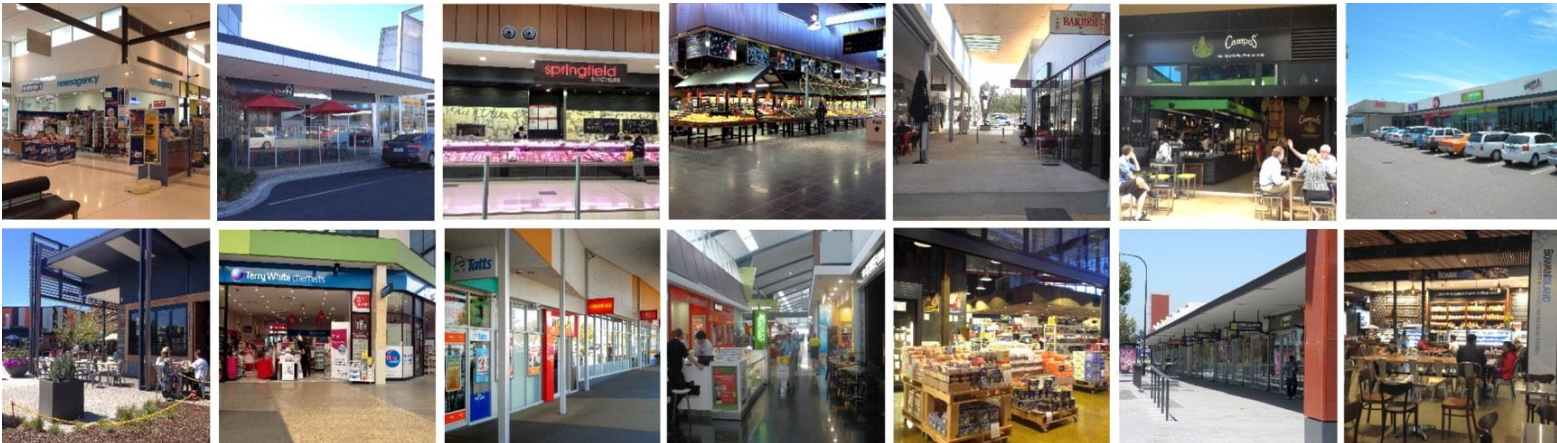


Greenbank District Centre

Economic Impact Assessment

August 2016

FINAL REPORT



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Executive summary

This report presents an independent assessment of the need and demand for a proposed expansion of Greenbank Shopping Centre (SC) located within the Greenbank District Centre (DC) in the Greater Flagstone Priority Development Area (PDA) as well as analysing the likely consequent impacts on other relevant activity centres throughout the surrounding region, and other economic impacts. This report has been prepared on behalf of SCA Property. Because the subject site is located within the Greater Flagstone PDA, the approval authority for this application will be Economic Development Queensland (EDQ).

Subject site context

- Greenbank SC is a Woolworths supermarket anchored shopping centre that contains around 5,088 sq.m of retail gross floor area (GFA) and 5,605 sq.m of total GFA located on the corner of Teviot Road and Pub Lane in Greenbank. Greenbank SC contains 516 sq.m of non-retail floorspace, including 326 sq.m medical uses, a 120 sq.m veterinary clinic, a real estate agent of 70 sq.m, and an ATM and Blockbuster Kiosk. There is also an adjacent pub and drive-thru bottle shop within the Greenbank DC as well as a child care centre and a service station is under construction.
- The Greenbank DC is located in the northern part of the Greater Flagstone Priority Development Area (PDA) and south of the Park Ridge residential development area. The Flagstone PDA is expected to accommodate around 50,000 dwellings over the long term.
- The prominent position of Greenbank DC on Teviot Road Greenbank and its designation as a **District Centre**, (with 24,000 sq.m of employment generating GFA permissible with public notification), means the centre can potentially serve a relatively large trade area. Teviot Road connects to the Mount Lindesay Highway to the east, which accommodates in excess of 22,000 vehicles per day. Upgrades to Pub Lane are also expected in the near future.

Trade area

- We have defined a trade area that could potentially be served by the expanded Greenbank DC that includes one primary sector and five secondary sectors. The trade area includes all of the Greater Flagstone PDA, because this region is not serviced by sub-regional retail facilities and is not expected to sustain such facilities until the longer term (i.e. beyond 2026) once the population west of the railway line establishes sufficient critical mass. We have had regard to future retail facilities being developed throughout this area and we expect the market shares from the southern secondary sectors will decrease over time, in particular the secondary south west sector.
- The main trade area population is estimated at around 38,440 as at June 2016, including 8,300 residents within the key primary sector. Over the most recent intercensal period (2006-2011), the main trade area population increased at an average rate of 2.6% per annum, or around 860 residents per annum. Between 2011 and 2016, the main trade area population has grown by 630 residents per annum.
- Given the significant new residential development planned in the Flagstone PDA, the main trade area population is estimated to more than double in size to reach 79,200 by 2031, reflecting average annual growth of 4.9%. We note that the main trade area population will increase considerably beyond 2031, as the total capacity population of the Greater Flagstone PDA (which forms part of the trade area) is greater than 100,000 persons.
- The primary sector is expected to reach 15,600 persons by 2031, at an average annual growth rate of 4.3%. We note that the Development Scheme outlines a vision for approximately 6,000 residents in the Greenbank Central Area of the Greater Flagstone PDA, which is located within the primary sector. At present the Greenbank Central Area contains limited population but is expected to accommodate the lion's share of the future growth in the primary sector, which is projected at around 7,300 persons over the period to 2031 (i.e. there is already 8,300 people in the primary sector).
- The main trade area population is characterised by young average age, high ownership levels and a high proportion of traditional family households, compared with the Brisbane average.

- The retail expenditure market is expected to grow from about \$481 million in 2016 to \$1.19 billion by 2031 (in \$2015/2016), at an average annual growth rate of 6.2%.

Competition – within the main trade area

- Aside from the Greenbank SC, there is currently a limited supply of retail floorspace within the main trade area, totalling around 9,000 sq.m. This includes the 1,600 sq.m IGA Greenbank centre; the 1,500 sq.m Boronia Heights shopping centre; and a small centre in North Maclean located on the Mount Lindsay Highway.
- The Park Ridge Town Centre is located at the periphery of the trade area, and is currently undergoing a major expansion, including an expansion/refurbishment of the existing Woolworths (now complete) and the addition of a new Coles supermarket, mini-majors and specialty retail.
- In the southern part of the trade area, a major expansion of the Flagstone Village centre was recently approved, which will see the existing small centre demolished and redeveloped to support a full-line Woolworths supermarket and supporting specialty retail.

Market gap for retail facilities

- We estimate the main trade area population currently generates total retail floorspace demand of approximately 84,600 sq.m and this is estimated to more than double by 2031, reaching 174,200 sq.m by 2031, an increase of around 6,000 sq.m per annum. These projections are considered to be conservative as we have assumed a constant rate of provision per capita over time (i.e. no growth in this rate).
- In regards to traditional retail floorspace (i.e. excluding bulky goods retail), the main trade area population generates demand for around 59,600 sq.m as at 2016 and this is estimated to more than double by 2031, reaching 122,750 sq.m.
- There is an existing supermarket market gap of around 7,600 sq.m across the main trade area. Future growth in the main trade area population will drive demand for at least another 4 – 5 large supermarkets in addition to existing demand, with supermarket

floorspace demand increasing from 15,400 sq.m to around 31,700 sq.m by 2031, an increase of 16,300 sq.m.

- The main trade area population also generates DDS floorspace demand equivalent to 5,800 sq.m at 2016 and is expected to increase to around 11,900 sq.m by 2031. There is no DDS operator in the main trade area at present, and there is clearly an opportunity for such facilities to be provided as soon as can be practically accommodated.
- Not all of the retail demand generated by main trade area residents will be captured at the Greenbank DC or within the main trade area, for that matter. Although there are existing retail facilities in the main trade area, e.g. Greenbank, Boronia Heights, North Maclean, Flagstone, this provision is limited to small scale convenience based retail, totalling around 9,000 sq.m.
- With the population generating demand for almost 60,000 sq.m of traditional retail floorspace, clearly the majority of retail expenditure is presently escaping the main trade area, to centres such as Park Ridge, Springfield, Browns Plains, Jimboomba, and potentially to centres further east in Logan and Beenleigh.
- The net leakage of traditional retail demand from the main trade area is equivalent to around 80 – 85%. This means that additional retail facilities at Greenbank DC would most certainly lead to significant reductions in car-trips/distances beyond the trade area. In an established location, the net leakage rate should be considerably lower than 85%, ideally in the order of 20 – 30%, although this rate is heavily influenced by provision of higher order retail facilities within or adjacent to a given trade area.

Development potential

- We have examined the potential market shares that could be reasonably expected to be achieved by a successful sub-regional scale retail centre at Greenbank DC, and the demand for discount department store (DDS) anchors and supermarket anchors.
- In order to examine the potential supportable scale and mix with the Greenbank DC, in the future we have examined the potential supportable retail floorspace that could be achieved over time, allowing for future competitive developments to be provided within

the surrounding secondary sectors (i.e. we have applied higher market shares in the short term, to account for the lack of retail facilities, and then assumed significant reductions in these market shares over time, in particular in the secondary south sectors (which will fall to 2.5%).

- Our analysis shows that in the order of 23,000 sq.m of traditional retail floorspace could be supported at Greenbank DC in the short-term, and could be sustained over the long term even with significant additional development in the surrounding region.
- We have therefore recommended that around 23,000 – 24,000 sq.m of retail floorspace, and around 3,500 sq.m of supporting non-retail uses, could be sustained on the SCA Property component of the Greenbank DC, in addition to the existing tavern/bottle-shop and child care centre and proposed service station. This represents an incremental addition of around 18,000 – 19,000 sq.m of retail floorspace at the site.

Impacts on centres hierarchy

- The Greenbank DC allows up to 11,000 sq.m of as permissible retail GFA with public notification. This analysis presents the likely impacts resultant from all of the additional retail floorspace proposed, over and above the existing 5,088 sq.m at the Greenbank SC, not just the amount above 11,000 sq.m and thus presents a ‘worst case’ scenario for trading impacts on the surrounding network of centres.
- Generally, retail trading impacts between 10% and 15% are considered by the industry to be significant but acceptable, with impacts less than 10% considered relatively moderate, and impacts less than 5% generally considered minor/negligible. However, other factors such as the current trading performance; expansions of centres; potential loss of services to the community; expected growth in the region; and overall net community benefit should be considered.
- The retail sector is dynamic, and the development of new retail facilities is linked to evident undersupply and/or growth in population. New players, new centres, new competition will seek to enter any retail hierarchy where there is a market gap and/or future population growth to support such development.

- The greatest impacts are expected to be absorbed by the two closest sub-regional centres, namely Orion Springfield Central/Greater Springfield and Grand Plaza/Browns Plains, with estimated impacts on these centres are expected to be around 6 - 7%, i.e. a minor impact.
- Impacts on Park Ridge Town Centre and the Flagstone Village Centre are estimated to be around 9%, with both of these centres having significantly expanded by the time that Greenbank SC would have expanded.
- Impacts on the Chris' IGA Greenbank centre are expected to be around 12%, due to the proximity of this centre to the Greenbank DC. Were this centre anchored by a more directly competitive full-line supermarket, then impacts would likely be much higher (in aggregate terms), however because the supermarket anchor is only 1,200 sq.m, only draws a minor market share from the surrounding trade area and performs a different role and function to a sub-regional centre, the impacts are expected to be moderate.
- Impacts on the small centre at North Maclean and Boronia Heights centre are expected to be negligible due to the different role and function these centres play, and their small scale, which means they only draw very limited market shares from the Greenbank DC main trade area.

Future centres

- Future higher order centres are planned at Jimboomba, Flagstone and Yarrabilba – however these are expected to evolve over the medium to longer term. The surrounding catchments in these areas will take considerable time to evolve.
- Based on our assessment of likely development in the Flagstone estate, it will be 5+ years before a sufficient catchment establishes for a full-line supermarket based convenience centre to become viable within the **Flagstone PAC**, as the population west of the railway line will take considerable time to evolve and a proposed Woolworths supermarket is approved within Flagstone already at the Flagstone Village site. We expect that this centre will only be able to sustain sub-regional retail facilities over the much longer term, as a sufficient level of population critical mass needs to establish west of the railway line before this can happen.

- **Jimboomba Town Centre** only provides convenience/supermarket facilities at present. There is a DA approval for a major expansion of the Jimboomba Shopping Centre however this development has not progressed for several years. There would be only a minor overlap in the trade areas of the proposed Jimboomba sub-regional shopping centre and the defined Greenbank main trade area, with Jimboomba serving a considerable population to the south and we expect therefore expect this expansion will occur at some point over the medium term.
- Up to 40,000 sq.m of retail floorspace is permissible within the **Park Ridge Town Centre** under its current designation. The configuration of the current redevelopment of the Park Ridge Town Centre shopping centre, in our view, compromises the future expansion potential of this centre, in particular the ability for the site/centre to become a functional/effective enclosed sub-regional shopping centre with a DDS anchor. We also we expect that each of the three DDS operators would be cautious about locating here due to the centre's proximity to Grand Plaza.
- The **Yarrabilba Town Centre** is located around 20km to the east of Greenbank SC and this centre is expected to evolve in line with the future population in the Yarrabilba Estate itself. The centre's catchment is relatively contained and would have limited overlap with the trade area of an expanded Greenbank DC.

Employment creation

- We estimate the proposed development could result in a net additional 546 permanent jobs, in addition to those jobs already existing at the Greenbank SC site. As at the 2011 ABS Census of Population and Housing, around 36% of employed Logan LGA residents worked within the Logan LGA, which means that around 64% leave the LGA for work each day. The additional jobs created at Greenbank DC would help to improve this high employment leakage.
- These 546 net additional permanent jobs would also lead to 219 multiplier induced jobs across the broader economy.

- Based on assumed construction costs of around \$55 million, and an expected development timeframe of 18 months, the construction phase of the project is estimated to sustain about 408 jobs per annum across the economy per annum, including around 157 jobs created directly and a further 251 jobs resulting from multiplier induced effects. Around 30 – 35% of the direct jobs are estimated to be based on site (i.e. around 50 – 60 jobs).

Other community benefits

The proposed expansion of the Greenbank DC, would generate a range of other economic/community benefits, in particular the following:

- Increased choice and amenity for the population of the main trade area as well as likely increased competition for the benefit of consumers.
- Additional provision of full-line supermarket facilities, a possible Aldi supermarket and other supporting retail and non-retail services, to serve both the current residents of the main trade area and future residents, which are currently very limited within the main trade area.
- Will help to drive residential growth in the surrounding region, as residents will be attracted to the region due to a more comprehensive provision of retail and community amenities.
- Because there is a significant under-supply of supermarket facilities across the main trade area, the provision of new supermarket facilities will help to significantly reduce escape expenditure and reduce travel times and distances for shoppers. Reduced travel distances, leading to savings on time and fuel for main trade area residents, due to a much better provision of food and grocery shopping facilities at the local level.
- Furthermore, a large sub-regional centre, that is centrally located in a highly accessible locality, could help to serve the growing Flagstone PDA far more readily than future planned centres further south, with limited or marginal trade area populations.

- Reinforces the retail hierarchy in the region by providing a greater range of retail amenity at an already identified District Centre location, without reducing the level of service provision anywhere else, nor preventing any future retail centres from establishing across the region.
- Opportunities for small businesses to open premises within District Centre.
- Will provide jobs near people's homes which will boost the local economy and increase the likelihood of improved employment self-containment within the Logan LGA, in the short-term, compared with a Do Nothing scenario whereby the centre doesn't expand.

Introduction

This report presents an independent assessment of the need and demand for a proposed expansion of Greenbank Shopping Centre (SC) located within the Greenbank District Centre (DC) in the Greater Flagstone Priority Development Area (PDA) as well as analysing the likely consequent impacts on other relevant activity centres throughout the surrounding region, and other economic impacts. Because the subject site is located within the Greater Flagstone PDA, the approval authority for this application will be Economic Development Queensland (EDQ).

The report has been prepared in accordance with instructions from SCA Property, and is structured as follows:

- **Section 1** reviews the local and regional context of the Greenbank District centre; provides an overview of the existing Greenbank SC and outlines the proposed expansion being considered.
- **Section 2** reviews strategic key planning environment of relevance to the proposed expansion at the subject site as well as the broader region.
- **Section 3** examines the potential trade area that could be served by retail facilities at Greenbank DC; provides estimates of current and anticipated population levels within the trade area; analyses the socio-demographic profile of the trade area population; and assesses the current and future estimated retail expenditure volumes generated by trade area residents.
- **Section 4** reviews the competitive context within which retail facilities at Greenbank DC operates, including all proposed competitive facilities.
- **Section 5** provides an assessment of retail floorspace demand generated by main trade area residents and the market gap for additional retail facilities in the main trade area.
- **Section 6** examines the expansion potential of the Greenbank DC and the consequent incremental sales that the centre could achieve upon expansion.

- **Section 7** presents our estimates of likely trading impacts on the surrounding retail/centres hierarchy and discusses the implications of these impacts.
- **Section 8** examines the net community benefits associated with the proposed development, including employment generation and other economic and social benefits.

Section 1: Site context and centre overview

1.1 Regional and local context

Greenbank Shopping Centre (SC) is a Woolworths supermarket anchored shopping centre that contains 5,605 sq.m of total gross floor area (GFA) including 5,088 sq.m of retail GFA, located on the corner of Teviot Road and Pub Lane in Greenbank, within the Logan City Local Government Area (LGA), around 39 km south of the Brisbane CBD. Greenbank SC forms part of the broader Greenbank District Centre (DC).

The Greenbank DC is located in the northern part of the Greater Flagstone Priority Development Area (PDA) and south of the Park Ridge residential development area. The Flagstone PDA is expected to accommodate around 50,000 dwellings over the long term, including 12,000 dwellings over the next 20 – 30 years in the Peet owned Flagstone Estate, as well as 15,000 dwellings in the Flinders Grove Estate. Map 1.1 illustrates the regional context of Greenbank SC.

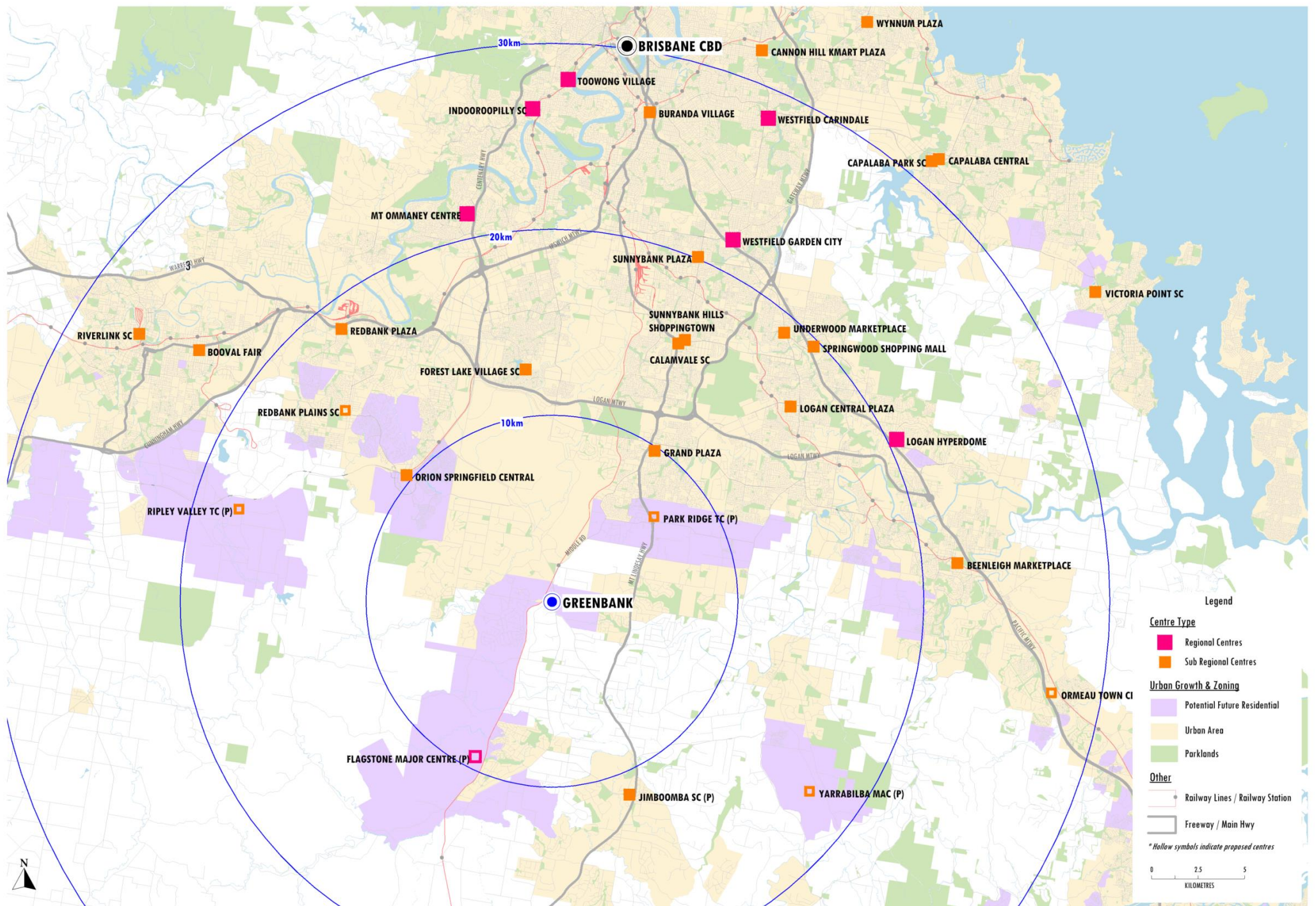
The Park Ridge area is expected to accommodate at least 10,000 dwellings over the long term. To the south-east, the Yarrabilba Estate could support in the order of 23,000 – 25,000 dwellings over the long term.

The prominent position of Greenbank DC on Teviot Road allows the centre to serve a relatively large trade area, affording excellent access for trade area residents and enabling strong beyond trade area business. Teviot Road connects to the Mount Lindesay Highway to the east, the latter which accommodates in excess of 22,000 vehicles per day. Upgrades to Pub Lane are also expected in the near future, while Teviot Road is projected to accommodate in increasing traffic volumes over the next 15 – 20 years as the Greater Flagstone PDA evolves.

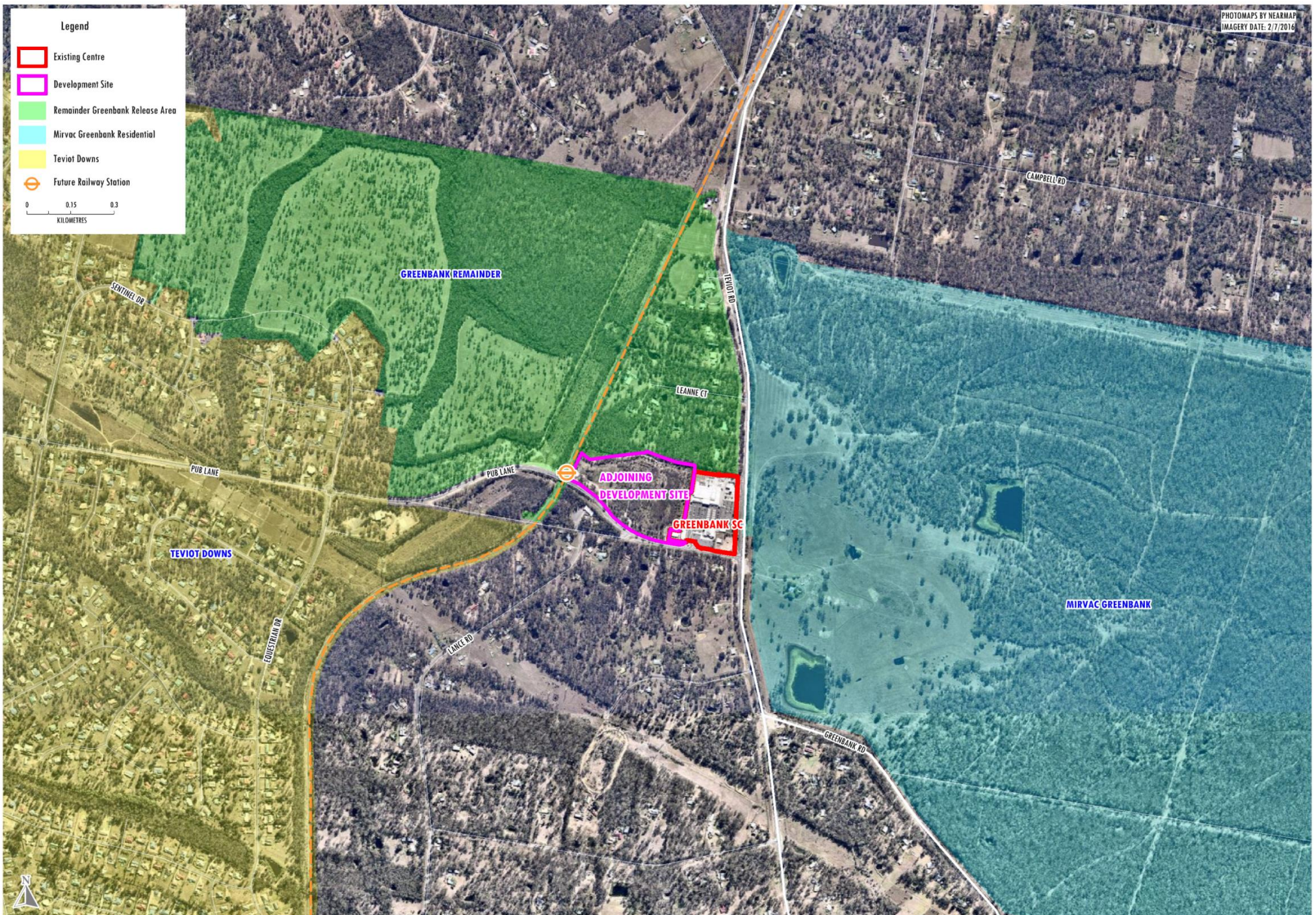
Greenbank has been identified as supporting a potential future train station for passenger rail services. The proposed passenger rail route would track the existing interstate rail corridor and would include a series of new stations extending towards the new communities in Flagstone.

Map 1.2 illustrates the local context of Greenbank SC. The centre is collocated with the Pub Lane Tavern and BWS liquor outlet, as well as a childcare centre and there is a service station currently under construction at the intersection of Pub Lane and Teviot Road. There are low density residential dwellings located immediately north and south of Greenbank SC, and a significant residential population is located to the immediate west of the rail line in New Beith.

Mirvac recently acquired a 481 ha parcel of land to the immediate east of the Greenbank SC, within the Greater Flagstone PDA, that could potentially accommodate up to 3,000 dwellings over the long term. This masterplanned community could include a small convenience based neighbourhood centre and other community facilities, which would likely be developed as the estate builds critical mass. Mirvac recently lodged a development application for the first stages of this estate.



Map 1.1: Greenbank
Regional context



Map 1.2: Greenbank DC

Local context

1.2 Centre composition

Table 1.1 summarises the current composition of the existing Greenbank SC (layout on Figure 1.1), and compares this with the benchmark for single supermarket centres across Australia. The key points to note are as follows:

- Greenbank SC contains 5,088 sq.m of occupied retail GFA, anchored by a Woolworths supermarket of 3,970 sq.m (GFA).
- The centre includes 11 specialty retail stores across 1,118 sq.m, including national brands such as Bargain Mania, Gloria Jeans and the Tobacco Station. The provision of retail specialties is around 12% below the single supermarket centres benchmark.
- There are no apparel or household goods retailers at the centre, and the centre is under-provided in convenience categories such as food and liquor and retail services.
- Greenbank SC contains 516 sq.m of non-retail floorspace, including 326 sq.m medical uses, a 120 sq.m veterinary clinic, a real estate agent of 70 sq.m, and an ATM and Blockbuster Kiosk.
- The Greenbank SC asset also includes a pad site, which contains a Woolworths Caltex Petrol Station of 85 sq.m.
- There is no vacant floorspace at the centre and there are no mini-major tenants.

There is also an adjacent pub and drive-thru bottle shop within the Greenbank DC as well as a child care centre (which has a waiting list) and a 7-11 service station is under construction.

Table 1.1 Greenbank SC - Centre composition*						
Category	Greenbank SC		Single smkt centres		Difference	
	GFA**		GFA**		GFA**	
	(sq.m)	(% of retail)	(sq.m)	(% of retail)	(%)	(sq.m)
<u>Major tenants</u>						
Supermarket	3,970	78.0%	3,757	69.4%	5.7%	213
Mini-majors	0	0.0%	387	7.1%	-100.0%	-387
<u>Retail specialties</u>						
Food & liquor	160	3.1%	259	4.8%	-38.1%	-99
Food catering	340	6.7%	254	4.7%	33.4%	85
Apparel	0	0.0%	150	2.8%	-100.0%	-150
Household**	0	0.0%	47	0.9%	-100.0%	-47
Leisure	75	1.5%	49	0.9%	54.0%	26
General	444	8.7%	340	6.3%	30.8%	104
Retail services	99	1.9%	170	3.1%	-41.9%	-71
Total retail spec.	1,118	22.0%	1,268	23.4%	-11.9%	-151
Total centre - retail	5,088	100.0%	5,412	100.0%	-6.0%	-324
<u>Non-retail</u>						
Medical	326					
Veterinary clinic	120					
Real estate agent	70					
ATM	1					
Total non-retail	517		1,100			
Total centre	5,605		6,512			
*As at July 2016						
**GFA - as per EDQ definition						
***Includes electronics, homewares, appliances, whitegoods, furniture, bedding, floor coverings etc						
Source: SCA Property; MacroPlan Dimasi						



Figure 1.1: Greenbank DC

Section 2: Strategic overview

This section reviews strategic key planning environment of relevance to the proposed expansion at the subject site as well as the broader region.

2.1 Greater Flagstone Urban Development Area Development Scheme

The subject site is designated as a District Centre within the Urban Living Zone in the Greater Flagstone Urban Development Area (UDA) Development Scheme. Under this designation the maximum allowable GFAs are as follows:

- Retail - 11,000 sq.m
- Commercial – 5,000 sq.m
- Community Services – 8,000 sq.m

In this context, clearly the District Centres are intended to perform a sub-regional role and function, with up to 24,000 sq.m of retail, commercial and community GFA permissible with public notification.

Because the subject site is located within the Greater Flagstone Priority Development Area (PDA), planning approvals are authorised through Economic Development Queensland (EDQ).

The existing Greenbank SC was established prior to the Greater Flagstone PDA being gazetted. The District Centre is only spatially located (not cadastre based) under the development scheme and conceivably could be located in any of the surrounding sites isolated from the existing Greenbank SC and be entitled to the full 11,000 sq.m GFA allowable under the development scheme. Urban Land Development Authority (now EDQ) at the time of drafting the Development Scheme would have taken the existing floor space of the Greenbank SC into consideration when applying the retail GFA allowances for the District Centre.

On this basis we are advised by the town planning consultant working on behalf of SCA Property, that the existing floor space within the Greenbank SC would not be considered as part of the Greenbank DC and not part of the 11,000 sq.m retail GFA cap outlined in the Development Scheme.

2.2 Logan Economic Development Strategy 2012 - 2016

The Logan Economic Development Strategy outlines six key themes, of which the proposed development would deliver strongly on the first three key themes:

- **New Investment:** the proposed project could result in a \$55 million capital investment in the Logan LGA which would then lead to broader multiplier benefits across the South East Queensland economy.
- **New Communities:** the proposed development will provide much needed sub-regional scale retail facilities in the short-term for the rapidly growing population of the Greater Flagstone region.
- **Industry Growth:** the proposed development will provide permanent employment in retail and other industries as well as temporary construction jobs and related industries.

The proposed development at the Greenbank DC will help to drive/support new residential growth in the region, which will, in turn, benefit all of the surrounding higher major order centres in the Logan LGA. This report examines the economic impacts of the proposed development on the surrounding network of higher order centres.

Section 3: Trade area analysis

This section of the report examines the potential trade area that could be served by retail facilities at Greenbank DC; provides estimates of current and anticipated population levels within the trade area; analyses the socio-demographic profile of the trade area population; and assesses the current and future estimated retail expenditure volumes generated by trade area residents.

3.1 Trade area definition

The extent of the trade area or catchment that is served by any shopping centre or retail facility is shaped by the interplay of a number of critical factors. These factors include:

- The relative attraction of the centre, in comparison with alternative competitive retail facilities. The factors that determine the strength and attraction of any particular centre are primarily its scale and composition (in particular the major trader or traders that anchor the centre); its layout and ambience; and car parking, including access and ease of use.
- The proximity and attractiveness of competitive retail centres. The locations, compositions, quality and scale of competitive retail facilities all serve to define the extent of the trade area which a shopping centre is effectively able to serve.
- The available road network and public transport infrastructure, which determine the ease (or difficulty) with which customers are able to access a shopping centre.
- Significant physical barriers which are difficult to negotiate, and can act as delineating boundaries to the trade area served by an individual shopping centre.

The trade area for Greenbank DC has been defined with regards to the above, in particular the following:

- The lack of existing supermarkets within the trade area. The only existing supermarket other than the Woolworths at Greenbank SC is an IGA supermarket of 1,200 sq.m about 1.5 km north in Greenbank. The closest full-line supermarket is a Woolworths supermarket located around 8.5 km north of Greenbank SC in the Park Ridge Town Centre.
- The potential future scale, role and function of the retail offer within the Greenbank DC. We note the centre has been designated as a District Centre that could support up to 24,000 sq.m of GFA of retail, commercial and community uses, i.e. the centre is ear-marked to perform a sub-regional role and function.
- Competitive facilities including Park Ridge Town Centre, Grand Plaza, Jimboomba Town Centre and Orion Springfield Central, which limit the trade area to the north-east, south-east and north-west, respectively.
- Future retail facilities planned across the Flagstone PDA and other growth areas (e.g. Yarrabilba).
- The prominent position of Greenbank DC on the corner of Teviot Road and Pub Lane.
- Significant physical barriers such as the Logan River to the south-east and the military reserve to the north.

Map 3.1 illustrates the trade area, which includes one primary sector and five secondary sectors, described as follows:

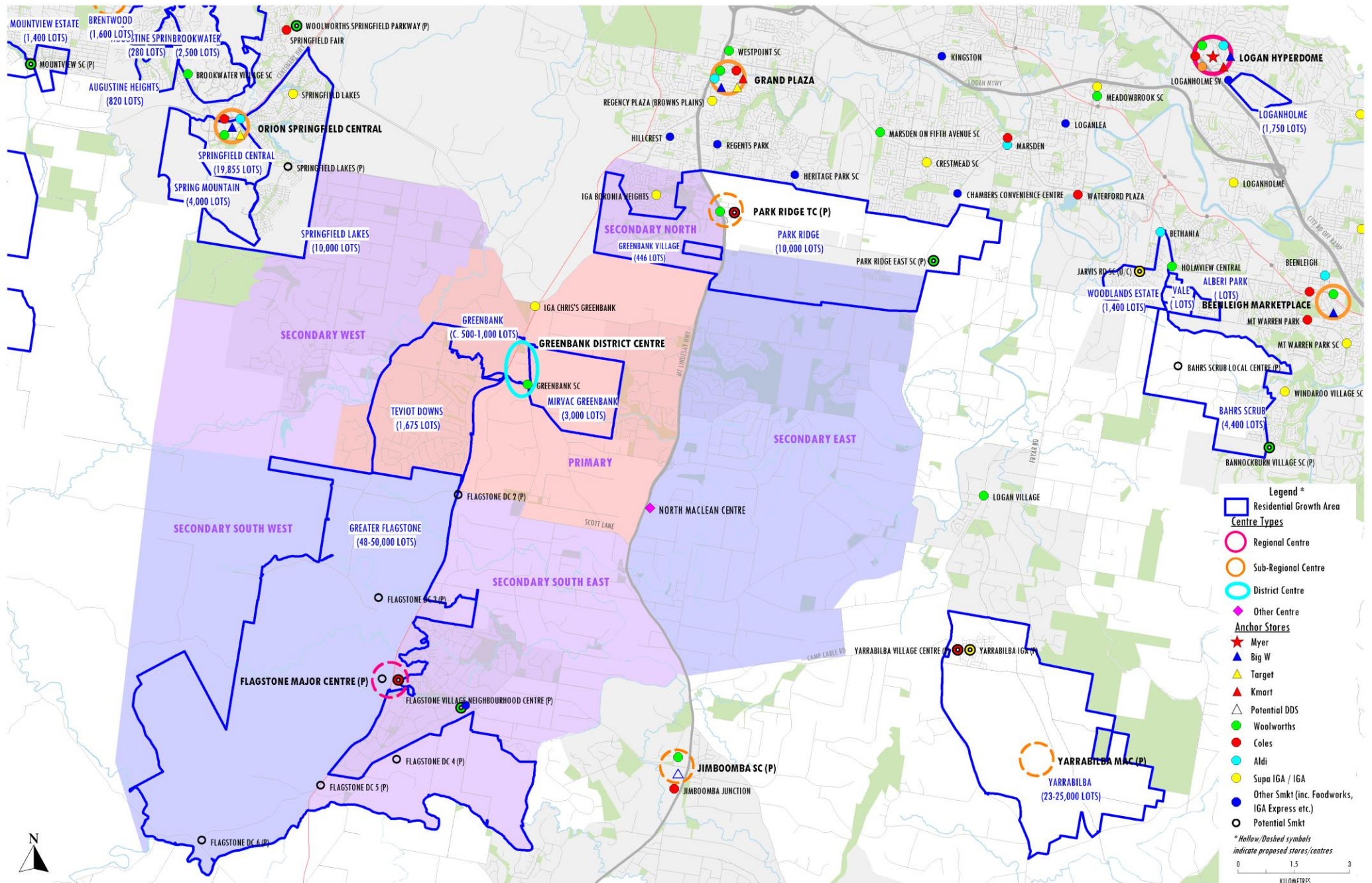
- The **primary sector** includes parts of Greenbank, Park Ridge South, Munruben, North Maclean and New Beith. This sector is generally bounded by the Mt Lindesay Highway to the east, Scott Lane to the south and New Beith Road to the west.
- The **secondary north sector** is generally bounded by the Mount Lindesay Highway to the east, Andrew Road to the south and Moody Road to the west. This sector includes parts of Boronia Heights, Park Ridge and Greenbank.

- The **secondary east sector** contains parts of the suburbs of Park Ridge, Park Ridge South, Chambers Flat, Stockleigh, Logan Village, Jimboomba, South Maclean, North Maclean, and Munruben. This sector is generally bounded by Talinga Drive to the north and the Mt Lindesay Highway to the west.
- The **secondary south east sector** is generally bounded by Scott Lane to the north, the Mt Lindesay Highway to the north-east, the Logan River to the south-east and south, and the railway line to the west. This sector includes parts of North Maclean, South Maclean, Jimboomba and Undullah.
- The **secondary south west sector** includes parts of Undullah, Kagaru, Lyons and New Beith.
- The **secondary west sector** is generally bounded by Springfield Beaudesert Connection Road to the north, New Beith Road to the east and natural reserves to the west. This sector contains parts of New Beith, Lyons and Greenbank.

The combination of primary and secondary sectors is referred to as the main trade area throughout this report.

The trade area includes all of the Greater Flagstone PDA, because this region is not serviced by sub-regional retail facilities and is not expected to sustain such facilities until the longer term (i.e. beyond 2026) once the population west of the railway line establishes sufficient critical mass.

We have had regard to future retail facilities being developed throughout this area and we expect the market shares from the southern secondary sectors will decrease over time, in particular the secondary south west sector.



Map 3.1: Greenbank
Trade Area and Competition

3.2 Trade area population

Table 3.1 and 3.2 following detail the current and projected population levels within the main trade area. This information has been collected from a range of sources, including the following:

- Australian Bureau of Statistics (ABS) Census of Population and Housing (2006 and 2011);
- Australian Bureau of Statistics Dwelling Approvals Data (2011–15);
- Australian Bureau of Statistics Estimated Residential Population Data (ERP) (2011-15);
- QLD Office of Economic and Statistical Research (OESR) (April 2015);
- Other investigations of future residential development, undertaken by this office.

Population growth in the main trade area will primarily be driven by greenfield residential development. The larger residential developments within the main trade area are summarised as follows:

- **Mirvac estate:** The Mirvac owned land adjacent to the centre, east of Teviot Road, could potentially yield more than 3,000 dwellings and is expected to be developed over the next 10 – 15 years. The stage 1 Preliminary Approval and Development Permit for this estate has been submitted to EDQ for assessment and we understand subsequent applications will be submitted in due course.
- **Teviot Downs:** This residential estate, located in New Beith within the primary sector, has subdivision approval for a further 1,160 lots and is expected to be delivered in stages over the medium to long term.
- **New Beith Forest Estate:** This estate is located in New Beith within the primary sector and has subdivision approval for around 680 lots. While this project has not progressed since May 2015, we expect this estate to be developed over the short to medium term.

- **Pub Lane Estate:** This estate is located in New Beith in the primary sector and has received subdivision approval for around 150 lots. The estate is expected to be delivered in six stages over the medium term.
- **Intrapac Greenbank:** This residential estate, which is located in within the secondary north sector, has subdivision approval for 446 lots, which are expected to be delivered in 12 stages.
- **River Oaks Estate:** This estate is located within Stockleigh in the secondary east sector, and has subdivision approval for a further three 60 - 65 residential lots, expected to be delivered over the short to medium term.
- **Rise Estate:** This estate is located in Park Ridge within the secondary east sector, and is planned to include over 500 lots upon completion over the longer term. The estate is being developed in stages; stages 1 and 2 have commenced; stage 3 and 4 have received building approval; stages 6 and 7 have received subdivision approval; and a subdivision application has been submitted for further stages.
- **Spring Mountain Estate:** This masterplan community is located in Greenbank, in the secondary west sector, and has approval for a further 360 lots. Upon completion this estate is expected to accommodate in the order of 1,000 lots.
- **The Greater Flagstone PDA:** When fully developed, it is anticipated that the Greater Flagstone PDA could provide up to 50,000 dwellings housing a population of up to 120,000 people. According to the official population projections produced by the Queensland OESR, is expected that the Greater Flagstone PDA could accommodate around half this population within the next 20 years or so. The Greater Flagstone PDA is located mostly within the secondary south west sector, but also partially within the secondary east and primary sectors. Two of the larger estates within the Greater Flagstone PDA include:
 - **Flagstone Rise:** This was one of the first subdivision approvals in the Greater Flagstone PDA, granted in early 2015, for 700 residential dwellings and three commercial lots. This estate is being developed by Peet and could accommodate up to around 12,000 dwellings over the long term. The road connection across the railway line to this

estate is not yet completed, and is likely to be completed towards the end of 2018, at the earliest.

- **Flinders Grove:** Is a master plan community within the southern part of the Greater Flagstone PDA, which is expected to deliver 15,000 dwellings over the long term. This estates is expected to potentially support a population of around 45,000 residents.

The main trade area population is estimated at around 38,440 as at June 2016, including 8,300 residents within the key primary sector. Over the most recent intercensal period (2006-2011), the main trade area population increased at an average rate of 2.6% per annum, or around 860 residents per annum. Between 2011 and 2016, the main trade area population has grown by 630 residents per annum.

Having regard to the major greenfield developments summarised in the previous pages, the main trade area population is expected to more than double by 2031 to reach 79,200, at a very strong average annual growth rate of 4.9%. We note that the main trade area population will increase considerably beyond 2031, as the total capacity population of the Greater Flagstone PDA (which forms part of the trade area) is greater than 100,000 persons.

The primary sector is expected to reach 15,600 persons by 2031, at an average annual growth rate of 4.3%. We note that the Development Scheme outlines a vision for approximately 6,000 residents in the Greenbank Central Area of the Greater Flagstone PDA, which is located within the primary sector. At present the Greenbank Central Area contains limited population but is expected to accommodate the lion's share of the future growth in the primary sector, which is projected at around 7,300 persons over the period to 2031 (i.e. there is already 8,300 people in the primary sector).

Table 3.1
Greenbank trade area population, 2006-2031*

Trade area sector	Estimated population			Forecast population			
	2006	2011	2016	2018	2021	2026	2031
Primary	6,100	7,720	8,320	8,920	10,120	12,620	15,620
Secondary sectors							
• North	7,660	7,880	8,430	8,730	9,180	9,680	10,180
• East	8,220	8,650	9,300	9,600	10,050	10,800	11,300
• Sth-east	5,480	6,630	7,430	7,630	7,930	8,430	9,930
• Sth-west	100	130	180	1,380	5,880	14,880	25,380
• West	<u>3,430</u>	<u>4,280</u>	<u>4,780</u>	<u>5,080</u>	<u>5,530</u>	<u>6,280</u>	<u>6,780</u>
Total secondary	24,890	27,570	30,120	32,420	38,570	50,070	63,570
Main trade area	30,990	35,290	38,440	41,340	48,690	62,690	79,190

Trade area sector	Average annual growth (no.)					
	2006-11	2011-16	2016-18	2018-21	2021-26	2026-31
Primary	324	120	300	400	500	600
Secondary sectors						
• North	44	110	150	150	100	100
• East	86	130	150	150	150	100
• Sth-east	230	160	100	100	100	300
• Sth-west	6	10	600	1,500	1,800	2,100
• West	<u>170</u>	<u>100</u>	<u>150</u>	<u>150</u>	<u>150</u>	<u>100</u>
Total secondary	536	510	1,150	2,050	2,300	2,700
Main trade area	860	630	1,450	2,450	2,800	3,300

Trade area sector	Average annual growth (%)					
	2006-11	2011-16	2016-18	2018-21	2021-26	2026-31
Primary	4.8%	1.5%	3.5%	4.3%	4.5%	4.4%
Secondary sectors						
• North	0.6%	1.4%	1.8%	1.7%	1.1%	1.0%
• East	1.0%	1.5%	1.6%	1.5%	1.4%	0.9%
• Sth-east	3.9%	2.3%	1.3%	1.3%	1.2%	3.3%
• Sth-west	5.4%	6.7%	176.9%	62.1%	20.4%	11.3%
• West	<u>4.5%</u>	<u>2.2%</u>	<u>3.1%</u>	<u>2.9%</u>	<u>2.6%</u>	<u>1.5%</u>
Total secondary	2.1%	1.8%	3.7%	6.0%	5.4%	4.9%
Main trade area	2.6%	1.7%	3.7%	5.6%	5.2%	4.8%

*As at June

Source: ABS Census 2011; QLD Office of Economic and Statistical Research, 2015; MacroPlan Dimasi

3.3 Socio-demographic profile

Table 3.2 presents the socio-demographic profile of main trade area residents, and compares it with the metropolitan Brisbane and Australian averages. These data are sourced from the 2011 ABS Census of Population and Housing. Key points to note are as follows:

- The average household income of the main trade area population is around 4.8% below the Brisbane metropolitan average. However, this average is significantly skewed by the below average incomes in the secondary north and secondary east sectors – which account for more than half the current population. Household incomes are highest in the key primary sector, at 5.9% above the metropolitan Brisbane average.
- The average age of the main trade area, at 34.9 years, is below the metropolitan Brisbane average of 36.2 years. This is driven by the high proportion of children (24.1% vs 20.1%) and low proportion of people aged 60 years and over (14.8% vs 16.9%), compared to the Brisbane average.
- The home ownership level of the main trade area population, at 81.5%, is considerably higher than the metropolitan Brisbane average of 65.5%. This is typical of new housing areas in the outer suburbs, and reflects a high proportion of households in the process of buying their homes (54.8% of all households). This is particularly relevant in relation to the household goods category, as many new homeowners will be looking to furnish their places with new furniture and household items.
- Australian residents account for 78.3% of the main trade area population, which is above the metropolitan Brisbane average (73.9%).
- Couples with dependent children (i.e. traditional families) are the most prevalent household type in the main trade area, accounting for 53.2% of households, which is higher than the metropolitan Brisbane average of 46.7%. This household structure is particularly common in the primary sector (60.1%).

The main trade area population is characterised by young average age, high ownership levels and a high proportion of traditional family households, compared with the Brisbane average. We note that these data are almost five years old and we expect the socio-demographic profile, in particular average household incomes, would have improved since 2011 and will continue to improve over the next 10 – 20 years as new homeowners move to the region.

Table 3.2 Greenbank main trade area - socio-demographic profile, 2011									
Census item	Primary sector	North	East	Secondary sectors Sth-east	Sth-west	West	Main TA	Bris Metro avg.	Aust. avg.
Per capita income	\$30,430	\$26,195	\$30,006	\$28,505	\$34,580	\$34,029	\$29,470	\$35,420	\$34,467
Var. from Bris Metro benchmark	-14.1%	-26.0%	-15.3%	-19.5%	-2.4%	-3.9%	-16.8%		
Avg. household income	\$101,266	\$73,911	\$86,332	\$95,793	\$100,282	\$113,313	\$91,051	\$95,634	\$88,205
Var. from Bris Metro benchmark	5.9%	-22.7%	-9.7%	0.2%	4.9%	18.5%	-4.8%		
Avg. household size	3.3	2.8	2.9	3.4	2.9	3.3	3.1	2.7	2.6
<u>Age distribution (% of population)</u>									
Aged 0-14	25.9%	22.3%	19.5%	28.5%	15.2%	27.0%	24.1%	20.1%	19.3%
Aged 15-19	7.6%	6.9%	7.5%	7.9%	13.6%	7.3%	7.4%	6.9%	6.5%
Aged 20-29	9.8%	14.9%	9.3%	9.0%	4.8%	8.0%	10.4%	15.2%	13.8%
Aged 30-39	16.2%	13.3%	11.0%	17.2%	9.6%	16.7%	14.5%	14.6%	13.8%
Aged 40-49	16.9%	11.7%	16.6%	16.9%	18.4%	19.3%	16.0%	14.2%	14.2%
Aged 50-59	12.3%	12.4%	15.4%	10.6%	17.6%	12.3%	12.8%	12.0%	12.8%
Aged 60+	11.4%	18.5%	20.8%	9.8%	20.8%	9.4%	14.8%	16.9%	19.6%
Average age	33.1	36.2	39.0	31.5	40.6	32.6	34.9	36.2	37.9
<u>Housing status (% of households)</u>									
Owner (total)	<u>86.7%</u>	<u>69.1%</u>	<u>82.5%</u>	<u>83.1%</u>	<u>86.8%</u>	<u>90.1%</u>	<u>81.5%</u>	<u>65.5%</u>	<u>68.7%</u>
• Owner (outright)	23.3%	29.3%	37.9%	18.3%	31.6%	18.0%	26.6%	27.9%	32.9%
• Owner (with mortgage)	63.5%	39.8%	44.6%	64.8%	55.3%	72.2%	54.8%	37.6%	35.8%
Renter	13.1%	29.2%	16.7%	16.9%	13.2%	9.9%	17.9%	33.7%	30.4%
Other	0.1%	1.7%	0.8%	0.0%	0.0%	0.0%	0.6%	0.8%	0.9%
<u>Birthplace (% of population)</u>									
Australian born	80.2%	73.8%	77.2%	82.3%	81.6%	78.9%	78.3%	73.9%	74.0%
Overseas born	<u>19.8%</u>	<u>26.2%</u>	<u>22.8%</u>	<u>17.7%</u>	<u>18.4%</u>	<u>21.1%</u>	<u>21.7%</u>	<u>26.1%</u>	<u>26.0%</u>
• Asia	4.1%	6.0%	4.5%	1.2%	0.0%	2.4%	3.9%	7.1%	8.6%
• Europe	8.5%	9.4%	11.7%	8.9%	12.2%	10.3%	9.8%	8.9%	10.5%
• Other	7.2%	10.7%	6.6%	7.6%	6.1%	8.4%	8.0%	10.1%	7.0%
<u>Family type (% of households)</u>									
Couple with dep't children	60.1%	43.7%	46.6%	62.1%	47.8%	63.4%	53.2%	46.7%	45.3%
Couple with non-dep't child.	9.7%	9.2%	11.8%	7.2%	9.8%	9.1%	9.6%	7.2%	7.7%
Couple without children	19.2%	21.6%	25.3%	17.7%	29.3%	18.2%	21.1%	22.7%	23.0%
One parent with dep't child.	6.0%	13.5%	6.7%	8.0%	3.3%	5.0%	8.2%	9.7%	9.2%
One parent w non-dep't child.	2.3%	3.5%	2.6%	1.9%	6.5%	1.6%	2.5%	3.4%	3.5%
Other family	0.4%	0.8%	0.6%	0.5%	3.3%	0.6%	0.6%	1.3%	1.1%
Lone person	2.3%	7.7%	6.4%	2.5%	0.0%	1.9%	4.7%	9.0%	10.2%

Source: ABS Census of Population & Housing, 2011; MacroPlan Dimasi

3.4 Retail expenditure capacity

MacroPlan Dimasi estimates retail expenditure capacity generated by the main trade area residents based on information sourced from Market Data Systems (MDS) called MarketInfo, which utilises a detailed micro simulation model of household expenditure behaviour for all residents of Australia.

The model takes into account information from a wide variety of sources including the regular ABS Household Expenditure Surveys, national accounts data, Census data and other information. We consider MarketInfo data to be an accurate measure of available retail expenditure and it is widely relied on in the retail industry.

Total retail expenditure is detailed in a number of categories, as follows:

Retail expenditure category definitions:

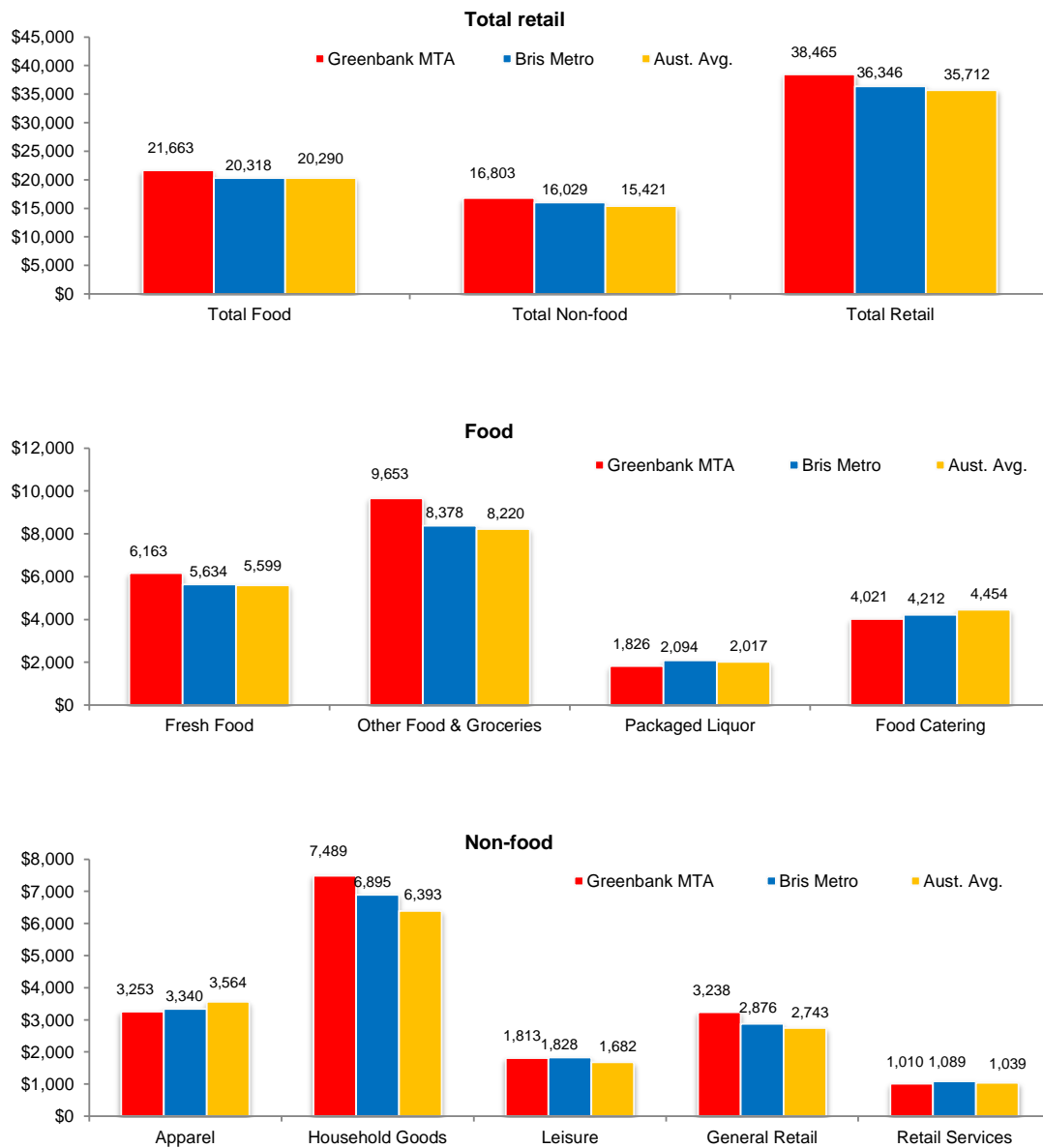
- FLG: take-home food and groceries, as well as packaged liquor.
- Food catering: expenditure at cafes, take-away food outlets and restaurants.
- Apparel: clothing, footwear, fashion accessories and jewellery.
- Household goods: giftware, electrical, computers, furniture, homewares, home improvement goods and hardware. This includes retailers of the likes of JB Hi-Fi, Harvey Norman, Bing Lee, Apple, Bed Bath n Table, Howard Storage World, Mitre 10, Home Hardware etc.
- Leisure: sporting goods, music, DVDs, computer games, books, newspapers & magazines, stationery and photography equipment.
- General retail: pharmaceutical goods, cosmetics, toys, florists, mobile phones and pets.
- Retail services: hair & beauty, optical goods, dry cleaning, key cutting and shoe repairs.

Chart 3.1 illustrates the retail expenditure capacity per household for residents of the identified main trade area for the year 2015/16, and compares these estimates with the averages for metropolitan Brisbane and Australia. Retail expenditure estimates are presented inclusive of GST.

The following points are noted:

- Because average household sizes across the trade area are around 15% greater than average (3.1 vs 2.7 persons per household), the average retail expenditure per household is around 6% above the metropolitan Brisbane average.
- Per household expenditure on fresh food is 9% above the metropolitan Brisbane average, while per capita expenditure on other food and groceries is around 15% above average. These categories are of particular relevance to supermarkets, as they represent 90% - 95% of supermarket items.
- Per capita expenditure on non-food retail categories (i.e. generally considered discretionary retail) is about 5% above the metropolitan Brisbane average, driven by an above average propensity to spend on household goods and general retail.

Chart 3.1
Greenbank main trade area - retail expenditure per household, 2015/16*



*Including GST

Source: MarketInfo; MacroPlan Dimasi

Table 3.3 presents estimates of the total retail expenditure generated by the main trade area population, by trade area sector, over the period from 2016 to 2031. Expenditure forecasts are presented inclusive of GST and in constant 2015/16 dollars.

The retail expenditure market is expected to grow from about \$481 million in 2016 to \$1.19 billion by 2031, at an average annual growth rate of 6.2%.

The average annual growth rate of 6.2% comprises two components, as follows:

- Residential population growth, which is expected to average 4.9% per annum over the forecast period; and
- Real growth in per capita retail expenditure, which is expected to average 0.9% - 1.0% per annum over the forecast period.

The total retail expenditure capacity of primary sector residents is expected to grow at 5.1% per annum, from \$105 million at 2016 to \$222 million by 2031.

Table 3.3 Greenbank main trade area - retail expenditure (\$M), 2016-2031*							
Year ending June	Primary sector	North	East	Sth-east	Sth-west	West	Main TA
2016	104.7	100.0	119.6	90.5	2.6	63.8	481.2
2017	108.3	102.5	122.5	92.9	4.6	66.1	496.9
2018	113.2	105.2	125.6	95.0	12.8	68.7	520.6
2019	118.7	108.0	128.7	97.1	27.4	71.4	551.4
2020	124.9	110.8	131.9	99.3	44.9	74.1	585.9
2021	131.4	113.7	135.1	101.5	73.4	76.9	632.1
2022	138.4	116.3	138.4	103.7	103.5	79.7	680.1
2023	146.0	118.6	141.6	105.9	125.8	82.5	720.4
2024	154.0	121.0	145.0	108.2	152.8	85.4	766.3
2025	162.4	123.4	148.4	110.5	185.7	88.4	818.7
2026	171.2	125.8	151.9	112.9	225.6	91.5	878.9
2027	180.4	128.3	155.1	116.5	263.5	94.2	938.0
2028	190.0	130.8	157.9	121.4	295.9	96.5	992.5
2029	200.1	133.3	160.8	126.6	332.2	98.9	1,051.9
2030	210.7	135.9	163.8	132.0	373.0	101.3	1,116.7
2031	221.9	138.5	166.7	137.6	418.9	103.8	1,187.4
<u>Average annual growth (\$M)</u>							
2016-2031	7.8	2.6	3.1	3.1	27.7	2.7	47.1
<u>Average annual growth (%)</u>							
2016-2031	5.1%	2.2%	2.2%	2.8%	n.a.**	3.3%	6.2%
*Constant 2015/16 dollars & including GST							
**n.a. because average annual growth rate is affected by low base.							
Source: MarketInfo; MacroPlan Dimasi							

Table 3.4 presents estimates of expenditure for the main trade area by retail category, over the period 2016 to 2031.

FLG expenditure (take-home food and groceries including packaged liquor) is estimated at \$224 million in 2016, and accounts for 47% of all retail expenditure in the trade area.

FLG expenditure by trade area residents is forecast to increase to \$554 million by 2031, reflecting average annual growth of 6.2%.

Food catering is expected to be the fastest growing category, with estimated growth 7% per annum over the period to 2031.

Table 3.4 Greenbank main trade area - retail expenditure by category (\$M), 2016-2031*								
Year ending June	FLG	Food catering	Apparel	Household goods	Leisure	General retail	Retail services	Total retail
2016	224.4	49.6	40.1	92.4	22.4	39.9	12.5	481.2
2017	231.9	51.5	41.3	95.3	23.0	41.1	12.9	496.9
2018	243.0	54.4	43.1	99.8	23.9	42.9	13.5	520.6
2019	257.4	58.0	45.4	105.8	25.2	45.2	14.4	551.4
2020	273.4	62.2	48.1	112.5	26.5	47.9	15.3	585.9
2021	294.9	67.7	51.6	121.5	28.3	51.5	16.5	632.1
2022	317.2	73.4	55.3	130.9	30.2	55.2	17.9	680.1
2023	336.0	78.4	58.3	138.8	31.8	58.2	19.0	720.4
2024	357.4	84.0	61.8	147.7	33.6	61.7	20.2	766.3
2025	381.8	90.4	65.7	157.9	35.6	65.6	21.6	818.7
2026	409.8	97.9	70.3	169.6	37.9	70.2	23.3	878.9
2027	437.4	105.2	74.7	181.1	40.1	74.6	24.9	938.0
2028	462.9	112.1	78.7	191.6	42.2	78.6	26.4	992.5
2029	490.8	119.7	83.0	203.0	44.4	83.0	28.0	1,051.9
2030	521.1	128.0	87.8	215.5	46.8	87.7	29.8	1,116.7
2031	554.3	137.0	92.9	229.1	49.5	92.9	31.8	1,187.4
<u>Average annual growth (\$M)</u>								
2016-2031	22.0	5.8	3.5	9.1	1.8	3.5	1.3	47.1
<u>Average annual growth (%)</u>								
2016-2031	6.2%	7.0%	5.8%	6.2%	5.4%	5.8%	6.4%	6.2%
*Constant 2015/16 dollars & including GST Source: MarketInfo; MacroPlan Dimasi								

Section 4: Competition

This section of the report reviews the competitive context within which retail facilities at Greenbank DC operates, including all proposed competitive facilities.

4.1 Existing competition

Table 4.1 details the surrounding retail facilities of relevance to the Greenbank DC, while the previous Map 3.1 illustrates the locations of these centres. The closest and most relevant retail centres/precincts are summarised as follows:

- **Greenbank IGA centre:** is a small neighbourhood centre with around 1,600 sq.m of traditional retail floorspace anchored by an IGA supermarket estimated at 1,200 sq.m, located on the western side of the railway line on the intersection of Middle Road and Sheppards Drive. The centre also contains 4 supporting specialty retail shops, a real estate agent, a service station, a medical centre. There is a vet/pet centre, a hardware store and pool shop beneath the main retail centre, on the eastern side of the site.
- **Flagstone Village:** currently contains around 800 sq.m of retail floorspace, including a small IGA X-Press supermarket, a BWS bottle shop, and a handful of specialty shops, Approval was recently granted for a major redevelopment of this centre which we have explained further in sub-section 4.2.
- The **Park Ridge Town Centre** contains the Woolworths anchored Park Ridge Shopping Centre, which is currently being redeveloped and expanded to include a Coles supermarket and additional specialty shops. The centre will be rebranded as the Park Ridge Town Centre. There is also a small food based precinct within the broader Town Centre on Jedfire Street, plus the Park Ridge Tavern and a Caltex service station.
- **Browns Plains Major Activity Centre** is located about 11-12km from Greenbank DC contains around 55,000 sq.m of traditional retail floorspace, as well as a significant provision of large format/bulky goods retail. The traditional retail offer predominantly

consists of the **Grand Plaza Shopping Centre**, which is a 45,800 sq.m (retail GLA) triple discount department store (dds), triple supermarket anchored shopping centre with around 140 specialty shops and an Event Cinema complex.

There is also a Woolworths (3,122 sq.m) anchored neighbourhood shopping centre, totalling 5,900 sq.m (retail GLA) located on the northern side of Browns Plains Road in the and an estimated 3,000 – 3,500 sq.m of other traditional street/strip retail within the Browns Plains Major Activity Centre

- **Greater Springfield** contains an estimated 57,600 sq.m of traditional retail floorspace, primarily consisting of the Orion Springfield Central sub-regional shopping centre. Orion Springfield Central now contains around 51,000 sq.m of retail GLA, having undergone a significant recent expansion which included a new Target dds, a new Coles supermarket, additional specialty/mini-major shops and a new 9 screen Event Cinema complex.

There are also two neighbourhood centres surrounding Orion Springfield Central including the 5,100 sq.m Coles anchored Springfield Fair centre which contains around 5,100 sq.m of retail floorspace and the IGA anchored Springfield Lakes SC centre (1,500 sq.m).

- The **Jimboomba Town Centre**, which currently accommodates an estimated 18,200 sq.m of retail floorspace including two supermarket based centres, the Woolworths anchored Jimboomba SC (8,900 sq.m) and the Coles anchored Jimboomba Central (6,200 sq.m). There is also a small mixed commercial/retail precinct to the south of these two centres.
- There are also small retail offerings in Hillcrest, Boronia Heights, Heritage Park, and North Maclean. These are generally some distance away from the subject site and serve localised catchments.
- The **Boronia Heights** shopping centre contains a small IGA supermarket, estimated at around 600 sq.m and around 10 - 12 supporting specialty shops and medical centre. The centre is located adjacent to an early education and kindergarten centre.
- The small centre in **North Maclean** is located on the Mount Lindsay Highway at the intersection of St Aldwyn Road and contains a large medical centre, a discount pharmacy, a fresh food market, and several specialty shops including a liquor store.

Table 4.1
Greenbank - schedule of competing retail facilities

Centre	Retail GLA (sq.m)	Major traders	Dist. by road from Greenbank SC (km)
<u>Greenbank</u>	<u>6,800</u>		-
• Greenbank SC	5,100	Woolworths	
• IGA Chris's Greenbank	1,600	IGA	2.8
Boronia Heights	1,500	IGA	6.7
North Maclean	1,000	Olley's Fruit Market	6.8
<u>Park Ridge TC</u>	<u>6,000</u>		8.5
• Existing	6,000	Woolworths	
• Short term development (p)	8,400	Coles (p)	
• Permissible - long term	25,600	Possible DDS (p)	
<u>Flagstone Village</u>	<u>800</u>		10.0
• Existing	800	IGA X-Press	
• Proposed**	5,653	Woolworths (p)	
<u>Browns Plains MAC</u>	<u>55,000</u>		11.6
• Grand Plaza SC (existing)	45,800	Target, Big W, Kmart, Coles, Woolworths, Aldi	
• Grand Plaza SC (p)	35,000	n.a.	
• Westpoint SC	5,900	Woolworths	
• Other	3,300	n.a.	
<u>Jimboomba MAC</u>	<u>18,100</u>		12.2
• Jimboomba SC (existing)	8,900	Woolworths	
• Jimboomba SC (p)	12,000	dds (p)	
• Jimboomba Junction	6,200	Coles	
• Other	3,000	n.a.	
<u>Greater Springfield</u>	<u>57,600</u>		14.3
• Orion Springfield	51,000	Big W, Woolworths, Aldi	
• Springfield Fair	5,100	Coles	
• Springfield Lakes	1,500	IGA	
• Springfield Lakes (p)	6,000	Supermarket (p)	
• Springfield Parkway (p)	3,500	Woolworths (p)	

*GFA figures

**Existing centre to be demolished and replaced.

Source: Property Council of Australia; MacroPlan Dimasi

4.2 Proposed competition

There are many new centres planned, and existing centres proposed to expand across the surrounding region. Expansions of existing centres are summarised in Table 4.1 (previous page) and new/planned centres are summarised in Table 4.2. Key points to note about the proposed developments are as follows:

Greater Flagstone PDA

- **Greater Flagstone** is planned to support a Principal Activity Centre (PAC) which could potentially support up to 100,000 sq.m of retail/entertainment GFA, up to 60,000 sq.m of bulky goods retail and up to 90,000 sq.m of commercial GFA. This centre is expected to be developed in stages, over the much longer term, as a centre of this scale will require a significant population well in excess of 100,000. The majority of this centre is oriented west of the railway line, however, the commercial zoning extends east of the railway line around
- A DA was recently submitted to EDQ for assessment by Coles Property Developments within the Greater Flagstone PAC, near the intersection of Homestead Drive and proposed roads No. 6 and No.7, near the Flagstone Sales and Information Centre. The DA outlines a proposed Coles supermarket of 3,200 sq.m and a service station as a Stage 1. An expansion of the Coles by 800 sq.m is proposed for Stage 2 and a further 744 sq.m of retail specialty GFA is planned for Stage 3. We expect this centre will not be developed until post 2021, given the lack of population west of the railway line and the recent approval of a full-line Woolworths supermarket based redevelopment at Flagstone Village in a location already serviced by established roads. That said, were the Coles and the Woolworths supermarkets to be developed around the same time (i.e. pre-2020), each operator would significantly impact on the other's potential sales, rather than impact more significantly on the surrounding centres hierarchy. The PAC is planned to be supported by a network of six smaller district centres (including the Greenbank DC), which are each planned to accommodate 11,000 sq.m of retail and entertainment GFA as well as 5,000 sq.m of commercial GFA; as well as 10 neighbourhood centres, which each have a maximum allowable retail and entertainment GFA of 4,000 sq.m.

- The **Flinders Grove** masterplanned community, located in the southern part of the Greater Flagstone PDA, is planned to include two shopping centres to serve its population. A report prepared by RPS in 2011, indicated that this precinct could potentially accommodate a sub-regional centre, including more than one supermarket, supported by a second centre of around 5,000 sq.m anchored by one supermarket. However, these centres are expected to be developed over the much longer term.
- **Flagstone Village** recently received development approval (in early 2016) for a major redevelopment of the existing small neighbourhood centre. The proposed redevelopment is planned to consist of a 3,600 sq.m Woolworths supermarket and around 2,850 sq.m of supporting retail floorspace, totalling 6,450 sq.m, which is around 3,000 sq.m larger than the previous development approval which existed for the centre. We expect this development to be completed by 2019, and we have assumed that one of the two proposed developments in the locality

Jimboomba and Browns Plains MAC

- A DA approval exists for a new shopping centre in **Jimboomba** of around 21,600 sq.m to the north of the existing Jimboomba SC. The approval consists of two components - the development of the new centre, as well as redevelopment of the existing centre. The existing Woolworths supermarket would be relocated to the new centre, which would include a DDS, specialty stores and a food court. The existing centre would be redeveloped to include a new medical centre, a gym, liquor outlet and commercial tenancies. Jimboomba SC, as well as the site of the new shopping centre, were put to the market for sale in late 2015. This development has been deferred for several years and we expect that it will occur at some point over the medium term. There would be only a minor overlap in the trade areas of the proposed Jimboomba sub-regional shopping centre and the defined Greenbank main trade area.
- **Grand Plaza Shopping Centre** has development approval for a major expansion, an approval which has existed for several years. The approval allows for 35,000 sq.m of additional space, including a new DDS, two level department store, 8,700 sq.m additional specialty space, 1,500 sq.m restaurant space and 1,500 sq.m bowling alley. It is understood that this project has been deferred since 2011. Given that the centre already has a full

complement of supermarkets and DDS, and given the changing strategy for each of the two major department store players in Australia, especially in outer suburban locations, it is uncertain as to what the proposed expansion may include. As such, we do not expect this development to proceed as per the proposed plans, and we have not accounted for this expansion in our assessment of impacts.

Park Ridge

- Prior to its major redevelopment, the Woolworths anchored **Park Ridge Shopping Centre** contained an estimated 5,000 sq.m of retail GLA. Construction is underway for an 8,400 sq.m expansion of this centre, which will include a new Coles supermarket, a mini-major and 25 additional specialty stores, as well as an extension to the existing Woolworths. The redevelopment is partially completed and is expected to be fully complete by 2017 and the centre will be rebranded as the Park Ridge Town Centre.
- The **Park Ridge Town Centre** is designated as a **Major Retail Centre** under the Park Ridge Scheme Amendment, which allow up to 40,000 sq.m of retail GFA. The configuration of the current redevelopment of the Park Ridge Town Centre shopping centre, in our view, compromises the future expansion potential of this centre, in particular the ability for the site/centre to become a functional/effective enclosed sub-regional shopping centre with a DDS anchor. We also we expect that each of the three DDS operators would be cautious about locating here due to the centre's proximity to Grand Plaza.
- There is an approval for a new supermarket based centre at Park Ridge East, which could contain up to 5,900 sq.m of retail floorspace, including a 3,950 sq.m Woolworths supermarket and specialties. This project has not progressed since April 2015, but we have assumed it will be developed over the next few years.

Yarrabilba PDA

- A small convenience centre with a 700 sq.m IGA is currently being developed in the **Yarrabilba District Centre 1**, which is due to open later this year and a 4,500 sq.m shopping centre development anchored by a 3,300 sq.m Coles supermarket is expected to be open by 2017. A medical centre is also under construction within the District Centre.

- The **Yarrabilba Town Centre** has approval for up to 45,000 sq.m of retail GFA, which is expected to be delivered in stages over the long term, with a first stage expected to occur between 2020 and 2025.

Greater Springfield

- There is development approval for a supermarket anchored development in **Springfield Lakes**, which could include 6,000 sq.m of retail floorspace, including a 3,750 sq.m supermarket. This project has not progressed since May 2015 and we expect that this development may still be several years away given the recent opening of a second full-line (Coles) supermarket at Orion Springfield Central.
- A development approval exists for a 3,200 sq.m Woolworths supermarket and three specialty stores in Springfield. It is understood that this development has been deferred indefinitely. We have conservatively not accounted for either of these two centres being developed over the medium term when assessing impacts on Greater Springfield.

Table 4.2 Greenbank - proposed retail facilities/centres			
Centre	Retail GLA (sq.m)	Major traders	Indicative timing
<u>Greenbank PDA</u>	<u>15,000</u>		
• Greenbank DC 1 (p) (subject site)	11,000*	Supers (p), DDS (p)	Short term
• Flagstone NC 1 (p)	4,000*	Foodstore (p)	Long term
<u>Flagstone PDA</u>	<u>195,000</u>		
• Flagstone Major Centre (p)	100,000**	Dept, DDS, supermarkets	Medium to long term
• Flagstone DC 2 (p)	11,000*	Supermarket (p)	Long term
• Flagstone DC 3 (p)	11,000*	Supermarket (p)	Long term
• Flagstone DC 4 (p)	11,000*	Supermarket (p)	Long term
• Flagstone DC 5 (p)	11,000*	Supermarket (p)	Long term
• Flagstone DC 6 (p)	11,000*	Supermarket (p)	Long term
• 10 x Neighbourhood centres (p)	40,000*	Foodstores (p)	Medium to long term
Park Ridge East SC	5,900	Supermarket (p)	2018
<u>Yarrabilba Estate</u>	<u>51,000</u>		
• Yarrabilba DC 1 (p)	6,000*	IGA (p), Coles (p)	2016, 2017
• Town Centre (p)	45,000*	DDS (p), supermarket (p)	Next 10-15 years
*Indicative GFA figures, retail floorspace			
**Retail/entertainment GFA. Also allows up to 60,000 sq.m of bulky goods and 90,000 sq.m of commercial floorspace.			
Source: QLD Govt, Cordell, Logan City Council, MacroPlan Dimasi			

Section 5: Assessment of market gap

This section of the report provides an assessment of retail floorspace demand generated by main trade area residents and the market gap for additional retail facilities in the main trade area. This analysis includes a population driven floorspace demand assessment for supermarkets, DDS and traditional retail facilities.

5.1 Retail floorspace demand

There are two ways to estimate retail floorspace demand generated by a particular population. One method is to apply typical retail turnover densities (RTDs) to the available retail expenditure as identified in Section 3 of this report, which can provide general estimates of demand for each expenditure category and/or each broad retail type.

Alternatively, an average floorspace provision per capita method can also be applied which provides estimates for particular retail formats (e.g. supermarket, DDS, bulky goods and other traditional retail including shopping centres). We have adopted the provision per capita approach as it is relatively straightforward to interpret.

Table 5.1 presents an analysis of retail floorspace demand generated by the main trade area population, by retail type, over the period 2016 to 2031. We have assessed this as follows:

- Estimated current population and future growth across the main trade area to 2031, including a disaggregation across the primary sector.
- Identified the respective retail floorspace (GFA) provision rates for the various retail types (i.e. supermarket, DDS, other traditional retail and bulky goods), across Australia. There is an estimated 2.2 sq.m per capita of retail floorspace across Australia including bulky goods, strip retail, shopping centres, supermarkets and stand-alone facilities.
- There is approximately 0.35 sq.m of supermarket floorspace per capita across Australia, a figure which is heavily impacted by the significantly under-provision within metropolitan

Sydney which accounts for more than 20% of Australia's population. In outer suburban locations of metropolitan cities and in regional areas where land is generally more abundant the average per capita supermarket provision rate tends to be closer to 0.4 sq.m per capita. Provision rates in excess of 0.4 sq.m per capita in growth areas is not unusual as supermarket facilities are often provided early to attract population and on the premise of serving future growth.

- A rate of 0.4 sq.m per capita is equivalent to assessing the size of the available food & grocery expenditure market, applying a rate of 75% for the proportion of F&G expenditure directed towards supermarkets, allowing for 6% of sales to be comprised of general merchandise expenditure and then dividing by an average sales productivity level of \$9,500 per sq.m (which is around the estimated average trading level for all mature supermarkets nationally).
- There is approximately one DDS (of around 6,000 – 7,000 sq.m) per 40,000 people across Australia, which is equivalent to around 0.15 – 0.18 sq.m per capita.
- There is approximately 0.6 – 0.7 sq.m per capita of bulky goods/large format retailing across Australia, and we have adopted a rate of 0.65 sq.m for the purposes of the analysis. In this context bulky goods includes large multi-tenant dedicated homemaker centres such as Homemaker the Valley, Jindalee Home, Logan MegaCentre, strip precincts with a mix of large and smaller tenants that could include pool shops, pet stores, auto accessories retailers, gyms, discount chemists, lighting, electrical stores, and large standalone facilities like IKEA, Bunnings and Mitre 10.
- Subtracting 0.65 from 2.2 sq.m per capita leaves means that there is around 1.55 sq.m per capita of “traditional retail” floorspace. Excluding supermarkets and DDS, means that “other traditional retail” floorspace per capita is estimated at 1.0 sq.m per capita (i.e. $1.55 - 0.35 - 0.15 = 1.0$ sq.m per capita).
- While these per capita provision rates have been increasing historically over time, we have kept these constant to present a conservative position in relation to retail floorspace demand, but arguably these provision rates could increase by around 0.25 – 0.5% per annum, because they have historically grown at this rate.

- We have then multiplied the retail provision per capita rates by the trade area population to estimate current and future retail floorspace demand, for each broad retail use.

Table 5.1 shows that the main trade area population currently generates total retail floorspace demand of approximately 84,600 sq.m and this is estimated to more than double by 2031, reaching 174,200 sq.m by 2031, an increase of around 6,000 sq.m per annum or around 4.9% per annum.

In regards to traditional retail floorspace (i.e. excluding bulky goods retail), the main trade area population generates demand for around 59,600 sq.m as at 2016 and this is estimated to more than double by 2031, reaching 122,750 sq.m an increase of around 4.9% per annum.

Future growth in the main trade area population will also drive demand for at least another 4 – 5 large supermarkets in addition to existing demand, with supermarket floorspace demand increasing from 15,400 sq.m to around 31,700 sq.m by 2031.

The main trade area population also generates DDS floorspace demand equivalent to 5,800 sq.m at 2016 and is expected to increase to around 11,900 sq.m by 2031.

Again, we reiterate that these estimates are conservative as they assume a constant rate of provision per capita over time (i.e. not an increasing rate).

Table 5.1
Greenbank trade area - retail floorspace demand (2016 - 2031)

Indicator/Category	2016	2018	2021	2026	2031	Tot. growth 2016-31
<u>Est. population</u>						
Primary sector	8,320	8,920	10,120	12,620	15,620	7,300
Total secondary sectors	<u>30,120</u>	<u>32,420</u>	<u>38,570</u>	<u>50,070</u>	<u>63,570</u>	<u>33,450</u>
Main trade area	38,440	41,340	48,690	62,690	79,190	40,750
<u>Est. retail demand per person (sq.m per capita)</u>						
Supermarket	0.40	0.40	0.40	0.40	0.40	
DDS	0.15	0.15	0.15	0.15	0.15	
Other traditional retail*	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	
Total traditional	1.55	1.55	1.55	1.55	1.55	
Bulky goods**	<u>0.65</u>	<u>0.65</u>	<u>0.65</u>	<u>0.65</u>	<u>0.65</u>	
Total retail	2.20	2.20	2.20	2.20	2.20	
<u>Est. primary sector retail demand (sq.m)</u>						
Supermarket	3,328	3,568	4,048	5,048	6,248	2,920
DDS	1,248	1,338	1,518	1,893	2,343	1,095
Other traditional retail*	<u>8,320</u>	<u>8,920</u>	<u>10,120</u>	<u>12,620</u>	<u>15,620</u>	<u>7,300</u>
Total traditional	12,896	13,826	15,686	19,561	24,211	11,315
Bulky goods**	<u>5,408</u>	<u>5,798</u>	<u>6,578</u>	<u>8,203</u>	<u>10,153</u>	<u>4,745</u>
Total retail	18,304	19,624	22,264	27,764	34,364	16,060
<u>Est. main trade area retail demand (sq.m)</u>						
Supermarket	15,376	16,536	19,476	25,076	31,676	16,300
DDS	5,766	6,201	7,304	9,404	11,879	6,113
Other traditional retail*	<u>38,440</u>	<u>41,340</u>	<u>48,690</u>	<u>62,690</u>	<u>79,190</u>	<u>40,750</u>
Total traditional	59,582	64,077	75,470	97,170	122,745	63,163
Bulky goods**	<u>24,986</u>	<u>26,871</u>	<u>31,649</u>	<u>40,749</u>	<u>51,474</u>	<u>26,488</u>
Total retail	84,568	90,948	107,118	137,918	174,218	89,650

*Other traditional retail includes food catering, apparel, general retail, leisure retail and retail services - i.e. the type of retail typically found in shopping centres and main streets

**Bulky goods generally includes large format retailers in the households goods category, including major homemaker centres, precincts of similar types of mini-major/large floorplate retailers (e.g. pet stores, auto accessories, electronics, appliances) and stand-alone large format stores (e.g. Bunnings, IKEA, Mitre 10)

Source: MacroPlan Dimasi

Not all of the retail demand generated by main trade area residents will be captured at the Greenbank DC or within the main trade area, for that matter. Although there are existing retail facilities in the main trade area, e.g. Greenbank, Boronia Heights, North Maclean, Flagstone, this provision is limited to small scale convenience based retail, totalling less than 9,000 sq.m.

With the population generating demand for almost 60,000 sq.m of traditional retail floorspace, clearly the majority of retail expenditure is presently escaping the main trade area, to centres such as Park Ridge, Springfield, Browns Plains, Jimboomba, and potentially to centres further east in Logan and Beenleigh.

We note this demand reflects that demand generated by residents within the main trade area only. While not all of this demand will be retained within the main trade area, there will also be inflows of demand from beyond the trade area, particularly given the prominent position on Teviot Road and the potential future sub-regional role of the centre.

The net leakage of traditional retail demand from the main trade area is equivalent to around 80 – 85%. This means that additional retail facilities at Greenbank DC would most certainly lead to significant reductions in car-trips/distances beyond the trade area. In an established location, the net leakage rate should be considerably lower than 85%, ideally in the order of 20 – 30%, although this rate is heavily influenced by provision of higher order retail facilities within or adjacent to a given trade area.

5.2 Retail floorspace gap assessment

Supermarket gap

Table 5.2 compares the supermarket floorspace demand with the supply of supermarket floorspace within the main trade area, to provide an indicative assessment of the appropriate timing of supermarket facilities within the main trade area.

As shown there is around 7,964 sq.m of existing supermarket supply within the main trade area, including the existing Greenbank Woolworths, the 1,200 sq.m Chris' IGA at Greenbank, the 600 sq.m IGA at Boronia Heights and the 300 sq.m IGA X-press at Flagstone. The Park Ridge Town Centre is located just beyond the boundary of the main trade area, thus 50% of the expanded Woolworths supermarket (3,787 sq.m) at Park Ridge has been included in the estimate of supermarket supply, to present a conservative position (i.e. the market gap is not overstated).

When the existing supply is compared with the existing demand, there is an identified market gap of around 7,400 sq.m, which, without major new supermarket facilities, would increase by 16,300 sq.m over the next 15 years. Allowing for the new Coles at Park Ridge Town Centre, the approved expansion of Flagstone Village and three future supermarkets (2 x full-line and Aldi) within the Flagstone PAC, Table 5.2 shows that two new supermarkets, in addition to the existing Woolworths, could be supported within the Greenbank DC in the short-medium term, a 1,750 sq.m Aldi and a 4,000 sq.m Coles. A significant gap would still exist for additional facilities across the main trade area.

Table 5.2 Greenbank trade area - supermarket floorspace gap (2016 - 2031)						
Indicator/Category	2016	2018	2021	2026	2031	Tot. growth 2016-31
<u>Est. population</u>						
Primary sector	8,320	8,920	10,120	12,620	15,620	7,300
Total secondary sectors	<u>30,120</u>	<u>32,420</u>	<u>38,570</u>	<u>50,070</u>	<u>63,570</u>	<u>33,450</u>
Main trade area	38,440	41,340	48,690	62,690	79,190	40,750
<u>Est. retail demand per person (sq.m per capita)*</u>						
Supermarket*	0.40	0.40	0.40	0.40	0.40	
<u>Est. retail smkt demand (sq.m)</u>						
PTA smkt demand	3,328	3,568	4,048	5,048	6,248	2,920
MTA smkt demand	15,376	16,536	19,476	25,076	31,676	16,300
<u>Est. retail smkt supply (sq.m)</u>						
<u>MTA smkt supply**</u>	<u>7,964</u>	<u>14,914</u>	<u>18,914</u>	<u>24,414</u>	<u>28,414</u>	<u>20,450</u>
• Greenbank DC - Aldi		1,750				
• Greenbank DC - Coles			4,000			
• Park Ridge TC (50%)***		1,900				
• Flagstone PAC				5,500	4,000	
• Flagstone Village****		3,300				
<u>Est. supermarket floorspace gap (sq.m)</u>						
MTA smkt gap	7,413	1,623	563	663	3,263	
*Accounts for net outflows and inflows						
**Includes existing IGA X-press food store (<500 sq.m) and 50% of Woolworths (3,787 sq.m) at Park Ridge TC.						
***50% of proposed 3,800 sq.m Coles at Park Ridge TC is included as located on boundary of main trade area.						
****Allows for the existing 300 sq.m IGA to be redeveloped for a 3,600 sq.m supermarket.						
Source: MacroPlan Dimasi						

Discount department store gap

There are currently no DDS within the main trade area. Main trade area residents presently need to travel either east to Beenleigh Marketplace/Logan Hyperdome, north to Grand Plaza – which provides all three major operators, or west towards Orion Springfield Central – which now contains both Big W and Target DDS. This represents a significant travel distance for many trade area residents.

Table 5.3 presents a similar analysis for DDS as per Table 5.2 for supermarkets, showing that a DDS could be absorbed at the Greenbank subject site in the short term (of around 7,000 – 8,000 sq.m), and a second facility could be absorbed within the main trade area over the next 15 years i.e. to underpin the sub-regional stage of the Flagstone PAC. We note that the Flagstone PAC, once it reaches a sub-regional/regional scale, would serve a broader trade area that would include additional areas beyond the defined Greenback DC trade area and this would mean a large 'gap' than that indicated in Table 5.3.

Table 5.3 Greenbank trade area - DDS floorspace gap (2016 - 2031)						
Indicator/Category	2016	2018	2021	2026	2031	Tot. growth 2016-31
<u>Est. population</u>						
Primary sector	8,320	8,920	10,120	12,620	15,620	7,300
Total secondary sectors	<u>30,120</u>	<u>32,420</u>	<u>38,570</u>	<u>50,070</u>	<u>63,570</u>	<u>33,450</u>
Main trade area	38,440	41,340	48,690	62,690	79,190	40,750
<u>Est. DDS retail demand per person (sq.m per capita)*</u>						
DDS retail	0.15	0.15	0.15	0.15	0.15	
<u>Est. DDS retail demand (sq.m.)</u>						
PTA demand	1,248	1,338	1,518	1,893	2,343	1,095
MTA demand	5,766	6,201	7,304	9,404	11,879	6,113
<u>Est. DDS retail supply (sq.m.)</u>						
<u>MTA DDS supply</u>	<u>0</u>	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>
• Greenbank DC**		7,500				
<u>Est. DDS retail floorspace gap (sq.m)</u>						
MTA gap	5,766	-1,299	-197	1,904	4,379	
*Accounts for net outflows and inflows						
**Indicative GFA						
Source: MacroPlan Dimasi						

Traditional retail floorspace gap

Table 5.4 presents a similar analysis for traditional retail floorspace demand as per Tables 5.2 and 5.3. Not all of this demand is expected to be retained within the main trade area, even with an improved provision of retail facilities within the main trade area.

Main trade area residents will continue to access higher order regional shopping centres or large sub-regional centres of the likes of Orion Springfield Central, Westfield Garden City Mount Gravatt and Logan Hyperdome as these centres tend to provide significant provisions of apparel/leisure retail and entertainment facilities.

However, Table 5.4 clearly shows that there is a massive under-supply of traditional retail facilities in the main trade area, particularly sub-regional shopping facilities. The proposed expansion of the existing Greenbank DC to around 22,300 sq.m retail floorspace and 2,500 sq.m of non-retail floorspace is reasonable in the context of the total demand for traditional retail facilities generated across the main trade area.

A retail provision of 22,300 sq.m represents around 30% of main trade area traditional retail floorspace demand as at 2021, and is equivalent to around 5.5 years' worth of traditional retail floorspace demand growth (about 4 years' of total retail floorspace growth).

Even with a major expansion of the Greenbank DC, the net leakage of traditional retail demand from the main trade area would be around 50% as at 2021. Each stage of additional retail floorspace the Greenbank DC would contribute to reducing/minimising the amount of escape expenditure from the main trade area.

A significant amount of additional retail space could still be comfortably absorbed as part of new developments within the Greater Flagstone PDA, and there would still be significant leakage to other centres across the surrounding region.

Table 5.4
Greenbank trade area - traditional retail floorspace gap (2016 - 2031)

Indicator/Category	2016	2018	2021	2026	2031	Tot. growth 2016-31
<u>Est. population</u>						
Primary sector	8,320	8,920	10,120	12,620	15,620	7,300
Total secondary sectors	<u>30,120</u>	<u>32,420</u>	<u>38,570</u>	<u>50,070</u>	<u>63,570</u>	<u>33,450</u>
Main trade area	38,440	41,340	48,690	62,690	79,190	40,750
<u>Est. traditional retail demand per person (sq.m per capita)*</u>						
Traditional retail	1.55	1.55	1.55	1.55	1.55	
<u>Est. traditional retail demand (sq.m)</u>						
PTA demand	12,896	13,826	15,686	19,561	24,211	11,315
MTA demand	59,582	64,077	75,470	97,170	122,745	63,163
<u>Est. traditional retail supply (sq.m)</u>						
<u>MTA traditional supply**</u>	<u>13,290</u>	<u>32,503</u>	<u>40,653</u>	<u>49,153</u>	<u>69,153</u>	<u>55,863</u>
• Greenbank DC***		9,250	8,150			
• Park Ridge TC (50%)****		3,910			5,000	
• Flagstone PAC				8,500	15,000	
• Flagstone Village*****		6,053				
<u>Est. traditional retail floorspace gap (sq.m)</u>						
MTA gap	46,292	31,574	34,817	48,017	53,592	
Net leakage	78%	49%	46%	49%	44%	

*Accounts for net outflows and inflows

**Greenbank DC assumes additional 17,400 sq.m staged prior to 2021.

**Includes 50% of existing Park Ridge TC including 50% of the expanded WOW.

***50% of proposed 7,820 sq.m (8,400 - 580 sq.m) Park Ridge TC is included as located on boundary of main trade area.

****Allows for the existing 800 sq.m centre to be redeveloped for a 6,853 sq.m centre

Source: MacroPlan Dimasi

Section 6: Assessment of development potential

This section of the report examines the expansion potential of the Greenbank DC and the consequent incremental sales that the centre could achieve upon expansion.

6.1 Potential supportable floorspace

In order to examine the potential supportable scale and mix with the Greenbank DC, in the future we have examined the potential supportable retail floorspace that could be achieved over time, allowing for future competitive developments to be provided within the surrounding secondary sectors.

Table 6.1 presents an analysis of the potential supportable traditional floorspace at Greenbank DC which assumes that around 50 – 55% of primary sector demand could be captured at Greenbank and around 20 – 25% of secondary sector east demand could be captured.

Across the other secondary sectors we have applied higher market shares in the short term, to account for the lack of retail facilities, and then assumed significant reductions in these market shares over time, in particular in the secondary south sectors (which will fall to 2.5%). We have also allowed for some beyond trade area demand to be captured at Greenbank DC.

This analysis shows that in the order of 23,000 sq.m of traditional retail floorspace could be supported at Greenbank DC in the short-term, and could be sustained over the long term even with significant additional development in the surrounding region. As we have previously mentioned, this analysis represents a conservative position, as no growth in per capita retail demand has been assumed. Allowing growth of around 0.5% per annum would equate to an additional 7.5 – 8% of floorspace demand over 15 years.

Table 6.1 Greenbank - Estimated supportable floorspace (2016 - 2031)						
Indicator/Category	2016	2018	2021	2026	2031	Tot. growth 2016-31
<u>Est. population</u>						
Primary sector	8,320	8,920	10,120	12,620	15,620	7,300
<i>Secondary sectors</i>						
• North	8,430	8,730	9,180	9,680	10,180	1,750
• East	9,300	9,600	10,050	10,800	11,300	2,000
• Sth-east	7,430	7,630	7,930	8,430	9,930	2,500
• Sth-west	180	1,380	5,880	14,880	25,380	25,200
• West	<u>4,780</u>	<u>5,080</u>	<u>5,530</u>	<u>6,280</u>	<u>6,780</u>	<u>2,000</u>
Total secondary sectors	30,120	32,420	38,570	50,070	63,570	33,450
Main trade area	38,440	41,340	48,690	62,690	79,190	40,750
<u>Est. retail demand per person (sq.m per capita)</u>						
Total traditional	1.55	1.55	1.55	1.55	1.55	
<u>Est. traditional retail floorspace demand (sq.m)</u>						
Primary sector	12,896	13,826	15,686	19,561	24,211	11,315
<i>Secondary sectors</i>						
• North	13,067	13,532	14,229	15,004	15,779	2,713
• East	14,415	14,880	15,578	16,740	17,515	3,100
• Sth-east	11,517	11,827	12,292	13,067	15,392	3,875
• Sth-west	279	2,139	9,114	23,064	39,339	39,060
• West	<u>7,409</u>	<u>7,874</u>	<u>8,572</u>	<u>9,734</u>	<u>10,509</u>	<u>3,100</u>
Total secondary sectors	46,686	50,251	59,784	77,609	98,534	51,848
Main trade area	59,582	64,077	75,470	97,170	122,745	63,163
<u>Assumed market share captured by Greenbank DC</u>						
Primary sector	50.0%	50.0%	52.5%	55.0%	55.0%	
<i>Secondary sectors</i>						
• North	25.0%	25.0%	20.0%	12.5%	7.5%	
• East	25.0%	25.0%	20.0%	12.5%	7.5%	
• Sth-east	25.0%	25.0%	15.0%	7.5%	2.5%	
• Sth-west	25.0%	25.0%	15.0%	7.5%	2.5%	
• West	<u>25.0%</u>	<u>25.0%</u>	<u>25.0%</u>	<u>20.0%</u>	<u>20.0%</u>	
Total secondary sectors	25.0%	25.0%	18.9%	11.1%	6.1%	
Main trade area	30.4%	30.4%	25.9%	19.9%	15.7%	
Beyond Trade Area	15.0%	15.0%	15.0%	15.0%	15.0%	
<u>Total supportable GLA</u>						
Primary sector	6,448	6,913	8,235	10,759	13,316	Share at '31 59%
<i>Secondary sectors</i>						
• North	3,267	3,383	2,846	1,876	1,183	5%
• East	3,604	3,720	3,116	2,093	1,314	6%
• Sth-east	2,879	2,957	1,844	980	385	2%
• Sth-west	70	535	1,367	1,730	983	4%
• West	<u>1,852</u>	<u>1,969</u>	<u>2,143</u>	<u>1,947</u>	<u>2,102</u>	<u>9%</u>
Total secondary sectors	11,672	12,563	11,315	8,625	5,967	26%
Main trade area	18,120	19,476	19,550	19,383	19,283	85%
Beyond Trade Area	3,198	3,437	3,450	3,421	3,403	15%
Total (sq.m)	21,317	22,913	23,000	22,804	22,686	100%

Source: MacroPlan Dimasi

Potential supportable mix

DDS Potential

The surrounding DDS hierarchy includes the 3 major players at Grand Plaza SC – which we understand trade strongly; and two stores at Orion Springfield Central – a large Big W and a new Target. To the west, the closest DDS is the Big W at Beenleigh Marketplace – which is some distance away from Greenbank SC.

There is an approval for a new DDS at Jimboomba, as part of a broader expansion/relocation of the Jimboomba Shopping Centre. We understand that Big W was the planned tenancy at this centre and that the approval for the DDS may have lapsed – if not acted upon by end 2015. In any regard, the realistic main trade area that could be served by Jimboomba is relatively thin, in the order of 25,000 – 30,000 persons at present (including a contestable area around Yarrabilba). If the Yarrabilba population is excluded, it will be mid - 2020's before the population in the trade area will approach 40,000 persons.

The Park Ridge Town Centre is designated as a Major Centre that could support up to 40,000 sq.m of floorspace over the longer term. However this centre is proximate to Grand Plaza – which has all three major players, and while well located with a solid catchment, a new operator might prefer a site further away from their existing stores – such as Greenbank DC, which is located closer to the significant growth in the Greater Flagstone PDA.

The current population of the Greenbank SC main trade area is around 38,400 persons. And is expected to reach almost 50,000 by 2021 and 62,700 by 2026. Typically there is one DDS of around 6,000 – 6,500 sq.m provided per 40,000 persons or so (i.e. 0.15 – 0.16 sq.m per capita), across Australia, however a population threshold of around 30,000 – 35,000 persons is considered to be a reasonable threshold for stores in Greenfield locations where there is potential for significant future population growth. Having regard to all of the above, we consider that Greenbank DC would be a very desirable location for prospective DDS operators in the short-term.

Kmart did not form part of the recent Orion Springfield Central expansion, and Target has been secured at the Town Square Redbank Plains redevelopment under construction, to the north-west of Orion Springfield. We therefore recommend Kmart to be the most likely candidate tenant for Greenbank DC but we also expect Big W to be interested in the locality given there is an existing Woolworths store at Greenbank DC. Historically, DDS store sizes have been around 7,000 – 8,000 sq.m, however there is a in some locations/centres DDS operators have been decreasing floorplates and consolidating the number of items sold. We strongly support the provision of a DDS at the subject site and recommend some flexibility in the ultimate size based on market/tenant demand, thus we recommend a DDS floorplate of around 6,500 – 8,000 sq.m.

Supermarket potential

Greenbank DC serves a primary sector population of around 8,300 increasing to 12,600 by 2021 and a main trade area population of around 48,700 by 2021. This trade area is served by just two full-line supermarkets at present (including Greenbank SC and the Woolworths at Park Ridge on the periphery of the trade area), and there will be additional facilities provided at Flagstone Village (2018) and Park Ridge (2017).

There is typically around one large supermarket per 8,000 – 9,000 persons, which means that the main trade area can support around 5 – 6 full line supermarkets.

While Coles is opening a new store at Park Ridge, and is likely to occupy space in the Flagstone Major Centre over the next 10 years, we consider that there would be strong medium term proposition for Coles to locate at Greenbank DC as a sub-regional centre. We recommend a store of 4,000 sq.m which would be consistent with their latest format in outer-suburban locations. Indeed, their new store at Orion Springfield is above 5,000 sq.m.

An Aldi supermarket (of around 1,750 sq.m) is highly recommended, given Aldi's lack of representation in the region (they are only at Browns Plains at present), and the sizeable main trade area population that Greenbank DC could serve.

Other retail

Typical single dds anchored centres tend to support around 1,500 – 1,600 sq.m of mini-major floorspace, while double DDS centres tend to support in the order of 4,500 – 5,000 sq.m of mini-major floorspace.

The Aldi supermarket is similar in size to a mini-major tenant, although it really is an additional supermarket anchor. We therefore consider 1,500 – 2,000 sq.m of mini-major floorspace could be supported at the centre. This could consist of convenience based type tenants including a large discount chemist (e.g. Chemist Warehouse), a discount variety operator (e.g. The Reject Shop). Alternative tenant types could provide a point of difference include a mini-major restaurant – as part of an expanded food offer; Rebel Sport – which is not represented south of Garden City; and a pet store (e.g. Pet Barn – on a pad site possibly. Other potential pad-site retailers could include auto accessories retailers (e.g. SuperCheap Auto); a pool shop; small format hardware (e.g. Home Hardware, Mitre 10), a small format; and an electronics/appliance retailers (e.g. JB Hi-Fi; Howard Storage World; etc).

Retail Specialties

Typical single dds anchored centres tend to support around 4,500 – 4,600 sq.m of supporting specialty retail uses – including about 2,900 sq.m of non-food specialty, 1,200 sq.m of food specialties, and about 500 sq.m of retail services.

We recommend that a significant expansion of the food catering offer should occur to create additional reasons for surrounding residents to visit the centre particularly into the evenings and on weekends, given the relative lack of options in the surrounding area. In total we recommend a provision of around 3,500 - 4,000 sq.m of retail specialty floorspace within an expanded centre.

Non-retail uses

Typical single dds anchored centres tend to support around 1,500 – 2,000 sq.m of non-retail uses including shopfront uses like banks, insurance, post offices, professional offices and non-shopfront uses including gyms, medical uses, child care, entertainment etc.

Table 6.2 presents an indicative expansion mix for Greenbank DC. This mix has regard to the following factors:

- A DDS is considered to be supportable at the centre over short-term. With a solid non-food based creating a strong sub-regional centre, a much greater volume of ancillary mini-major and specialty floorspace could be supported at the centre. We recommend some flexibility in the ultimate size based on market/tenant demand, thus we recommend a DDS floorplate of around 7,000 – 8,000 sq.m.
- A second full-line supermarket (i.e. Coles) would be sustainable in the future with the primary sector population doubling over the next 10 years or so and the main trade area population growing by in excess 25,000 persons by 2026. We strongly recommend an Aldi supermarket, given their lack of representation in the area and this would make the centre a highly desirable convenience shopping destination.
- Typical single dds anchored centres tend to support around 1,500 sq.m of mini-major floorspace. We recommend around 1,500 – 2,000 sq.m of mini-major floorspace. This could include national brand tenants like Chemist Warehouse and The Reject Shop – which would suit this type of convenience based sub-regional centre, as well as 2 – 3 pad-site retailers (e.g. Pet Barn, SuperCheap Auto. Some of these types of tenants would be good early activators for the expansion (i.e. Stage 1) as there is a major lack of such facilities within the main trade area.
- We recommend an additional 3,500 sq.m (or so) of specialty retail floorspace – with a focus on food catering, taking the total specialty retail floorspace provision around 4,600 sq.m.
- We recommend a further 2,000 sq.m of ancillary non-retail uses could be supported at the centre, in addition to the existing offer. Uses such as travel agents, banks/insurance, small commercial suites, possible child care and a small gym are recommended, while the medical offer could potentially be augmented creating another ‘anchor’ for the centre. A large medical centre could include a range of services/specialists.

This proposed mix considers the existing child care facilities within the Greenbank DC, the existing tavern, the existing service station and proposed second service station that is under construction, and has regard to the current mix within the Greenbank SC.

Table 6.2 Greenbank - Potential expansion composition			
Category	Current centre GFA* (sq.m)	Potential expansion GFA** (sq.m)	Total expanded centre GFA* (sq.m)
Major tenants			
DDS		7,000-8,000	7,000-8,000
Supermarket	3,970	5,750	9,720
Woolworths	3,970		3,970
Aldi		1,750	1,750
Coles		4,000	4,000
Total majors	3,970	12,750-13,750	16,720-17,720
Mini-majors			
Total mini-majors		2,000	2,000
Specialty tenants			
Total retail spec.	1,118	3,500	4,618
Total retail	5,088	18,250-19,250	23,338-24,338
Non-retail*			
Medical/health	326	750	1,076
Veterinary clinic	120		120
Commercial/other	70	500	570
Travel		100	100
Banks/other		250	250
Gym		400	400
Total non-retail	516	2,000	2,516
Total centre	5,604	20,250-21,250	25,854-26,854
*GFA - as per EDQ definition			
**Areas are recommended areas, and do not necessary match the proposed plans exactly.			
Source: SCA Property; MacroPlan Dimasi			

6.2 Incremental sales potential

Table 6.3 summarises the incremental sales that could be achieved by the proposed development mix, compared with a Do Nothing scenario, where the centre remains in its current form.

We have assumed for the purposes of assessing sales/impacts, that the proposed expansion would be completed by 2020 (i.e. the first full-year of trade would be 2020/21). Sales estimates are presented in constant 2015/16 dollars and include GST.

Table 6.3 Greenbank - Incremental retail sales potential by retail category, 2020/21*									
Category	Do Nothing scenario			Expansion scenario			Incremental sales		
	GLA (sq.m)	Est. sales (\$M)	(\$/sq.m)	GLA (sq.m)	Est. sales (\$M)	(\$/sq.m)	GLA (sq.m)	Est. sales (\$M)	(%)
<u>Major tenants</u>									
DDS				7,500	18.8	2,500	7,500	18.8	n.a.
Supermarket	3,970	40.7	10,264	9,720	86.8	8,933	5,750	46.1	113%
Total majors	3,970	40.7	10,264	17,220	105.6	6,131	13,250	64.8	159%
<u>Mini-majors</u>									
Total mini-majors				2,000	9.5	4,750	2,000	9.5	n.a.
<u>Retail specialties</u>									
Total retail spec.	1,118	9.9	8,860	4,618	34.6	7,500	3,500	24.7	249.8%
Total centre - retail	5,088	50.7	9,956	23,838	140.2	5,882	18,750	99.1	176.8%
*Sales expressed inc. GST and in constant 2015/16 dollars Source: MacroPlan Dimasi									

As shown in Table 6.2, we estimate that the expanded centre, with around 22,300 sq.m of retail floorspace could potentially generate in the order of \$140 million in the year 2020/21, which represents an incremental sales uplift of around \$99.1 million, over and above the estimated sales for the centre under a Do Nothing scenario.

These estimates have regard to the proposed future competitive developments that are expected to be developed prior to this timeframe as outlined in Section 4 of this report.

Section 7: Impacts on centres hierarchy

This section of the report presents our estimates of likely trading impacts on the surrounding retail/centres hierarchy and discusses the implications of these impacts.

7.1 Purpose of an impact assessment

The purpose of an impact assessment is to provide guidance as to whether or not there is likely to be a net community benefit or disbenefit from any proposed development. In particular, if there is a real possibility of some existing facilities potentially being impacted to such a degree that they may be lost to the community and if the service or services provided by those facilities are not at the very least replaced by the proposed new facilities, then a community disbenefit could result.

In order to understand whether any particular centre may be impacted to the extent that its continued viability may be in question, or whether any future centres will have their future role and function threatened, we have estimated specific retail impacts that we expect across the surrounding competitive network that could result from the proposed expansion of retail facilities at the Greenbank SC.

These estimates provide indications as to whether the scale of the proposed retail development is reasonable and whether any surrounding centres are likely to be at risk to the extent that the community would suffer a net disbenefit, attributable to the proposed retail development. In considering likely trading impacts on any individual centre or individual retailer, it must first be acknowledged that such estimation can only realistically expect to provide a broad indication of likely outcomes, since there are many factors which can change in response to any new retail development, and which will have a bearing on the consequent outcomes. The competitive response of each relevant centre or trader is one such factor, as are further redevelopments/improvements which one or more of the competitive network of centres might implement.

7.2 Impacts methodology

The following factors are typically considered when assessing the potential impacts of a new centre each existing facility or centre:

- The distance of the (impacted) centre, or retail precinct, by road, from the proposed development.
- The size of the centre or precinct, in terms of total retail floorspace.
- The amount of supermarket and major tenant floorspace, and brands of these supermarkets.
- The role and function of the centre or precinct.
- Relative accessibility and relative convenience compared with the proposed retail development.
- The estimated performance of the centre/precinct (in current sales) and future performance (in the impact year), accounting for any future developments in the region that may also impact on the future sales of existing centres.
- The share of available expenditure which the centre/precinct attracts from the identified main trade area of the proposed development. A centre may not be situated in the identified trade area of the proposed development but its main trade area may extend to include parts, or all, of the trade area. For example, the trade area for large regional shopping centre typically includes several hundred thousand persons. Such a trade area is likely to include (partially or completely) trade areas for smaller convenience based centres, sub-regional centres, retail strips and stand-alone supermarkets.

The following key principles are then relied on when assessing the dollar (and percentage) impacts that are likely to be absorbed by existing facilities/centres:

- The greatest impacts are typically absorbed by the closest comparable centres. For example, a centre that expands from a supermarket based neighbourhood centre to a sub-regional centre is generally likely to impact the closest nearby sub-regional centres to the greatest extent, followed by impacts on other large supermarket based centres, and at the lower end of the spectrum, by smaller scale supermarkets/food stores, which serve much more limited roles.
- Impacts on small scale, local supermarkets/food stores, tend to be relatively smaller in scale, as these stores normally attract a small market share of available main trade area expenditure and perform a different role and function in the hierarchy, often serving the local walkable catchments surrounding them, and/or serving more specialised/discerning needs (e.g. specialty food stores).

Table 7.1 presents a summary of the key metrics for the surrounding centres of relevance to the proposed development. This analysis provides a basis for estimating the potential impacts on the surrounding network of existing centres in Tables 5.7. This table includes the following:

- Column (1) shows the distance of each centre or store from the subject site.
- Column (2) shows the amount of retail floorspace at the centre and column (3) shows the amount of supermarket floorspace at the centre.
- Column (4) outlines the brand/s of key supermarket tenants at the centre.
- Column (5) outlines the estimated sales for the year 2020/21.
- Column (6) presents an estimate of the proportion of sales for each centre that is generated from the main trade area population. This provides the starting point for the allocation of sales redirected to the new development at the subject site.

- Column (7) presents an estimate, for each centre, of the volume of sales generated from the defined main trade area. Column (7) is calculated by multiplying Column (6) by Column (5). This column represents the total amount estimated to be spent by residents of the main trade area at each identified centre.
- Column (8) shows, for each centre, the proportion of sales drawn by the centre from the main trade area as a percentage of the total sales drawn from the main trade area by all identified centres in the analysis. **Column (8) is calculated by dividing each entry in Column (7) by the sum total of Column (7).**

Table 7.1 Greenbank SC - Estimated sales distribution of specific centres in region, 2015/16*								
Centre	Distance from site (km)	Floorspace (sq.m)**		Major Brands	Est. centre sales (\$M) (2016)	Est. % sales drawn from MTA (%)	Est. % sales drawn from MTA (\$M)	Share of available MTA retail exp. to identified centres (%)
		Total	Majors					
		GLA (sq.m)	GLA (sq.m)					
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Within trade area								
Greenbank SC	n.a.	5,088	3,970	WOW	45.0	90%	40.5	14%
IGA Chris's Greenbank	2.8	1,600	1,200	IGA	13.0	80%	10.4	3%
Boronia Heights	6.7	1,500	600	IGA	10.1	80%	8.0	3%
North Maclean	6.8	1,000	0	n.a	6.5	80%	5.2	2%
Flagstone Village	10.0	800	300	IGA X-press	6.4	85%	5.4	2%
Beyond trade area								
Park Ridge Town Centre**	8.5	6,000	3,326	WOW	54.3	40%	21.7	7%
Browns Plains MAC	11.6	55,000	34,161	WOW, Coles, Aldi	394.3	25%	98.6	33%
Jimboomba	12.2	18,100	6,793	WOW, Coles	126.7	25%	31.7	11%
Greater Springfield	14.3	57,600	25,252	WOW, Coles, Aldi	368.0	20%	73.6	25%
Logan Village	18.4	<u>3,700</u>	<u>3,124</u>	WOW	<u>34.7</u>	<u>10%</u>	<u>3.5</u>	<u>1%</u>
Total identified centres		150,388	78,726		1,059.0		298.6	100%
Share of sales directed to nearby centres from MTA residents							28.2%	
*Constant 2015/16 dollars & including GST								
**Size of Woolworths pre-development								
Source: PCA, MacroPlan Dimasi								

Table 7.2 builds upon the analysis in Table 7.1, setting out an assessment of the likely order of trading impact on each of the identified centres, showing:

- The estimated floorspace (GLA) and sales volume for each centre as at 2015/16.

- The estimated sales volume for each centre at 2020/21 assuming no development at the subject site, having regard to other future developments across the surrounding region (i.e. consideration has been given to cumulative impacts).
- The estimated sales volume for each centre at 2020/21 after allowing for the proposed development at the subject site at 2020/21.
- The consequent estimated trading impact, measured both as a sales volume and a percentage impact, on each centre.
- The estimated post-impact sales performance at 2020/21 as compared with current (2015/16) sales for each centre.

Table 7.2									
Greenbank SC - Estimated impacts on specific centres, 2020/21*									
Centre	GLA (sq.m)	Est. Sales (2020/21)**			Est. Impacts (2020/21)				% diff. from 2016
		Est. sales 2016	Without dev.	With dev.	Dist. Of impacts	Est. Impacts \$M	%	Post. Impact sales	
		\$M	\$M	\$M	(%)			\$M	
Within trade area									
IGA Chris's Greenbank	1,600	13.0	14.0	12.3	1.8%	-1.7	-12.4%	12.3	-5.7%
Boronia Heights	1,500	10.1	10.3	9.8	0.5%	-0.5	-4.8%	9.8	-2.5%
North Maclean	1,000	6.5	7.0	6.8	0.3%	-0.2	-3.5%	6.8	4.4%
Flagstone Village**	6,453	6.4	55.2	50.3	5.0%	-5.0	-9.0%	50.3	685.8%
Beyond trade area									
Park Ridge Town Centre**	14,400	54.3	133.0	120.7	12.5%	-12.4	-9.3%	120.7	122.2%
Browns Plains MAC	55,000	394.3	408.0	379.3	29.0%	-28.7	-7.0%	379.3	-3.8%
Jimboomba	18,100	126.7	124.4	114.5	10.0%	-9.9	-8.0%	114.5	-9.6%
Greater Springfield	57,600	368.0	398.4	373.6	25.0%	-24.8	-6.2%	373.6	1.5%
Logan Village	3,700	34.7	31.3	30.8	0.5%	-0.5	-1.6%	30.8	-11.2%
Yarrabilba DC	<u>6,000</u>	<u>n.a.</u>	<u>53.1</u>	<u>52.6</u>	<u>0.5%</u>	<u>-0.5</u>	<u>-0.9%</u>	<u>52.6</u>	<u>n.a.</u>
Sub-total	159,353	1,014.0	1,234.8	1,150.6	85.0%	-84.2	-6.8%	1,150.6	13.5%
Other centres / beyond					<u>15.0%</u>	<u>-14.9</u>			
Total est. sales potential new centre ¹					100.0%	99.1			
*Constant 2015/16 dollars & including GST									
** Assumes future developments in the pipeline are developed and allows for an allocation of impact on surrounding centres.									
Source: MarketInfo; MacroPlan Dimasi									

7.3 Implications of impacts

The key points to note regarding the estimated impacts across the surrounding network of centres, as presented in Table 7.3, include the following:

- The retail sector is dynamic, and the development of new retail facilities is linked to evident undersupply and/or growth in population. New players, new centres, new competition will seek to enter any retail hierarchy where there is a market gap and/or future population growth to support such development.
- It is stressed, however, as already noted previously in this report, that the impact assessment set out above should be regarded purely as a guide as to the likely order of trading impacts on the various existing centres. What is far more important in this instance is the fact that the relevant area is underprovided with retail facilities, and therefore, any resultant trading impacts from the improvement in the provision of such facilities, particularly modern sub-regional shopping facilities, is not in reality a negative economic impact as such – rather, it is an addition to net community benefit, for all the reasons set out in this report. There is more than ample available demand for all existing facilities to continue to trade successfully and viably – all they need to do is reasonably meet the needs and aspirations of trade area residents.
- The Greenbank DC allows up to 11,000 sq.m of retail GFA to be developed subject to public notification. This analysis presents the likely impacts resultant from all of the additional retail floorspace proposed, over and above the existing 5,088 sq.m at the Greenbank SC – and thus presents a ‘worst case’ scenario for trading impacts on the surrounding network of centres.
- Generally, retail trading impacts between 10% and 15% are considered by the industry to be significant but acceptable, with impacts less than 10% considered relatively moderate, and impacts less than 5% generally considered minor/negligible. However, other factors such as the current trading performance; expansions of centres; potential loss of services to the community; expected growth in the region; and overall net community benefit should be considered.

- The greatest impacts are expected to be absorbed by the two closest sub-regional centres, namely Orion Springfield Central/Greater Springfield and Grand Plaza/Browns Plains, which are, in combination, estimated to absorb slightly more than 50% of the total incremental sales impacts from the expansion of the Greenbank DC. Estimated impacts on these centres are expected to be around 6 - 7% (i.e. a minor impact)
- Impacts on Park Ridge Town Centre and the Flagstone Village Centre are estimated to be around 9%, with both of these centres having significantly expanded by the time that Greenbank DC would have expanded.
- Impacts on the Chris' IGA Greenbank centre are expected to be around 12%, due to the proximity of this centre to the Greenbank DC. Were this centre anchored by a more directly competitive full-line supermarket, then impacts would likely be much higher (in aggregate terms), however because the supermarket anchor is only 1,200 sq.m, only draws a minor market share from the surrounding trade area and performs a different role and function to a sub-regional centre, the impacts are expected to be moderate.
- Impacts on the small centre at North Maclean centre are expected to be negligible due to the different role and function this centre plays and its location on the Mount Lindsay Highway. Similarly, for the small IGA centre at Boronia Heights, impacts will be negligible as this centre will continue to serve its immediate local catchment for top-up grocery and the centre only draws very limited market shares from the Greenbank DC main trade area.
- In summary, because there is a significant under-supply of supermarket facilities across the main trade area, the provision of new supermarket facilities will help to significant reduce escape expenditure and reduce travel times and distances for shoppers. Furthermore, a large sub-regional centre, that is centrally located in a highly accessible locality, could help to serve the growing Flagstone PDA far more readily than future planned centres further south, with limited or marginal trade area populations.

Future centres/developments

The closest higher order shopping facilities are located at Springfield (Orion Springfield Central) and Browns Plains (Grand Plaza). Future higher order centres are planned at Jimboomba, Flagstone and Yarrabilba – however these are expected to evolve over the much longer term. The surrounding catchments in these areas will take considerable time to evolve.

We make the following comments in relation the potential impacts on future planned centre developments across the region, which we have also summarised in Table 7.3.

- Based on our assessment of likely development in the Flagstone estate, it will be 5+ years before a sufficient catchment establishes for a full-line supermarket based convenience centre to become viable west of the rail line in the **Flagstone PAC**. The recently approved Flagstone Village development will help to service local convenience demand for the next 5 – 7 years around this area, and the western catchment will take considerable time to evolve.
- **Jimboomba Town Centre** only provides convenience/supermarket facilities at present. There is a DA approval for a major expansion of the Jimboomba Shopping Centre however this development has not progressed for several years. There would be only a minor overlap in the trade areas of the proposed Jimboomba sub-regional shopping centre and the defined Greenbank main trade area, with Jimboomba serving a considerable population to the south and we expect therefore expect this expansion will occur at some point over the medium term.
- Up to 40,000 sq.m of retail floorspace is permissible within the **Park Ridge Town Centre** under its current designation. The configuration of the current redevelopment of the Park Ridge Town Centre shopping centre, in our view, compromises the future expansion potential of this centre, in particular the ability for the site/centre to become a functional/effective enclosed sub-regional shopping centre with a DDS anchor. We also we expect that each of the three DDS operators would be cautious about locating here due to the centre's proximity to Grand Plaza.

- The **Yarrabilba Town Centre** is located around 20km to the east of Greenbank DC and this centre is expected to evolve in line with the future population in the Yarrabilba Estate itself. The centre's catchment is relatively contained and would have limited overlap with the trade area of an expanded Greenbank DC.

Table 7.3 Greenbank SC - Estimated impacts on future centres/expansions (Longer term)	
Centre	Details/impacts
Park Ridge TC	<p>Allows up to 40,000 sq.m retail GFA in the Major Centre zone.</p> <p>Recent supermarket based expansion is potentially an indicator that none of the three DDS operators would locate here in the medium term due to the centre's proximity to Grand Plaza.</p> <p>There would be potential for this centre to expand more significantly over the long term given Greenbank DC is planned to only support one of the major DDS operators.</p>
Flagstone PAC	<p>Will grow into a significant centre in the future, potentially supporting up to 100,000 sq.m of retail/ent. GFA, in addition to 60,000 sq.m of bulky goods GFA and 90,000 sq.m of commercial GFA.</p> <p>Convenience facilities are not expected for at least 5 - 7 years, as there is currently no population west of the rail line and the approved Flagstone Village development will open in a few years.</p> <p>Evolution of this centre to a higher order centre will be independent of Greenbank DC, as the interest from operators will be based around the critical mass of population west of the rail line and in the secondary south sectors.</p>
Jimboomba TC	<p>Proposed sub-regional centre would have minimal trade area overlap with Greenbank DC trade area. We expect this expansion would be relatively unaffected by new sub-regional facilities at Greenbank DC and will proceed over the medium term.</p>
Yarrabilba TC	<p>Is expected to support up to 45,000 sq.m of traditional retail GFA and in excess of 100,000 sq.m of retail and commercial floorspace including showroom, commercial, etc.</p> <p>Significant distance from Greenbank DC, and relies on completely different trade area.</p>
Source: MacroPlan Dimasi	

Section 8: Other economic and community impacts

This section of the report examines the net community benefits associated with the proposed development, including employment generation and other economic and social benefits.

8.1 Employment benefits

The proposed development at the Greenbank DC will result in additional on-going employment on site, as well as further jobs throughout the supply chain, including those in industries servicing the retail and commercial tenants at the site, such as transport workers, wholesalers and the like. Furthermore, the construction phase of the project will support temporary construction related employment, and additional temporary jobs through the broader economic supply chain (i.e. multiplier impacts).

In estimating the various employment benefits, we have relied upon various data sources including information from supermarket operators, the ABS, state and local government agencies, as well as 30 years' of experience in preparing assessments of this nature.

Table 8.1 illustrates the estimated net increase in permanent employment that could result from the proposed expansion of the Greenbank DC. As shown, proposed development scheme could result in a net additional 546 permanent jobs, in addition to those jobs already existing at the subject site.

According to Remplan's Logan Economic Profile (published on the Logan City Council website), as at the 2011 ABS Census of Population and Housing, around 36% of employed Logan residents worked within the Logan LGA, which means that around 64% leave the LGA for work each day. The additional jobs created at Greenbank DC would help to improve this high employment leakage.

Table 8.1 Greenbank - Estimated permanent employment*							
Scenario	Estimated employment per '000 sq.m	Existing		Post-dev.		Incremental	
		GFA (sq.m)	Employment (persons)	GFA (sq.m)	Employment (persons)	GFA (sq.m)	Employment (persons)
Retail							
Major tenants**	25	3,970	99	17,220	431	13,250	331
Mini-majors	30	0	0	2,000	60	2,000	60
Specialties	30	1,118	34	4,618	139	3,500	105
Sub-total		5,088	133	23,838	629	18,750	496
Non-retail							
Medical	30	326	10	1,076	32	750	23
Commercial/other	30	190	6	1,040	31	850	26
Gym	5	0	0	400	2	400	2
Sub-total		516	15	2,516	65	2,000	50
Total development		5,604	148	26,354	695	20,750	546
*Estimated employment within the Greenbank SC and SCA Property land only.							
**Assumes DDS of an indicative size of 7,500 sq.m (i.e. 7,000 - 8,000 sq.m)							
Source: MacroPlan Dimasi							

Table 8.2 provides an estimate of the total additional employment that would be created as a result of the proposed development, including both on-going direct and indirect (multiplier induced) employment from the construction phase of the project.

To calculate the likely total economic stimulus that can be attributed to the proposed retail facility, both due to the direct employment which it will create, and also due to its construction, we have had regard to ABS Australian National Accounts Input/output multipliers.

Based on assumed construction costs of around \$55 million, and an expected development timeframe of 18 months, the construction phase of the project is estimated to sustain about 408 jobs per annum across the economy per annum, including around 157 jobs created directly and a further 251 jobs resulting from multiplier induced effects. Around 30 – 35% of the direct jobs are estimated to be based on site (i.e. around 50 – 60 jobs).

As previously outlined, the proposed expansion could potentially yield an additional 546 jobs. Based on ABS employment multipliers for the relevant industries, we estimate this would also lead to 219 multiplier induced jobs across the broader economy.

Table 8.2 Greenbank - Estimated economy wide employment creation & construction employment*				
Original stimulus	On site employment (long-term)	Direct employment (const'n period)	Supplier multiplier effects (broader economy)	Total
<u>Economy-wide permanent employment</u>				
Greenbank DC (incremental)	546	n.a.	219	765
<u>Temporary Construction Related Employment (jobs per year)</u>				
Proposed expansion (\$55m. est. capital costs per annum over 1.5 yrs)	n.a.	157	251	408
Job years**				
* Employment totals include both full-time and part-time work				
**Indicates the estimated number of jobs over the life of the construction project, for the equivalent of one year				
Source: ABS; MacroPlan Dimasi				

8.2 Other community benefits

The proposed expansion of the Greenbank DC, would generate a range of other economic/community benefits, in particular the following:

- Increased choice and amenity for the population of the main trade area as well as likely increased competition for the benefit of consumers.
- Additional provision of full-line supermarket facilities, a possible Aldi supermarket and other supporting retail and non-retail services, to serve both the current residents of the main trade area and future residents, which are currently very limited within the main trade area.
- Will help to drive residential growth in the surrounding region, as residents will be attracted to the region due to a more comprehensive provision of retail and community amenities.
- Reduced travel distances, leading to savings on time and fuel for main trade area residents, due to a much better provision of food and grocery shopping facilities at the local level.

- Reinforces the retail hierarchy in the region by providing a greater range of retail amenity at an already identified centre location, without reducing the level of service provision anywhere else, nor preventing any future retail centres from establishing across the region.
- Opportunities for small businesses to open premises within District Centre.
- Providing jobs near people's homes and consequent economic multiplier impacts, which will boost the local economy.
- Will provide jobs near people's homes which will boost the local economy and increase the likelihood of improved employment self-containment within the Logan LGA, in the short-term, compared with a Do Nothing scenario whereby the centre doesn't expand.