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Preliminary Retail Impact Assessment

Proposed Mixed Use Development at Lewisham

Prepared for: Mike George Planning
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11 Dartford Road
Thornleigh NSW 2120
ABN 24 551 441 566

PO Box 230
Pennant Hills NSW 1715
DX 4721 Pennant Hills NSW

t : 02 9980 6933
f : 02 9980 6217
e : dfp@donfoxplanning.com.au

www.donfoxplanning.com.au

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1 Introduction

Don Fox Planning incorporating Hirst Consulting Services has been requested to provide preliminary advice relating to the potential impact of new retail facilities on a site located on Old Canterbury Road, Lewisham.

The retail component of the proposed development could comprise a supermarket and food market supported by specialty shops. The total retail floor space is likely to be approximately 9,000m^2.

For the purposes of this analysis, the following floor areas are assumed:

- Supermarket 3,500 - 4,000m^2
- Food market up to 1,500m^2
- Specialty shops 3,500 – 4,000m^2

The residential component of the development will comprise up to 16 townhouses along the Canterbury Road frontage of the site and 5 residential flat buildings between 4 and 5 storeys in height and containing up to 500 dwellings.

The purpose of this report is to assess the potential retail impact of the development, particularly the impact on other centres in the vicinity.

Therefore, this assessment will address the following:

- General description of the existing commercial centres in the area;
- Analysis of the characteristics of the population, including population projections and a description of the trade area;
- Analysis of the expenditure potential in the trade area;
- An estimation of the support for existing facilities and the support required for the proposed development; and
- The potential impact of the proposal.

2 Existing Studies

2.1 Business Centres Study

In 1993, a Business Centres Study undertaken by Plant Location International for Marrickville Council concluded that:

- There was no clear hierarchy of business centres in Marrickville LGA;
- In terms of floor space, there were three major centres:
  - Marrickville Town Centre
  - King Street, Newtown
  - Parramatta Road, Petersham
- Marrickville Metro Shopping Centre was the dominant retailing centre;
- Marrickville Town Centre was the geographic centre of the LGA;
- Marrickville Metro had the most extensive catchment; and
- There was little demand for additional floor space in any of the major centres.

2.2 Marrickville Urban Strategy

In 2007, Marrickville Council adopted the Marrickville Urban Strategy (MUS). This strategy identified 16 centres in the Marrickville LGA that provide a range of shopping, fresh food, personal services, restaurants, cafes, bars, services and recreational opportunities, theatres and galleries. These centres ranged in size from a neighbourhood centre up to a town centre.

Centres in the vicinity of the subject site include:

- Lewisham Station shops (classified in the MUS as a neighbourhood centre);
- Petersham shops, New Canterbury Road (this centre is classified as a small village in the MUS);
- Dulwich Hill shops, corner New Canterbury Road and Marrickville Road (classified as a small village);
- Marrickville Shopping Centre, Marrickville Road & Illawarra Road (classified as a village centre); and
- Marrickville Metro, which is the only stand-alone shopping centre in the Marrickville LGA.

The location of these centres in relation to the subject site is shown in the plan at **Figure 1**.

Figure 1 – Location of Surrounding Centres

2.3 South Subregion Draft Subregional Strategy

The South Subregion Draft Subregional Strategy, in which the Marrickville LGA is located, was exhibited for public comment in March-April 2008. A hierarchy of centres within the LGA is proposed as part of the Draft Subregional Strategy.

The hierarchy of centres as described in the South Subregion Draft Subregional Strategy is at odds with that described in Council's Urban Strategy document. For example the Marrickville Village Centre located on Marrickville Road and Illawarra Road is described in the Draft Subregional Strategy, as a town centre. Similarly, the Marrickville Metro which the MUS describes as a stand-alone shopping centre is described in the Draft Subregional Strategy as a village centre.

There are a number of inconsistencies between the Draft Subregional Strategy and the Marrickville Urban Strategy and to this end, Marrickville Council has made a submission to the Department of Planning in relation to some of the planning directions identified in the Draft Subregional Strategy. For the purposes of this assessment the description of the centres as noted in the MUS will be applied.

3 Existing Centres

3.1.1 Introduction

In our opinion, the influence of the retail component of the proposed Lewisham development is likely to extend to the smaller centres within approximately 1 kilometre distance of the subject site and larger centres within approximately 2 kilometres of the subject site. Given the relative dominance of Marrickville Metro and the Marrickville Shopping Centre in terms of retailing activity in the LGA, this assessment will also investigate the potential influence the proposed development may have on those centres. Therefore, for the purposes of this assessment, the following centres have been investigated:

- Lewisham Station Local Convenience Shops;
- Petersham Shops along New Canterbury Road;
- Dulwich Hill Shops corner New Canterbury Road and Marrickville Road;
- Summer Hill Shopping Centre located on the southern side of the railway line; and
- Marrickville Shopping Centre and Marrickville Metro Shopping Centre.

3.2 Marrickville Metro Shopping Centre

Marrickville Metro is the dominant retail centre in the LGA. However, because it does not support a significant floor area of non-retail functions, it acts only as a secondary district centre.

Marrickville Metro remains the only self-contained shopping centre in Marrickville, being developed in the late 1980's. The centre is surrounded by residential and industrial land uses and was developed as a result of rezoning of industrial land.

The bulk of tenants within Marrickville Metro are mainstream outlets. The centre is anchored by two major supermarkets (Woolworths and ALDI food store) and a K-Mart discount department store. These major tenants are supported by over 100 specialty outlets, including a number of non-retail tenancies. The centre is clean and well-presented with a centralised food court and easy parking.

3.3 Marrickville Shopping Centre, Marrickville Road & Illawarra Road

The 1993 Business Centres Study made recommendations regarding the Marrickville strip centre, indicating it should be promoted as the predominant district level business centre in the LGA. It was considered that investment should focus on retail or business-related services and (hopefully) include the addition of a major supermarket, discount department stores and office development. It was also suggested that the role of the centre could be strengthened through the relocation of the municipal administrative services to the centre.

Field surveys of Marrickville confirm that Council's Administrative Services have not been relocated to this centre and the centre still lacks a major supermarket. There are in fact very few national chain stores represented in this centre.

Most retailing within Marrickville comprises specialty shops on either side of Marrickville Road between Petersham Road and Victoria Road, and along Illawarra Road between Marrickville Road and Warren Road.

There is presently some concentration of medical services in this centre with over 25% of non-retail premises being used to provide a variety of medical services. Other professional offices include solicitors, accountants and travel agents which account for almost 40% of non-retail premises.

A significant proportion of food stores (including restaurants and cafes) within this centre are Asian grocery stores. General signage and types of restaurants present in the centre also reflect a mix of ethnic backgrounds including Greek, Vietnamese and Chinese.

The centre appears well-patronised and vibrant and recent street upgrades have contributed significantly to the centre's amenity. In our opinion, the Marrickville Shopping Centre appears to function positively as one of the main retail and commercial centres in the LGA.

3.4 Petersham Shopping Centre, New Canterbury Road

The Petersham Shopping Centre is a traditional strip shopping centre with frontages along both sides of New Canterbury Road between West Street and Audley Street. The public domain areas of the Petersham Shopping Centre, particularly along New Canterbury Road, lack amenity due to the volume of traffic using this road. A recent inspection of the centre revealed a reasonably high proportion of vacant retail and non-retail premises and little vibrancy or vitality. The centre was not well-patronised, however some cafés in Audley Street were experiencing a reasonable level of trade.

The centre lacks a heart or core as there is no major anchor tenant such as a supermarket in the centre. The centre is very long and drawn out and car parking is poorly located behind the retail strip with no connection to the shopping area.

There is evidence of the Portuguese influence in the centre with a significant number of restaurants, cafes and food stores offering Portuguese cuisines and specialist groceries. Other cuisines represented in this centre include Indian, Brazilian, Spanish, Chinese, Italian and Greek. Evidence of these types of outlets suggests the centre could have the ability to draw trade from beyond its local area.

There is evidence of underutilised land within the retail centre with a skate rink and garden centre both occupying significant areas of prime business-zoned land.

3.5 Dulwich Hill Shopping Centre, New Canterbury Road & Marrickville Road

This centre is divided into two sections. That part of the centre along New Canterbury Road includes a significant proportion of large floor space using non-retail activity, including a hotel, funeral director, dance studio, print works and upholsterer.

Although there is an IGA Supermarket in this strip, there are also a significant number of vacant premises, particularly in that section beyond Marrickville Road. This section of the centre comprises mainly fringe retail activities including a signage outlet, kitchen showroom, sewing machine outlet and car wash facility.

That part of the centre along Marrickville Road and Seaview Street is more vibrant and comprises higher quality retail provision. The public domain areas have been improved with widened footpaths and landscape treatments. Car parking is also more convenient with two Council car parking areas located along Seaview Street but only limited on-street parking along Marrickville Road. This section of the centre appears to comprise a good balance between retail and non-retail provision. The variety of outlets within this centre is generally what would be expected to be found in a comprehensive local centre serving its surrounding community.

3.6 Lewisham Station Shops

This centre is very much a small, local convenience centre capitalising on its location immediately adjacent to the railway station. There are a variety of unconventional tenants within this centre including a scaffold supplier, recording studio and care services office. In addition, it appears that some of the shops within this centre have been converted to residential premises.

The public domain areas of the centre are impacted upon by the significant volume of traffic along Railway Terrace.

Retail outlets in the centre include a small supermarket/grocery store on the corner of Henry Street and Victoria Street, a take-away food outlet, laundromat and convenience store.

3.7 Summer Hill Shopping Centre

The bulk of the Summer Hill Shopping Centre is located on the southern side of the railway line and is centred on Lackey Street and Hardie Avenue.

This is a small, local centre serving its local community with pleasant and well maintained public domain areas. The mix of outlets within the centre is mainly local serving retail outlets supported by a small proportion of non-retail, local serving businesses. Although there is some shoptop housing, there is little evidence of any first floor commercial uses within this centre. The centre is supported by a small Franklins supermarket with a specialist grocer/fresh food produce store currently under construction.

4 Population

4.1 Introduction

Depending on the scale of retail development, the nature of tenancies within any development and the level of competition of competing centres and facilities, combined with the presence of physical barriers to movement, different retail centres and specialty outlets within a centre can experience significantly different trade or catchment areas. For example, the catchment area of some of the specialty food outlets within the Petersham Shopping Centre is likely to extend well beyond the local area.

In terms of the centres within the vicinity of the subject site, the Marrickville Road/Illawarra Road centre and Marrickville Metro are likely to have influence over a much greater area than the Dulwich Hill Centre, which is likely to attract most of its trade from the surrounding local population.

Although there are retail centres within the surrounding area, the proposed development has the potential to introduce in excess of 500 extra households into the area.

According to the Marrickville Urban Strategy, approximately 225 dwellings per year are required to be built in the Marrickville LGA to accommodate social and demographic change in the LGA and meet the targets set by the Metropolitan Strategy. Ways of achieving urban renewal are described in the Marrickville Urban Strategy and include rezoning of select special use sites, rezoning of select industrial sites (such as the subject site), and increased density in infill areas. Therefore, although there is the potential for in excess of 500 dwellings to be constructed on the subject site, there is also the potential for there to be an increase in population in the surrounding area as a result of these urban renewal projects.

Depending on the type of retail offering provided within the proposed development, the extent of the catchment area could vary considerably. Apart from the on-site population, given the lack of a readily available full-time supermarket within the immediate vicinity of the subject site, the proposed development also has the ability to draw a proportion of trade from the surrounding residential area.

4.2 Characteristics of the Potential Catchment Population

4.2.1 Introduction

The most recent detailed population statistics are those available from the 2006 Census. These have been used in this analysis and updated where appropriate by available projections.

4.2.2 Population Profile

As described earlier, the catchment areas for retail centres and facilities within centres can vary significantly. It is likely that any convenience retail provision on the subject site will attract a reasonable proportion of expenditure from the development site itself, but also from households immediately surrounding the site.

Because the subject site will comprise mainly high density development with retail facilities immediately available, the residential population within the Ashfield Town Centre has been used as a reference population for the purposes of establishing a profile of the ultimate population of the subject site. This population represents the closest high density residentially developed precinct within a centre, within the vicinity of the site. This is not to say that the population of the subject site will display exactly the same characteristics as the population of the Ashfield Town Centre, but in terms of dwelling structure, household composition, household tenure and income, we suggest the characteristics may be similar. The characteristics of the Ashfield Town Centre population are included in **Table 1**

TABLE 1: Extract from 2006 Basic Community Profile	Ashfield Town Centre	Postal Area 2049	Postal Area 2204	Postal Area 2203
Total Persons	3,226	10,236	23,819	12,239
Born in Australia	28.6%	61.3%	49.4%	52.4%
Born Overseas	49.7%	29.6%	41.2%	36.7%
AGE of PERSONS				
0-14	15.1%	13.1%	14.9%	16.1%
15-24	16.8%	12.3%	12.3%	10.9%
25-44	38.4%	39.9%	37.0%	38.9%
45-64	20.7%	24.1%	23.2%	23.9%
65 or more	9.1%	10.5%	12.6%	10.2%
Different address 5 years ago (5+yo)	42%	43.6%	35.0%	36.8%
On Census Night, persons counted:				
At home	99.8%	93.9%	96.6%	99.2%
Elsewhere in Australia	0.2%	6.0%	3.4%	0.8%
Household Composition				
Couple with Children	41.4%	37.9%	41.5%	40.9%
Couple without Children	38.5%	43.0%	36.7%	37.0%
Single Parent	15.3%	16.7%	18.8%	19.1%
Other Families	4.8%	2.4%	3.0%	3.0%
Lone Person Households	23.9%	34.8%	30.5%	33.0%
Group Households	7%	5%	4.3%	3.2%
Total No. of Households	1,236	4,398	9,523	5,349
Dwelling Structure				
Separate House	32.5%	39.7%	40.6%	39.0%
Apartments	56.0%	39.9%	40.9%	49.0%
Other Medium Density	8.4%	18.4%	17.6%	10.3%
Other (including not stated)	3.1%	2.0%	1.0%	1.8%
Persons per Dwelling	2.6	2.2	2.4	2.3
Tenure				
Owned	19.5%	21.2%	25.5%	24.5%
Being Purchased	21.6%	25.3%	24.4%	26.2%
Rented	38.2%	43.7%	40.4%	39.2%
Other (including not stated)	20.7%	9.7%	9.8%	10.1%
Medians				
Weekly Rent	$284	$249	$228	$235
Monthly Mortgage	$1,834	$1,990	$1,834	$1,833
Annual Household Income	$54,808	$62,700	$54,600	$58,448
Weekly Household Income				
$0 - $649	28.8%	21.7%	28.4%	24.6%
$650 - $1999	42.8%	42.1%	41.4%	46.2%
$2000 +	17.8%	26.4%	19.0%	20.2%
Other, including not stated	10.6%	9.9%	11.2%	9.0%
Average Vehicles per Household	0.9	1.1	1.1	1.1
Households with no vehicle	25%	21%	23%	18.3%

Key characteristics of the population of the Ashfield Town Centre high density residential area include:

- 42% of the population lived at a different address 5 years ago, suggesting a fairly transient population.
- 56% of dwellings in this area were apartments with an average occupancy of 2.6 persons per dwelling.
- Almost 24% of dwellings were lone person households.
- 38.2% of households were rented. (Note: the high proportion (20.7% of other tenure) includes tenure type not stated).
- The median annual household income was over $54,800.
- Car ownership was low with 25% of households having no vehicle and an average of only 0.9 vehicles per household.

Having regard to the characteristics of the Ashfield Town Centre population as a possible reference population for the potential population of the residential component of the subject site, we would expect that the resident population of the subject site might display the following characteristics:

- A high proportion of persons born overseas.
- An age structure not unlike that of the Ashfield Town Centre.
- 100% of the dwellings comprising medium density or multi-unit housing apartments.
- An average occupancy of 2.2 persons per dwelling.
- A lower proportion of group households.
- A high proportion of rented households.
- A median annual income similar to that of households in the Ashfield Town Centre.

The retail component of the proposed development is likely to attract a proportion of trade from the surrounding residential area. The potential catchment area is indicated in **Figure 2.** This area includes:

- The southern portion of Postcode Area 2049 (Lewisham and Petersham);
- The northern part of Postcode Area 2203 (Dulwich Hill); and
- Part of Postcode Area 2204 (Marrickville).

The profiles of each of these Postcode Areas have been included in **Table 1**.

Key characteristics of these areas include:

- a higher proportion of persons born in Australia (compared to the Ashfield Town Centre);
- a higher proportion of lone person households;
- a similar proportion of rented households;
- the medium annual household income was significantly more in Postcode area 2049, than any of the other areas; and
- car ownership was similar.

For the purposes of this assessment, it is estimated that...

- 2,200 households in Postcode Area 2049;
- 2,500 households in Postcode Area 2203; and
- 1,000 households in Postcode Area 2204...

are within the potential catchment area of the retail component of the subject site.

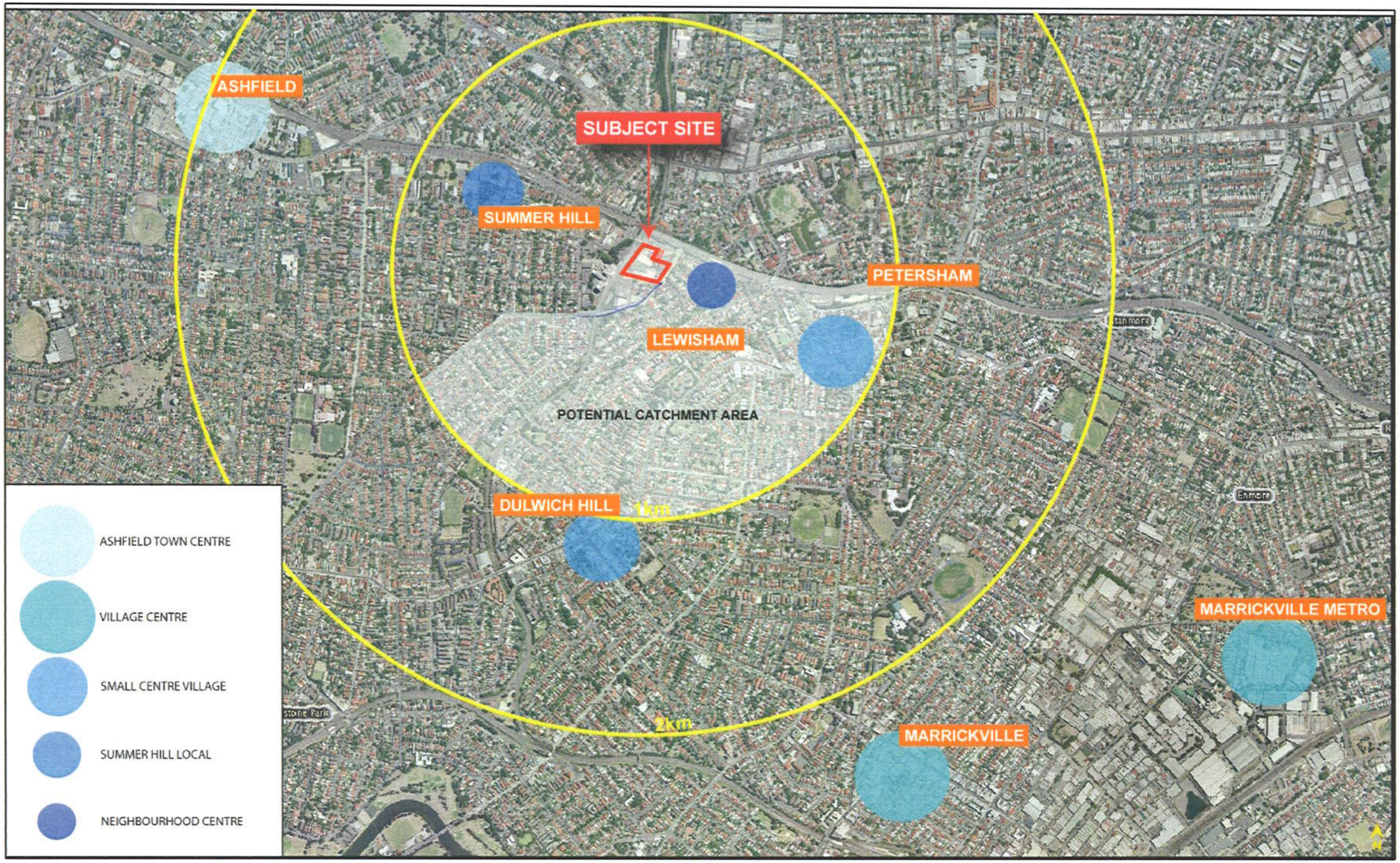

Figure 2 – Potential Catchment Area

4.3 Population Projections

Table 2 is an estimate of the potential residential development within the subject site. These estimates have been based on a total residential yield of 516 dwellings being completed over a 10 year period.

Table 2: Estimated Development Staging 2011 - 2019

Area	2011		2016		2019	
	Persons	H'holds	Persons	H'holds	Persons	H'holds
Development site	330	150	770	350	1,135	516

Source: DFP Estimates. Assumes development will occur over a 10 year period, commencing 2009, with first units occupied in 2011

Based on the estimates in **Table 2** we would expect there to be 150 units occupied by 2011. Based on a 10 year development period, by 2019 total residential development of the site will be achieved.

As previously identified, the MUS suggest that there is the potential for an additional 5,600 dwellings to be developed in the LGA over the next 25 years. This equates to approximately 225 dwellings per year.

It is estimated that the potential catchment area of the retail component of the proposed development comprises approximately 1/8 of the residentially zoned land in the Marrickville LGA.

Assuming the additional development is spread evenly across the LGA, these is the potential for 30 dwellings per year to be developed in the catchment area.

The proposed development will account for a proportion of these additional dwellings. Notwithstanding this, there is the potential for some in-fill development to occur in the existing residential areas. For the purposes of this assessment it is assumed that additional in-fill development in the areas surrounding the development still could occur at a rate of 20 dwellings per year.

Table 3 below is an estimate of household numbers in the potential catchment area.

Table 3: Population Projections for Potential Catchment Area 2006 -2021

Area	2006		2008		2011		2016		2021	
	Persons	H'holds	Persons	H'holds	Persons	H'holds	Persons	H'holds	Persons	H'holds
	13,110	5,700	13,202	5,740	13,340	5,800	13,570	5,900	13,800	6,000

Source: DFP estimates

Note: 5,700 households in 2006 represents:

Estimated no. of households in southern half of postcode area 2049 (2200)

Estimated no. of households in northern half of postcode area 2203 (2500)

Estimated no. of households in western portion of postcode area 2204 (1000)

5 Expenditure Potential

5.1 On-Site Retail Expenditure

Table 4 is an estimate of the total retail expenditure likely to be available from on-site households in 2011-2019. These estimates have been calculated using a technique which categorises a community in terms of household income and combines these characteristics with the general expenditure on retail items as noted in the 2003/04 ABS Household Expenditure Survey, updated by applying the Consumer Price Index. For the years 2011-2019, an annual growth rate in spending of 1% has been factored in.

The expenditure estimates from the potential population of the subject site are provided in **Table 4** below.

Table 4: Estimated Retail Expenditure per On SiteHousehold and in Total, 2011 - 2019

Retail Commodity Group	$per Household (2008)	Total all households 2011 ($mil)	Total all households 2016 ($mil)	Total all households 2019 ($mil)	Sydney Av. $ per Household
Food for Home	$8,524.1	$1.3	$3.2	$4.9	$8,917.3
Clothing	$2,214.7	$0.3	$0.8	$1.3	$2,387.7
Small Household Goods	$4,384.6	$0.7	$1.7	$2.5	$4,618.7
Large Household Goods	$6,654.1	$1.0	$2.5	$3.8	$7,064.6
Personal Services	$2,546.4	$0.4	$1.0	$1.5	$2,716.0
Food Restaurants	$1,824.4	$0.3	$0.7	$1.0	$1,982.5
Take Away Food	$1,484.6	$0.2	$0.6	$0.9	$1,600.6
TOTAL ($)	**$27,632.9**	**$4.3**	**$10.5**	**$15.9**	**$29,287.4**

Source: ABS: Basic Community Profile, Household Income Data.
ABS: Household Expenditure Survey, 2003/04
Detailed Expenditure Items, Cat. No. 6535.0.55.001
Base Data: ABS Consumer Price Index, September 2008
Totals: Annual Growth Rate of 1.0% factored in

According to the information in **Table 4**, these estimates suggest that:

- If this development existed in 2008, each household could expend over $27,600 on retail commodity items. This is significantly less than the average Sydney household which expends almost $29,300.
- By 2011, as a result of growth in spending and population, there could be $4.3 million of retail expenditure available from these households.
- By 2016, the amount of available expenditure from these households could have increased to $10.5 million and upon full development of the site in 2019 there could be $15.9 million of retail expenditure available.

5.2 Potential Catchment Area Expenditure

Using the same technique, the potential expenditure from surrounding households has also been estimated. **Table 5** is an estimate of the expenditure available from households in the potential catchment area from 2008-2021.

Table 5: Average Estimated Retail Expenditure per Catchment Area Household and in Total, 2008 - 2021

Retail Commodity Group	Average $ per household	Total all households 2008 ($mil)	Total all households 2011 ($mil)	Total all households 2016 ($mil)	Total all households 2021 ($mil)
Food for Home	$8,854.5	$50.8	$52.9	$56.5	$60.3
Clothing	$2,354.1	$13.5	$14.1	$15.0	$16.0
Small Household Goods	$4,576.1	$26.3	$27.3	$29.2	$31.2
Large Household Goods	$6,995.7	$40.2	$41.8	$44.6	$47.7
Personal Services	$2,684.5	$15.4	$16.0	$17.1	$18.3
Food Restaurants	$1,954.0	$11.2	$11.7	$12.5	$13.3
Take Away Food	$1,581.9	$9.1	$9.5	$10.1	$10.8
TOTAL ($)	**$29,000.9**	**$166.5**	**$173.3**	**$185.1**	**$197.6**

Source: ABS: Basic Community Profile, Household Income Data.
ABS: Household Expenditure Survey, 2003/04
Detailed Expenditure Items, Cat. No. 6535.0.55.001
Base Data: ABS Consumer Price Index, September 2008
Totals: Annual Growth Rate of 1.0% factored in

According to the estimates in **Table 5**:

- The average expenditure available from each of these households in 2008 is $29,000;
- This could equate to total available expenditure of $166.5 million;
- By 2011 there could be $173.3 million of expenditure available; and
- This could increase to $185.1 million in 2016 and by 2021 there could be $195.6 million of expenditure available from these households.

6 Impact Assessment

6.1 Sales Estimates

Depending on the location, the degree of competition, the size of the centre and the range of outlets available, shopping centres and outlets within shopping centres can experience significantly different turnovers. A centre anchored by a supermarket is likely to experience a higher turnover on average than one without such an attractor. The estimates in **Table 6** below provide an indication of the potential turnovers likely to be generated by the variety of retail facilities that could be provided on this site.

Table 6: Estimated Turnover of Proposed Retail Component

Use	Estimated Floorspace (m^2)	$/$m^2$ 2011	$/$m^2$ 2016	$/$m^2$ 2019
Supermarket	4,000	$8,755	$9,193	$9,469
Fresh food market	1,500	$6,695	$7,030	$7,241
Specialty Shops	3,500	$4,120	$4,326	$4,456

Source: DFP Estimates

Based on the estimates in **Table 6** the proposed development could experience sales as noted in **Table 7**.

Table 7: Estimated Sales 2011 - 2019				
	Estimated	Total Sales $mil		
Use	Floorspace (m^2)	2011	2016	2019
Supermarket	4,000	$35.0	$36.8	$37.9
Fresh food market	1,500	$10.0	$10.5	$10.9
Specialty Shops	3,500	$14.4	$15.1	$15.6
	Total sales	**$59.5**	**$62.5**	**$64.3**
Source: DFP Estimates				

Using the estimates in **Table 7**, there is the potential for the retail component of this development to attract total sales of $59.5 million in 2011, $62.5 million in 2016 and $64.3 million in 2019.

Based on the expenditure estimates in **Table 4**, by 2016 the on-site resident population could contribute approximately $7.9 million or 12.6% to the sales of the proposed retail development on-site. This is based on 75% of available expenditure from on-site households being directed to retail facilities on-site.

The balance of the sales ($54.6 million) would need to be attracted from the surrounding area. Using the expenditure estimates in **Table 5**, this would equate to approximately 30% of available retail expenditure from these households being directed to retail facilities proposed to be provided as part of this development.

6.2 Impact Assessment

Given that there is currently no full-line supermarket readily available in the estimated catchment area, the potential for new retail facilities in this location to attract up to 30% of household expenditure is not considered unrealistic.

Given the lack of such a facility within any of the centres within the vicinity of the site, it is unlikely that the introduction of additional retail facilities in this location could impact significantly on the function and composition of existing centres.

As noted in Section 3 of this report, each of the smaller centres in the immediate vicinity (ie. 1 km radius) of the site are reasonably specialised in nature in terms of composition and the area serviced by the centre.

For example, the major attraction of the Petersham shops is the variety of food outlets available and its specialised and cosmopolitan retail offering. In this regard, the centre does not cater well for its local population in terms of day-to-day needs. Local Petersham residents would be required to travel to Leichhardt, Ashfield or Marrickville for such requirements, none of which are particularly convenient or accessible.

Dulwich Hill shops provide a broad retail offering, much of which targets the local population. For major supermarket purchases however, these residents are forced to travel to either Marrickville Metro or Ashfield. It is considered that even with the development of new retail facilities on the subject site, this centre will continue to function as a multi-faceted local centre.

It is considered that the catchments of both Marrickville and Marrickville Metro are sufficiently large enough to be able to absorb the potential impact the redirection of a proportion of expenditure away from those centres may have. The potential catchment area of the proposed development represents only a minor proportion of the catchment areas of these two major centres.

The small centre adjacent to Lewisham Station will continue to provide a basic level of convenience shopping to its limited catchment. There is the potential for the proposed supermarket to impact on the activities of the mixed business adjacent to this centre, however it is considered that this outlet, which is on the fringe of the centre, will continue to provide for the convenience retail needs of the immediate neighbourhood.

6.3 Summary

Our preliminary assessment of possible impacts of this 9,000m^2 of retail floor space at Lewisham shows:

- A relatively 'contained' local trade area would be required as its catchment;
- A significant contributor to local retail expenditure will be the residences developed on the site;
- The largest of the other retail centres in the area have very extensive catchments
- Because of this, little impact could be expected on the largest centres from this proposal;
- The smallest of the other retail centres in the area do not offer the range of shops proposed in this development; and
- Little impact could be expected on the smallest centres from this proposal because they can offer retail services complementary to the proposal, not in competition with it.