



Ballina Shire

Bulky Goods Retailing Demand Update

Prepared for Ballina Shire Council

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QUALITY ASSURANCE

Report Contacts

NICHOLAS HILL

B. Science, M Human Geography, Macquarie University (2012) M.A Property Development, University of Technology Sydney (2015) Macquarie University (2012)

Senior Consultant

Nick.Hill@hillpda.com

Supervisor

ADRIAN HACK

M. Land Econ. B.Town Planning (Hons). MPIA

Principal Urban and Retail Economics

Adrian.Hack@hillpda.com.

Quality Control

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EXECUTIVE SUMMARY

Ballina Shire Council ('Council') commissioned HillPDA to undertake an update to the previous Ballina Bulky Goods Retailing Investigation study undertaken by HillPDA in 2012 (the 2012 study).

The update has been accelerated due to Council receiving a request from Council's commercial services department (the Proponent) to amend the Ballina Local Environmental Plan 2012 (LEP 2012). This request relates to land that forms part of the bulky goods retailing precinct in the Southern Cross Industrial Estate, approximately 6ha in size.

The amendment proposes the rezoning of two lots, referred to as lots 2 and 3, and the Boeing Avenue road reserve (subject area) from B5 - Business Development zone to IN1 - General Industrial Zone including an enabling clause to permit bulky goods development as an additional permitted use.

A stakeholder meeting with the Proponent highlighted the following key points regarding bulky goods / Large Format Retailing (LFR) within Ballina LGA:

- Demand for bulky goods retailing development sites has declined steadily since the Global Financial Crisis;
- Only one inquiry has been received in the last five years for possible bulky goods development within the B5 zoning;
- The airport has received a grant for additional facilities and link road upgrades;
- Upgrading of the Ballina Byron airport is estimated to increase passengers by around 500,000 to 700,000 per annum;
- If rezoned to IN1 – General Industrial, bulky goods would be an additional permitted use within the subject area; and
- If rezoned the subject area would provide approximately five years of additional industrial supply.

Other specific changes that have occurred since the 2012 study include:

- A significant reduction in population projections for Ballina and surrounding LGAs;
- The retraction of the proposed Masters (13,500sqm) and Homeworld (29,000sqm) from the development pipeline;

The subject area has received limited interest from potential bulky goods developer / operators since the 2012 study.

Over 36,000sqm of bulky goods retailing within the development pipeline was not realised.

Approximately 1ha of land is currently required (2016) for bulky goods / LFR development, increasing to just under 4ha by 2031.

Rezoning of the subject area is advised for IN1 – General Industrial, with bulky goods retailing as an additional permissible use.

Advancement of the proposed Airport Boulevard is advised. An appropriate zoning running parallel to this proposed road which allows for bulky goods retailing is recommended.

- The development of a +10,000sqm Bunnings along River St, and the subsequent closure of the 3,000sqm Bunnings within the Southern Cross Precinct; and
- Other changes to bulky goods floorspace include the inclusion of a BCF within Ballina CBD and the closure of Retravisio along River St.

Bulky Goods / LFR demand modelling

Demand modelling suggests that Ballina could currently support around 52,000sqm of bulky goods retailing increasing to just over 63,500sqm by 2031 due to population and real expenditure growth.

Current bulky goods / LFA floorspace supply within Ballina is estimated at around 48,000sqm (occupied and vacant), suggesting a slight undersupply of 4,000sqm. This undersupply is forecast to increase to around 15,500sqm by 2031.

To accommodate this demand in bulky goods /LFA retailing within Ballina approximately 1ha of land is currently required (2016), increasing to just under 4ha by 2031.

Study recommendations

In our view, it is reasonable for Council to seek the following outcomes:

- Rezoning of the subject area to an IN1 – General Industrial zone, with the addition of bulky goods retailing as a permissible use;
- As advised by Council’s commercial services department, the provision of an additional five years of industrial zoned land is provided by the subject area. This would allow for the development of any short term demand, while allowing for the development Southern Cross expansion precinct and associated road network;
- Advancement of the proposed Airport Boulevard link should be prioritised. This would create a corridor with high exposure from the new road, ideal for future bulky goods development (Figure 4)
- An appropriate zoning running parallel to the proposed Airport Boulevard is advised. This zoning is recommended to permit the development of bulky goods retailing. This would allow for any future demand to be accommodated in an appropriate location; and

- The exclusion of residential accommodation is advised within this area to reduce the potential of land use conflicts and preserve the land for employment uses.

1 INTRODUCTION

Ballina Shire Council ('Council') commissioned HillPDA to undertake an update to the previous Ballina Bulky Goods Retailing Investigation study undertaken by HillPDA in 2012 (the 2012 study). The 2012 study examined the demand for bulky goods and larger format retailing (LFR) floorspace in Ballina Shire Local Government Area (the LGA) over the 2011 to 2026 period.

The update has been accelerated due to Council receiving a request from Council's commercial services department (the Proponent) to amend the Ballina Local Environmental Plan 2012 (LEP 2012). This request relates to land that forms part of the bulky goods retailing precinct in the Southern Cross Industrial Estate, approximately 6ha in size.

The amendment proposes the rezoning of two lots, referred to as lots 2 and 3, and the Boeing Avenue road reserve, referred to as the subject area, (Figure 1) from B5 - Business Development zone to IN1 - General Industrial Zone including an enabling clause to permit bulky goods development as an additional permitted use.

To assist Council in deciding whether it should request a Gateway determination from the Department of Planning and Environment to progress the proposed LEP amendment, an update to the Bulky Goods Retailing Investigation report has been requested.

Specifically the updated report would:

1. Address the demand for bulky goods premises over two periods, these being 2016 to 2026 and 2016 to 2031; and
2. Address whether any reduction in demand for bulky goods retailing sites is considered to be short term.

Figure 1: Subject rezoning area



Source: HillPDA

Ballina Bulky Goods Retailing Investigation Study (2012)

HillPDA was commissioned by Council to undertake the Ballina Bulky Goods Retailing Investigation ('the Study'). The primary purpose of the 2012 study was to investigate demand for bulky goods and Large Format Retail (LFR) premises in Ballina Shire over the 2011 to 2026 period.

At the time bulky goods and LFR businesses were distributed over several locations in Ballina including:

- The Ballina Town Centre (around 5,000sqm including Retravision and Snooze);
- Kerr Street retail precinct (around 5,000sqm including Super Amart);
- Clarke Street industrial area (around 2,000sqm including Vast Furniture);
- West Ballina Pacific Highway (around 4,000sqm including Good Guys); and
- The Southern Cross industrial precinct (around 17,000sqm occupied and 3,000sqm unoccupied space).

Demand modelling suggested that Ballina could support around 52,000sqm of bulky goods retailing in 2011, increasing to almost 70,000sqm by 2026 due to population growth. Bulky goods

floorspace at around 32,220sqm occupied and 4,100sqm vacant suggested that Ballina was undersupplied. There was also a further potential for non-bulky goods LFR floorspace – up to 17,000sqm by 2026.

It was determined that Ballina would require around 49,500sqm of additional bulky goods and LFR space over and above existing levels by 2026. Assuming development at 0.4:1 FSR then around 12 hectares of land was required to accommodate this growth in demand for bulky goods and LFR space to 2026.

At the time of the 2012 study, there were several approved and mooted developments including:

- Homeworld 29,000sqm homemaker centre in West Ballina (DA consent until late 2012);
- Masters 13,500sqm DIY and hardware store in West Ballina (rezoning request declined by Council);
- Bunnings 11,000sqm hardware house on the Big Prawn site in West Ballina (DA under assessment); and
- 6 hectares of vacant land adjacent to the Harvey Norman centre to accommodate additional retailers¹.

In the event that the development of the Homeworld site for bulky goods retailing purposes did not proceed, and in light of Council's decision to decline the Masters request to rezone land at West Ballina, a further 3 hectares of land (in addition to land adjoining the Harvey Norman Centre referred to above) would be required to meet demand to 2026.

Stakeholder engagement

Consultation meetings were held with Council's project team and the Proponent on the 3rd of November 2016. The key outcomes of the meeting with the Proponent for consideration were as follows:

- There is strong demand for industrial lots of approximately 12 to 15,000sqm within Ballina;
- There is currently a limited supply of industrial lots in the above range;
- Demand for bulky goods retailing development sites has declined since the Global Financial Crisis;

¹ Note: Site area approximated and measured using Nearmap

- Only one inquiry has been received in the last five years for possible bulky goods development within the B5 zoning;
- The airport has received a grant for additional facilities and link road upgrades;
- Upgrading of the Ballina Byron airport is estimated to increase passengers by around 500,000 to 700,000 per annum;
- If rezoned to IN1 – General Industrial, bulky goods would be an additional permitted use within the subject area; and
- If rezoned the subject area would provide approximately five years of additional industrial supply.

To address the above, Council's strategic planning staff prompted an overview of the status of the proposed LEP amendment and the need to update the previous study analysing bulky goods retailing demand within Ballina LGA.

Methodology

To meet the requirements of the Study brief, the methodological approach we have used is as follows:

- Reviewed the existing body of information relevant to consideration of current and future bulky goods and LFR floorspace in the LGA;
- Undertaken an updated floorspace audit of all existing bulky goods and LFR floorspace in the LGA;
- Undertaken retail expenditure demand modelling to determine the amount of bulky goods and LFR floorspace which the LGA will need to accommodate in the future; and
- Within the context of the forecast level of need for additional bulky goods and LFR floorspace, provided advice on where this could be best accommodated.

2 CONTEXTUAL REVIEW

Chapter 2 examines the legislative planning framework which influences development of bulky goods and LFR floorspace in the LGA in the future. Both State and local policies are considered, in addition to previous studies undertaken on behalf of Council which are pertinent to the Study.

State Planning

NSW Draft Centres Policy

Recently there has been a growing awareness and investigation of barriers to competition in Australia, particularly in the retail industry. As a result of these investigations the Australian Government directed state governments and planning authorities to review the flexibility of planning regulations and policies regarding retail development. In response the NSW Department of Planning & Infrastructure (DP&I) released the Draft Centres Policy in April 2009.

The Draft Centres Policy focuses around six key principles. The principles relate to:

1. The need to reinforce the importance of centres and clustering business activities;
2. The need to ensure the planning system is flexible, allows centres to grow and new centres to form;
3. The market is best placed to determine need. The planning system should accommodate this need whilst regulating its location and scale;
4. Councils should zone sufficient land to accommodate demand including larger retail formats;
5. Centres should have a mix of retail types that encourage competition; and
6. Centres should be well designed to encourage people to visit and stay longer.

Whilst the Draft Centres Policy indicates that the preferred location for new retail and commercial development is in centres, it recognises that there may be exceptions to this approach.

Specifically in regard to bulky goods premises, the Draft Centres Policy recognises that such outlets often require large areas for the handling, display or storage of goods, or direct vehicular access by members of the public to the site to load or unload goods. Bulky

goods operators are therefore attracted to locations that offer lower site costs offsetting lower retail turnovers relative to floor area. The Policy states that bulky goods premises should be accommodated in zones B2–B4 in centres, or where this is not realistic, they should be clustered together in an appropriate B5 zone in an edge-of-centre location.

The Draft Policy has been publicly exhibited and remains in draft format. The six key principles are discussed in more detail below.

Principle 1: Retail and commercial activity should be located within centres

The first principle of the Draft Centres Policy reinforces the longstanding strategy to concentrate the predominant share of retail and business floor space within town centres. The clustering of uses within centres is justified for environmental and economic reasons. By way of example, focusing uses within centres makes efficient use of existing infrastructure, can improve business efficiency and productivity and allow for a range of uses to be provided meeting consumer needs.

Principle 2: Centres should be able to grow and new centres form

The Draft Centres Policy identifies that areas experiencing significant increases in population and real income must be dynamic and respond to “prevailing market demands” through the extension of existing centres or the growth of new ones.

Principle 2 of the Draft Centres Policy recommends the rezoning of land in appropriate centre locations or locations adjacent to centres in order to facilitate business expansion and to enable new businesses to enter the market.

Principle 3: Market determines need for development, planning regulates location and scale

The third principle of the Draft Centres Policy identifies that the market is best placed to determine demand for retail and commercial development. Accordingly, the role of the planning system is not to assess the appropriateness of development on the basis of demand, but rather to make an assessment as to the external costs and benefits.

Principle 4: Ensuring the supply of floorspace accommodates market demand

The fourth principle of the Draft Centres Policy emphasises the importance of competition between retailers. The key intention of

this principle is to create better quality, cheaper and more accessible goods for all consumers through enhanced competition. To support opportunities for greater competition, the Draft Policy requires councils to ensure that there is sufficient zoned land to enable additional (and new) large format retailers to enter the NSW retail market.

Principle 5: Support a wide range of retail and commercial premises and contribute to a competitive retail market

Principle 5 of the Draft Centres Policy states that, subject to meeting the appropriate location and design criteria, the zoning and development assessment process should not consider impacts between existing and proposed retailers as a planning consideration.

Whilst the Principle seeks to extract the matter of individual business impact from planning assessment (in keeping with the findings of various Land and Environment Cases) the effect of a proposed development to the function and vitality of existing and planned centres will remain as an important local issue.

Principle 6: Contributing to the amenity, accessibility, urban context and sustainability of centres

Principle 6 of the Draft Centres Policy highlights the importance of design quality, development layout, connectivity and integration. The Policy recognises that good design supports the vitality and function of a town centre as well as the viability and success of a retail development. Accordingly good quality design is in the interests of planning authorities, retailers and consumer alike.

Competition SEPP

Following a review undertaken by the NSW Department of Planning and the Better Regulation Office into how economic growth and competition were impacted by the planning system, a Draft State Environmental Planning Policy (SEPP) was prepared and placed on public exhibition in July 2010.

The proposed state-wide planning policy sought to remove artificial barriers on competition between retail businesses. The Draft SEPP proposed:

- The commercial viability of a proposed development may not be taken into consideration by a consent authority, usually the local council, when determining development applications;

- The likely impact of a proposed development on the commercial viability of other individual businesses may also not be considered unless the proposed development is likely to have an overall adverse impact on the extent and adequacy of local community services and facilities, taking into account those to be provided by the proposed development itself; and
- Any restrictions in local planning instruments on the number of a particular type of retail store in an area, or the distance between stores of the same type, will have no effect.

Status: The public exhibition period for the Draft SEPP closed in August 2010. It is unclear when the final Competition SEPP will be published. The Draft SEPP remains a material consideration for planning purposes.

Draft North Coast Regional Plan 2016

The draft North Coast Regional Plan covers thirteen local government areas along the NSW east coast from Tweed Heads southward to Greater Taree LGA over the period to 2036.

Regarding bulky goods retailing the draft Plan states:

*"Certain heavy industries – such as concrete batching plants – may need to be located away from some traditional mixed-use employment areas that have a greater mix of **bulky goods** and light industrial uses. Councils should do this through their local planning strategies."*

*"The operational aspects of airports need to be protected to provide efficient access for passengers and freight, and to provide land for aviation-related activities. The development of retail and **bulky goods** uses should be avoided in these areas."*

Ballina is identified as a developing Regional Centre in the draft Plan.

Local plans and policies

Ballina Local Environmental Plan (2012)

A bulky goods premise under the Ballina LEP 2012 means a building or place the principal purpose of which is the sale, hire or display of bulky goods, being goods that are of such size or weight as to require:

- A large area for handling, display or storage, and

- Direct vehicular access to the site of the building or place by members of the public for the purpose of loading or unloading such goods into or from their vehicles after purchase or hire.

Under the Ballina LEP 2012 bulky goods premises are permissible with development consent in the following zones: B5 - Business Development; B2 - Local Centre; B3 - Commercial Core and B4 – Mixed Use.

Ballina Major Regional Centre Strategy (BSC 2015)

The BSC 2015 seeks to enhance Ballina as a key economic centre built on a strong community and exceptional environmental features and recreational opportunities.

The BSC 2015 undertook extensive community engagement to promote a vision for Ballina which reflects the community's preferred outcome for the centre. Of relevance to this study are the following outcomes of the community engagement:

- Small business innovation - Recognise the value of small business as the key driver of future economic growth and activity by fostering networking and innovation in the sector;
- Population change - Recognise and prepare for population ageing, whilst encouraging demographic balance through the attraction of younger cohorts. Attraction of working families is important to the balance and economic prosperity of the community;
- Population growth potential - Prepare for the population growth that is anticipated to occur with the development of major urban growth areas, in a manner which enhances lifestyle opportunities and access to services and facilities for existing and future residents. This includes an ongoing strategy of greenfield development in the Shire supported by targeted infill in Ballina;
- Maritime opportunities - Leverage of Ballina's maritime location through appropriate investment in infrastructure and embellishment to promote community and business opportunities associated with access to the coast and waterways; and
- Visitor economy - Harness opportunities for local business associated with the growth of the visitor economy, whilst managing the impacts of tourism on access to facilities and sense of place for the local community.

Ballina Retail Strategy (2003)

The Ballina Retail Strategy, prepared by IBECOM, examines the existing extent of retail floorspace in the LGA and provides advice on the retail hierarchy. It stipulates the key direction for retailing should be the protection of Ballina Town Centre and the Kerr Street Retailing Precincts as the major retail centres in the LGA. As such, all decisions relating to the future development of retail activity in Ballina Shire should be based on the principal of protecting the position of these facilities at the top of the retail hierarchy. This involves discouraging the creation of major retailing outlets that are removed from existing centres.

The Strategy notes that, in relation to bulky goods retailing, fragmented property ownership in commercial areas in Ballina creates difficulties for bulky goods retailers in acquiring sufficiently large holdings in an economically viable manner. This has led to pressure on industrial areas to accommodate bulky goods uses. The Strategy considers that the impact of additional bulky goods floorspace beyond 10,000sqm GLA would adversely impact on existing retail activities in Ballina and create an oversupply of retail floorspace.

The Strategy documents preferred locational criteria for bulky goods retailing in the Shire which are as follows:

- 1. Bulk retail locations need to be situated on or close to major roads with good access for large vehicles;*
- 2. It is preferable that bulky goods retailing be located in quasi retail locations as distinct from industrial zones, where residents do not need to have easy access; and*
- 3. In non-metropolitan areas, it is preferable to minimise the extent to which bulk retail is spread throughout the Region. This is particularly intended to prevent alienation of areas which might be otherwise more appropriately zoned for other use...and also to ensure that locations requiring large vehicle movements are not spread throughout areas which are inappropriate such as residential zones.*

The Strategy advocates focusing bulky goods activity on two areas in order to retain the focus of industrial zones for their intended purpose. These areas are:

- Southern Cross Industrial Estate; and
- Clark Street Industrial Area.

Ballina Shire Retail Showrooms and Bulky Goods Report (2004)

This Report was undertaken by Core Economics on behalf of Council in 2004. The purpose of the Report was to examine trends in the bulky goods and LFR sector at the time, assess demand for retail floorspace in this sector and determine whether sufficient land was available to accommodate future requirements.

The recommendations and findings of the Report were:

- A new definition for retail warehousing;
- A current over-supply of LFR floorspace which is attributed to a proportion of non-household sources of demand (i.e. trade related demand) and lower than industry benchmark trading performances;
- There will be demand for an additional 50,000sqm to 80,000sqm of LFR floorspace over the 2004 to 2016 period based on Ballina accommodating much of the demand for such floorspace from neighbouring LGAs;
- New LFR floorspace should be accommodated at the Southern Cross Industrial Estate or along the Pacific Highway at West Ballina, although the latter was noted as having capacity constraints; and
- The potential creation of a new “retail showroom and bulky goods” or “bulky goods” estate precinct close to the regional road network.

West Ballina Arterial Road/ Industrial Estate Expansion Precinct Planning Discussion Paper (2005)

The West Ballina Arterial Road/ Industrial Estate Expansion Precinct Planning Discussion Paper (‘the Paper’) sought to determine the issues which would be associated with the establishment of a planned precinct linked to the implementation of the West Ballina Arterial Road and/ or the expansion of the Southern Cross Industrial Estate. It was prepared by Council’s Strategic and Community Services Group.

The Paper assessed a total of 12 sites for their suitability for a range of uses, including bulky goods uses. Sites deemed as potentially capable of accommodating some element of bulky goods uses were:

- North of Southern Cross Industrial Estate. Land immediately north of the (then) current extent of the Southern Cross Industrial Area;
- Gallans Road – Council Owned Land. Located east of Gallans Road, immediately north of the Pacific Highway;
- Arterial Option 5 North West. South east of the Pacific Highway and Gallans Road intersection, west of Arterial Route Option 5;
- Pacific Highway South. Immediately south of the Pacific Highway and the Gallans Road intersection, and west of the River Oaks site; and
- West Ballina. Land immediately west of the Riverbend manufactured home estate.

Southern Cross Precinct Master Plan (2008)

The Southern Cross Precinct Master Plan was prepared by GeoLINK. It comprises an integrated master plan for Council owned land adjacent to the Ballina / Byron Gateway Airport and the Southern Cross Industrial Estate.

The Southern Cross Industrial Estate (which the Master Plan suggests be renamed as the 'Southern Cross Business Park') was identified for the incorporation of industrial areas, bulky goods floorspace and live/work precincts. The bulky goods precinct which will form part of this area is envisaged as becoming a regional bulky goods hub. The provision of a bulky goods precinct in this location would, according to the master plan, form a seamless extension to the existing adjoining industrial area.

Ballina Shire Industrial and Commercial Land Use Review (2008)

This document was completed by GeoLINK in 2008. It comprised a comprehensive review of all zoned commercial and industrial land use in Ballina Shire LGA to determine the quantum available for development (i.e. supply). It also forecast future demand for commercial and industrial land based on population projections and industry trends.

Whilst we have reviewed this document, it does not contain any additional information of specific relevance to the Study although we note that the findings of the Review were that there was sufficient zoned supplies of both industrial and commercial lands to meet anticipated future demands.

West Ballina Planning Study and Structure Plan (2010)

This Planning Study, completed by King & Campbell in January 2010, was undertaken in recognition that the West Ballina locality is an area which is subject to a range of complex and interrelated issues and contains a number of landowners and development groups that are seeking a change of land use. The aim of the Planning Study was to identify a defined direction for West Ballina over the next 15- 20 year period (from 2010).

Of relevance to this Study, the Planning Study notes that:

- The Ballina “Gateway” site is not suitable for bulky goods uses;
- The North Eastern Sector of Study Area closest to the Southern Cross Precinct is deemed to be suitable for bulky goods uses; and
- Land adjacent to the Pacific Highway is deemed to be potentially suitable for bulky goods uses.

3 BULKY GOODS AND LFR TRENDS

This Section examines bulky goods/ large format retail development in NSW which was a topical issue emerging from the Stakeholder consultation. Bulky goods/ large format retail operators argue, as does Costco, that the nature of goods sold requires large floorplates which are not readily available at low cost within centres. However, there is an opinion amongst some industry stakeholders that these are not subject to the same rigorous locational requirements as other types of retail floorspace.

Historical Trend of large format retail

Bulky goods retailing is often described as low cost / high bulk retail goods and ancillary products. Retailers of these goods and products have identified financial benefits in lower occupancy costs and economies of scale outside of established high-rent and high-cost retail centres.

Since the 1970s bulky goods retailing first appeared as showrooms attached to distribution and warehousing industries. Over time bulky goods strip retailing along main roads attracted a number of furniture, appliance retailers and hardware stores such as Harvey Norman, Domayne, Bing Lee, Bunnings, bedding shops, lighting shops, etc.

Bulky goods can take the form of strip retailing along a major highway (e.g. Coffs Harbour south adjacent to the Pacific Highway). Alternatively it can be in a stand-alone building or “power centre” such as the Ballina and Tweed Heads Homemaker Centres.

More recently the Large Format Retail Association (LFRA) has used a wider definition for large format retailing to include the sale, hire or display of: automotive parts and accessories; baby and children’s goods, children’s play equipment and accessories; camping, outdoor and recreation goods; household appliances, household electrical goods and home entertainment goods; electrical light fittings; office equipment and supplies; sporting, cycling, leisure, fitness goods and accessories; animal and pet supplies; party supplies; floor and window coverings; swimming pools and supplies; furnishings, bedding and manchester; hardware and building supplies; garden centres; or musical instruments and accessories.

In 2015 the LFR sector directly and indirectly employed an estimated 132,403 (FTE) persons. Over the same year the sector generated

more than \$63 billion in sales accounting for almost 23% of retail sales in NSW.²

Given the significant site requirements of bulky goods / LFR premises, retailers predominately seek sites outside of commercial centres where large plots are more available and are cheaper than within centres. Additionally, these out of centre locations allow a clustering of such uses. This increases the attractiveness to potential customers while benefiting consumers as it allows easy price comparison shopping, reduces the amount of trips needed and increases competition between retailers.

The Draft Centres Policy recognises that bulky goods/ large format retail development should be located within centres if possible. However it also states that due to site requirements and the need for operators to cluster in order to ensure commercial viability, in some instances edge or out-of-centre locations may be acceptable.

Examining the distribution of bulky goods/ large format retail clusters both in metropolitan and regional areas and the location of proposed new developments, it is clear that out-of-centre development is proceeding in NSW. Whilst this is contrary to centre consolidation principles, the need for large land plots and for such uses to cluster together creates challenges in delivering bulky goods/ large format retail uses within activity centres. Given the existing proliferation of out-of-centre clusters, the emergence of new facilities in out-of-centre locations does not strongly impact upon existing but rather other existing clusters. Impacts in such instances are therefore a matter of competition only and not a material planning consideration.

Recent trends in retail have seen demand for bulky goods/ large format retail clusters to provide a wider range of services alongside their traditional format stores. This demand stems from the wider trend of consumers wanting a more leisurely experience and the continuing evolution of these bulky goods/ large format retail clusters into mixed use retail areas. The increase ranges of retail service include cafés, clothing stores, pet supplies, entertainment uses and brand direct retailing.³

² Large Format Retail Association (LFRA), Inquiry into Regional Planning Processes in NSW

³ *ibid*

Demand requirements of bulky goods and LFR

Requirements for successful bulky goods and LFR retailers (note: for the purposes of this Section we have assumed that LFR retailers refer the larger “big box” type retailers) include:

- Having a large and extensive trade area;
- Being in a central position in the trade area or near the main entry point of a large trade area;
- Cheap and substantial land to enable plentiful parking and loading and unloading facilities; and
- Being located on a major road with high visibility and accessibility.

Additional desirable requirements include:

- Having a trade area that is expanding as new homes generate higher demand for bulky goods than established homes; and
- Having a wealthy trade area with high disposable incomes. Higher income households spend considerably more on bulky goods than lower income households.

4 EXISTING SUPPLY OF BULKY GOODS AND LFR FLOORSPACE

In order to consider the need to plan for bulky goods and LFR retail floorspace in Ballina Shire it is important to determine the existing extent of such floorspace. This Chapter undertakes an assessment of the quantum and nature of bulky goods and LFR floorspace in Ballina as it currently exists, the proliferation of such floorspace and the role it currently performs. It also considers mooted bulky goods and LFR and that in the planning pipeline.

For the purposes of this Study and in order to be consistent with the 2012 study, the term 'bulky goods' is to relate to the following retail store types:

- Homeware & Manchester;
- Home Entertainment Equip;
- Furniture & Flooring;
- Whitegoods;
- Hardware & Gardening; and
- Sporting and Camping Goods.

Floorspace audit update

To inform the supply and demand analysis within the 2012 study, HillPDA undertook a comprehensive floorspace audit (in 2011). In order to update this audit, Council provided HillPDA with a list of development applications (DAs) lodged since the audit.

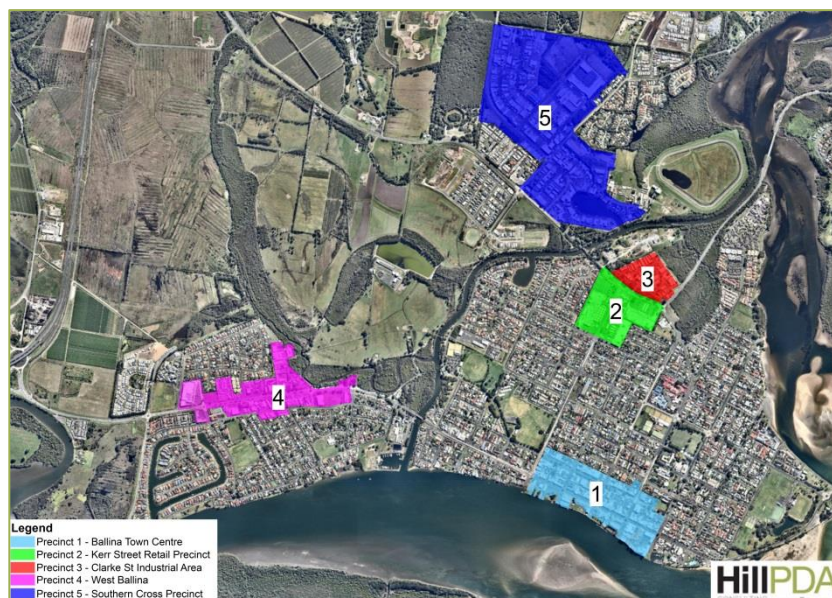
These DAs related to the provision of bulky goods and LFR development proposals which had proceeded through to the development phase.

HillPDA also undertook a site visit to confirm / identify any specific changes within each precinct.

Existing retail provision in Ballina Shire

Existing retailing in Ballina is provided in a number of distinct precincts, these are shown in Figure 2 below.

Figure 2: Location of existing bulky goods/ LFR development in Ballina Shire LGA



Source: HillPDA

Ballina Town Centre

Ballina Town Centre is the original retail and commercial centre in the LGA and comprises an elongated commercial core area focused upon River Street (and, to a lesser extent Tamar Street) from Kerr Street in the northwest to Martin Street in the southeast.

Based on the HillPDA site survey undertaken in September 2011, Ballina Town Centre contained 300 units which consisted of 21 bulky goods retailers, 1 supermarket, 54 specialty food retailers, 112 specialty non-food retailers, 77 commercial units and 35 vacant units.

Bulky goods and LFR floorspace in Ballina Town Centre provides an estimated 5,200sqm of floorspace (including 1 vacant unit of 165sqm). The main bulky goods anchors include BCF, Snooze and camping supplies. In addition we note that three of the vacant units in Ballina Town Centre are former bulky goods units.

Since the 2012 study specific changes to the land use audit include the closure of Retrovision and the opening of a BCF along Tamar St. Additionally, Sportspower (216sqm) has relocated to Ballina Town Centre from Kerr St.

Kerr Street Retail Precinct

The Kerr Street Retail Precinct contains three purpose built shopping centres comprising of Ballina Central, Ballina Fair and Ballina Kmart:





- Ballina Central is a partially enclosed centre which provides 13,340sqm⁴ of retail floorspace. It is anchored by a Big W (6,870sqm) and Ritchies Supa-IGA (3,760sqm), and a Supersaver Discount Store (546sqm);
- Ballina Fair is fully enclosed shopping centre of 15,420sqm⁵ anchored by Woolworths (3,600sqm), Target (2,980sqm) and Best & Less (1,150sqm); and
- Ballina Kmart, or Bayside Shopping Centre, is a smaller shopping centre anchored by Kmart (5,560sqm⁶) and Coles (2,900sqm). It also contains a Red Rooster, a café, Kmart Auto and a Choice Liquor outlet (1,100sqm).

Super Amart (2,860sqm) comprises a freestanding retail unit located to the south of Bentinck Street close to the Kerr Street Retail Precinct.

Based on the HillPDA site survey, bulky goods and LFR floorspace in this precinct comprises approximately 4,050sqm (including Super Amart).

It is noted that since the 2012 study Blue Sky Camping and Outdoor Sporting Equipment (at the time around 330sqm) has relocated to the West Ballina Precinct and now occupies a space of around 700sqm. Additionally, Sportspwer (216sqm) has relocated to Ballina Town Centre and Dick Smith has closed within Ballina Central.

Clarke Street Industrial Area

The Clarke Street Industrial Area is located to the northeast of the Kerr Street Retailing Precinct. It contains a number of large retailers and trade related services, including Vast Furniture (1,395sqm) and Ballina Tenpin Bowl.

Bulky goods and LFR floorspace in the Clarke Street Industrial Area is in the order of 2,000sqm.

West Ballina

This Precinct is located adjacent to the Pacific Highway in West Ballina.

It contains a number of retailers including The Good Guys (3,000sqm), Choice Discount Store (1,090sqm), Dan Murphy's

⁴ Source: Property Council of Australia Shopping Centre Index

⁵ Source: Ibid

⁶ Source: HillPDA September 2011

(1,000sqm) and a small Spar supermarket, in addition to a number of nurseries, automotive services and a number of other specialty shops.

We note that since the 2012 Study, Bunning's has redeveloped the 'Big Prawn' site located in West Ballina to the east of the Pacific Highway. The site now provides approximately 10,458sqm of floorspace which comprises bulky goods, a café and offices.

Bulky goods in West Ballina provide approximately 13,430sqm of floorspace with a further 2,090sqm provided in LFR (Choice Discount Store and Dan Murphy's). Additionally, Blue Sky Camping and Outdoor Sporting Equipment of approximately 700sqm is located along Quays Drive just outside of the defined precinct boundary.

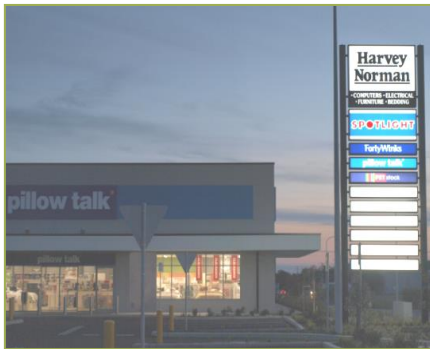
Southern Cross Precinct

The Southern Cross Precinct is the largest employment and industrial area in the LGA. It is situated to the north of the Ballina conurbation and adjacent to Ballina/ Byron Gateway airport. It contains a number of retail, bulky goods and trade-related occupiers including, ALDI (1,400sqm) and the Harvey Norman Centre which, in addition to Harvey Norman (4,908sqm), contains a Spotlight (1,800sqm), Forty Winks (1,583sqm), Pillow Talk (1,456sqm), Eureka Furniture (800sqm) and Petstock (594sqm).

The Southern Cross Precinct contains the largest quantum of bulky goods and LFR floorspace in the LGA with an estimated 14,000sqm of such floorspace. In addition it provides some 4,000-5,000sqm of home renovation type floorspace selling products such as lighting, blinds and awnings, kitchens etc., for example Reece, Inspirations Paint and Giltrap Flooring. Trade-related sales are likely to account for the majority of their revenue but we note that they also retail directly to the public.

This Precinct contains a further 8 vacant bulky goods and LFR units accounting for floorspace of 4,140sqm.

Specific changes since the 2012 study include the retraction of the 3,000sqm Bunning's while a change of use for an industrial building to allow bulky goods retailing was approved for 16 Southern Cross Drive, Ballina.



Total bulky goods and retail floorspace

The table below provides a summary of the above data in terms of the existing and pipeline supply of bulky goods in the LGA. Note that in the assessment of supply below we have not differentiated between non-bulky goods floorspace and LFR floorspace. This is done in order to allow comparison with our demand modelling undertaken in Chapter 6, which models demand for bulky goods floorspace distinctly, and LFR as a proportion of residual floorspace demand.

Table 1: Supply of bulky goods and LFA floorspace in Ballina Shire 2016

Location	Bulky Goods/ LFR floorspace (sqm)			
	Existing	Vacant	Trade related space	Total
Ballina Town Centre	5,223	165		5,388
Kerr Street	3,504			3,504
Clarke Street	2,000			2,000
West Ballina*	16,970			16,970
Southern Cross	14,045	3,350	2,563	20,183
Total	41,742	3,515	2,563	48,045

*assumes 90% of the 10,458sqm is occupied by bulky goods / LFR floorspace. The remaining 10% is attributed to office space

The table above demonstrates that Ballina Shire LGA contains some 48,000sqm of bulky goods and LFR floorspace existing or vacant floorspace. Council and CordellsConnect have indicated that no proposed floorspace is within the pipeline for the LGA.

5 TRADE AREA DEMOGRAPHICS

This Chapter defines a trade area for bulky goods and LFR floorspace in Ballina Shire and examines the socio-demographic characteristics and population growth forecasts within it.

Socio-demographics are an important consideration because demand for retail floorspace is dependent not only upon the number of households in an area but also on the characteristics of those households. An area with a high proportion of wealthy or elderly residents, for example, will have different retail needs to an area with a high number of young families.

Population growth will drive demand for retail floorspace in the future and therefore it is necessary to understand forecasts for the trade area. These will be used to inform the expenditure modelling undertaken in Chapter 6 of this Study.

Trade area definition

The trade area served by any retail centre is determined by a number of factors including:

- The strength and attraction of the centre in question, determined by factors such as the composition, layout, ambience/atmosphere and car parking in the centre;
- Competitive retail centres, particularly their proximity to the subject centre and respective sizes, retail offer and attraction;
- The location and accessibility of the centre, including the available road and public transport network and travel times; and
- The presence or absence of physical barriers, such as rivers, railways, national parks and freeways.

Having regard to the above and based on the analysis of existing and proposed retail centres within Far North Coast Region, we make several observations. Firstly there are significant clusters of bulky goods retailing in Tweed Heads and Grafton which restrict Ballina's trade area to the north and south. There are also some bulky goods retailers in Lismore including Bunning's, Spotlight and Harvey Norman and these restrict Ballina's trade area to the west. However there is the likelihood of Ballina capturing some expenditure from Lismore and surrounding areas.

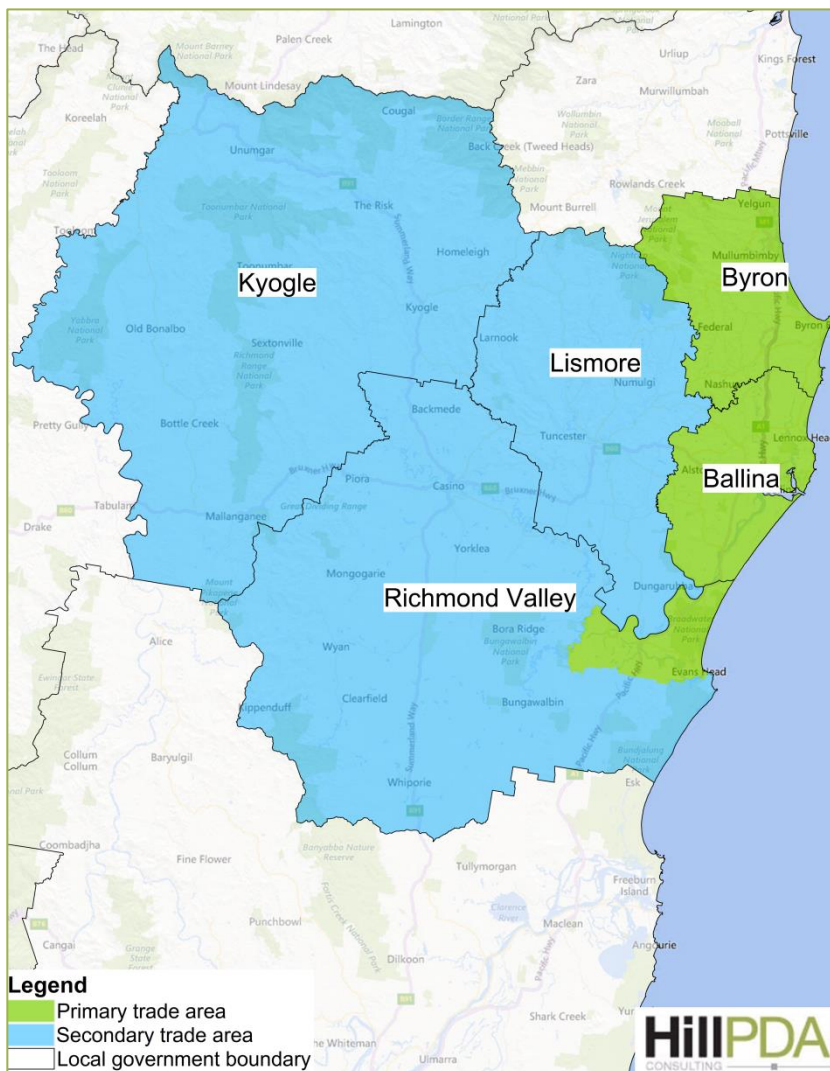
For the purpose of the forecast we have defined a primary trade area (PTA) for Ballina which comprises the Shire of Ballina, the Shire of

Byron and part of Richmond Valley Shire being the localities of Evans Head, Rileys Hill, Woodburn and Swan Bay. Ballina will capture the vast majority of bulky goods expenditure generated by these areas. There is also a secondary trade area (STA) which includes the balance of the Richmond Valley Shire which includes the town of Casino, The City of Lismore and the Shire of Kyogle. Some expenditure is expected to be captured from these areas.

The combination of the PTA and STA is known as the Main Trade Area (MTA).

The extent of the trade area is shown in the figure below.

Figure 3: Ballina Shire's bulky goods / LFR MTA



Source: HillPDA

Socio-demographics of the Trade Area

This Section examines the socio-demographic characteristics within the identified trade area at an LGA level for Ballina Shire, Byron Shire, Lismore City, Kyogle Shire and Richmond Valley. We have benchmarked these against non-Metropolitan NSW (i.e. excluding Sydney Metropolitan area). The socio-demographic data has been derived from 2011 ABS Census data. At the time of this study the 2016 ABS Census had not been released.

Table 2: MTA socio-demographic characteristics

Category		Ballina	Byron	Lismore	Kyogle	Richmond Valley	MTA	Rest of NSW
	Total persons	39,272	29,208	42,765	9,227	22,038	142,510	2,512,948
Age Distribution	0-14 years	17.9%	18.5%	19.7%	19.1%	20.8%	19.1%	19.4%
	15-29 years	14.1%	14.3%	18.1%	14.1%	15.5%	15.6%	17.5%
	30-44 years	16.8%	20.4%	18.0%	15.3%	16.2%	17.7%	17.8%
	45-59 years	22.3%	26.5%	23.2%	25.9%	21.1%	23.5%	20.8%
	60-74 years	17.8%	14.2%	14.0%	17.7%	17.1%	15.8%	16.2%
	75+ years	11.0%	6.1%	7.0%	7.9%	9.3%	8.3%	8.3%
	Median age of persons	45	42	40	45	42	42	41
Place of Birth	Australia & Oceania	91.6%	86.1%	92.9%	93.0%	95.6%	91.6%	85.1%
	Europe	6.0%	9.7%	4.9%	5.1%	3.2%	5.9%	5.7%
	North Africa and Middle East	0.0%	0.1%	0.0%	0.0%	0.0%	0.1%	0.2%
	Asia	1.3%	1.7%	1.4%	0.9%	0.7%	1.3%	1.5%
	Americas	0.6%	1.8%	0.5%	0.7%	0.4%	0.8%	0.4%
	Sub-Saharan Africa	0.5%	0.6%	0.2%	0.2%	0.1%	0.3%	0.3%
Tertiary Education	Postgraduate Degree Level	2.2%	3.2%	2.1%	1.1%	0.7%	2.1%	2.0%
	Graduate Diploma & Cert Level	1.7%	2.2%	1.9%	1.5%	0.7%	1.7%	1.3%
	Bachelor Degree Level	12.2%	15.9%	11.8%	7.8%	5.3%	11.5%	9.1%
	Advanced Diploma & Diploma	8.4%	10.0%	7.4%	6.6%	4.8%	7.8%	7.1%
	Certificate Level	21.2%	19.0%	21.8%	19.7%	21.6%	20.9%	22.1%
	Inadequately described	11.0%	11.2%	9.6%	11.1%	12.6%	10.9%	1.4%
	Average household size	2.4	2.4	2.4	2.4	2.4	2.7	2.4
Home Ownership	Owned or Being Purchased	67.0%	63.8%	68.3%	74.2%	67.4%	67.3%	68.7%
	Rented	29.2%	32.3%	28.6%	22.0%	28.7%	29.1%	27.6%
	Other/Not Stated	3.9%	3.9%	3.1%	3.7%	3.9%	3.6%	3.7%
Household Structure	Family Households	69.1%	64.9%	67.6%	93.6%	69.5%	69.0%	70.0%
	Lone Person Households	27.3%	27.6%	27.5%	3.0%	28.1%	26.4%	26.9%
	Group Households	3.6%	7.5%	5.0%	3.4%	2.4%	4.6%	3.1%

Family Type	Couple family w. children	36.3%	38.5%	38.5%	35.9%	36.7%	37.4%	39.6%
	Couple family w/o children	44.9%	37.7%	38.9%	44.5%	42.4%	41.3%	41.8%
	One parent family	17.7%	22.7%	21.1%	18.1%	19.5%	20.0%	17.2%
	Other family	1.1%	1.2%	1.5%	1.5%	1.4%	1.3%	1.3%
Dwelling Type	Separate house	71.1%	82.1%	84.9%	95.8%	84.4%	81.1%	83.3%
	Townhouse	12.8%	9.1%	5.5%	0.9%	5.5%	8.0%	7.3%
	Flat-Unit-Apartment	12.8%	5.4%	7.5%	1.8%	7.7%	8.2%	7.7%
	Other dwelling	3.2%	3.1%	2.0%	1.6%	2.3%	2.6%	1.5%
	Not stated	0.0%	0.2%	0.1%	0.0%	0.1%	0.1%	0.1%
Employment	Blue Collar	27.4%	25.8%	28.3%	30.9%	37.8%	29.0%	32.0%
	Community	33.1%	29.0%	32.8%	26.1%	30.3%	31.3%	31.4%
	White Collar	32.0%	35.0%	29.5%	32.6%	22.4%	30.6%	28.9%
	Unemployment	6.3%	8.5%	8.2%	9.3%	8.0%	7.8%	6.1%
Selected medians	Median personal income (\$/wk)	\$496	\$477	\$469	\$376	\$407	\$462	\$490
	Median household income (\$/week)	\$930	\$885	\$907	\$714	\$789	\$986	\$961
	Median rent (\$/weekly)	\$290	\$350	\$224	\$170	\$200	\$294	\$220

Source: 2011 ABS Census, Community Profiles

The demographic snapshot for the MTA in 2011 indicates the following:

- The average household size in the MTA was higher (2.7 persons per dwelling) than that recorded for the Rest of NSW⁷ at 2.4 persons per dwelling;
- The age profile of the MTA was reflective of an older population with 48% of persons aged above that of 45 years. This is compared to 45% for the Rest of NSW;
- The proportion of households who rented their residence in the MTA was higher than that recorded for the Rest of NSW (29% and 28% respectively), whilst fewer households owned or were in the process of owning their dwelling (67% and 69% respectively);
- Family households dominated household structure in the MTA (69%) however, at a slightly lower proportion comparative to the Rest of NSW (70%);
- Couple families with children accounted for 37% of all family types in the MTA, compared to 39% for the Rest of NSW;
- In line with the Rest of NSW, detached dwelling comprised the bulk of dwelling stock (81%);

⁷ This area excludes Metropolitan Sydney

- Compared to the Rest of NSW, working residents in the MTA exhibited a higher propensity to be employed in white collar occupations such as ‘managers’ and ‘professionals’ and a lower propensity to be employed in blue collar occupations such as ‘machinery operators & drivers’ and ‘labourers’;
- The proportion of unemployed residents in the MTA was higher (7.8%) than that for the Rest of NSW (6.1%); and
- Households within the MTA also had a higher median weekly household income of \$986 which was \$25 or 3% higher than that for the Rest of NSW (\$961).

The demographic analysis implies that residents within the MTA are older working family households with comparably higher levels of disposable income than the Rest of NSW.

Population growth in the MTA

Population forecasts for the MTA have been sourced from AnySite Data 2014.⁸ AnySite provides a forecast of population growth generally consistent with Forecast.ID to 2026 and HillPDA applied the average annual growth to 2031.

The MTA contained approximately 153,233 residents as in 2016. By 2031, the population of the MTA is forecast to increase to approximately 167,835 residents. This equates to +14,603 (10%) additional persons.

The below table outlines the population projections for the MTA between the years 2016 to 2031.

Table 3: Population projections for the MTA

	2016	2021	2026	2031	Growth	Annual growth
PTA	80,213	84,235	88,235	92,590	12,377	1.0%
STA	73,020	73,699	74,495	75,246	2,226	0.2%
MTA	153,233	157,934	162,730	167,836	14,603	0.6%

Source: Anysite Data 2016

In the 2012 study the MTA was projected to contain 172,300 residents by 2026. This was 9,570 residents more than the revised forecasts. This reduction in resident population is likely to reduce the amount of retail floorspace required within the MTA.

⁸ A product of Pitney Bowes Software (2016)

6 DEMAND FOR BULKY GOODS / LFR FLOORSPACE

This Chapter documents the methodology and findings from the demand forecasting for bulky goods and LFR within Ballina Shire.

Forecast household expenditure

For the purposes of this report, household expenditure was sourced from AnySite Data 2016 which provides household expenditure by broad commodity type.

Based on the above, and assuming population growth forecasts as provided in Table 3, HillPDA has forecast household retail expenditure in the trade area as provided in the following table. Note the forecasts assume growth in real retail spend per capita of 1.0% per annum consistent with the long term trend in historic spend.⁹

The ABS Retail Survey (1998-99 Cat No. 8624.0) provides a cross tabulation of commodity type by store type (defined by ANZIC). Multiplying the percentages in the cross tabulation by total dollars spent, generates household expenditure by retail store type. This is provided for the MTA in the following table. Please note that Appendix A provides a breakdown of household expenditure by retail store type for the PTA and STA.

Table 4: MTA expenditure by retail store type (\$m2016)

Year	2016	2021	2026	2031
Supermarkets & Grocery Stores	644.3	697.8	755.5	818.9
Take-away Liquor Stores	70.2	76.0	82.3	89.3
Specialty Food Stores	75.5	81.8	88.6	96.0
Fast-Food Stores	94.7	102.4	111.0	120.3
Restaurants, Hotels and Clubs*	183.4	198.7	215.1	233.1
Department Stores	137.3	148.7	161.0	174.6
Apparel Stores	142.2	154.0	166.8	180.8
Bulky Goods Stores	305.1	330.4	357.9	387.8
Other Personal & Household Goods Retailing	295.6	320.2	346.8	375.9
Selected Personal Services**	67.1	72.7	78.6	85.2
Total Retailing	2,015.5	2,182.7	2,363.5	2,561.7

* Turnover relating only to consumption of food and liquor (excludes all other types of revenue such as accommodation, gaming and gambling)

** Bulky Goods includes fabrics, soft goods, furniture, floor coverings, hardware, houseware, electrical appliances, sports and camping stores.

*** Selected Personal Services includes hair and beauty, laundry, clothing hire and alterations, shoe repair, optical dispensing, photo processing and hire of videos

⁹ HillPDA estimate based on ABS Retail Sales, Population estimates and CPI.

The above table indicates that as of 2016 the MTA generated just over \$2 billion in retail sales from household expenditure. Of this \$305 million was directed towards bulky goods retailing.

By 2031 overall retail expenditure generated by household expenditure is forecast to increase to just over \$2.5 billion, with \$388 million being directed towards bulky goods retailing, an increase of \$83 million or 27% over the period.

Potential capture of expenditure

By applying varying capture rates to the PTA and STA and industry benchmark turnover levels we estimate a current demand for around 60,000sqm of bulky goods floor space. The capture rates applied are 90% for Ballina Shire (this allows 10% of bulky goods expenditure to be captured by non-bulky goods retailers and/or to escape to other localities such as Tweed Heads), 75% for Byron Shire and Evans Head and 20% for the Secondary Trade Area.

There is further potential for additional large format retail space in out-of-centre locations assuming 5% of non-bulky goods expenditure is captured by such stores. This can be in any number of forms including discount variety stores, mega-chemist stores, liquor discount stores, etc. It can also be smaller fast food restaurants that form an ancillary role to bulky goods destination centres.

The industry benchmark turnover levels applied were \$3,300/sqm for bulky goods retailing and \$5,300/sqm for non-bulky goods large format retailing in non-metropolitan NSW. We have increased these turnover levels at 0.5% every year generally in line with historic trends. The estimates are shown in the table below.

Table 5: Potential for Bulky Goods / LFR Floorspace in Ballina

	2016	2021	2026	2031
Potential Capture of Bulky Goods Expenditure (\$m)	151.2	165.9	181.7	199.2
Target Turnover Rates	3,300	3,383	3,469	3,556
Required Floor Space for Bulky Goods	45,832	49,025	52,383	56,017
Potential Capture of Non-Bulky Goods Expenditure (\$m)	32.8	35.9	39.3	43.0
Target Turnover Rates	5,300	5,434	5,571	5,712
Required Floorspace Out of Centre for Other Goods	6,191	6,610	7,047	7,524
Total Floorspace Required (sqm)	52,023	55,635	59,430	63,540

Source: HillPDA

From the above table we can see that up to 52,023sqm of bulky goods and large format retail space could be supported in Ballina as of 2016. This will increase to around 63,540sqm by 2031.

Demand versus supply

This following amalgamates the findings of Chapter 4 relating to bulky goods supply and the findings relating to bulky goods demand (discussed above). From the data presented in these preceding Chapters it distils out the level of residual demand, that is the level of additional bulky goods/ LFR floorspace which will be required over and above existing supply i.e. the level for which Council should plan to accommodate.

Table 6: Bulky goods / LFA retail floorspace demand verse supply

	2016	2021	2026	2031
A. Bulky goods / LFR supply	48,045	48,045	48,045	48,045
B. Bulky goods / LFR demand	52,023	55,635	59,430	63,540
C . Under / Over Supply* C = B-A	3,978	7,590	11,385	15,495
Additional Land Requirement (ha)**	0.99	1.90	2.85	3.87

* **Blue** indicates undersupply and **Red** indicates an oversupply

** Based on an FSR of 0.4 based on HillPDAs industry experience

The above modelling indicates that there is currently an undersupply of approximately 4,000sqm within Ballina. This undersupply is forecast to increase to around 15,500sqm by 2031.

This translates into a current demand for an additional 1ha of land to accommodate this undersupply, increasing to just under 4ha of land by 2031.

7 RECOMMENDATIONS

The following provides a short summary of the study's key findings and recommendations surmised within this study with regards to the future provision of land for the development of bulky goods and LFR floorspace.

Bulky goods and LFR demand

Based on our research and analysis the main points to consider in relation to planning for additional bulky goods and LFR floorspace are:

- The subject area has received no interest from potential bulky goods developers / operators in the last five years;
- There has been limited bulky goods development or interest since the previous study;
- This is further evident in retraction of the proposed homeworld (29,000sqm) and Masters store (13,500sqm);
- The proposed link road between Boeing Avenue and Airport Boulevard has not yet occurred as assumed within the previous 2012 study;
- Population projections have been revised downward since the 2012 study;
- Modelling suggests a current undersupply of approximately 4,000sqm of bulky goods and LFR floorspace within Ballina;
- This undersupply is forecasted to increase to around 15,500sqm by 2031, as a result of population and real expenditure growth; and
- To accommodate this undersupply in 2016 around 1ha of appropriately zoned land would be required. This is forecast to increase to a requirement of just under 4ha of land by 2031.

Recommended Strategy

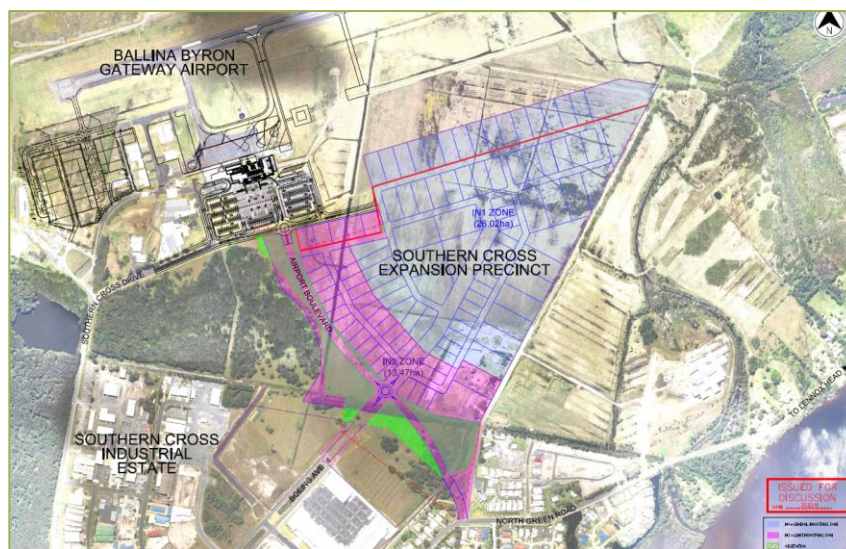
In our view, it is reasonable for Council to seek the following outcomes:

- Rezoning of the subject area to an IN1 – General Industrial zone, with the addition of bulky goods retailing as a permissible use;
- As advised by Council's commercial services department, the provision of an additional five years of industrial zoned land is provided by the subject area. This would allow for the

development of any short term demand, while allowing for the development Southern Cross expansion precinct and associated road network;

- Advancement of the proposed Airport Boulevard link should be prioritised. This would create a corridor with high exposure from the new road, ideal for future bulky goods development (Figure 4);
- An appropriate zoning running parallel to the proposed Airport Boulevard is advised. This zoning is recommended to permit the development of bulky goods retailing. This would allow for any future demand to be accommodated in an appropriate location; and
- The exclusion of residential accommodation is advised within this area to reduce the potential of land use conflicts and preserve the land for employment uses.

Figure 4: Southern Cross expansion precinct



Source: Ballina Shire Council

APPENDIX A: RETAIL EXPENDITURE BY TRADE AREA

The ABS Retail Survey 1998-99 (Cat No. 8624.0) provides a cross tabulation of store type (defined by ANZIC), by commodity type. Multiplying the percentages in the cross tabulation by total dollars spent generates household expenditure by retail store type. Turnover by retail store type generated by household expenditure for each of the sub-trade areas is provided in in the tables below.

Table 7: PTA expenditure by retail store type (\$m2016)

Year	2016	2021	2026	2031
Supermarkets & Grocery Stores	334.5	369.2	406.3	448.2
Take-away Liquor Stores	36.6	40.3	44.3	49.0
Specialty Food Stores	39.2	43.2	47.6	52.5
Fast-Food Stores	48.8	53.7	59.2	65.3
Restaurants, Hotels and Clubs*	94.7	104.6	115.1	126.9
Department Stores	71.5	78.9	86.9	95.9
Apparel Stores	73.9	81.6	89.8	99.1
Bulky Goods Stores	159.0	175.4	193.2	213.0
Other Personal & Household Goods Retailing	154.5	170.6	187.8	207.1
Selected Personal Services**	35.0	38.6	42.5	46.9
Total Retailing	1,047.8	1,156.1	1,272.8	1,403.7

* Turnover relating only to consumption of food and liquor (excludes all other types of revenue such as accommodation, gaming and gambling)

** Bulky Goods includes fabrics, soft goods, furniture, floor coverings, hardware, houseware, electrical appliances, sports and camping stores.

*** Selected Personal Services includes hair and beauty, laundry, clothing hire and alterations, shoe repair, optical dispensing, photo processing and hire of videos.

Table 8: STA expenditure by retail store type (\$m2016)

Year	2016	2021	2026	2031
Supermarkets & Grocery Stores	309.8	328.6	349.2	370.7
Take-away Liquor Stores	33.7	35.7	37.9	40.3
Specialty Food Stores	36.4	38.6	41.0	43.5
Fast-Food Stores	45.9	48.7	51.7	55
Restaurants, Hotels and Clubs*	88.7	94.1	100.0	106.2
Department Stores	65.8	69.8	74.1	78.7
Apparel Stores	68.3	72.4	77.0	81.7
Bulky Goods Stores	146.1	155.0	164.7	174.8
Other Personal & Household Goods Retailing	141.1	149.6	159.0	168.8
Selected Personal Services**	32.1	34.0	36.1	38.3
Total Retailing	967.7	1,026.6	1,090.7	1,158.0

* Turnover relating only to consumption of food and liquor (excludes all other types of revenue such as accommodation, gaming and gambling)

** Bulky Goods includes fabrics, soft goods, furniture, floor coverings, hardware, houseware, electrical appliances, sports and camping stores.

*** Selected Personal Services includes hair and beauty, laundry, clothing hire and alterations, shoe repair, optical dispensing, photo processing and hire of videos.

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ABN 52 003 963 755

SYDNEY

Level 3, 234 George Street

Sydney NSW 2000

GPO Box 2748 Sydney NSW 2001

t: +61 2 9252 8777

f: +61 2 9252 6077

e: sydney@hillpda.com

MELBOURNE

Suite 114, 838 Collins Street

Docklands VIC 3008

t: +61 3 9629 1842

f: +61 3 9629 6315

e: melbourne@hillpda.com

BRISBANE

Level 27 Santos Place, 32 Turbot Street

Brisbane QLD 4000

GPO Box 938 Brisbane QLD 4001

t: +61 7 3181 5644

e: brisbane@hillpda.com