construction and in retail and commercial operations.

It is estimated that one full time construction position for 12 months is created for every $148,800 of construction work undertaken1. Therefore based on an estimated cost of $30m, construction will generate 201 job years directly. Assuming 80% of these workers are locally based, this translates into 160 local jobs. Due to the significant multiplier impacts from the construction industry a further 417 job years will be generated in production support and consumption induced effects. The additional retail space will generate demand for a further 32 full-time and part-time staff.

[1]. Source: ABS Australian National Accounts: Input-Output Tables 1996-1997 (ABS Pub: 5209.0). Shows 9 construction industry jobs directly created for every $1 million of construction output. This equates to 1 employee for every $111,111 of construction output in non inflated terms. Inflated to March 2004 dollars based on the Price Index of the Output of the Building Industry (ABS Pub: 6427.0 Table 15), this equates to $148,800 per direct construction employee.

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ETTALONG: AN APPRAISAL OF ECONOMIC IMPACT

Prepared for
Tesrol Ettalong Pty Ltd

March 2005

SYDNEY CANBERRA

independent property consulting
HillPDA

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March 2005

QUALITY ASSURANCE

This document is for discussion purposes only unless signed and dated by a Principal of Hill PDA.

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CONTENTS

1. Executive Snapshot of Economic Benefit

Hill PDA has been requested to identify the economic benefits of the Ettalong Beach Town Centre Concept Masterplan prepared by Kann Finch Group (KFG) on behalf of Tesrol Ettalong Pty Ltd (Tesrol). The masterplan provides a development framework for sites 1 to 4 identified in Figure 1 below. Site 1 is owned by Tesrol. The remaining sites (2,3,4) have been identified as underutilised and suitable for redevelopment.

Site 5 is the site formerly occupied by the Ettalong Beach War Memorial Club and currently the subject of a redevelopment proposal consisting of 61 apartments, approximately 750m2 of retail and associated parking.

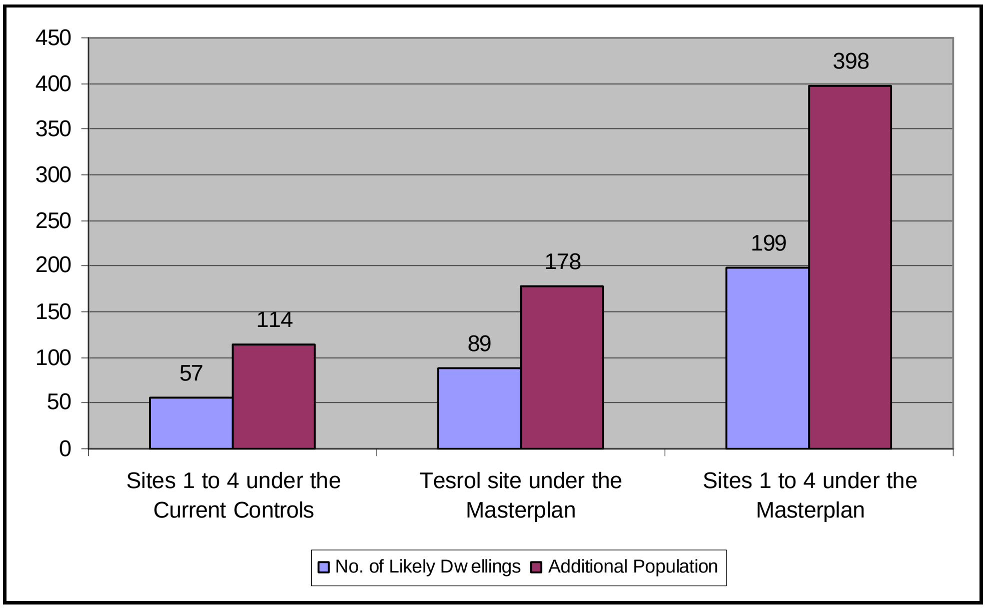
The KFG masterplan concept responds to the issues identified in the Gosford City Council & NSW Government "Shapping the Central Coast – Action Plan" document and aims to diversify housing choice, provide greater connectivity of retail and commercial services between the beach promenade and the main retail street of Ocean View Road. Site 1 is considered the centre piece of the masterplan because of it's location within the context of the beach, the town centre and the uses that surround it. Tesrol has undertaken detailed planning and building design for mixed use proposal at Site 1. This proposal embodies the principles set down in the town centre masterplan concept and forms the basis of development application for a building that comprises 89 apartments, approximately 630m2 of retail (NLA) and 156 car spaces. The carriage of the Tesrol proposal for site 1 is considered to be an important step in realising the economic objectives of the masterplan being increased housing, growth in tourism expenditure and increased jobs for the local community.

Figure 1 - Ettalong Beach Town Centre Concept Masterplan for Sites 1 to 5

Hill PDA has estimated the economic benefits associated with the town centre masterplan concept and specifically the Tesrol Site 1 proposal. The analysis draws on our knowledge of existing development in Ettalong and the current Gosford City Council development controls that govern future development in the town centre. Our analysis seeks to qualify the merit of the masterplan concept and quantify the economic benefits within the context of recent development trends and the current planning framework. Furthermore, Hill PDA has estimated the combined development potential of sites 1 to 4 (referred to as the masterplan concept) in accordance with the Kann Finch Group masterplan concept.

An executive snapshot of our key findings of increased housing supply, retail and tourism expenditure and jobs is shown below:

Housing Supply - Choice



An analysis of the development potential of Sites 1 to 4 reveals that under the current development controls there is limited opportunity to introduce a significant number of new dwellings to the Ettalong Town Centre. It should also be noted that under the current controls there is little financial incentive for property owners to consider such proposals. Given that sites 2 and 3 are already developed for retail uses they provide only limited opportunity for further residential development. Furthermore, we have estimated that sites 1 and 4 provide the only significant opportunity to introduce new housing into the town centre, based on current development controls. On this basis we have estimated that a combined total of 57 dwellings could be developed in the town centre under the existing development controls.

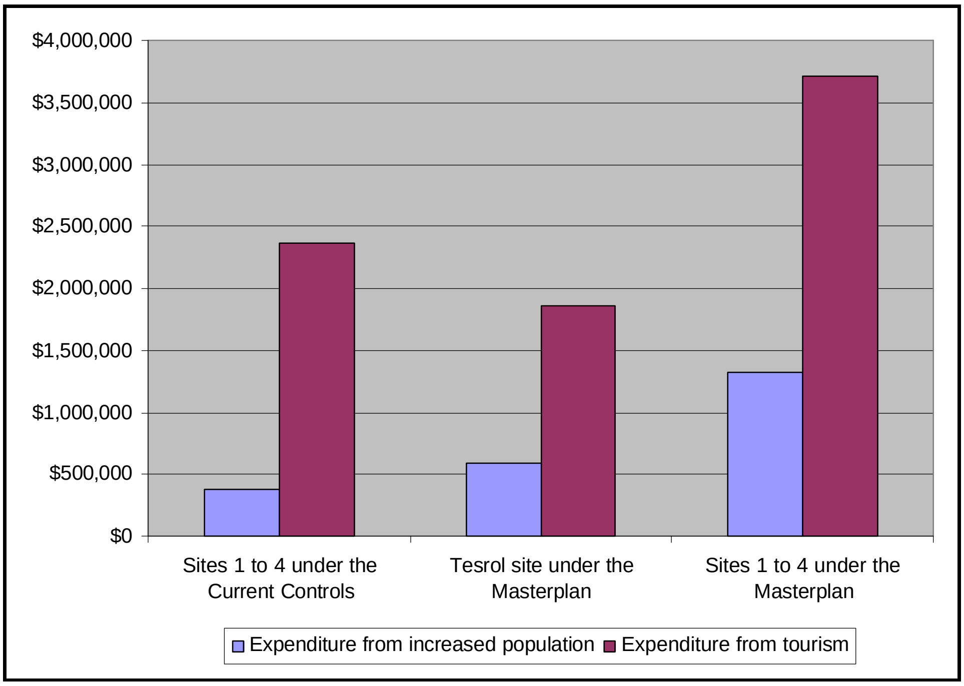
The masterplan concept envisages an urban design outcome that would deliver a combined total of 199 dwellings on sites 1 to 4. This represents a potential total of 398 new residents within the town centre (based on an average household occupancy rate of 2 persons). The estimated net increase over and above the potential dwelling numbers under current development controls amounts to approximately 142 dwellings and 284 residents in the town centre. It should be noted that site 5 will bring an additional 120 residents to the town centre based on the recent proposal developed by Multiplex.

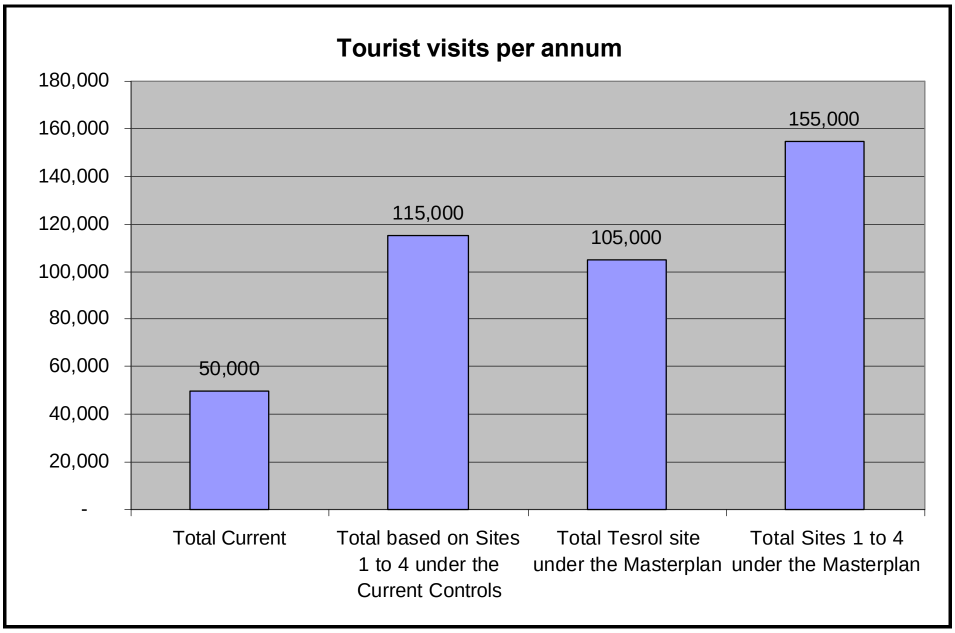
As part of the masterplan concept The Tesrol proposal for Site 1 envisages a total of 89 new dwellings which represents approximately 178 new residents in the town centre and an important first step towards implementing a long term strategy for the Ettalong town centre that will:

- Reduce demand for housing in the fringe suburbs and the associated cost of providing services to these areas.
- Provide additional housing choice to meet the diverse housing needs of the population.

- Contribute to the State Government's land use transport policies – given the higher concentration of residential units near the Woy Woy bus service and the potential future fast ferry terminal.
- Improve environmental sustainability and reducing the dependency on private motor vehicle usage.
- Increasing the demand for local goods and services that will stimulate local employment in the town centre – an additional $600,000 per annum expenditure.
- Improving the feasibility and financial viability of the existing Palm Beach ferry service and the proposed fast ferry service to Sydney CBD.
- Increased demand for retail services and greater developer contribution for public works.

Increased Tourism & Related Speciality Retail Activities





The masterplan concept envisages active retail edges on all street frontages in relation to sites 1 to 4. In addition the introduction of a pedestrian laneway on eastern boundary of the Tesrol site presents an opportunity to provide an additional retail edge that will serve to strengthen the connection between the town centre and the waterfront. The masterplan concept and specifically the Tesrol proposal for site 1 will contribute to increased tourism and greater commercial activity in Ettalong. The graphs above illustrate the potential for tourism activity and retail expenditure derived from increased resident and tourist numbers. In addition the above graphs provide a useful comparison between the current level of tourism and retail activity and the future potential situation based on the masterplan concept and the Tesrol proposal for site 1.

- The additional retail based on the masterplan concept is in the order of 1,260sqm.
- The new retail proposed in the concept masterplan and specifically by Tesrol for site 1 will be tourism focused (festive retail) with a likely turnover of over $5.0m.
- This has a flow on impact to local retail and accommodation services.
- Increased job demand with tourism related retail and services.
- Different retail experiences for local consumers and visitors.
- Enhanced economic sustainability of the town centre through a deeper and wider retail offer.
- Reduction of escape expenditure, particularly to Woy Woy and Erina.
- Contribution to the development of Ettalong as a tourist destination.
- Better connectivity between retail offer in the main street with pedestrian linkages to the Esplanade.

Increased Jobs

The masterplan concept could generate up to $58m in construction spending. The Tesrol proposal for site 1 will generate approximately $30m in construction spending. Direct and indirect employment opportunities will result during construction and trading periods. The benefits associated with employment are summarised below:

- 201 job years directly in construction;
- Multiplier impacts will increase total job demand to 828 for the Tesrol development and over 1600 for the masterplan concept;
- Additional retail floor space will generate approximately 32 full time and part time jobs.

2. INTRODUCTION

2.1 Background

DIPNR and Gosford City Councils' "Shaping the Central Coast" has targeted a further 80,000 people living on the Central Coast over the next 20 years. 10,000 of these additional persons are to live on the Woy Woy peninsula. As there are few vacant sites and no further land releases on the peninsula, this scenario is only possible with urban consolidation initiatives.

Ettalong has potential to make a significant contribution towards the target of accommodating an additional 10,000 people on the peninsula. Due to its natural beauty, its beach, its location, its distance to Sydney CBD, the fast ferry proposal and its changing demographics, Ettalong's role could be redefined from a dormant suburb to a tourist destination and transport gateway. Under the existing development controls few opportunities exist to enable the implementation of a coordinated and cohesive strategy to revitalise the Ettalong town centre in synergy with the proposed fast ferry service.

The opportunity exists to transform Ettalong into a gateway for the Central Coast, a tourist destination and home to an increased and diverse resident population. The challenge is to create a development plan that enhances the built environment and recognises the relationship between appropriate development and economic and environmental sustainability.

As a gateway and tourist destination, Ettalong would need to accommodate considerably more intense development than is currently permitted under the current planning controls. The concept masterplan, the subject of this study, represents a considered approach to achieving those aims.

2.2 Purpose of Study

Hill PDA was commissioned to provide independent expert advice regarding the economic impacts associated with the future development of the Ettalong town centre based on a concept masterplan and specifically the proposed development of the Tesrol site.

As a means of better understanding the impacts we have reviewed the recent development trends in Ettalong and the development controls that currently set the framework for future development in Ettalong.

The purpose of this report is to separately quantify and qualify the economic benefits associated with the masterplan concept and the Tesrol proposal.

2.3 Setting the Context

Ettalong is a comparatively small town (population 3800) located on the Central Coast, approximately 100 kilometres to the north of the Sydney metropolitan region, and 8 kilometres to the south of the Gosford City Centre. Distinguished by a waterfront location on the southern edge of Brisbane Water, with an attractive outlook towards Broken Bay, Ettalong can be considered to be comparatively unique. However rather than being a centre which has evolved in response to the physical qualities of this location, it has evolved more as a comparatively modest and conventional centre.

Key Issues:

- The natural potential of Ettalong has not been fully realised.
- It is important to recognise the potential of the Ettalong town centre to perform a more diversified role, one which builds on its environmental context and at the same time secure a greater level of sustainability.
- Ettalong benefits from road and rail links to Sydney and Woy Woy as well as a regular ferry service to and from Palm Beach on Sydney's northern beaches. These transport links provide good connectivity between Ettalong and other centres and would support a more dynamic and intense form of development in the town centres.
- Because of its natural beauty and the fast ferry to Sydney CBD proposal it is important to recognise that Ettalong has potential to increase its role as both a transport/land use gateway to the Central Coast and a tourist destination.

3. THE CURRENT SITUATION

3.1 The Regional Profile

The Central Coast region in which the Ettalong town centre is located, stretches along the Pacific Ocean from the Hawkesbury River in the south to the shores of Lake Macquarie in the North. To the west it reaches the Dooralong and Yarramalong Valleys. The region, which forms part of Greater Sydney, includes the local government areas of Gosford and Wyong.

Situated between the major population centres of Sydney and Newcastle, the region possesses a natural environment of ocean beaches, extensive lakes and waterways, mountain forests and lush valleys, the dominant impression of the region is of towns and villages separated by extensive areas of natural vegetation.

Key Issues:

- Ettalong is located in a region which lies midway between the major population centres of Sydney and Newcastle, and hence is exposed to sustained pressure for urban growth and resulting pressure on transport links and infrastructure
- Experiences high levels of unemployment due to its lack of industry
- Ettalong is located in an environment of significant natural beauty and in turn possesses considerable potential to accommodate a more diversified pattern of economic growth

Population Growth

The Central Coast Region `has and continues to experience significant population growth. Over the period 1991 to 2001 the population of the region grew from approximately 230,000 to 285,000 in 2001. This equates to a change of 23.7% over the decade, well over twice that recorded over the Sydney Statistical Division.

As the following data shows, this population growth has largely been concentrated in the Wyong Local Government Area. Over the period 1991 to 2001 the population in this area grew by 30,044, which represented an increase of 29.9%. In the Gosford Local Government Area, the population grew by 25,558 or 19.9% over the decade. (3.3%/pa which is more than twice the NSW growth rate of 1.4%/pa)

Table 1 - Central Coast Population Change: 1991 - 2001

Area	1991	1996	2001	1991-96 (%)	1996-01 (%)
Gosford	128,487	144,415	154,045	12.4	6.7
Wyong	100,492	115,750	130,536	15.2	12.8
Central Coast	229,979	260,165	284,581	13.6	9.4
Sydney SD	3,518,773	3,705,533	3,948,015	5.3	6.5
NSW	5,707,567	5,995,545	6,311,168	5.0	5.3

Source: Australian Bureau of Statistics, Census 1991, 1996, 2001

Note also that in the Gosford Local Government Area, the rate of growth has been falling. This can be broadly attributed to the decline in the supply of green field land available for residential development. It can be expected that this declining growth rate could potentially have implications for the future sustainability of existing town centres.

Table 2 - Population Growth Projection 2001 – 2026

LGA	2001	2006	2011	2016	2021	2026	Change 2001-26	%Change 2001-26
Gosford	161,200	165,800	169,500	172,400	174,700	177,000	15,800	9.8
Wyong	135,900	151,600	164,400	175,500	192,500	207,500	71,600	52.7
Central Coast	297,100	317,400	333,900	347,900	367,200	384,500	**87,400**	**29.4**
Total SD	4,154,700	4,361,400	4,549,700	472,500	4,893,400	5,156,300	1,001,600	24.1
NSW	6,609,400	6,904,600	7,171,700	7,421,900	7,653,200	7,860,800	1,251,400	18.9

Source: DIPNR Population Forecasts: (recalibrated to match 2001 census data)

In terms of future household growth, the forecasts by the Department of Infrastructure Planning and Natural Resources indicate that Gosford will yield around 3,230 dwellings in established areas between 2002/02-2006/07.

Central Coast's population has over the past decade has been aging. In 1991 the median age for the region as a whole was 35.1 years (Wyong 35.1 years and Gosford 35.0 years). By 1996 it had increased to 36.6 years (Wyong 36.3 years and Gosford 36.7 years), and by 2001, it had risen to 38.1 years (Wyong 37.6 years and Gosford 38.6 years).

In comparison to NSW, the labour force in the region has traditionally comprised high numbers of unskilled and semi skilled workers and less people with professional and managerial skills. Recently however, there has been a noticeable shift towards a more skilled and adaptable labour force within this region.

Changing Household Characteristics

One of the most significant demographic trends has been a decline in the average household size. This can be attributed to the higher numbers of single parent families; couples postponing the raising of children; couples choosing to have fewer children or no children; aged person households, singles and single parent households.

Table 3 - Household Trends in Central Coast 1991 – 2001

Gosford LGA	1991	1996	2001	Average Annual Growth 91-01
Couple family with children	26,423	25,361	27,443	0.38%
Couple family without children	9,283	9,845	11,677	2.32%
One parent family	3,912	4,328	4,668	1.78%
Other family	980	767	871	-1.17%
Multi-family household	1,088	1,625	1,562	3.68%
Lone person household	4,659	5,291	5,621	1.89%
Group household	2,901	2,855	2,827	-0.26%
Total	**49,246**	**50,072**	**54,669**	**1.05%**

Source: ABS Census 1991, 1996 and 2001

Strongest growth has been in lone person households and couples without children at around two percentage to two and a half percentage each year. Nuclear family types (couples with children) are increasing but a far more modest rate of under 0.4% per annum. In 1991 couples without children and lone person households made up 28% of all households. In 2001 that percentage had increased to 32%.

Key Issues:

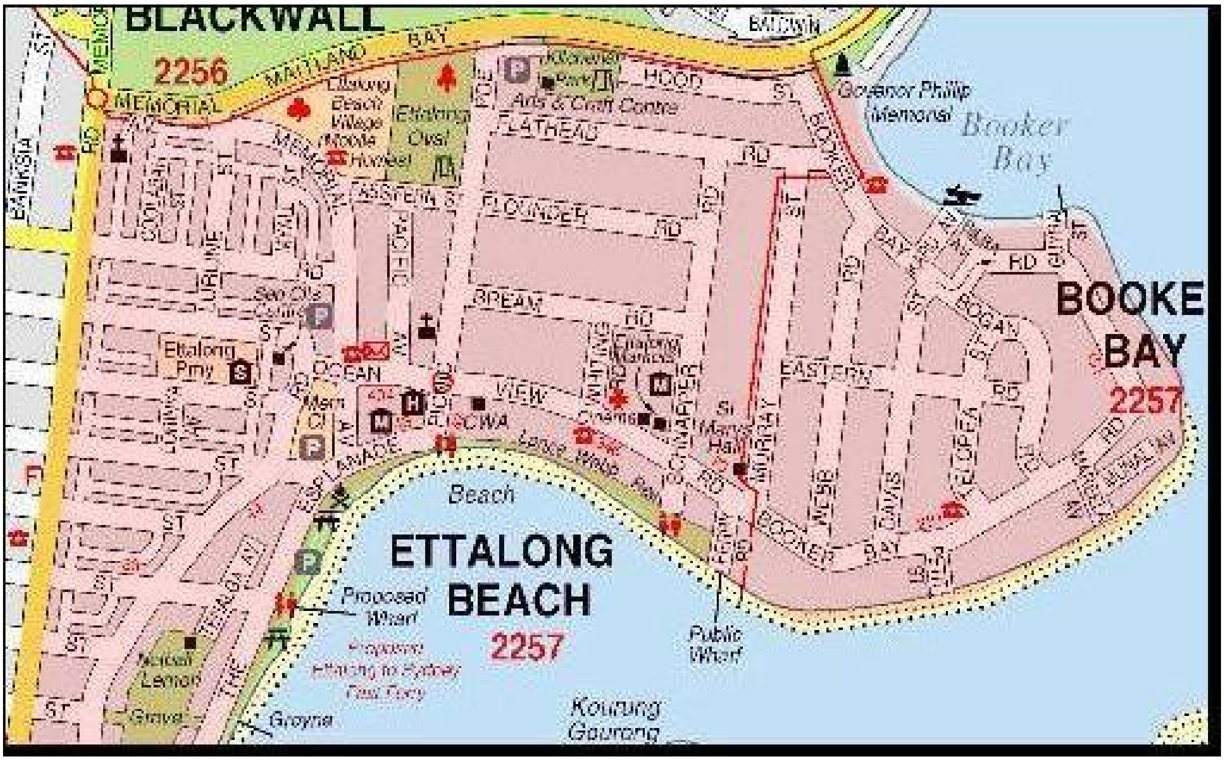
- Population growth is continuing and can be expected to exert pressure on locations where this can be successfully accommodated.
- Opportunities are limited and, given the environmental sensitivities of the region, it will be imperative that growth be effectively guided to appropriate locations – such as town centres.

3.2 Local Demographics

Like the Central Coast suburbs of The Entrance, Terrigal and Avoca, Ettalong Beach has been a favourite holiday destination Sydneysiders since the 1950s.

The following is a demographic overview of the Ettalong Study Area (Study Area) as at 2001. The study area comprises the localities of Ettalong Beach and Booker Bay, which is shown in the map below.

Figure 2 - Ettalong Study Area



Population and Dwellings

The Study Area comprises a total population of approximately 3,800 people and 1,800 households. The table below summarises the major demographic characteristics of the local area. Around 19% of dwellings are unoccupied suggesting a high proportion of holiday homes.

Table 4 - Population & Dwellings – Ettalong Study Area/Gosford LGA 2001

	Ettalong Study Area	Gosford LGA	Sydney SD
Total Population	*3,834*	*154,045*	*3,948,015*
Occupied Private Dwellings (%)	81.2%	87.4%	93.0%
Occupied Private Dwellings	1,859	59,868	1,438,394
Unoccupied Private Dwellings (%)	18.8%	12.6%	7.0%
Unoccupied Private Dwellings	431	8,667	108,297
Number of Households	*1,775*	*57,923*	*1,366,356*
Total Dwellings	*2,290*	*68,535*	*1,546,691*
Average Household Size	*1.7*	*2.2*	*2.6*
Occupied Private Dwellings	1,859	59,868	1,438,394

Source: ABS Census 2001

Age Distribution

Characteristic of the Central Coast Region as a whole, the Study Area is a popular retirement area with a very high proportion of persons aged over 60 years (37%). In comparison the proportion of persons aged over 60 in the Sydney SD is around 15%.

Table 5 - Age Distribution – Ettalong Study Area/Gosford LGA 2001

Age Distribution	Ettalong Study Area	Gosford LGA	Sydney SD
0-14	15.7%	21.3%	20.2%
15-29	13.6%	17.1%	21.9%
30-44	17.6%	21.3%	23.8%
45-59	16.6%	18.5%	18.4%
60-74	20.2%	12.8%	10.1%
75+	16.4%	9.0%	5.6%
Total	**100.0%**	**100.0%**	**100.0%**
Median Age	*48.4*	*38.6*	*34.9*

Source: ABS Census 2001

The skewed age distribution within the Study Area reflects the fact that the area is a desirable place to not only have a weekender but a place to retire.

The younger age groups are not as well represented in the Study Area as compared to the Sydney SD, which is influenced somewhat by young people leaving the area to find work or university education in Sydney. For example, within the Study Area 14% of the population fall within the 15-29 year old age bracket compared to 22% in the Sydney SD.

Ethnicity

Consistent with the region as a whole, the Study Area consists of a population which is predominantly of Australasian/Oceanic/Antarctic origin. The next most prominent ethnicity is European. Within the Sydney SD, there is a significantly greater representation of both Asian and middle eastern persons, than represented in the Study Area.

Table 6 - Ethnicity – Ettalong Study Area/Gosford LGA 2001

Ethnicity	Ettalong Study Area	Gosford LGA	Sydney SD
Oceania and Antarctica	82.2%	82.2%	65.3%
Europe	7.8%	9.3%	11.8%
North Africa and the Middle East	0.8%	0.3%	3.1%
Asia	1.0%	1.4%	10.6%
Americas	0.7%	0.7%	1.5%
Sub-Saharan Africa	0.3%	0.6%	1.0%
Other/Not Stated	7.3%	5.5%	6.7%
Total	**100.0%**	**100.0%**	**100.0%**

Source: ABS Census 2001

Household Income

Income levels within the Study Area are comparatively lower than the Sydney SD. Approximately 55% of households in the Study Area earn less than $600 a week as compared to only 27% in the Sydney SD. This is largely a reflection of the high proportion of retired persons in the area.

Table 7 - Household Income – Ettalong Study Area/Gosford LGA 2001

Weekly Household Income	Ettalong Study Area	Gosford LGA	Sydney SD
$0-$299	23.2%	13.4%	10.2%
$300-$599	32.4%	22.8%	16.8%
$600-$999	17.9%	19.6%	17.6%
$1,000-$1,499	8.9%	16.2%	16.7%
$1,500-$1,999	4.2%	9.8%	13.3%
$2,000+	2.6%	7.0%	13.8%
Partial income stated	4.8%	7.2%	8.4%
All incomes not stated	6.0%	4.0%	3.3%
Total	**100.0%**	**100.0%**	**100.0%**
Median Weekly Household Income	*$464*	*$748*	*$989*

Source: ABS Census 2001

Home Ownership

The Study Area comprises a significantly lower proportion of home ownership (58%) than the region as a whole (70%).

Table 8 - Home Ownership - Ettalong Study Area/Gosford LGA 2001

Home Ownership	Ettalong Study Area	Gosford LGA	Sydney SD
Owned or Being Purchased	58.4%	69.5%	62.7%
Rented	33.4%	22.8%	29.0%
Other/Not Stated	8.2%	7.7%	8.4%
Total	**100.0%**	**100.0%**	**100.0%**

Source: ABS Census 2001

Household Structure

Whilst family households are the dominant form of households within the Study Area, they comprise a far lower proportion of total households than the Gosford LGA and Sydney SD. Lone person households are significantly more represented which is a reflection of the area's popularity for retirement.

Table 9 - Household Structure – Ettalong Study Area/Gosford LGA 2001

Household Structure	Ettalong Study Area	Gosford LGA	Sydney SD
Family Households	58.9%	71.7%	73.3%
Lone Person Households	37.4%	25.5%	22.4%
Group Households	3.7%	2.9%	4.3%
Total	**100.0%**	**100.0%**	**100.0%**

Source: ABS Census 2001

Labour Force

Compared to the Sydney SD, the Study Area comprises a comparatively lower proportion of white collar workers (56%) and higher proportion of blue collar workers (30%) – the Sydney SD comprising 80% white collar workers and 16% blue collar workers.

Table 10 - Labour Force – Ettalong Study Area/Gosford LGA 2001

Labour Force	Ettalong Study Area	Gosford LGA	Sydney SD
White Collar	56.4%	65.2%	78.3%
Blue Collar	29.4%	25.8%	16.1%
Inadequately Described/Not Stated	2.0%	1.6%	1.8%
Unemployed	12.2%	7.4%	3.8%
Total	**100.0%**	**100.0%**	**100.0%**

Source: ABS Census 2001

3.3 Employment

The growth in local employment opportunities has not kept pace with the increases in the Central Coast region's population. Substantial numbers of the region's working age population are subject to long periods of unemployment, discouraged out of the workforce or are required to commute long distances for a job.

An imbalance in managerial, administration and professional employment opportunities in the Central Coast Region has led to some 80% of all employed residents spending an average of three hours a day commuting to and from work outside the region – Sydney (Kaplan, 2004). The majority of people are prepared to travel such distances to work due to benefits gained from lifestyle factors of living in the Central Coast (in particular more affordable housing), away from the hustle and bustle of the city. The majority of the people who travel to jobs outside the region, believe that the local employment opportunities cannot compete with those on offer in Sydney. Ideally in a general sense it has been recognised that a travel to work journey time of between 10 to 30 minutes is preferred by commuters from the region.

A prominent characteristic of the Central Coast economy is a low level of labour force participation and a comparatively high rate of unemployment. The unemployment rate on the Central Coast in June 2002 was 7.2%, however it is to be noted that there is considerable spatial variation within the region. In Gosford the rate was 5.7 percent while in Wyong it was 9.3 percent, compared with 6.1 percent for NSW. For over three decades, this gap between the need for work and the number of local jobs has been a problem.

Employment by Trade

In terms of employment, the largest sectors of the economy were retail trade, which at the 2001 census accounted for 17.1 percent of the region's workforce. This proportion was noticeably higher than that recorded for the Sydney region (13.3 percent). The other sectors employing a significant proportion of the region's workforce include health and community services (11.2 percent), which again contrasted with the proportion in the Sydney region (8.9 percent), manufacturing (11.0 percent), property and business services (10.2 percent) and construction (9.7 percent).

Table 11 - Employment: Central Coast (1986 - 2001)

Sector	1986	1991	1996	2001	2001 % of Total	Growth 1986-01	Ave. Annual Growth
Agriculture, Forestry + Fishing	1,434	1,210	1,319	1,262	1.1%	-172	-0.8%
Mining	803	707	522	362	0.3%	-29	-5.2%
Manufacturing	7,232	8,729	11,383	12,277	11.1%	336	3.6%
Electricity, Gas + Water Supply	2,642	1,822	1,217	1,018	0.9%	-175	-6.2%
Construction	5,936	7,727	8,701	10,804	9.8%	324	4.1%
Wholesale Trade	2,956	5,037	5,537	5,437	4.9%	165	4.1%
Retail Trade	10,141	13,044	15,975	18,991	17.2%	590	4.3%
Accommodation and Restaurants	2,447	3,590	4,719	5,588	5.1%	210	5.7%
Transport + Storage	3,386	3,705	4,005	4,339	3.9%	63	1.7%
Communication Services	1,794	1,900	2,252	2,223	2.0%	29	1.4%
Finance + Insurance	3,007	4,157	3,943	4,100	3.7%	73	2.1%
Property + Business Services	3,564	5,832	8,419	11,280	10.2%	514	8.0%
Government Admin + Defence	3,331	4,413	3,756	3,797	3.4%	31	0.9%
Education	3,612	4,542	5,818	6,865	6.2%	217	4.4%
Health + Community Services	5,523	7,063	10,631	12,391	11.2%	458	5.5%
Cultural + Recreational Services	1,048	1,463	2,147	2,539	2.3%	99	6.1%
Personal + Other Services	2,132	3,059	4,119	4,711	4.3%	172	5.4%
Other (Non- Class. + Not Stated)	1,980	5,153	2,614	2,560	2.3%	580	1.7%
Total	**62,968**	**83,153**	**97,077**	**110,544**	**100.0%**	**3,752**	**3.8%**

Source: ABS Census 1986,1991,1996 and 2001

On the Central Coast the work force has grown from around 63,000 in 1986 to 110,500 in 2001. This rise reflects an annual average growth rate of 3.8 percent. The sectors in which strong growth has been recorded were retail trade (4.3 percent), health and community services (5.5 percent) and property and business services (8.0 percent). These sectors accounted for well over half the total employment growth in the region. Attention is drawn to the growth that has occurred in the property and business sector, a sector that has a high representation of "symbolic analysts". Numbers in this sector rose from 3,500 in 1996 to 11,300 in 2001. In the retail trade and health and community services sectors, growth has also been significant, but this can largely be attributed to the dramatic increase in population.

Of particular interest is the manufacturing sector. Although in a national context, this sector has low growth prospects, on the Central Coast it has grown strongly for the past decade (around 330 – 400 jobs or 3.6% per annum). This is in direct contrast with that of the wider Sydney region, which has experienced only a relatively modest annual rate of growth (0.3 percent). The sectors that recorded a decline in employment were agriculture, mining and utilities. In agriculture, employment numbers fell from 1,434 in 1986 to 1,262 in 2001. This reflected an average annual decline of -0.5 percent. Mining and utilities registered the greatest declines in employment, falling -5.2 percent and -6.2 percent respectively.

The research undertaken by the NSW Premiers' Department and the NSW Department of State and Regional Development, "Future Jobs for the Central Coast" sought to identify the prospects for employment and future job opportunities. It concluded that the sectors, which have the greatest potential to generate a sustainable future for the region, are manufacturing, property and business services, education, construction, health and community services, accommodation, cafes and restaurants, and cultural and recreational services. Those sectors which have a limited capacity to accelerate employment growth, were identified as agriculture, mining and utilities supply. These have all recorded a decline in employment numbers. Government administration and defence were also identified as having limited potential as they are generally subject to government policy.

The sectors which were identified as having future employment generating potential are not always driven by the availability of land for their growth and success. They do however play a significant role in strengthening the wider economy and in particular providing essential support for sectors which do require comparatively large areas of land. This is well demonstrated by the provision of business and financial services to local industrial enterprise, which generally seek locations within established centres.

Retailing

Retail activity in the region is widely distributed and diverse in scale and type. The principal focuses of employment in this sector are the large regional centres of Gosford city centre, Erina, most particularly the Erina Fair Shopping Centre and Tuggerah (Westfield Shoppingtown and Tuggerah Supa Centa). Elsewhere retail employment is concentrated in a range of sub-regional, district, neighbourhood and local centres located throughout the region. These include Terrigal, The Entrance, Gorokan (Lake Haven Shopping Centre), Wyong, Woy Woy, and the smaller centres of Kincumber, Toukley, Bateau Bay, West Gosford and Wyoming.

In addition to population growth, employment in the retail sector has grown in response to the demand for new forms of retailing, particularly bulky goods. Much of the growth in bulky goods retailing can be attributed to the rapid consolidation and development of residential communities throughout the region. This is most apparent in areas immediately to the west and north of Gosford, at Tuggerah, Erina and Lake Haven, where substantial bulky goods retail outlets have been developed.

A further consideration is that much of the employment in the accommodation, café and restaurant sector, which has also recorded significant growth in employment over the past decade, is located in the centres of retail activity and in locations where tourism and recreational activity dominate (e.g. The Entrance and Terrigal). Employment in this sector has risen from 3,590 in 1991 to 5,588 in 2001, an increase of 55 percent.

Commercial services

It has become clear over the past decade that, the Ettalong Beach CBD has suffered commercial decline, largely as a result of the establishment of new satellite shopping centres such as Deep Water Plaza at Woy Woy, Peninsula Plaza at Woy Woy and Erina Fair at Erina. Consequently, many commercial building owners have failed to upgrade buildings or redevelop properties due to the reduced opportunity to achieve improved net returns or capital growth.

On the Central Coast, employment in commercial services (finance and insurance, property and business sectors and communication services) has grown significantly. The census of 1986 found that there were 8,365 working in the finance, insurance, property and business services and communication sectors. By 1991 the number had increased to 11,889, a rise of 42 percent. In the following five year period, 1991 to 1996 the number increased by a further 23 percent to 14,614 and by 2001 the sectors employed 17,603, reflecting a further growth of 21 percent.

A key characteristic of the employment pattern in these sectors is the diverse range of small to medium sized enterprises. ABS data indicates that the vast proportion of these enterprises (60 percent) employ less than 10 people. Many of these are located in the city centre of Gosford, however a significant number are also established in the numerous smaller centres scattered throughout the region in centres such as Erina (Fountain Plaza), Wyong, and The Entrance.

Despite the widespread distribution, it is apparent that the Gosford city centre is the primary focus for commercial services in the region, with a significant proportion of enterprises performing a wider regional role. In the smaller centres, commercial services operate essentially with a local focus. A significant exception to this pattern is the Tuggerah Business Park located approximately five kilometres to the south of the Wyong town centre. This has and continues to be in the process of development as a master planned business park. To date, it has attracted a mix of commercial and industrial enterprises, many of which function as a strategic component of large corporate organisations (Murdoch Books, Allen and Unwin, ING).

Deriving an understanding of future demand for commercial services (office and retail) and in particular floor space and land on which it can be developed, is a difficult exercise. The drivers are complex and diverse. Moreover there is no accepted methodology. Despite this several underlying determinants are evident. Demand is traditionally focussed on centres which offer a mix of associated and complementary services – where agglomeration economies can be achieved. The Central Business District is an example. Demand is becoming increasingly evident for floor space set within attractive landscaped business parks where lifestyle opportunities can be provided, for example the Norwest Business Park in Baulkham Hills, on the north western periphery of Sydney.

Tourism & Hospitality

Tourism and hospitality is one of the most rapidly growing sectors within the region, providing significant numbers of unskilled or semiskilled positions. An additional 3,000 jobs are predicted over the next 5 years, 90% being local.

The tourism/hospitality sector offers attainable incremental employment opportunities beyond those purely created by population growth. To realise these opportunities will require major developments, supported by both the appropriate attitude of the general population and local Councils of the region (PacALLIANCE, 2002).

Home Based Work

One significant change to occur in the workforce is the growth of home-based employment. During the period 1996 to 2001 the share of home based employment in the Sydney SD grew from around 78,500 to just over 90,000 – reflecting an increase of 14.6% (ABS 1996 and 2001). This growth has been most apparent in the property and business services sector where the rise of computer and telecommunications technology has provided new opportunities for more flexible methods of working. Sole operators can work effectively from home, and firms can organise the location of their workforce with greater efficiency and flexibility.

Certain areas of the Sydney and beyond have become popular "retreats" for such single professionals and small businesses to locate for lifestyle as well as work related reasons. Some inner city suburbs (such as Glebe and Rozelle), The Blue Mountains, parts of the Northern Beaches and even some remote areas Southern Highlands have attracted professionals and para-professionals in creative industries (such as film makers, web designers, authors, artists, etc) working from home. Any area of high intrinsic amenity such as Ettalong has potential for such a workforce.

Key Issues:

- Central Coast has considerably higher unemployment than the Sydney Region.
- There is a considerable undersupply of jobs relative to the working population resulting in a considerable proportion of workers commuting out of the region mainly southwards towards Sydney CBD.
- Until recently there has been little strategic planning with the objective of creating investment in local employment.

3.4 Housing Choice

There is a hierarchy of influences, which determine housing choice. People make trade-offs between basic housing needs and dwelling preferences, within the constraints of price and the range of choices available to them at the time.

Location is widely seen to be one of the most important determinants in the choice of a dwelling. There is a strong desire to live in a familiar area, suggesting that if market demand is to be effectively met, there is a need to ensure a good and varied supply of medium density housing.

The desire to live close to city centres is also strong as depicted by the strong growth in house prices in these areas.

Dwelling type preferences are also strongly influenced by demographic factors – in particular household size, type and stage in life cycle. In the Central Coast, there has been significant growth in the number of couples without children, single and elderly person households resulting in a rising demand for forms of housing that are alternative to detached houses.

Whilst detached houses are the preferred choice of housing for the majority of households, it is increasingly unaffordable in their preferred locations. Households trade space for place by choosing a dual occupancy dwelling, town house or unit.

Despite growth in non-nuclear households detached dwellings dominant the Central Coast landscape.

Table 12 - Dwellings by Dwelling Type in Gosford LGA

Dwelling Type	No.	% of Total
Separate house	52,287	76.3%
Semi-detached, row or terrace house, t/house, etc	8,154	11.9%
Flat, unit or apartment: Total	5,530	8.1%
Other	1,563	2.3%
Not stated	1,001	1.5%
Total	68,535	100.0%

Households that are suited for higher density housing include lone person households and couples without children. These two types of households make up 32% of total households in the Gosford LGA. However the proportion of flats and apartments to total dwellings is only 8% - significantly lower than the Sydney Statistical Division of 25%. There is a clear undersupply of such housing in the Central Coast.

Although the rate of population growth has decreased over the past decade, there continues to be significant challenges emerging in terms of the provision of new infrastructure, new services and new jobs. This is being generated by several demographic influences.

Key Issues:

- The demographic characteristics will inevitably generate increasing demand for new infrastructure and services; however it will be critical that opportunities be provided to facilitate the growth of a more diversified population.
- If a new more skilled and adaptable labour force is to be retained and deepened, new housing opportunities, commensurate with their expectations will be essential.
- The contracting household structure will continue to generate increasing demands for a greater choice in the housing stock. The existing low density pattern of subdivision in the Woy Woy, Umina and Ettalong areas precludes this from occurring.
- Current development controls in the Ettalong town centre act as a disincentive to property owners to provide more housing. It is estimated that any potential increase in dwelling numbers on sites 1 to 4 (as identified on the concept masterplan) would be

limited to a combined total of 57 dwellings, given that much of the land is already developed to its full potential.

3.5 Tourism: Trends and Implications

A Context

The tourism industry is responsible for a diverse array of benefits to the NSW economy. It directly employs some 183,000 jobs and generates indirect employment for a further 122,000 persons. During 2000/01 the domestic tourism market generated $16.4 billion (including day trips).

Both the public and private sectors are becoming increasingly aware of the potential for tourism to generate income and employment opportunities, both direct and indirect. The economic output originating from tourism can be significant. For guidance purposes the Australian Bureau of Statistics (Indirect Economic Contribution of Tourism to Australia 2002), has found that for every job directly generated by tourism, a further 1.96 jobs are indirectly generated.

In order to identify the key trends in tourism within NSW, we have reviewed tourism related data/information, including ABS data and have consulted with Tourism NSW and other key government bodies. The key trends which will have significant implications on the future economy of the Central Coast and importantly the key centres, such as Ettalong include lifecycle stage/socio-economic changes, a continued growth in the overnight/two night 'short break' accommodation market, the significant growth in nature - based tourism, the increase in demand for hotels/motels/resorts style accommodation, and water based recreation.

Tourism on the Central Coast

The Central Coast region in NSW is widely recognised as an important focus of tourism/recreational activity in Australia, offering a diverse mix of attractions and opportunities. Historically the Central Coast has been a popular region for nature-based recreation. The Central Coast region is located approximately 100 kilometres to the north of Sydney Central and only 50 kilometres to the south of the Hunter region and its associated wine and equine industry.

This juxtaposition is an important competitive advantage of the Central Coast in the tourism and recreation market.

In 2001/02 the number of domestic visitor nights spent in the Central Coast Region was 3.3 million. This represented around 4% of the domestic visitor nights spent in NSW. The major sources of domestic visitor nights in the region were Sydney (68%) and regional NSW (22%). Amongst the findings of initial research, it is evident that the experiences generally sought by visitors to the Central Coast region are:

- most often focussed on 'short break' holidays; and
- these holidays most often centre on waterside and/or bush locations, offering opportunities for sailing, swimming and surfing, canoeing and boating.

In a study by Alan Nordsvan & Associates titled 'Tourism Infrastructure Analysis Central Coast Region' tourism plays an important role in the economy of the region and has the potential for further growth. The growth will not only result with the inflow of additional income into the region, but expanded job opportunities through infrastructure development. It is recognised that a variety of tourist infrastructure developments are being planned or under development which will significantly alter the face tourism in the Central Coast.

Alan Nordsvan & Associates concluded in their study that despite the existing level of infrastructure and the impact of proposed developments, future demand will still not be met. Specifically, opportunities were identified in the emerging forms of tourism such as nature based activities and that there is a need for new quality tourist accommodation.

Tourism in Ettalong

There are no statistics that quantify tourist numbers in Ettalong. Most tourists are day trippers and they are not recorded. Anecdotally the numbers are very few largely because of the lack of infrastructure and services for them. The number may be no more than 50,000 persons. In any case Ettalong is not capturing the tourist dollar due to its lack of facilities.

Key Issues:

- Tourism has been recognised as a key element in the NSW economy. It makes a significant contribution to employment and the wealth of the community in general.
- With its distinguishing natural attributes, Ettalong has the potential to play a key role in the growth of tourism on the Central Coast and in turn the strengthening of the local economy.
- The current lack of tourism facilities in Ettalong means that it is not on the tourist map and there is no incentive for tourists to visit it.

3.6 The Retail Centre

Role and Function

Ettalong is a typical small coastal town. Its commercial core is concentrated along Ocean View Road, between Memorial Avenue and Ferry Road, with small pockets of retail activity in Picnic Parade. The total occupied retail floor space within Ettalong is approximately 5,000sqm, with the principal retail tenant in the centre being an IGA Supermarket. There is also a small cinema, which forms part of the Ettalong Markets complex.

Table 13 - Ettalong Retail Floor Space

Type of Retailing	No. of Establishments	Estimated Floor Area
Occupied Retail (including IGA supermarket)	34	5,000m2
Non ï retail (commercial services)	24	2,000m2
7 Vacant front shop premises	**7**	1,000 m2
Total Floor Space		**8,000m2**

Source: Hill PDA Floor Space Survey, 2004, ABS Retail Survey 1991-92

The principal issue for Ettalong arises from its capacity to maintain its market share. This will be influenced by the relative strength of Woy Woy only 2 kilometres to the north and the significantly larger regional centre of Erina; limited potential for any substantial expansion and/or population growth in its trade area, and the older age structure of the local population. Indeed were there to be a further increase in supermarket floor space in Woy Woy, it is most likely that Ettalong would experience further impacts on market share.

A further significant influence on the future sustainability of the town centre is its capacity to accommodate further residential growth and in turn a more robust basis on which the economy can function.

Currently the dynamics of the Ettalong town centre provide a only limited basis upon which significant investment and development can occur. The centre is threatened with piecemeal development which is unlikely to facilitate the development a sustainable economy.

Given the waterfront location of Ettalong, the performance of the centre is most likely to benefit from tourist and visitor spending, in addition to that derived from the local residential population. Recent past projects and current proposals for development in the town centre generally consider the future role of Ettalong as a tourist destination and home to an increased and more diverse resident population. This pattern of development if managed appropriately will in future provide further opportunities for short term accommodation and tourism based specialty retail, restaurant and café services which directly contribute to the economic sustainability of Ettalong and the long term viability of other initiatives such as the proposed fast ferry service to Circular Quay.

Key Issues:

- The challenge for Ettalong is to strengthen and deepen its role as a convenience shopping destination, possibly through an expanded supermarket or an additional supermarket.
- Opportunities must be created to foster a consolidation of population in the centre and generate a more diverse mix of activities.
- A strategy is required to capitalise on the potential of the centre as a destination for tourism and recreation, and in turn establish a new and vibrant element of the local and regional economy

4. The Future Situation: Economic Benefits

The following section analyses the perceived future of Ettalong with respect to land use trends, transport, the public domain and employment patterns. This perceived future is predominantly based upon:

- our knowledge of existing and proposed developments within the centre such as the Outrigger Resport, Ettalong Beach Hotel, and the proposed redevelopment of the former Ettalong Beach War Memorial Club site (EBWMC)
- The hypothetical development scenarios envisaged in the concept Masterplan developed by Tesrol (refer to Figure 3 Town Centre Analysis);
- trends in population, socio-demographics, housing, employment, retail and tourism industries; and
- the proposed passenger ferry service between Ettalong Beach and Circular Quay.

Figure 3 - Town Centre Analysis

TOWN CENTRE ANALYSIS

RETAIL SPACE/CAFE AREAS

	Approx. Land Area	Existing Development	Hypothetical Development CURRENT CONTROLS (Lettable Area)	Hypothetical Development CONCEPT MASTERPLAN (Lettable Area)
SITE 1	3158 m^2	0 m^2	400 m^2	630 m^2
SITE 2	2083 m^2	1300 m^2	1300 m^2	1300 m^2
SITE 3	1534 m^2	1200 m^2	1200 m^2	1200 m^2
SITE 4	3229 m^2	0 m^2	400 m^2	630 m^2
TOTAL	10000 m^2	2500 m^2	3300 m^2	3760 m^2

APARTMENT NUMBERS

	Approx. Land Area	Existing Development	Hypothetical Development CURRENT CONTROLS	Hypothetical Development CONCEPT MASTERPLAN
SITE 1	3158 m^2	0	26	80
SITE 2	2083 m^2	0	4	30
SITE 3	1534 m^2	0	0	20
SITE 4	3229 m^2	0	27	60
TOTAL	10000 m^2	0	57	190

4.1 Housing

The completion of proposed developments within the centre such as the Tesrol development, the Ettalong Beach Hotel, the Outrigger Resort and the redevelopment of the EBWMC, will effectively result in an increase of housing choice. This will in turn alter the demographic profile of the locality, providing for other markets such as self funded retirees the 'CBD worker' and the 'young families'.

Based on the current development controls a estimated combined total of 57 new dwellings could hypothetically be developed on sites 1 to 4 within the Ettalong town centre.

Increase in Supply Based on Masterplan Concept (sites 1 to 4)

If the town centre were to evolve to a greater density as suggested in the Tesrol masterplan concept, it is estimated that there would be approximately 199 residential apartments in addition to the 228 apartments in the Outrigger Resort, the 14 apartments on the Ettalong Beach Hotel site and the proposed 61 apartments on the site formerly occupied by the EBWMC (refer to Fig. 3). Such an increase would result in an:

- Increased residential population of approximately 398 people associated with the Tesrol masterplan concept. (based on 2 persons per household).
- Increased household expenditure on local goods and services.
- Enhance economic sustainability of town centre.
- Increase in street activity.
- Improvement in security and surveillance.

The Buyer Market

In a growing city maintaining growth in the supply of housing is essential for long-term affordability. The masterplan concept envisages an apartment mix that provides a range of product and pricing choice aimed to attract a broad range of local and "out of town" buyers. The accommodation design developed by Tesrol for site 1 includes traditional and terrace style apartments ranging in size and appeal which will be reflected in the pricing. This variety will provide opportunities for buyers from a range of socio economic groups within the market. This in turn will further contribute to the diversity of Ettalong and help to develop a more vibrant commercial centre.

Profile of Occupiers / Residents

Broadly speaking future residents can be categorised as follows:

- The Sydney CBD commuter following the opening of the fast ferry service. Ettalong would offer a beach side lifestyle within one hour of Sydney CBD, yet be vastly more affordable than beachside suburbs such as Manly.
- Retirees: particularly retirees that put a stronger emphasis on place rather than space and seek close proximity to retail, commercial, health and other personal services.
- Local workers: particularly single persons or couples without children.

- Transient residents: typically renting a luxury beachside unit with for work-related or lifestyle reasons.
- Tourists renting a holiday unit.

A more detailed description of some of these groups is provided below:

- <u>Retirees</u>
- Retirees will mostly be owner-occupiers. The important advantage with retirees is that they do not take jobs away local workers. On the contrary they stimulate employment because they demand goods and services including food, household goods, health, community and commercial services. Again these retirees are likely to have accumulated considerable wealth given the premium price of the new units, and therefore have money to spend.

- <u>Workers</u>
- Workers will be a combination of owner-occupiers and renters. Either way their incomes will generally be on the higher scale of the Central Coast region and more comparable to many of the "white collar" suburbs of Sydney. These workers bring wealth to the local economy and stimulate the local economy with demand for goods and services.

- <u>Tourists</u>
- Like retirees tourists do not take jobs away from local residents. And like retirees they demand local goods and services. Again their income levels will be relatively high for the central coast given the premium paid for holiday accommodation – particularly during peak seasons such as the summer holiday time.

All of the above target occupiers stimulate demand for local services. Many of these local services employ lower salary earners and provide jobs for young people. Such services include waiting in restaurants and clubs, retailing, health, etc.

The increases in economic benefits arising from the outcomes are presented in the table below.

Table 14 - Additional Dwellings and Estimated Population in the Town Centre

Indicator	Sites 1 to 4 Based on Current Dev Controls	Sites 1 to 4 Based on Concept Master Plan	Net Benefit	Tesrol Development Site 1
No. of Likely Dwellings	57	199	142	89
Additional Population	114	398	284	178
Additional Retail Expenditure per annum in Ettalong*	$0.38m	$1.3m	$0.9m	$0.6m

* Assuming Ettalong captures one third of total retail spend. Source: ABS Retail Expenditure Survey 1998-99

The economic and planning benefits resulting from the increased housing provision include:

- Providing for future population growth identified in the "Shaping the Central Coast – Action Plan" document produced by DIPNR & Gosford City Council.
- Providing a major contribution to urban consolidation objectives as advanced by the NSW Government.
- Reducing demand for housing in the fringe suburbs and the associated cost of providing services to these areas.
- Better use of available services ie: infrastructure.
- Providing additional housing choice to meet the diverse housing needs of the population.
- Contributing to the State Government's land use transport policies – given the higher concentration of residential units near the fast ferry terminal.
- Improving environmental sustainability and reducing the dependency on private motor vehicle usage.
- Increasing the demand for local goods and services that will stimulate local employment in the town centre.
- Improving the viability and financial sustainability of the existing Palm Beach ferry and the proposed fast ferry service to Sydney CBD.

4.2 Retail and Commercial Services

Redevelopment of the properties fronting The Esplanade as proposed will provide an additional 1,260sqm of retail space for the town centre. It is envisaged that this space fronting the beach will be tourist related retail and services, such as tourist office, cafés and restaurants, gifts and souvenirs, etc. The retail space along Ocean View Road will provide the local convenience stores for the immediate population. The two streets would be linked with active retail and commercial space along Memorial Avenue and the laneway/through site link to the east.

The increases in economic benefits arising from the outcomes (summarised in Figure 3) are presented in the table below.

Table 15 - Additional Retail Floor Space and Estimated Expenditure

Indicator	Sites 1 to 4 Based on Current Dev Controls	Sites 1 to 4 Based on Concept Master Plan	Net Benefit	Tesrol Development Site 1*
Additional Retail Floor Area	800sqm	1,260sqm	460sqm	630sqm
Approx Additional Turnover	$2.7m**	$5.0m***	$2.3m	$2.5m/ann

* The Tesrol Development being the first stage of the masterplan concept
** Based on $3,400/sqm turnover achieved
*** Based on $4,000/sqm turnover being achieved under the masterplan.

The economic benefits of the additional retail space include:

- Increased retail offer for consumers.

- Enhanced economic sustainability of the town centre through a deeper and wider retail offer.
- Reduction of escape expenditure, particularly to Woy Woy and Erina.
- Contribution to the development of Ettalong as a tourist destination.
- Improvement in the viability and financial sustainability of the fast ferry service from Ettalong to Sydney CBD.

In addition to retail space the concept Master Plan provides the potential for further commercial growth. Attracted by the transport services including the fast ferry, the natural beauty and beach amenity, and accessibility to Sydney, the opportunity will exist for home-based businesses, professionals and creative industry workers to locate in the Town Centre.

4.3 Tourism Industry

Distinguished by a waterfront location on the southern edge of Brisbane Water, with an attractive outlook towards Broken Bay, Ettalong can be considered to be comparatively unique as a tourist destination.

Its enormous potential as a prominent tourist destination (like the localities of Terrigal Beach and The Entrance) which will contribute significantly to the local economy has not been fully explored. It is considered that the proposed redevelopment of the town centre will promote this realisation.

The average spent by tourists is $112 per day for overnight visitors and $65 per day for day visitors. Food and drink, shopping and entertainment make up 51% and 58% of overnight and day visitors respectively[1]. Estimating the number of day trippers is difficult due to a lack of information. However given that the fast ferry service will transport around 1.0m passengers per annum (based on an assumed 70% occupancy) and given the expansion of the retail services we can expect at least 100,000 more day-trippers per annum, and maybe more than 150,000. It is expected that Ettalong would capture around $3m more revenue from tourism related expenditure.

<u>Case Study: Terrigal</u>

Terrigal is a vibrant tourist based centre of the Central Coast. This centre like Ettalong was characteristic of a neighbourhood centre, comprising traditional retail and commercial uses focussed on a main street. Over the past couple of decades Terrigal expanded its role as a tourist destination.

The commercial and retail heart of Terrigal is located on the coast, approximately 10 kilometres to east of the Gosford City Centre and 15km from the Sydney Newcastle Freeway. Principal access to the centre is achieved by way of Terrigal Drive, which provides the principal connection with Gosford and the Freeway beyond.

[1]. Tourism Expenditure by Domestic Visitors in Australia's Regions, Bureau of Tourism Research, Australia 1999 escalated to 2004 dollars at CPI weighted average.

The Terrigal commercial centre is atypical, with a strong provision of clothing stores, cafes and restaurants and an under-provision of supermarket and grocery stores and fresh food and other convenience retail activity. This profile is essentially a reflection of its proximity to Erina shopping centre (which accommodates the bulk of the area's comparative and convenience shopping needs) and the popularity of Terrigal as a tourist destination.

Terrigal performs a dual role, with one focussed on meeting some of the daily shopping needs of a comparatively small residential area directly to the west of the centre, and the other on meeting the needs of a high tourist population which visit and/or reside during the summer months of the year. With the presence of the Erina Shopping Centre less than 2 kilometres to the west however, the role of Terrigal is essentially that of an atypical neighbourhood centre.

The Terrigal Shopping Centre is largely concentrated on the western side of Terrigal Esplanade, between Kurrawyba Avenue in the south and Painters Lane in the north, and along Church Street which lie parallel with Terrigal Esplanade.

With the exception of the large Crown Plaza Hotel, which is located at the southern end of the town centre, at the corner of Terrigal Esplanade and Kurrawyba Avenue, the overall physical character of commercial/retailing activity is relatively modest and is more a reflection of the of the centre's function as a beachside resort. The overwhelming characteristic can be seen in the large number of cafes and restaurants and clothing related premises, and the relatively limited number of convenience retail services, such as supermarket and grocery store floor space.

The Concept Master Plan

With its natural beauty, its beach, development of further transport infrastructure and more intense development in the town centre Ettalong has considerable potential to develop further as a tourist destination. The Outrigger development and the proposed fast ferry service will enhance this potential considerably.

The concept Master Plan and the proposed Tesrol development accommodate the potential to increase the supply of tourism accommodation and associated retail. The growth in tourism will be brought about by a synergy of the proposed fast ferry service, the improved retail offer and the use of a proportion of units in the town centre being used as accommodation for transient residents and vacationers.

Table 16 - Estimated Day Trippers and Tourism Expenditure

Indicator	Current Estimated Per Annum	Estimated Increase based on Current Controls	Estimated increase with development based on masterplan sites 1 to 4	Estimated total per annum under Masterplan (minimum)*	Future estimated increase based on Tesrol Development Site 1*
Annual Spend	$1.8m	$2.4m	$3.7m	$5.6m	$1.9m
Annual Tourist numbers**	50,000	65,000	105,000	155,000	55,000

* Based on additional retail turnover achieving $3,500/sqm less $0.6m generated by the additional population.
** Estimated additional day trippers based on average spend of $38 per day.

4.4 Proposed Fast Ferry Service

The proposed fast passenger ferry service between Ettalong and Circular Quay (featuring a 450 capacity vessel which can transverse between the Central Coast and Sydney in as little as 55 minutes), will not only serve the travelling needs of the existing local population but will also act to encourage more people (including a wider range of people such as CBD workers and families with young children) to locate in Ettalong. Furthermore, this proposed transport service will increase the number of tourists visiting the locality, who are in search of a new experience.

Currently there is a ferry service to Wagstaff and Palm Beach which has increased patronage considerably since it first commenced operation. Estimated current patronage is between 500 and 700 per day of which approximately 25% are regular commuters and 33% are school children.

The proposed fast ferry service will provide an enormous stimulus to the Ettalong economy. It will provide an alternative and faster method of travel to Sydney CBD, with added advantages of boat experience, scenic values, comfort, reasonable convenience, reliability and little congestion.

The service will stimulate demand from both regular commuters and tourists including CBD workers who live in the Gosford LGA, visitors and day trippers to the Central Coast, day trippers from the Central Coast to Sydney CBD and beach goers. Four clear markets have been identified:

- Commuter trips: from Gosford residents who work in Sydney CBD;
- Tourist trips: the ferry leg of one day and short break tours from Circular Quay;
- Other Schedule Trips: Gosford residents that visit the Sydney CBD for business, professional and personal services; and
- Event trips: social outings and "try-it-out" trips.

The ferry service will also stimulate commercial operations, as well as residential development in Ettalong. This comes from two markets. Firstly there will be land based support services that include retailing for commuters, tourists and operators as well as ancillary boating and harbour waterfront activities. The second market are potential businesses and professionals that would prefer to locate in Ettalong rather than Sydney CBD given its amenity, cost savings and the ability to travel to Sydney CBD using the fast ferry.

As with any major transport investment the fast ferry service will provide a stimulus to further land use investment in Ettalong. Major transport initiatives, such as the M2 Motorway, the M7 Orbital, the City to Airport and Epping to Chatswood railways, have all had major impacts on property values and stimulated strong investment in beneficiary areas. The extension of ferry services up the Parramatta River has provided a stimulus for investment along the Parramatta River in Abbotsford, Cabarita, Meadowbank, Rhodes Peninsula and Ermington.

The scenario of higher density development in the town centre is synergistic with the fast ferry proposal. The combination of the two will stimulate redevelopments in and around the town centre over the next 10 or more years. Ettalong will no longer be a low rise dormant suburb, but a significant gateway to the Central Coast.

The economic benefits resulting from the fast ferry service include:

- Considerable travel time savings for commuters and tourists.
- Increased environmental sustainability and reduced private motor vehicle dependency.
- Increased attractiveness for CBD commuters, professionals and creative industry workers.
- Increased investment and improved property values in the local area.

4.5 Public Domain

It is understood that the following public domain improvements are being considered:

- A pedestrian link to the foreshore area through the Tesrol development from the existing North/South public laneway running off The Esplanade. This amounts to an area of 480sqm (approximately 6m wide by 80m in length).
- Streetscape/footpath upgrades along The Esplanade and Memorial Ave

The economic benefits resulting from the improvements to the public domain include:

- User benefit (people appreciate the landscaped public area as measured by the additional time spent in them).
- Travel time savings with through site links.
- Increased investment and improved property values in the local area due to its added attractiveness.
- Establishes a new connection between the main street retail and the foreshore, thereby encouraging further activation of the town centre and the esplanade.

It is our understanding that Council has also initiated the design for the upgrade of the foreshore extending from the boat ramp off Beach Street in the west, to Picnic Parade in the east. These proposed upgrades will further contribute to the vitality of the town which will have a direct impact on the local economy.

4.6 Employment Generation

Employment Generation from Construction

Specifically the Tesrol proposal for site 1 will generate employment opportunities in both construction and in retail and commercial operations.

It is estimated that one full time construction position for 12 months is created for every $148,800 of construction work undertaken[2]. Therefore based on an estimated cost of $30m,

2. Source: ABS Australian National Accounts: Input-Output Tables 1996-1997 (ABS Pub: 5209.0). Shows 9 construction industry jobs directly created for every $1 million of construction output. This equates to 1 employee for every $111,111

construction for Stage 1 of the Master Plan (Tesrol site) will generate 201 job years directly in construction. Assuming 80% of these workers are locally based, this translates into 160 local jobs.

Multiplier Effects

The construction industry is a significant component of the economy accounting for 6.6% of GDP and employing almost 14.6% of the workforce at March 2003. The industry has strong linkages with other sectors, so its impacts on the economy go further than the direct contribution of construction. Multipliers refer to the level of additional economic activity generated by a source industry.

There are two types of multipliers:

- Production induced: which is made up of:
  - first round effect: which is all outputs and employment required to produce the inputs for construction; and
  - an industrial support effect which is the induced extra output and employment from all industries to support the production of the first round effect; and
- Consumption induced: which relates to the demand for additional goods and services due to increased spending by the wage and salary earners across all industries arising from employment

The source of the multipliers adopted in this report is ABS and Australian National Accounts: Input-Output Tables 1996-97 (ABS Catalogue 5209.0). These tables identify first round effects, industrial support effects and consumption induced multiplier effects at rates of $0.466, $0.438 and $0.962 respectively to every dollar of construction.

Therefore $30m cost in construction translates to a further $27m activity in production induced effects and $28m in consumption induced effects. Total economic activity generated is equivalent to $85m.

The 1996-97 ANA Input-Output Tables identified employment multipliers for first round, industrial support and consumption induced effect of 0.33, 0.45 and 2.33 respectively for every job year directly in construction. These multipliers were adjusted to March 2003 using the building price index and these are provided in the following table. For every $1 million in construction cost, a total of 201 job years could be generated in the economy and the proposed development as a whole will generate 828 job years.

of construction output in non inflated terms. Inflated to March 2004 dollars based on the Price Index of the Output of the Building Industry (ABS Pub: 6427.0 Table 15), this equates to $148,800 per direct construction employee.

Table 17 - Construction Multiplier Effect from Stage 1 (Tesrol Development)

	Initial Effects	Production Induced Effects		Consumption Induced Effects	Total
		First Round Effects	Industrial Support Effects		
Output multipliers	1	0.466	0.438	0.962	2.866
Output ($million)	$30.0	$14.0	$13.1	$28.8	$86.0
Employment No. per $million adjusted to Mar-04 dollars	6.72	2.22	3.02	15.66	27.62
Total employee years created	201	67	90	470	828

Data Sources: Australian National Accounts: Input-Output Tables 1996-97 (5209.0), Price Index of the Output of the Building Industry - Producer Price Indexes (6427.0), CPI All Groups - RBA Bulletin (Table G2)

Note that the multiplier effects are national, and not necessarily local. The ABS notes that "Care is needed in interpreting multiplier effects; their theoretical basis produces estimates which somewhat overstate the actual impacts in terms of output and employment. Nevertheless, the estimates illustrate the high flow-on effects of construction activity to the rest of the economy. Clearly, through its multipliers, construction activity has a high impact on the economy."

Retail Operations Generated Employment

We estimate that the additional retail floor space (1,260sqm) will generate approximately 32 full time and part time jobs based on an assumed 40sqm of floor space per worker[3].

3. Source: ABS Retail Industry 1998-99 Cat. 8622.0

5. CONCLUSION

The conclusion from our analysis is that the masterplan concept for the Ettalong Town Centre as proposed by Tesrol, will have economic benefits which can be categorised under diversified housing supply, diversified retail and commercial services, attracting tourism (including tourism accommodation), supporting transport infrastructure initiatives, improving the public domain and employment generation. Each of these benefits are summarised below:

Housing

Only 8% of all dwellings in Gosford LGA are units or apartments, compared with 25% in the Sydney Statistical Division. Yet 32% of households in Gosford are lone person households and couples without children – the types of households that are suited to unit living. Unit living is ideal for older persons that can't look after houses and gardens and young middle-class professionals that don't have time to look after houses and gardens.

Redevelopment of the town centre with higher density housing in conjunction with other initiatives like the proposed fast ferry service will accommodate several markets including retirees, Sydney CBD and local workers. These residents will have significant levels of accumulated wealth and/or above average income levels with a strong demand for local goods and services that will stimulate local employment.

The increases in economic benefits arising from the outcomes are presented in the table below.

Indicator	Sites 1 to 4 Based on Current Dev Controls	Sites 1 to 4 Based on Concept Master Plan	Net Benefit	Tesrol Development Site 1
No. of Likely Dwellings	57	199	142	89
Additional Population	114	398	284	178
Additional Retail Expenditure*	$0.38m	$1.3m	$0.9m	$0.6m

* Source: ABS Retail Expenditure Survey 1998-99

The economic and planning benefits resulting from the masterplan concept with more intense housing provision in the town centre include:

- providing a major contribution to urban consolidation objectives – 142 more dwellings;
- reducing demand for housing in the fringe suburbs and the associated cost of providing services to these areas;
- providing additional housing choice to meet the diverse housing needs of the population;
- contributing to the State Government's land use transport policies – given the higher concentration of residential units near the Woy Woy bus service and the future fast ferry terminal;
- improving environmental sustainability and reducing the dependency on private motor vehicle usage;

- increasing the demand for local goods and services that will stimulate local employment in the town centre – an additional $1.3m per annum expenditure; and
- improving the feasibility and financial viability of the existing Palm Beach ferry service and the proposed fast ferry service to Sydney CBD.

Retail and Commercial Services

Retail activity in the Central Coast region is widely distributed and diverse in scale and type. The principal focuses of employment in this sector are the large regional centres of Gosford city centre, Erina, most particularly the Erina Fair Shopping Centre and Tuggerah (Westfield Shoppingtown and Tuggerah Supa Centre).

Despite the widespread distribution, it is apparent that the Gosford city centre is the primary focus for commercial services in the region, with a significant proportion of enterprises performing a wider regional role. In the smaller centres, commercial services operate essentially with a local focus.

Below Erina in the retail hierarchy is Woy Woy which is a large traditional district centre serving the Woy Woy Peninsula. It comprises 28,000sqm of retail space and 8,000sqm of commercial space. Anchor tenants include Kmart, Coles, Franklins, Woolworths and Country Target.

Ettalong is a neighbourhood centre below Woy Woy in the retail hierarchy. It comprises around 5,000sqm of occupied retail space and around 2,500sqm of commercial space. It is anchored by an IGA supermarket with limited offer for tourists despite its natural beauty and location.

The concept masterplan proposes to increase the level of retail by 1,260sqm over 4 sites. Most of this new retail will consist of specialty shops, cafes and restaurants which support residents of and visitor to Ettalong. The increases in economic benefits arising from the outcomes are presented in the table below.

Indicator	Sites 1 to 4 Based on Current Dev Controls	Sites 1 to 4 Based on Concept Master Plan	Net Benefit	Tesrol Development Site 1*
Retail Floor Area	800sqm	1,260sqm	460sqm	630sqm
Approx Turnover per ann**	$2.7m	$5.0m	$2.3m	$2.5m

* The Tesrol Development being the first stage of the masterplan concept
** Estimated from an assumed turnover of ($3,500/sqm for specialty stores and tourism related retail

The economic benefits of the retail space proposed along The Esplanade include:

- Different retail experiences for local consumers.
- Enhanced economic sustainability of the town centre through a deeper and wider retail offer.
- Reduction of escape expenditure, particularly to Woy Woy and Erina.
- Contribution to the development of Ettalong as a tourist destination.

In addition to retail space envisaged in the concept masterplan provides the potential for further commercial growth. Attracted by the transport services including the proposed fast ferry, the natural beauty and beach amenity, and accessibility to Sydney, the opportunity will exist for home-based businesses, professionals and creative industry workers to locate in the Town Centre.

Tourism

The Central Coast region in NSW is widely recognised as an important focus of tourism/recreational activity in Australia, due to its diverse mix of attractions and opportunities, its array of natural and man-made attractions, nature-based recreation, its close proximity to Sydney and good transport links to Sydney and other tourist generating localities. Combined these characteristics make the Central Coast a most unique tourist destination.

In a study by Alan Nordsvan & Associates titled 'Tourism Infrastructure Analysis Central Coast Region' tourism plays an important role in the economy of the region and has the potential for further growth. The growth will not only result with the inflow of additional income into the region, but expanded job opportunities through infrastructure development. It is recognised that a variety of tourist infrastructure developments are being planned or under development which will significantly alter the face tourism in the Central Coast.

Alan Nordsvan & Associates concluded in their study that despite the existing level of infrastructure and the impact of proposed developments, future demand will still not be met. Specifically, opportunities were identified in the emerging forms of tourism such as nature based activities and that there is a need for new quality tourist accommodation.

Both the public and private sectors are becoming increasingly aware of the potential for tourism to generate income and employment opportunities, both direct and indirect. The economic output originating from tourism can be significant. For guidance purposes the Australian Bureau of Statistics (Indirect Economic Contribution of Tourism to Australia 2002), has found that for every job directly generated by tourism, a further 1.96 jobs are indirectly generated.

Ettalong has few tourists (perhaps as little as 50,000 day trippers) due to its lack of infrastructure and services. However with its natural beauty, its beach, development of further transport infrastructure and more intense development in the town centre it has considerable potential to develop a tourist destination role. The Outrigger Resort development represents recognition by the Council and the community that tourism based infrastructure is an important contributor to the realisation of Ettalong's potential as a tourist destination.

The masterplan concept and the proposed Tesrol development seek to further contribute towards the development of Ettalong as a tourist destination through a more diverse accommodation and retail choice within the town centre.

We estimate that the master plan concept, if implemented will attract an additional 105,000 or more day-trippers per annum resulting in additional expenditure in the local area of around $3.7m per annum as shown in the table below.

Indicator	Current Estimated Per Annum	Estimated Increase based on Current Controls	Estimated increase with development based on masterplan sites 1 to 4	Estimated total per annum under Masterplan (minimum)*	Future estimated increase based on Tesrol Development Site 1*
Annual Spend	$1.8m	$2.4m	$3.7m	$5.6m	$1.9m
Annual Tourist numbers**	50,000	65,000	105,000	155,000	55,000

* Based on additional retail turnover achieving $3,500/sqm less $0.6m generated by the additional population.
** Estimated additional day trippers based on average spend of $38 per day.

The Proposed Fast Ferry Service (its synergy with the town centre masterplan)

Development consent has been granted for a ferry terminal at Ettalong to be used by the proposed fast ferry service. The Fast Ships identified four clear markets for the service:

- Commuter trips: from Gosford residents who work in Sydney CBD.
- Tourist trips: the ferry leg of one day and short break tours from Circular Quay.
- Other Schedule Trips: Gosford residents that visit the Sydney CBD for business, professional and personal services.
- Event trips: social outings and "try-it-out" trips.

The proposed fast ferry service would further support the town centre master plan by creating:

- Considerable travel time savings for commuters and tourists.
- Increased environmental sustainability and reduced private motor vehicle dependency.
- Increased attractiveness for CBD commuters, professionals and creative industry workers.
- Increased investment and improved property values in the local area.

The Public Domain

Public domain improvements including the proposed pedestrian link through the Tesrol site will result in the following economic benefits:

- User benefit (people appreciate the landscaped public area as measured by the additional time spent in them).
- Travel time savings with through site links.
- Increased investment and improved property values in the local area due to its added attractiveness.

Employment Generation

The growth in local employment opportunities has not kept pace with the increases in the Central Coast region's population. Substantial numbers of the region's working age population are subject to long periods of unemployment, discouraged out of the workforce or are required to commute long distances for a job. A prominent characteristic of the Central Coast economy is a low level of labour force participation and a comparatively high rate of unemployment.

A lack of managerial, administration and professional employment opportunities in the Central Coast Region has led to some 80% of all employed residents spending an average of three hours a day commuting to and from work outside the region – Sydney (Kaplan, 2004).

Tourism and hospitality is one of the most rapidly growing sectors within the region, providing significant numbers of unskilled or semiskilled positions. An additional 3,000 jobs are predicted over the next 5 years, 90% being local.

The tourism/hospitality sector offers attainable incremental employment opportunities beyond those purely created by population growth. To realise these opportunities will require major developments, supported by both the appropriate attitude of the general population and local Councils of the region (PacALLIANCE, 2002).

Specifically the Tesrol proposal for site 1 will generate employment opportunities in both construction and in retail and commercial operations.

It is estimated that one full time construction position for 12 months is created for every $148,800 of construction work undertaken[4]. Therefore based on an estimated cost of $30m, construction for Stage 1 of the Master Plan (Tesrol site) will generate 201 job years directly in construction. Assuming 80% of these workers are locally based, this translates into 160 local jobs.

Thirty million dollars in construction will create 201 direct job years. 80% of these jobs will be locally based. Due to the significant multiplier impacts from the construction industry a further 417 job years will be generated in production support and consumption induced effects. The additional retail space will generate demand for a further 32 full-time and part-time staff.

4. Source: ABS Australian National Accounts: Input-Output Tables 1996-1997 (ABS Pub: 5209.0). Shows 9 construction industry jobs directly created for every $1 million of construction output. This equates to 1 employee for every $111,111 of construction output in non inflated terms. Inflated to March 2004 dollars based on the Price Index of the Output of the Building Industry (ABS Pub: 6427.0 Table 15), this equates to $148,800 per direct construction employee.

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