



# Appendix B

## Economic Impact Assessment

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# Pacific Pines Retail Centre

## Economic Impact Assessment

10 August, 2010

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# Contents

<b>EXECUTIVE SUMMARY</b>	<b>3</b>
<b>INTRODUCTION</b>	<b>5</b>
<b>1 LOCAL OVERVIEW</b>	<b>7</b>
1.1 Introduction	7
1.2 Site Assessment	7
1.3 Local Growth Potential	8
1.4 Implications	9
<b>2 BALLINA RETAIL STRATEGY</b>	<b>11</b>
2.1 Introduction	11
2.2 Ballina	11
2.3 Lennox Head	11
2.4 Implications	12
<b>3 RETAIL PATTERNS AND INFRASTRUCTURE</b>	<b>13</b>
3.1 Introduction	13
3.2 Competitive Retail Infrastructure	13
3.3 Lennox Head Main Street Analysis	15
3.4 Implications	17
<b>4 TRADE AREA DELINEATION AND CHARACTERISTICS</b>	<b>19</b>
4.1 Introduction	19
4.2 Trade Area Delineation	19
4.3 Demographic Characteristics	21
4.4 Population Projections	22
4.5 Implications	23
<b>5 RETAIL EXPENDITURE ASSESSMENT</b>	<b>24</b>
5.1 Introduction	24
5.2 Expenditure Characteristics	24
5.3 Implications	27
<b>6 ECONOMIC IMPACT ASSESSMENT</b>	<b>28</b>
6.1 Introduction	28
6.2 Need and Impact Assessment	28
6.3 Conclusion	31
<b>ASSUMPTIONS</b>	<b>32</b>
<b>APPENDIX</b>	<b>33</b>

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## Executive Summary

The purpose of this report is to prepare an Economic Needs Assessment for the proposed retail centre within the Pacific Pines Estate. It is proposed to comprise a 4,000 Sq M centre anchored by a 3,200 Sq M supermarket and 800 Sq M of commercial office space. The Ballina Shire Retail Strategy identifies the need for a neighbourhood centre, and the NSW Departments of Planning has previous giving planning approval for a retail centre of 3,000 Sq M with 800 Sq M of commercial office space. This application therefore proposes a minor amendment of the existing planning approval for an increase of 1,000 Sq M of retail space within the Pacific Pines Shopping Centre. The existing approval allows for the development of 2,500 Sq M supermarket and 500 Sq M of speciality retailers.

This change is reflective current retail trends and the way the community undertake regular supermarket based shopping. The 4,000 Sq M retail centre in conjunction with the 800 Sq M of commercial space, will likely result in the inclusion of professional, personal, and medical services within the Pacific Pines Shopping Centre. These uses, in concert with open space and recreation uses, will help to create a hub with a range of facilities serving the local community. The following table provides a summary of the retail and commercial uses within the Pacific Pines Neighbourhood Centre which are assessed by this report:

**Approved and Proposed Uses**

	Approved	Proposed
Retail	3,000 Sq M	4,000 Sq M
Commercial	800 Sq M	800 Sq M
Total	3,800 Sq M	4,800 Sq M

The Ballina Retail Strategy identifies the Ballina Town Centre and the Kerr Street Retailing Precinct as being at the top of the retail hierarchy within Ballina Shire. The key premise of the Retail Strategy is to ensure that the function of Ballina is not impacted by any future retail development within the Shire, ensuring that it remains at the top of the retail hierarchy. The Retail Strategy also identifies that the Lennox Head Village Centre, which is comprised of the strip shopping and commercial uses along Ballina Street (also referred to as the main street) is the primary retail centre within Lennox Head. The additional 1,000 Sq M will not affect the existing retail hierarchy in Lennox Head or across the Ballina LGA.

There is currently up to 3,000 Sq M of retail space approved for development at the Pacific Pines Shopping Centre. An increase of 1,000 Sq M of retail space is not going to impact on the intended function of the site in relation to the Lennox Head Village Centre. The development of a 3,200 Sq M supermarket at Pacific Pines Estate will not detract from the function of the Lennox Head Village Centre as a Main Street and convenience, service and food and beverage precinct catering to local residents and visitors. The provision of an additional 300 Sq M of speciality retail floorspace (for 800 Sq M in total) will have minimal additional effect on the current function and character of the Lennox Heads main street. The 800 Sq M of specialty retail floorspace will likely be occupied by 12 to 15 tenants offering convenience retail, food/beverage and personal/professional services. By comparison, the Lennox Head village centre has 64 retail and 15 commercial tenants.

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The development of an additional 1,000 Sq M of retail floorspace (for a total GFA of 4,00 Sq M) within the Pacific Pines Estate will not detract from the function of Ballina Town Centre and the Kerr Street Retail Precinct as the primary retail precincts within Ballina Shire. The retail uses proposed to be provided at the Pacific Pines Shopping Centre will service the chore shopping needs of residents within the Trade Area; it will not however replace the scale and mix of retail uses that are provided in Ballina.

The Trade Area for the Pacific Pines Estate has been derived utilising ABS Collection Districts and takes into account current retail patterns and infrastructure located within Lennox Head and Ballina. The Trade Area for a retail centre at Pacific Pines Estate corresponds with the boundaries of the suburbs of Lennox Head and Skennars Head. The residential population of the Trade Area is currently approximately 8,500 people. There has been a low level of population growth within the local area over recent years, and this can be attributed to a lack of significant residential development within Lennox Head. There is, however, a significant supply of land zoned and suitable for residential development within Lennox Head. This includes Pacific Pines Estate, which in itself has been approved to provide in excess of 800 dwellings. It is considered that the release of residential land within Pacific Pines Estate will act as a catalyst for an increase in residential development across the local area. Based on these assumptions, it is anticipated that the population of the Trade Area will reach approximately 9,500 people in 2016, approximately 10,800 in 2021 and approximately 12,000 in 2026. Retail expenditure potential will increase in line with population growth. If population growth continues to increase at a low level then demand for retail infrastructure within the Trade Area will also increase marginally.

Population growth in the Trade Area will result in the household convenience and food and beverage expenditure levels in the Trade Area increasing from approximately \$51.9 million in 2010 to \$59.8 million in 2016. A catchment of over 8,000 people in an expanding residential area is considered to be within the range (8,000 to 10,000 people) of what is required to support a full line supermarket. As such a supermarket anchored shopping centre is currently viable within the Pacific Pines Estate.

The current approval provides the opportunity for the development of a supermarket of up to 2,500 Sq M and 500 sq M of speciality retail. The additional 1,000 Sq M of supermarket and convenience floorspace will have a level of impact that is only marginal higher than the current approval. Based on the current level of supply and demand within the Ballina Shire all supermarkets (and associated retail) will retain the capacity to trade at viable levels. It is considered that supermarkets and convenience stores within Ballina are operating above industry standards and therefore the expansion of the Pacific Pines supermarket from 2,500 Sq M to 3,200 Sq M full line supermarket will not have a detrimental impact on existing retailers within Ballina or Lennox Head.

The NSW Department of Planning should support the proposed expansion of 1,000 Sq M of the Pacific Pines Shopping Centre as it will function as a local centre catering to the local community. There is currently a significant level of undersupply within the Trade Area, and the proposed development will also benefit the community through a greater level of convenience and an increase in choice, local jobs, competition (resulting in lower prices) and product offer.

## Introduction

This report was commissioned on behalf of Petrac Lennox Head Pty Ltd (Receivers and Managers Appointed), in July 2010. The aim of this report is to provide an Economic Impact Assessment to be submitted to the New South Wales Department of Planning for the proposed expansion of the approved neighbourhood centre within the Pacific Pines Estate at Lennox Head.

The subject site is located within the designated neighbourhood centre of the Pacific Pines Estate. A 4,000 Sq M supermarket anchored shopping centre is proposed on the site. It is proposed that the tenancy mix comprise of a 3,200 Sq M full line supermarket and 800 Sq m of specialty retail. 800 Sq M Commercial space will exist within the civic centre however it will not be assessed in details as it is included in the existing approval.

The mix of uses proposed be accommodated on the site (which are anticipated to increase commercial services and medical services) will result in the site providing a range of services to the local community. These uses will help to compliment the core retail function of the site which consists of the supermarket and specialty retail.

The Ballina Retail Strategy identifies that a neighbourhood centre is intended to be developed within the Pacific Pines Estate. The retail component of the master-planned community has previously received development approval from the New South Wales Department of Planning in 2008. The current approval for the Pacific Pines Shopping Centre includes the following:

- 1,200 Sq M of retail floorspace;
- Increasing by 1,800 Sq M (to a total of 3,000 Sq M) of retail floorspace upon the completion of the Hutley Drive extension; and
- 800 Sq M of commercial space.
- The approval allows of the establishment of a 2,500 Sq M supermarket and 500 sq M of specialty stores.

The following table provides a summary of the retail and commercial uses within the Pacific Pines Neighbourhood Centre which are assessed by this report:

**Approved and Proposed Uses**

	Approved	Proposed
Retail	3,000 Sq M	4,000 Sq M
Commercial	800 Sq M	800 Sq M
Total	3,800 Sq M	4,800 Sq M

The New South Wales Department of Planning considered that up to 3,000 Sq M of retail floorspace within the Pacific Pines Neighbourhood Centre was of an acceptable scale as:

- The Ballina Retail Strategy identifies that there is a shortfall of supermarket floorspace within the Lennox Head area;
- The 3,000 Sq M of retail floorspace was less than the total floorspace of the Lennox Head Village Centre and therefore the primacy of the Lennox Head main street within the local retail hierarchy will remain; and

- 
- There is demand within Lennox Head for a higher provision of total retail floorspace than what is currently provided within the Lennox Head Village Centre which is the only retail node within the local area.

Based on the current approval for up to 3,000 Sq M of retail floorspace within the Pacific Pines Neighbourhood Centre, the proposed scale of the centre represents an increase of 1,000 Sq M in addition to the current approval. The function of the proposed centre will remain the same (a supermarket anchored neighbourhood centre) with the scale increasing in response to contemporary retail provision and community expectations



# I Local Overview

## 1.1 Introduction

The characteristics of the site and surrounding land uses are assessed from a market perspective to determine the most relevant locational considerations. This section also provides an overview of the potential for population growth within the local area.

## 1.2 Site Assessment

The subject site is located within the Pacific Pines Neighbourhood Centre in Lennox Head. The Pacific Pines Estate is located approximately 2 kilometres south west of the existing Lennox Head Village Centre which is situated along Ballina Street.

Figure 1.1 provides an aerial assessment of the site and surrounds.

**Figure 1.1 Site and Surrounds.**

Hutley Drive will be extended to provide access to the north of Pacific Pines, connecting to Ballina Street and The Ocean Road.

The Pacific Pines Estate is located approximately 2Km south west of the Lennox Head main street, and under the current approval has the capacity to provide approximately 830 dwellings.

The current approval for the Pacific Pines Estate includes provision for 3,000 Sq M of retail space within the Pacific Pines Shopping Centre.

The Ocean Road connects Lennox Head to Skennars Head and Ballina to the south.



Ballina Street functions as the primary retail centre within Lennox Head. The main street provides a range of convenience and specialty retail facilities that meets the need of the local resident and tourist population.

Intersection of Ballina Street, The Coast Road and Hutley Drive roundabout

There are a number of new residential subdivisions occurring with the local area. The majority of these are relatively small in scale, located away from the coast line.

### 1.3 Local Growth Potential

There is a significant supply of residential land and land identified as having future residential potential within Lennox Head. Whilst it is considered that the local area could experience a high level of population growth, driven by planned and proposed residential supply within Lennox Head, of late there has been minimal residential development on a significant scale.

Figure 1.2 provides an overview of the land with Lennox Head that is currently zoned for residential development and the land which has been identified as having future residential potential. This is based on an assessment conducted by RPS of the Lennox Head Local Environmental Plan (LEP), the Ballina Shire Combined Development Control Plan (DCP), and the Lennox Head Structure Plan. Future residential supply within Lennox Head will come from four sources:

- Developments already underway with vacant and currently unreleased allotments
- Land with a residential zoning and identified for future residential development
- The Pacific Pines Estate
- Candidate Release Areas as identified within the Lennox Head Structure Plan

The Lennox Head Structure Plan identifies Candidate Release Areas for a range of uses, including residential. Pacific Pines Estate has been identified as a Candidate Release Area, with the potential of providing over 800 residential dwellings. The other areas earmarked for residential development under the Structure Plan have the potential to increase residential supply within Lennox Head by 103 Ha, providing approximately 770 dwellings (based on intended densities as outlined within the Structure Plan). These Candidate Release Areas therefore provide the opportunity for a significant increase to the residential population of Lennox Head. The Candidate Release Areas that provide the opportunity for future residential development include the following:

Candidate Release Area	Size	Density for Residential development
CRA B – Cooper Close	10 Ha	Low density large lot
CRA E – Henderson Farm North	10 Ha	Low density large lot residential development
CRA F – Henderson Farm Central	25 Ha	Low and medium density housing
CRA G – Henderson land South	15 Ha	Identified in Structure Plan for playing fields, but is now considered for urban residential development
CRA I – Adjacent to the Water Reservoir	17 Ha	Low and medium density housing
CRA J – Stoneyhurst Drive	5 Ha	Low and medium density housing
CRA K – Pacific Pines Estate	-	Total of 800 + dwellings approved
CRA L – North Creek Road	4 Ha	Low and medium density housing
CRA N – East of Survey Street and Amber Drive	8 Ha	Current proposed for residential allotments
CRA O- South of Amber Drive	2 Ha	Low density residential development
CRA P – East of Tara Downs	1.4 Ha	Low density residential development
CRA Q – West of Lennox Palms Estate	5 Ha	Low density residential development

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Pacific Pines Estate in itself has the potential to significantly increase the population of Lennox Head, with the current approval onsite supporting the development of approximately 800 dwellings. Pacific Pines Estate will be the largest residential development to be undertaken within Lennox Head and as such can be anticipated to act as a catalyst for significant future residential development in the area as demand increases with awareness and interest in the area.

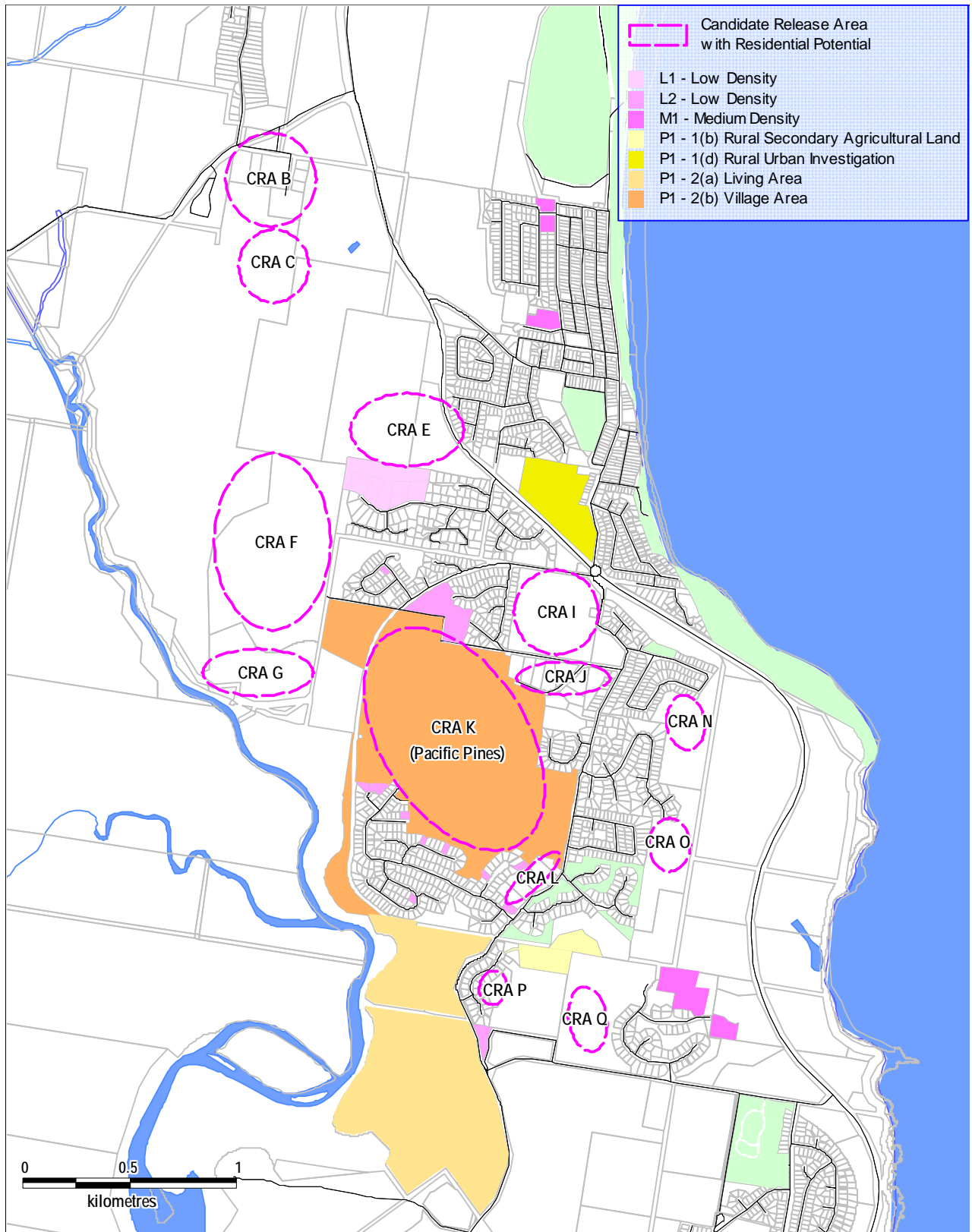
Based on the assessment of residential zonings within Lennox Head, and an assessment of allotments identified as Planned Urban Expansion (within the DCP) and Urban Investigation (under the LEP), the current supply for residential development is in the order of 30 Ha. This will supply approximately 200 residential dwellings.

## **1.4 Implications**

Population growth potential within Lennox Head is heavily dependent on the utilisation of the Candidate Release Areas for future residential development. Higher population growth rates within the Lennox Head area will support an increase to the current supply of retail floorspace, such as that which will be provided within Pacific Pines Estate.

It is considered that the Pacific Pines Neighbourhood Centre (as approved and proposed) will attract consumers from a catchment beyond the Pacific Pines Estate. This is due to the current lack of supermarket and related facilities within Lennox Head, as will be identified in Section 3.

**Figure 1.2 Residential Capacities**



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## 2 Ballina Retail Strategy

### 2.1 Introduction

The Ballina Retail Strategy was released by the Ballina Shire Council in 2003. The Retail Strategy outlines the potential for and direction of future retail development and outlines the establish retail hierarchy within the Shire. The Ballina Retail Strategy also identifies the current function and scale of retail facilities within Lennox Head, and identifies the development opportunities within the area which are deemed appropriate in order to maintain the existing retail hierarchy.

This section provides an overview of the Ballina Retail Strategy as it pertains the proposed expansion of the current approval for a retail centre within the Pacific Pines Estate.

### 2.2 Ballina

The Retail Strategy identifies that the two main retail precincts within Ballina Shire are the Ballina Town Centre and the Kerr Street Retailing Precinct. Ballina Town Centre is the original retail and commercial centre for the Shire, however Kerr Street has established itself as a more prominent retail destination with a higher annual turnover in sales and a prevalence of higher order retail facilities. The two centres provide different but complementary functions and are therefore considered to share the top of the Shire's retail hierarchy.<sup>1</sup>

As stated by Ballina Shire Council, the main principle of the Retail Strategy is to ensure that the Ballina Town Centre and Kerr Street Retailing Precinct continue to function as the key retail centre in the Shire;

“All decisions relating to the future development of retail activity in the Shire should be based on the principal of protecting the position of these facilities at the top of the retail hierarchy. Integral to the above, is discouraging the creation of additional major retailing outlets which are removed from the existing established centres. Integral to the above, is discouraging the creation of additional major retailing outlets which are removed from the existing established centres.”<sup>2</sup>

The key objective of the Retail Strategy is to ensure that any future retail development in Ballina Shire does not impact on the current primacy of Ballina at the top of the retail hierarchy.

### 2.3 Lennox Head

The retail and commercial mix along Ballina Street is identified within the Retail Strategy as the Village Centre. The precinct is described as a traditional shopping strip which originally serviced the local population, the tourism industry and passing traffic. The Village Centre is stated to be the main commercial

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<sup>1</sup> Ballina Retail Strategy 2003, Page 16.

<sup>2</sup> Ballina Retail Strategy 2003, Page 13



area within Lennox Head and should remain at the top of the retail hierarchy within the local area “with other commercial areas being lower in the retail hierarchy. Large supermarkets and malls should be provided in Ballina”.<sup>3</sup>

The Retail Strategy outlines the retail hierarchy for existing and future retail and commercial development within Lennox Head:

- “The Village Centre will be the principal commercial area in Lennox Head and will provide facilities and services of a district scale. No increase or expansion of the existing zoned commercial area will occur. The Village Centre is the commercial and social hub of Lennox Head and planning for the area will enhance this role into the future.
- “A second commercial area will be provided in Pacific Pines Estate to complement those facilities found in the Village Centre. This facility shall be lower in the retail hierarchy than the Village Centre and provide facilities of a neighbourhood scale to service the residents located in this area and enhance walkability.
- “Higher order retail and commercial facilities including major supermarkets, shopping malls and bulky goods retailing will be provided elsewhere such as Ballina.”<sup>4</sup>

The Retail Strategy is therefore considered to allow for the development of retail and commercial facilities at the Pacific Pines Neighbourhood Centre, under the provision that it does not impact the function of the Lennox Head main street at the top of the retail hierarchy.

The Retail Strategy makes note of The Retail Strategy Background Report (2003) prepared by IBECON identifying that, from a demand perspective, there is capacity for a substantial increase to the supply of retail floorspace in Lennox Head. In their report, IBECON stated that there would be demand for a supermarket in Lennox Head by 2006<sup>5</sup>, and one to two supermarkets by 2011<sup>6</sup>.

## 2.4 Implications

The proposed expansion of the approved Pacific Pines Shopping Centre will change the scale of the development by 1,000 Sq M but this does not alter the function of the centre (a supermarket anchored neighbourhood centre) or its relationship with the Village Centre of Lennox Heads.

The proposed 1,000 Sq M increase in the approved shopping centre will not interfere with the retail and commercial primacy of Ballina.

The expansion of the centre by 1,000 Sq M will allow the Pacific Pines Shopping Centre to respond to current trends within the retail sector, including the development of larger supermarkets that provide a wide product range that are supported by a number of convenience and specialty retailers.

This is considered to be a reasonable modification of the current approval that does not materially depart from the approved centre and the retail strategy.

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<sup>3</sup> Ballina Retail Strategy 2003, Page 20.

<sup>4</sup> Ballina Retail Strategy 2003, Page 20.

<sup>5</sup> Ballina Retail Assessment Background Report 2003, Page 54

<sup>6</sup> Ballina Retail Assessment Background Report 2003, Page 55

## 3 Retail Patterns and Infrastructure

### 3.1 Introduction

This section provides a description of existing supermarkets within the surrounding area of Ballina which area anticipated to compete directly within the proposed supermarket within the Pacific Pines Estate retail centre.

The current provision of services within the Lennox Head main street will also be assessed as a means of identifying the level of impact the supermarket and specialty retail uses within Pacific Pines Estate will have on the nearby District Centre located along Ballina Street, Lennox Head. RPS considers the boundary of the Lennox Head main street to be determined by the location of the '2(b) Village Area' zoning as defined within the Ballina Local Environmental Plan 1986, as well as the District Centre as defined by the Ballina Shire Combined Development Control Plan and the Ballina Retail Strategy.

### 3.2 Competitive Retail Infrastructure

Table 3.1 summarises the current supermarket infrastructure in Ballina. A graphic representation of the existing network can be seen in Figure 3.1.

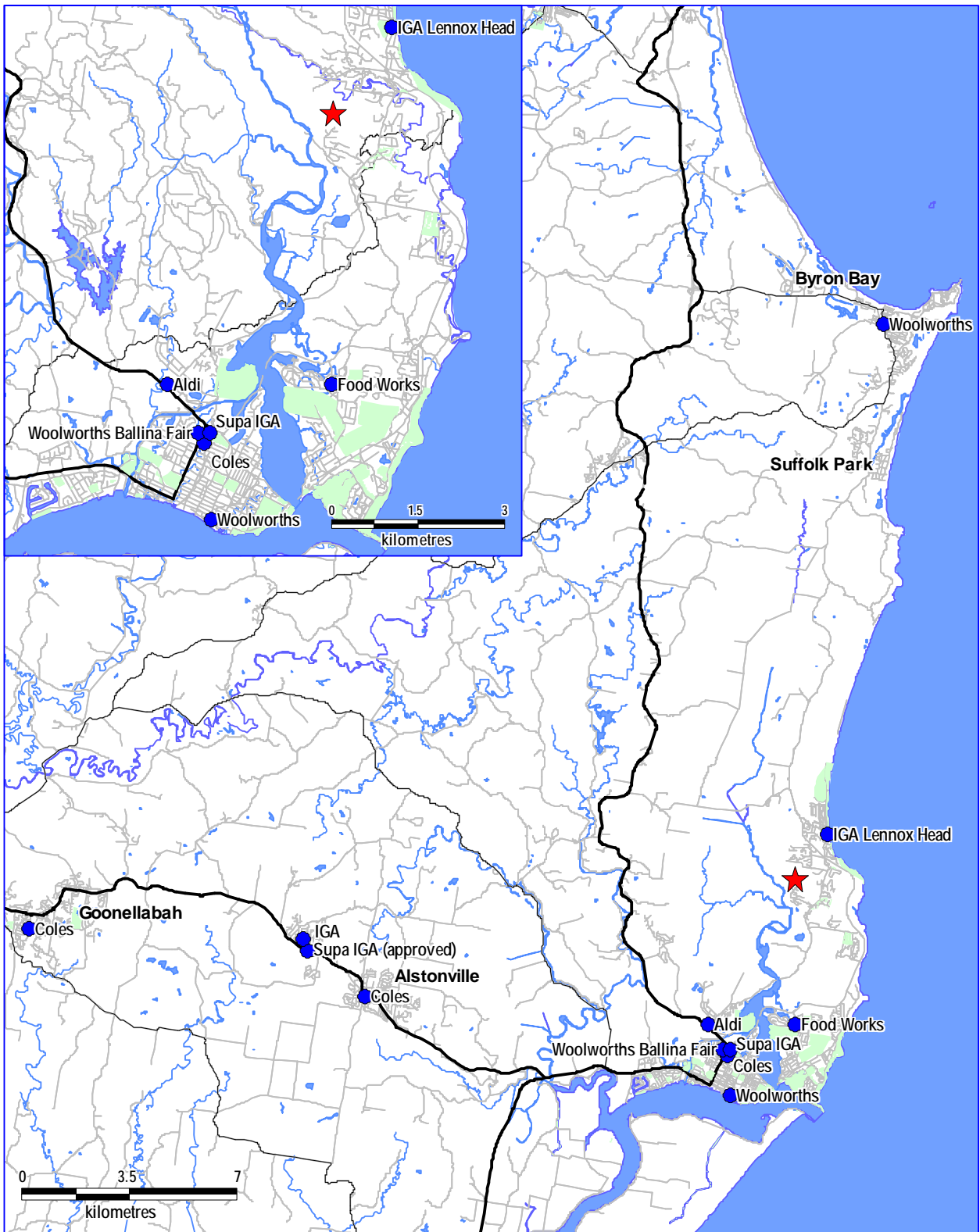
The primary retail centre in Ballina is Kerr Street Retailing Precinct, which current offers the largest scale and mix of retail uses within Ballina. It is comprised of national retail operators such as Target, Kmart, Best and Less, Coles supermarket, Woolworth supermarket, Supa IGA, Big W, and others.

**Table 3.1 Existing Retail Infrastructure**

Centre	Location	Size	Main Tenants
Ballina Central	44 Pacific Highway North Highway, Ballina	13,778 Sq M	Big W (6,870 Sq M), Supa IGA (3,760 Sq M)
Ballina Fair Shopping Centre	Cnr Fox and Kerr Streets, Ballina	13,400 Sq M	Woolworths (3,600 Sq M), Target (3,000 Sq M)
Kmart Centre	Kerr Street, Ballina		Kmart (6,000 Sq M), Coles (3,000 Sq M)
-	River Street, Ballina		Woolworths (1,600 Sq M)
-	Cnr North Creek Road and Pacific Highway, Ballina		Aldi (1,360 Sq M)
East Ballina Shopping Centre	Links Avenue, East Ballina	1,500 Sq M	FoodWorks (300 Sq M)
Lennox Head Main Street	Ballina Street, Lennox Head	Approx 10,000 Sq M (6,860 Sq M of retail)	IGA (600 Sq M)

Source: Property Council of Australia, RPS

**Figure 3.1     Retail Infrastructure**





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### 3.3 Lennox Head Main Street Analysis

Ballina Street functions as the main street for the residential suburb of Lennox Head. Retail and commercial uses are located along the main street, which extends for approximately 500 metres between from just north of Byron Street to Rutherford Street in the South. Higher density residential uses are also located along the main street, predominantly either in the form of above shop units or as low rise unit developments.

#### 3.3.1 Office Analysis

For the purpose of this report, Office uses within the main street are considered to include:

- Commercial office space
- Professional services
  - » Travel agents
  - » Real estate agents
  - » Medical services
  - » Banking facilities

There is approximately 3,000 Sq M of commercial space within the main street. The distribution of office space within the Lennox Head main street amongst the different user types is as follows:

- Approximately 2,550 Sq M of general office space and medical services
- Approximately 450 Sq M of real estate and banking facilities

Real estate agent offices and banking facilities have been considered separately as these service commercial uses require retail shop front space, opposed to other commercial office users which do not require passing traffic (predominantly pedestrian traffic) as a means of attracting consumers and enhancing business recognition. Real estate agents and banking institutions require highly visible locations, and space pre-designed with retail uses in mind are generally more appropriate for real estate and banking uses, opposed to committed office space. General commercial office uses within the Lennox Head are predominantly located on the first level of two storey buildings along the main street. Only a marginal proportion of these commercial offices have a dedicated entrance which fronts onto the main street, with the majority gaining access from rear or side staircase entrances.

#### 3.3.2 Retail Analysis

RPS conducted an on site survey of retail and commercial uses within the Lennox Head Village Centre in July 2010. It was identified that there is approximately 6,860 Sq M of retail floorspace in the Lennox Head Main Street with an estimated 11.2% vacant. Major uses in the main street amongst the different use types is as follows:

- Food and beverage (approximately 1,550 Sq M)
- Convenience supermarket shopping (approximately 650 Sq M)
- Hotels and bottle shops, both ancillary and stand alone (approximately 900 Sq M)

- The remaining retail space includes a mix of convenience retail uses (such as florists and butchers), fashion, homewares, and personal services.

There are a number of small centres located along the main street which offer a range of commercial and retail uses. These centres are strata-titled and include the following:

- **Lennox Boulevard** – approximately 1,700 Sq M of floorspace providing a mix of ground floor food and beverage, fashion and supermarket uses with first floor commercial office space.
- **Lennox Central** – total floorspace of approximately 840 Sq M, of which almost 400 Sq M is current vacant.
- **9092 Lennox** - approximately 700 Sq M of retail floorspace providing predominantly food and beverage uses
- **Surfside Shopping Centre** – approximately 400 Sq M of floorspace which is comprised of food and beverage and real estate agent uses.

Table 3.2 provides an overview of floorspace by retail type within the Lennox Head Main Street.

**Table 3.2      Retail Summary**

Retail Type	Area
Food and Beverage	2,463 Sq M
Convenience Retail (inc supermarket)	1,040 Sq M
Fashion	600 Sq M
Homewares and Consumer Durables	1,176 Sq M
Personal Service	606 Sq M
Service Industry	210 Sq M
Vacant	765 Sq M

The identification of 6,860 Sq M of retail space within the Lennox Head main street is based on a site survey conducted in July 2010.

The scale and mix of retail uses along the main street cater to the convenience retail needs of local residents, as well as providing a strong food and beverage and impulse shopping function. Ballina Street does not provide a chore retail function, with local residents required to travel to Ballina for their weekly/fortnightly shopping needs.

### 3.3.3      Ownership Analysis

RPS has conducted an assessment of current ownership patterns within the Lennox Head main street utilising the RP Data Ownership Database.

There are 45 original allotments within the main street, of which 10 are currently held under strata titles. These include the retail centres and residential / holiday units located along Ballina Street. There are four

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business entities that currently own more than one lot within the Lennox Head Village Centre, The remaining 25 allotments are each under the ownership of individual landholders.

There is a high level of fragmented ownership within the main street. Amalgamation of allotments within the main street will be a near impossible task, which is further exacerbated by the prominence of strata titled commercial and residential developments.

Figure 3.2 illustrated the current ownership patterns within the Lennox Head Village Centre. Each landholder within the Lennox Head Village Centre is identified in the map by a different colour.

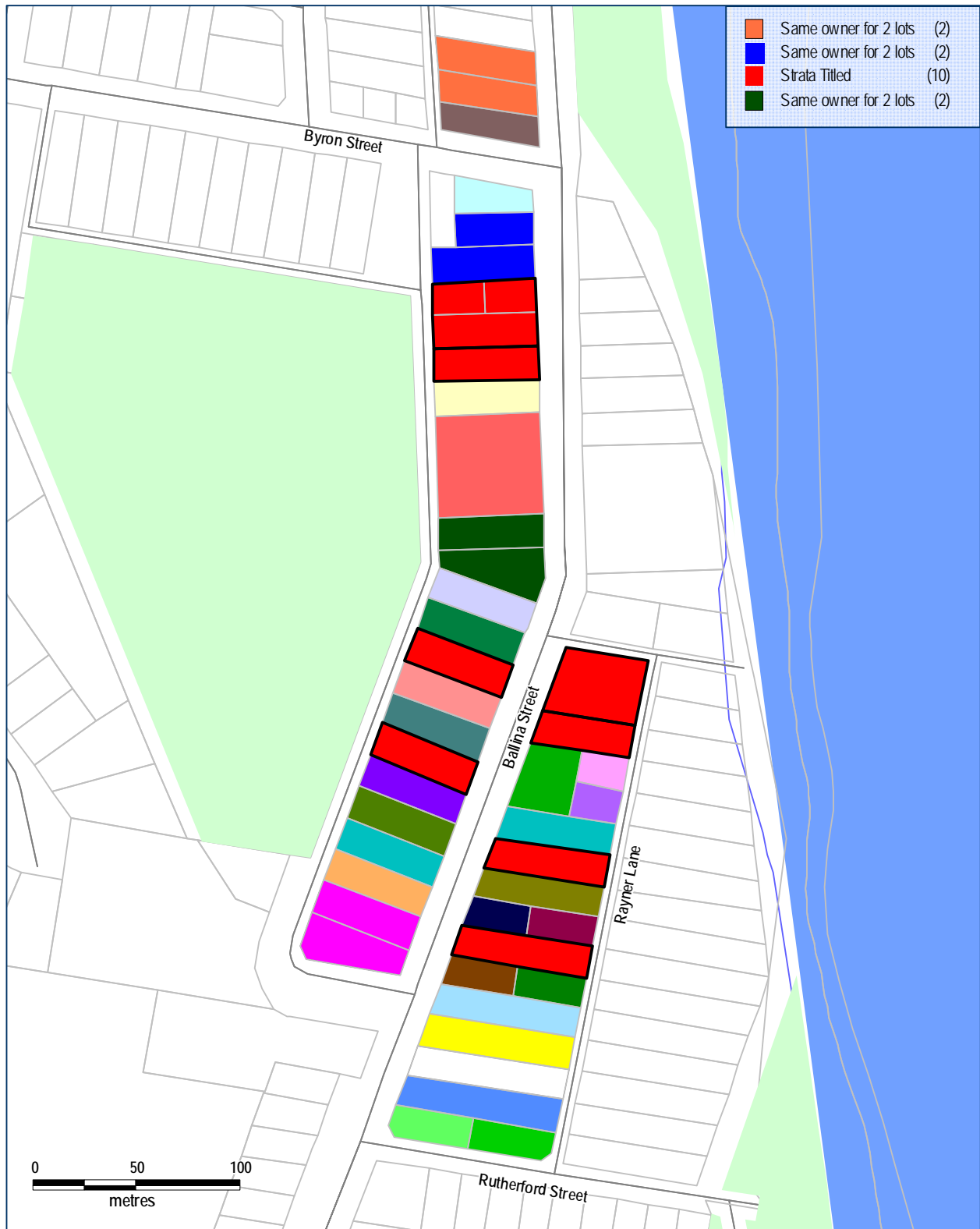
### 3.4 Implications

Our analysis confirms the background study of the Retail Strategy in terms of the scale and function of the Lennox Head main street. The Lennox Head main street has a specialist character catering to local residents and the tourist market. The IGA is not large enough to act as an effective proxy for a large supermarket, thus requiring residents to travel to Ballina on a regular basis to undertake grocery and related shopping.

The scale and function of the main street indicate that the marginal increase of the Pacific Pines Shopping Centre (from the approved 3,000 Sq M to 4,000 Sq m) will have minimal and manageable impacts on the Main Street retailers.

An analysis of the ownership patterns in the Lennox Head Village Centre highlights that none of the multiple-lot owners are in possession of a significant portion of the main street. The Village Centre has a high level of fragmented ownership as a result due to the high number of individual lot owners. Due to fragmented ownership patterns along Ballina Street there is minimal opportunity for the amalgamation of allotments to allow for the development of a full line supermarket within the Lennox Head Village Centre.

**Figure 3.2 Ownership Analysis**



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## 4 Trade Area Delineation and Characteristics

### 4.1 Introduction

This section provides an analysis of the potential trade area for the proposed supermarket anchored shopping centre on the subject site. The trade area is indicative only, and based on the Australian Bureau of Statistics (ABS) Collection District (CD) boundaries. This section provides an analysis of the key demographic features and population projections for the defined trade area.

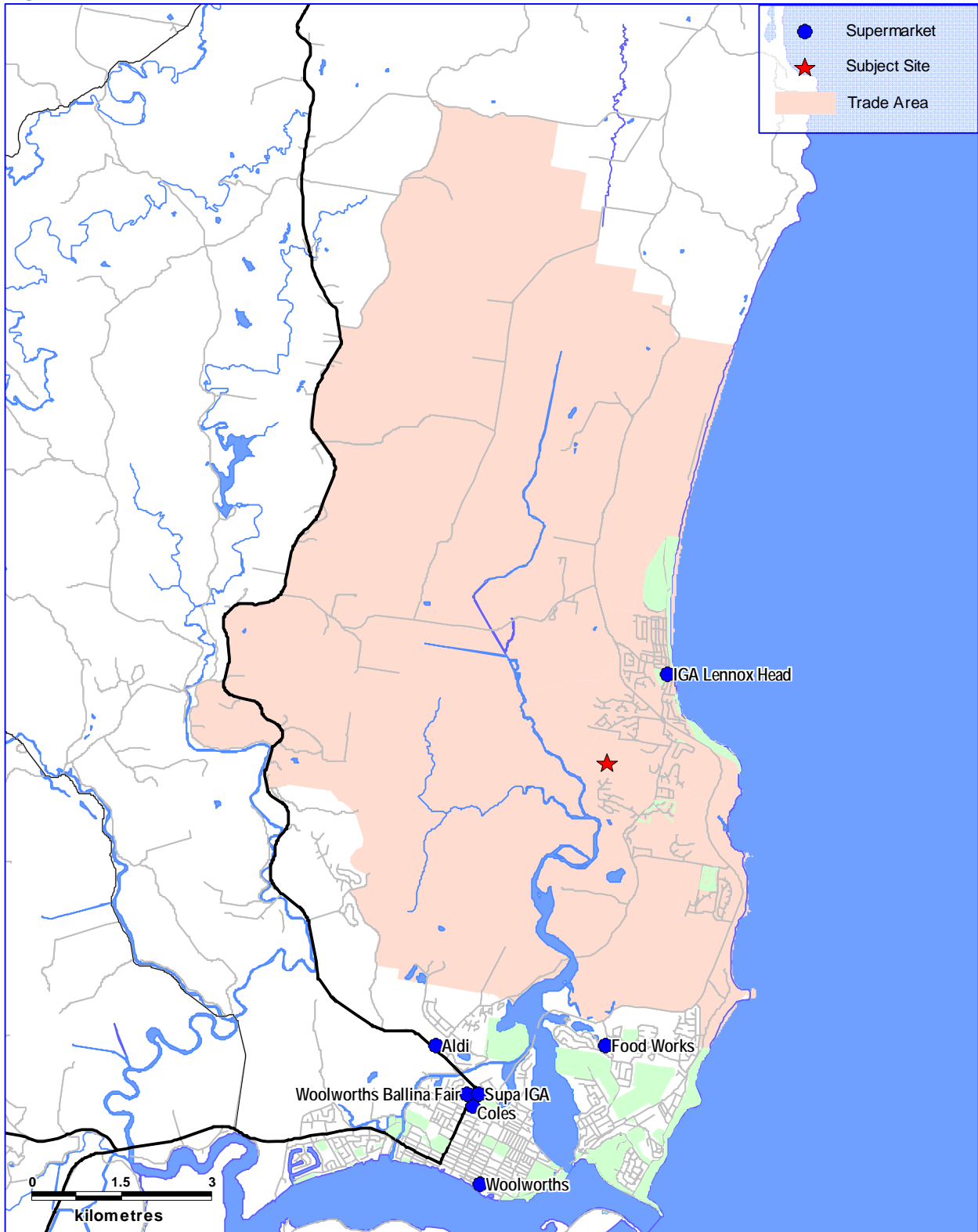
### 4.2 Trade Area Delineation

The trade areas for the proposed supermarket anchored shopping centre on the subject site is defined by a number of physical and psychological boundaries, including the Pacific Highway to the west and the existing retail infrastructure in Ballina. The Trade Area includes the residential areas of Lennox Head and Skennars Head, extending from Midgen Flat Road, Broken Head in the North to Angels Beach Drive, East Ballina to the South.

The relative shortage of retail floorspace in Byron Shire means that it is not unusual for residents of this area to patronise facilities in Ballina (a trip of 20 to 30 minutes). The expansion of the subject site to 4,000 Sq M (including a larger supermarket) will not change this trend. Byron Shire has been excluded from the defined catchment as residents of this area will likely patronise local Byron supermarkets (Woolworths and SupaGA) or travel to the larger retail centres on Kerr Street that offer a broader range of retail facilities.

Figure 4.1 illustrates the defined Trade Area.

**Figure 4.1 Trade Area for the Pacific Pines Retail Centre**



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### 4.3 Demographic Characteristics

The demographic profile has been derived from 2006 Australian Bureau of Statistics (ABS) Census data. The demographic characteristics have been compared against those of the Ballina Local Government Area (LGA), the Far North Coast Region (FNCR), and the Non-Metropolitan Area of New South Wales (which excludes the Sydney Statistical Division from the New South Wales total). A full demographic profile is listed in Appendix A.

Key demographic features include:

#### Age Distribution

- The proportion of children aged 0 to 19 years within the Trade Area (29.8%) is higher than the Ballina LGA (25.4%), the FNCR (26.4%) and the average for New South Wales Non-Metropolitan Area (27.3%).
- The proportion of people aged 20 to 34 years in the Trade Area (15.1%) is higher than the averages for Ballina LGA (13.7%) and FNCR (14.3%), and marginally lower than the average for the NSW Non-Metropolitan area (16.2%).
- The Trade Area (32.9%), has a proportion of residents aged 35 to 54 years which is high in comparison to Ballina LGA (28.6%), FNCR (29%) and NSW Non-Metropolitan Area (27.8%).
- The proportion of people aged 55 years and older in the Trade Area (22.2%) is significantly lower than that of the Ballina LGA (32.3%), FNCR (30.4%), and NSW Non-Metropolitan Area (28.7%).
- Factors such as these indicate that the Trade Area is made up predominately of families with dependent children. A supermarket on the subject site will provide a higher level of convenience than what is presently on offer, which will be beneficial to the family demographic, who are affected by issues such as time constraints.

#### Dwelling Type

- The proportion of separate house dwellings in the Trade Area (70.9%) is marginally higher than the Ballina LGA (68.9%), lower than the proportion of separate house dwellings in FNCR (74.8%), and significantly lower than that of the NSW Non-Metropolitan Area (83.7%).

#### Household Structure

- The proportion of couple families with children is higher within the Trade Area (45%) in comparison to Ballina LGA (37.7%), FNCR (37.8%) and the NSW Non-Metropolitan Area (41.2%).
- The Trade Area therefore has a lower proportion of couple households without children (38.1%) than the Ballina LGA (44%), FNCR (41.9%), and the NSW Non-Metropolitan Area (40.7%).
- The diversity in expenditure patterns between couple families with children and non-child couples are based on the different stages of the family life cycles and the subsequent needs and wants for different types of products and retailers.

#### Household Size

- The average household size of 2.71 persons per household within the Trade Area is larger than the

average household size of 2.4 in the Ballina LGA, 2.43 in the FNCR, and 2.48 in the NSW Non-Metropolitan area.

- This figure is an indication of the strong family (children) oriented nature of the region.

### Household Ownership

- The proportion of dwellings that are either fully owned or being purchased directly in the Trade Area (71.5%) is higher than that of the Ballina LGA (66.6%), the FNCR (67.8%), and the NSW Non-Metropolitan Area average of 69.3%.
- Irrespective of household ownership, residents conduct weekly and/or fortnightly supermarket shops and will benefit from the increased offer and price competition that an additional supermarket on the subject site will provide.

### Average Household Income

- The average annual household income of the Trade Area of \$71,089 (in March 2010 dollars) is significantly higher than the average income in the Ballina LGA (\$58,151), the FNCR (\$53,872), and the NSW Non-Metropolitan Area (\$59,461).
- Above average household income levels in both the Trade Area will result in an increase in demand for retail services due to higher levels of disposable income. This will create a greater demand for a selection and range of specialty stores.

## 4.4 Population Projections

Table 4.1 outlines the anticipated population growth within the Trade Area compared to that of Ballina LGA. The population projections have been based on the 2006 ABS Census, 2006 ABS Estimated Resident Population (ERP), ABS dwelling approvals data, and the Lennox Head Structure Plan 2004.

**Table 4.1**  
**Population Projections**

	2006	2010	2011	2012	2013	2014	2016	2021	2026	2031
<b>Population</b>										
Trade Area	7,956	8,498	8,633	8,836	9,066	9,297	9,797	11,047	12,297	13,547
Ballina LGA	40,267	42,453	43,000	43,560	44,120	44,680	45,800	48,500	51,300	53,800
<b>Household Size</b>										
Trade Area	2.71	2.71	2.71	2.71	2.71	2.71	2.71	2.71	2.71	2.71
Ballina LGA	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40
<b>Households</b>										
Trade Area	2,937	3,137	3,187	3,262	3,347	3,432	3,617	4,078	4,540	5,001
Ballina LGA	16,764	17,674	17,902	18,135	18,546	18,695	19,068	20,192	21,357	22,398

Source: 2006 ABS Census, RPS

Trade Area Projections: RPS, ABS Dwelling Approvals. Ballina LGA Projections: Department of Planning NSW

### Population

- The Trade Area has experienced growth between 2006 and 2010 at an annual rate of approximately 1.4% (an average of 135 persons per year).



- The Trade Area is anticipated to achieve higher rates of population growth between 2011 and 2016, as a result of increased residential supply to the Lennox Head market with the release of land at Pacific Pines Estate in late 2011. The population of the Trade Area will reach approximately 9,800 in 2016, an increase of 1,164 persons from 2011 (an average of 232 per year).
- The Lennox Head Structure Plan identifies potential for the area to achieve population growth levels of approximately 250 people per year. This is considered to be achievable over the medium and long term. Therefore the population of the Trade Area will reach approximately 13,300 in 2031, with an average annual growth of 250 people per year from 2016 to 2031 equating to an annual growth rate of 2.6% per annum.
- The Ballina Local Government Area population is projected to increase by 3,347 persons from 2010 to 2016 (an annual average of 558 persons). The annual growth rate within Ballina LGA is anticipated to decrease over time, from 1.4% per annum between 2006 and 2011, to 1% per annum between 2026 and 2031.

### Household Size

RPS has assessed population growth and household size growth in the Trade Area utilising Estimated Resident Population (ERP) figures and dwellings approvals data provided by ABS for the four year period between 2006 and 2010.

As it is currently unknown whether household size within the region will continue to increase or follow the previous general trend of decreasing household size, the household size has remained constant between 2010 and 2031 to allow for any fluctuations in housing trends.

### Households

- The number of households in the PTA is projected to continue to increase at a rate of 50 dwellings per year to 2011.
- The release of diversified residential land supply within the Lennox Head residential market is anticipated to result in a significant increase in household growth rates within the Trade Area. The number of households in the Trade area is projected to increase by 430 between 2011 and 2016, or approximately 85 dwellings per annum. Household growth rates will continue to increase, reaching approximately 90 dwellings per annum from 2016 to 2031.
- The number of households in the Ballina is projected to increase by 1,166 from 2010 to 2016, or approximately 233 per annum over the five year period. Household growth projections will decrease in line with a decrease in population projections as outlined by the NSW Department of Planning.
- These are considered conservative estimates and could easily be exceeded with the marketing and branding influence of a major developer and/or an enhanced migration of people and employment from SE Qld.

## 4.5 Implications

The number of dwelling approvals over the previous three years has averaged approximately 50 per year. This can be attributed to the prevalence of small residential subdivisions occurring within the market. Population growth of scale is not likely over the long term, given the significant residential development capacity. It is assessed that there will be a significant increase in dwelling approvals and commencements with the release of Pacific Pines Estate. Pacific Pines Estate will act as a catalyst for an increase in population growth rates and this could see the population growth rate exceed that defined in Table 4.1.

The Trade Area will have a population of 8,600 in 2011 which is considered to be sufficient to support a full line supermarket

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## 5 Retail Expenditure Assessment

### 5.1 Introduction

The retail expenditure potential for the Trade Area is assessed as a means of determining the current and future demand is for retail floorspace. This section assesses potential household total expenditure on retail, illustrating the actual demand for supermarket floorspace within the trade area.

### 5.2 Expenditure Characteristics

Table 5.1 is based on the average household expenditure in the 2003/04 ABS Household Expenditure Survey. The expenditure estimates are derived by assessment of the estimated household income of the trade area with comparison to the averages for Ballina Shire, the Far North Coast Region, and the Non-Metropolitan area of New South Wales. The average household retail expenditure in the Trade Area is \$26,383 which is considered to be significantly higher than Ballina Shire (\$23,299), FNCR (\$22,053), and NSW Non-Metro (\$23,642). The derived supermarket expenditure per household is also higher than the areas of comparison, at \$9,728 per annum.

**Table 5.1**  
**Household Expenditure Characteristics**

	Trade Area	Ballina	FNCR	NSW Non-Metro
<b>Convenience</b>				
Food and non-alcoholic beverages *	\$142.56	\$129.41	\$125.30	\$130.87
Alcohol for consumption off licensed premises	\$18.40	\$16.88	\$15.81	\$17.05
Books, newspapers, magazines and other printed material	\$10.20	\$9.35	\$8.96	\$9.44
Cleaning and Related *	\$11.69	\$10.72	\$10.40	\$10.82
Dry cleaning and related	\$0.83	\$0.65	\$0.62	\$0.67
Hair and personal services	\$8.35	\$6.87	\$6.39	\$7.04
Lottery tickets and lotto	\$4.23	\$4.15	\$4.33	\$4.16
Medicines, pharmaceutical products and therapeutic appliances	\$15.60	\$13.07	\$12.44	\$13.35
Personal care *	\$2.99	\$2.44	\$2.20	\$2.50
Stationery equipment	\$4.88	\$4.31	\$4.05	\$4.37
Tobacco products *	\$16.32	\$16.18	\$15.72	\$16.20
Toiletries and cosmetics	\$13.39	\$11.67	\$11.04	\$11.86
Photographic film and chemicals (including developing)	\$1.50	\$1.44	\$1.36	\$1.45
Weekly Sub Total	\$250.93	\$227.14	\$218.62	\$229.78
Annual Sub Total	\$13,083.65	\$11,843.08	\$11,398.89	\$11,980.92
<i>Derived Supermarket Expenditure (categories marked* plus 7.5% for general merchandise)</i>				
Weekly Sub Total	\$186.58	\$170.66	\$165.14	\$172.43
Annual Sub Total	\$9,728.51	\$8,898.24	\$8,610.36	\$8,990.49
<b>Clothing and Footwear</b>				
Weekly Sub Total	\$37.06	\$29.99	\$27.75	\$30.77
Annual Sub Total	\$1,932.44	\$1,563.59	\$1,447.13	\$1,604.58
<b>Large Floorspace Comparison/Destination Retailers</b>				
Audio-visual equipment and parts	\$13.52	\$10.15	\$9.70	\$10.53
Blank and pre-recorded media (excluding pre-packaged computer software)	\$7.34	\$5.64	\$5.23	\$5.83
Gardening products	\$4.28	\$3.56	\$3.53	\$3.64
Home computer equipment (including pre-packaged software)	\$7.18	\$6.15	\$5.76	\$6.27
Household furnishings and equipment	\$57.47	\$51.98	\$48.97	\$52.59
Motor vehicle parts and accessories purchased separately	\$11.33	\$9.98	\$9.14	\$10.13
Swimming pool chemicals	\$0.46	\$0.38	\$0.36	\$0.39
Tools and related	\$11.22	\$10.85	\$10.16	\$10.89
Weekly Sub Total	\$112.81	\$98.70	\$92.86	\$100.27
Annual Sub Total	\$5,881.83	\$5,146.43	\$4,841.73	\$5,228.14
<b>Other Retail</b>				
Animal Food and purchases	\$8.36	\$7.08	\$7.02	\$7.22
Other recreational and educational equipment	\$16.05	\$13.93	\$12.42	\$14.16
Photographic equipment and photography	\$1.21	\$0.15	\$0.28	\$0.26
Sunglasses (excluding prescription)	\$0.59	\$0.38	\$0.36	\$0.40
Travel goods, handbags, umbrellas, wallets and related	\$8.46	\$7.75	\$7.30	\$7.83
Watches and jewellery	\$4.43	\$2.95	\$2.70	\$3.12
Weekly Sub Total	\$39.10	\$32.23	\$30.08	\$33.00
Annual Sub Total	\$2,038.65	\$1,680.69	\$1,568.56	\$1,720.46
<b>Food and Beverage</b>				
Meals in restaurants, hotels, clubs	\$23.19	\$20.93	\$19.12	\$21.18
Fast food and takeaway	\$31.29	\$27.16	\$24.82	\$27.62
Alcohol for consumption on licensed premises	\$11.63	\$10.72	\$9.72	\$10.82
Weekly Sub Total	\$66.11	\$58.80	\$53.66	\$59.62
Annual Sub Total	\$3,446.97	\$3,066.09	\$2,797.67	\$3,108.41
<b>Weekly Total</b>	\$76.16	\$62.22	\$57.84	\$63.77
<b>Annual Total</b>	\$3,971.09	\$3,244.28	\$3,015.69	\$3,325.04
<b>Weekly Total Household Retail Expenditure</b>	\$506.01	\$446.87	\$422.98	\$453.44
<b>Annual Total Household Retail Expenditure</b>	\$26,383.54	\$23,299.88	\$22,053.97	\$23,642.51

Source: Conics, ABS

Note: All figures in March 2010 Dollars

The retail floorspace supportable in the Pacific Pines Shopping Centre and its identified trade area will be dependant upon the market share it will capture. Based on previous experience RPS consider the following ranges to be generally indicative of current shopping patterns and their capture of available retail expenditure:

- CBD and Main Street – 10% to 30%
- Regional Centres – 8% to 15%
- Sub-Regional Centres – 13% to 18%
- Supermarket Anchored Centres – 20% to 30%
- Convenience Centres – 8% to 15%
- Bulky Goods (precinct and centres) – 20% to 30%

The Pacific Pines Shopping Centre will function as a Supermarket Anchored Centre. However the local market shares are expected to be higher than this range due to the current limited supply of retail facilities within the trade area.

Table 5.2 indicates the average annual household supermarket expenditure conducted by residents of the identified trade areas.

**Table 5.2**  
**Average Annual Household Convenience and Food & Beverage Expenditure**

	TA	Ballina	FNCR	NSW NM
Average household convenience and food/beverage expenditure	\$16,531	\$14,909	\$14,197	\$15,089

	2006	2010	2011	2012	2013	2016	2021	2026
<b>Convenience and Food &amp; Beverage Expenditure Potential (\$m)</b>								
Trade Area	\$48.6	\$51.9	\$52.7	\$53.9	\$55.3	\$59.8	\$67.4	\$75.0
Ballina	\$249.9	\$263.5	\$266.9	\$270.4	\$276.5	\$284.3	\$301.0	\$318.4

*Source: RPS, all figures March 2010 dollars*

The current estimated combined convenience and food and beverage expenditure potential in the trade area is approximately \$52 million. This is estimated to increase to approximately \$60 million in 2016, and \$67 million in 2021. Growth in household convenience expenditure of the total catchment will result in demand for a wider range of retail uses than what is currently on offer. As such a range of retail uses including a full line supermarket along specialty retail uses will be needed in order to cater to this increasing demand. As such a shopping centre on the subject site will cater to both current and future residents of the trade area.

The proposed expansion of the approved Pacific Pines Neighbourhood Centre will cater to the increasing expenditure levels and need for a proximate location for residents of the Trade Area to conduct their weekly/fortnightly and convenience supermarket shopping trips.

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### 5.3 Implications

The Pacific Pines Estate is likely to exhibit a strong demographic profile of working families. This demographic is often time constrained and will benefit from the proximity and accessibility of the full line supermarket and associated speciality stores and services on the site.

As a result of anticipated population growth in the Trade Area, total retail expenditure is predicted to increase significantly over the next 15 years. The projected population increase in the Trade Area will result in the household convenience and food and beverage expenditure levels in the total catchment increasing from approximately \$51.9 million in 2010 to \$52.7 million in 2011 and to \$59.8 million in 2016. As expenditure increases so will demand for retail facilities.

Expenditure potential within the Trade Area accounts for almost 20% of total supermarket expenditure potential within Ballina Shire. Irrespective of expenditure potential within the Trade Area, there is minimal supply of supermarket facilities within the Lennox Head Area.

The proposed expansion of the approved Pacific Pines Neighbourhood Centre will cater to the increasing expenditure levels and need for a proximate location for residents of the Trade Area to conduct their weekly/fortnightly and convenience supermarket shopping trips, thus reducing travel times and trips to supermarkets in Ballina.

## 6 Economic Impact Assessment

### 6.1 Introduction

This section assesses the economic need and impact for the proposed expanded supermarket anchored shopping centre development on the subject site. The growing population and household expenditure levels in the Trade Area will see demand for a supermarket in the area from 2011.

The need for a centre to cater to for this future growth has been recognised by the approval of a 3,000 Sq M neighbourhood centre within the Pacific Pines Estate. There is demand within the wider Lennox Head local area for the development of a full-line supermarket.

The Pacific Pines Shopping Centre will provide a convenient location for local residents to shop as well as act as a hub for the community. This function is reinforced by commercial and other non-retail uses that will be established on-site in close proximity to the open space network and sporting fields.

### 6.2 Need and Impact Assessment

The following questions and answers address these issues as well as the need and impact of the proposed supermarket development within the Pacific Pines Estate.

#### **Is there economic need for the proposed expanded centre on the subject site?**

Yes.

The population of the Trade Area is currently approximately 8,500 people and is anticipated to increase to approximately 9,800 people by 2016. The general rates of provision for a full line supermarket (such as Coles and Woolworths) are one supermarket for every 8,000 to 10,000 people. Therefore the current population of the Trade Area is considered to be sufficient to support a full-line supermarket.

Combined household convenience and food and beverage expenditure in the Trade Area is projected to increase from approximately \$51.9 million in 2010 to approximately \$52.7 million in 2011 and then to approximately \$59.8 million in 2016. The current expenditure potential of the Trade Area is sufficient to support an additional neighbourhood centre within Lennox Head.

The continued population growth of the Trade Area will increase demand for supermarket and related retail facilities over the long term. At capacity it is considered that the Trade Area will have a total population base of approximately 13,000 people. The retail needs of these residents will be serviced by the Pacific Pines Shopping Centre, the Lennox Head Village Centre, and continued patronage to the higher order retail centres located at Ballina.

The economic need for a neighbourhood centre to service the local area has previously been recognised by the approval for a 3,000 Sq M retail centre on-site. This approval was sufficient to allow the development

of a full line supermarket with the current application seeking a minor modification based on retail trends and changes in how retail facilities are delivered to the community.

**Is there planning need for the proposed development on the subject site?**

Yes.

The need for a retail centre within the Pacific Pines Estate is identified by the Ballina Shire Retail Strategy, which designates the development of a commercial area that is of a neighbourhood scale that complements the function of the Lennox Head Village Centre. This is reinforced by the current approval for a 3,000 sq M centre on-site.

The 2003 IBECON Retail Strategy Background Report identifies that there is a significant undersupply of retail floorspace within Lennox Head and that there is demand for an additional 2,799 Sq M GLA of supermarket floorspace within the local area. Based on an RPS assessment of retail expenditure potential it is considered that the derived supermarket expenditure potential within the Trade Area is approximately \$30.5 million, which results in demand for up to 6,000 Sq M of supermarket floorspace within the Trade Area alone. This high level of demand is currently being met by the local IGA and full-line supermarkets at Ballina, requiring people to travel a significant distance to undertake regular supermarket shopping.

General planning rates of provision for a supermarket is one supermarket for every 8,000 to 10,000 people. The current population of the identified trade area is approximately 8,600 people and one convenience supermarket (the IGA at Lennox Head). Residents of the Lennox Head local area will be leaving the Trade Area for their weekly and fortnightly shopping needs which cannot be catered for within the Lennox Head Village Centre. Therefore there is demand for the development of a full-line supermarket in the identified Trade Area.

**Is the subject site suitable for the proposed supermarket anchored development?**

Yes.

The Pacific Pines Shopping Centre is proposed to be located within Pacific Pines Estate, with the site providing convenient access for local residents. It is also envisaged that Pacific Pines Estate will be a walkable community, and the neighbourhood centre at Pacific Pines will also be easily accessible for local residents by foot.

The extension of Hutley Drive through to Pacific Pines will provide easy access to the site for those travelling from outside of the Pacific Pines Estate. Hutley Drive will evolve to become an important thoroughfare in the local area as surrounding residential uses are developed increasing the local population. This will result in the site being easily accessible which is suitable for a supermarket anchored centre, commercial services and related uses.

**Will the proposed development on the subject site benefit the community?**

Yes,

Community need relates to how nearby residents will benefit from the neighbourhood centre on the subject site. The proposed development will provide a proximate retail option for residents and will establish a hub for the Pacific Pines community.

Community benefit will also arise from employment required for the centres operation and commercial office space provided within the proposed development. Based on the provision of 25 Sq M of retail GFA and 19 Sq M of Commercial GFA for every equivalent full time (EFT) job, the neighbourhood centre will provide approximately 200 EFT jobs.

Residents of Pacific Pines Estate and the Lennox Head local area as a whole will benefit from the development of a full-line supermarket proximate to their place of residence. Travel times and distances will be significantly reduced as residents are not required to travel into Ballina for their weekly and fortnightly shopping needs.

The provision of 800 Sq M of retail space, in addition to the 800 Sq M of commercial space, will result in the inclusion of professional, personal, and medical services within the Pacific Pines Shopping Centre. These uses will complement the retail uses (supermarket, specialty stores/food and beverage) helping to create a local centre with a range of uses serving the local community.

**Will an additional 1,000 Sq M of retail floorspace on the subject site affect the retail hierarchy?**

No.

The additional 1,000 Sq M will not affect the existing retail hierarchy in Lennox Head or across the Ballina LGA.

There is currently up to 3,000 Sq M of retail space approved for development at the Pacific Pines Shopping Centre. An increase of 1,000 Sq M of retail space is not going to impact on the intended function of the site in relation to the Lennox Head Village Centre. The development of a 3,200 Sq M supermarket at Pacific Pines Estate will not detract from the function of the Lennox Head Village Centre as a Main Street and convenience, service and food and beverage precinct catering to local residents and visitors. The provision of an additional 300 Sq M of speciality retail floorspace (for 800 Sq M in total) will have minimal additional effect on the current function and character of the Lennox Heads main street. The 800 Sq M of specialty retail floorspace will likely be occupied by 12 to 15 tenants offering convenience retail, food/beverage and personal/professional services. By comparison, the Lennox Head village centre has 64 retail 15 commercial tenants.

The development of a 4,000 Sq M retail centre within the Pacific Pines Estate will not detract from the function of Ballina Town Centre and the Kerr Street Retail Precinct as the primary retail precincts within Ballina Shire. The retail uses proposed to be provided at the Pacific Pines Shopping Centre will service the chore shopping needs of residents within the Trade Area, it will not however replace the scale and mix of retail uses that are provided in Ballina.

**Will the proposed development have any unsustainable impacts on existing centres?**

No.

The current approval provides the opportunity for the development of a supermarket of up to 2,500 Sq M and 500 sq M of speciality retail. The additional 1,000 Sq M of supermarket and convenience floorspace will have a level of impact that is only marginal higher than the current approval. Based on the current level of



supply and demand within the Ballina Shire all supermarkets (and associated retail) will retain the capacity to trade at viable levels. It is considered that supermarkets and convenience stores within Ballina are operating above industry standards and therefore the expansion of the Pacific Pines supermarket from 2,500 Sq M to 3,200 Sq M full line supermarket will not have a detrimental impact on existing retailers within Ballina or Lennox Head.

The provision of specialty retail space within the centre will not result in any material impact on the main street. The supermarket centre will impact on the existing IGA. However, it is currently considered to be trade significantly higher than industry standards and the convenience based nature of the IGA within the main street means that it will retain the opportunity to continue to trade at or, very likely, above industry standards.

It is considered that any impact of the centre on existing retail will decrease over time as the population increases. The actual impact will decrease over time as the population of the trade area increases with the release of residential land at Pacific Pines Estate and within the Candidate Release Areas as outlined in the Lennox Head Structure Plan.

### 6.3 Conclusion

The current approval allows for up to 3,000 Sq M of retail space at the Pacific Pines Shopping Centre, and the proposed increase of 1,000 Sq M will accommodate a larger supermarket and more speciality stores than what was previously proposed. This change is reflective current retail trends and the way the community undertake regular supermarket based shopping. The 4,000 Sq M retail in conjunction with the 800 Sq M of commercial space, will likely result in the inclusion of professional, personal, and medical services within the Pacific Pines Shopping Centre. These uses, in concert with open space and recreation uses, will help to create a local hub with a range of facilities serving the local community.

The development of an additional 1,000 Sq M of retail space at Pacific Pines Estate, resulting in a 4,000 Sq M retail centre at Pacific Pines will not have a detrimental impact on existing retailers across Ballina Shire. The function of Lennox Head Village Centre as the primary retail/commercial centre within the Lennox Head will not be impacted, and Ballina Town Centre and the Kerr Street Retailing Precinct will remain at the top of the Ballina Shire retail hierarchy. An increase of 1,000 Sq M of retail space is not going to impact on the intended function of the site in relation to the Lennox Head village centre. The Lennox Heads village is not capable of hosting a full line supermarket due to small lots, fragmented land ownership and limited size of the retail core.

The current approval states that the Pacific Pines Shopping Centre should be smaller than the Lennox Head Village Centre in order to maintain the current retail hierarchy within Lennox Head. RPS has identified the provision of approximately 6,850 Sq M of retail floorspace within the Lennox Head Village Centre (2010), which is higher than the 4,200 Sq M which was identified within the Ballina Shire Retail Strategy Background Report (2003). The revised 4,000 Sq M centre at Pacific Pines will smaller in comparison to the Lennox Heads Village centre than was the case using 2003 data.

## Assumptions

This report has been prepared on the instructions of the stated party and is intended to address the issues as defined in the methodology. The data, analysis and findings contained in this report are, therefore, not appropriate for use in any other circumstance. The report contains a series of projections and forecasts, which have been prepared on the basis of the best available information. Due to the dynamic nature of many of these issues and the number of variables involved, RPS can give no guarantee that these projections and forecasts will be realised.

Documents issued electronically are susceptible to being altered. Therefore, only versions held and issued by RPS can be used as an acceptable reference or source of information.

# Appendix A

## Demographic Profile

Demographic Profile	Trade Area		Ballina LGA		FNCR		NSW Non-Metro	
<b>Total Persons</b>	7,599		38,461		219,327		2,419,770	
<b>Age</b>								
0 to 4	479	6.3%	2,013	5.2%	12,301	5.6%	149,174	6.2%
5 to 14	1,261	16.6%	5,203	13.5%	30,373	13.8%	343,755	14.2%
15 to 19	528	6.9%	2,543	6.6%	15,119	6.9%	166,946	6.9%
20 to 24	366	4.8%	1,761	4.6%	10,472	4.8%	133,154	5.5%
25 to 34	779	10.3%	3,490	9.1%	20,868	9.5%	259,093	10.7%
35 to 44	1,278	16.8%	5,084	13.2%	29,397	13.4%	326,405	13.5%
45 to 54	1,223	16.1%	5,931	15.4%	34,199	15.6%	346,122	14.3%
55 to 64	851	11.2%	4,910	12.8%	27,029	12.3%	296,149	12.2%
65 to 74	470	6.2%	3,473	9.0%	19,552	8.9%	209,592	8.7%
75 to 84	306	4.0%	3,016	7.8%	15,102	6.9%	143,852	5.9%
85 years and over	57	0.8%	1,037	2.7%	4,916	2.2%	45,524	1.9%
<b>Marital Status - Persons</b>								
Married	3,082	52.6%	15,778	50.5%	83,671	47.4%	979,804	50.9%
Separated	173	3.0%	989	3.2%	6,352	3.6%	64,706	3.4%
Divorced	592	10.1%	3,139	10.0%	18,970	10.7%	169,323	8.8%
Widowed	225	3.8%	2,572	8.2%	13,096	7.4%	138,812	7.2%
Never Married	1,787	30.5%	8,772	28.1%	54,576	30.9%	574,189	29.8%
Total	5,859	100.0%	31,250	100.0%	176,665	100.0%	1,926,834	100.0%
<b>Language Spoken at Home</b>								
English Only	7,186	97.4%	36,053	97.5%	201,796	96.7%	2,203,142	95.3%
Other	190	2.6%	927	2.5%	6,994	3.3%	107,785	4.7%
Total	7,376	100.0%	36,980	100.0%	208,790	100.0%	2,310,927	100.0%
<b>Relationship in Household</b>								
Husband or wife in registered marriage	2,856	39.5%	14,435	40.0%	76,593	37.5%	893,053	39.8%
Partner in de facto marriage	564	7.8%	2,553	7.1%	15,761	7.7%	151,644	6.8%
Lone parent	334	4.6%	1,810	5.0%	11,259	5.5%	109,592	4.9%
Child under 15	1,668	23.1%	6,874	19.1%	40,089	19.7%	463,487	20.7%
Dependent student (15-24)	382	5.3%	1,544	4.3%	8,859	4.3%	95,066	4.2%
Non-dependent child	274	3.8%	1,725	4.8%	10,698	5.2%	127,949	5.7%
Other related individual	89	1.2%	562	1.6%	3,449	1.7%	37,797	1.7%
Unrelated individ living in family h/hold	71	1.0%	320	0.9%	2,035	1.0%	15,102	0.7%
Group household member	322	4.5%	1,186	3.3%	7,098	3.5%	55,131	2.5%
Lone person	507	7.0%	4,143	11.5%	23,080	11.3%	236,833	10.6%
Visitor (from within Australia)	168	2.3%	903	2.5%	5,069	2.5%	56,202	2.5%
Total	7,235	100.0%	36,055	100.0%	203,990	100.0%	2,241,856	100.0%
<b>Household Structure</b>								
Couple with no children	806	38.1%	4,670	44.0%	24,792	41.9%	265,862	40.7%
Couple family with children	951	45.0%	3,997	37.7%	22,378	37.8%	268,868	41.2%
One parent family	342	16.2%	1,809	17.1%	11,264	19.0%	109,594	16.8%
Other family	14	0.7%	132	1.2%	766	1.3%	8,500	1.3%
Total	2,113	100.0%	10,608	100.0%	59,200	100.0%	652,824	100.0%
<b>Internet Connection</b>								
None	743	27.6%	5,903	39.0%	34,501	40.8%	381,451	42.2%
Broadband or Dial up	1,906	70.7%	8,743	57.8%	46,912	55.5%	492,759	54.5%
Not Stated	47	1.7%	475	3.1%	3,047	3.6%	30,469	3.4%
Total	2,696	100.0%	15,121	100.0%	84,460	100.0%	904,679	100.0%

Demographic Profile	Trade Area		Ballina LGA		FNCR		NSW Non-Metro	
<b>Dwelling Type</b>								
Separate house	1,910	70.9%	10,413	68.9%	63,174	74.8%	756,994	83.7%
Semi-detached and townhouse	342	12.7%	1,940	12.8%	9,518	11.3%	58,126	6.4%
Flat, unit, apartment	262	9.7%	2,083	13.8%	8,289	9.8%	72,003	8.0%
Other dwelling	181	6.7%	680	4.5%	3,442	4.1%	17,047	1.9%
Not stated	0	0.0%	4	0.0%	37	0.0%	507	0.1%
Total	2,695	100.0%	15,120	100.0%	84,460	100.0%	904,677	100.0%
<b>Persons per Household</b>								
Separate house	2.94		2.66		2.65		2.63	
Semi-detached and townhouse	2.37		1.90		1.93		1.87	
Flat, unit, apartment	2.08		1.81		1.73		1.60	
Other dwelling: Total	1.85		1.67		1.64		1.74	
Not stated	-		3.00		2.05		2.39	
Total	2.71		2.40		2.43		2.48	
<b>Dwelling Ownership</b>								
Fully owned	992	36.9%	6,166	40.8%	33,997	40.3%	356,105	39.4%
Being purchased directly	931	34.6%	3,907	25.8%	23,252	27.5%	271,068	30.0%
Rented	710	26.4%	4,391	29.0%	23,603	27.9%	241,751	26.7%
Other Tenure	22	0.8%	229	1.5%	838	1.0%	8,772	1.0%
Not Stated	35	1.3%	428	2.8%	2,768	3.3%	26,983	3.0%
Total	2,690	100.0%	15,121	100.0%	84,458	100.0%	904,679	100.0%
<b>Monthly Housing Loan Repayments</b>								
Average Repayment - Sept 2006 \$	\$1,542		\$1,435		\$1,313		\$1,348	
Average Repayment - Current \$	\$1,723		\$1,604		\$1,467		\$1,506	
<b>Weekly Rent</b>								
Average Rent - Sept 2006 \$	\$279		\$212		\$201		\$171	
Average Rent - Current \$	\$312		\$237		\$225		\$191	
<b>Employment</b>								
Employed - Full-time	1,992	51.3%	9,074	51.9%	48,288	51.4%	609,870	56.6%
Employed - Part-time	1,432	36.9%	6,130	35.1%	32,393	34.5%	324,997	30.1%
Employed - Away From Work	242	6.2%	1,011	5.8%	5,650	6.0%	67,504	6.3%
Employed - Total	3,667	94.5%	16,216	92.7%	86,332	91.9%	1,002,372	93.0%
Unemployed	216	5.6%	1,269	7.3%	7,592	8.1%	75,760	7.0%
Total labour force	3,882	100.0%	17,484	100.0%	93,923	100.0%	1,078,131	100.0%
Not in the labour force	1,785		12,193		72,151		744,470	
<b>Occupation</b>								
Upper White	1,381	37.7%	5,437	33.5%	26,162	30.3%	308,490	30.8%
Lower White	507	13.9%	2,358	14.5%	12,837	14.9%	154,523	15.4%
Upper Blue	1,322	36.1%	5,582	34.4%	29,338	34.0%	326,648	32.6%
Lower Blue	408	11.2%	2,603	16.1%	16,640	19.3%	196,648	19.6%
Other	41	1.1%	237	1.5%	1,369	1.6%	16,073	1.6%
Total	3,659	100.0%	16,217	100.0%	86,346	100.0%	1,002,382	100.0%
<b>Average Number of Cars</b>	1.75		1.55		1.55		1.60	
<b>Household Income</b>								
Average Weekly - Sept 2006 \$	\$1,220		\$998		\$925		\$1,021	
Average Weekly - Current \$	\$1,363		\$1,115		\$1,033		\$1,140	
Household Income - Sep 2006 \$	\$63,617		\$52,039		\$48,209		\$53,211	
Household Income - Current \$	\$71,089		\$58,151		\$53,872		\$59,461	

Source: ABS, Conics

Current Dollars - March 2010

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