

Adjusted Forecasts based on revised precinct plan - 2024

06 Population and Housing Forecasts

Population and housing forecasts

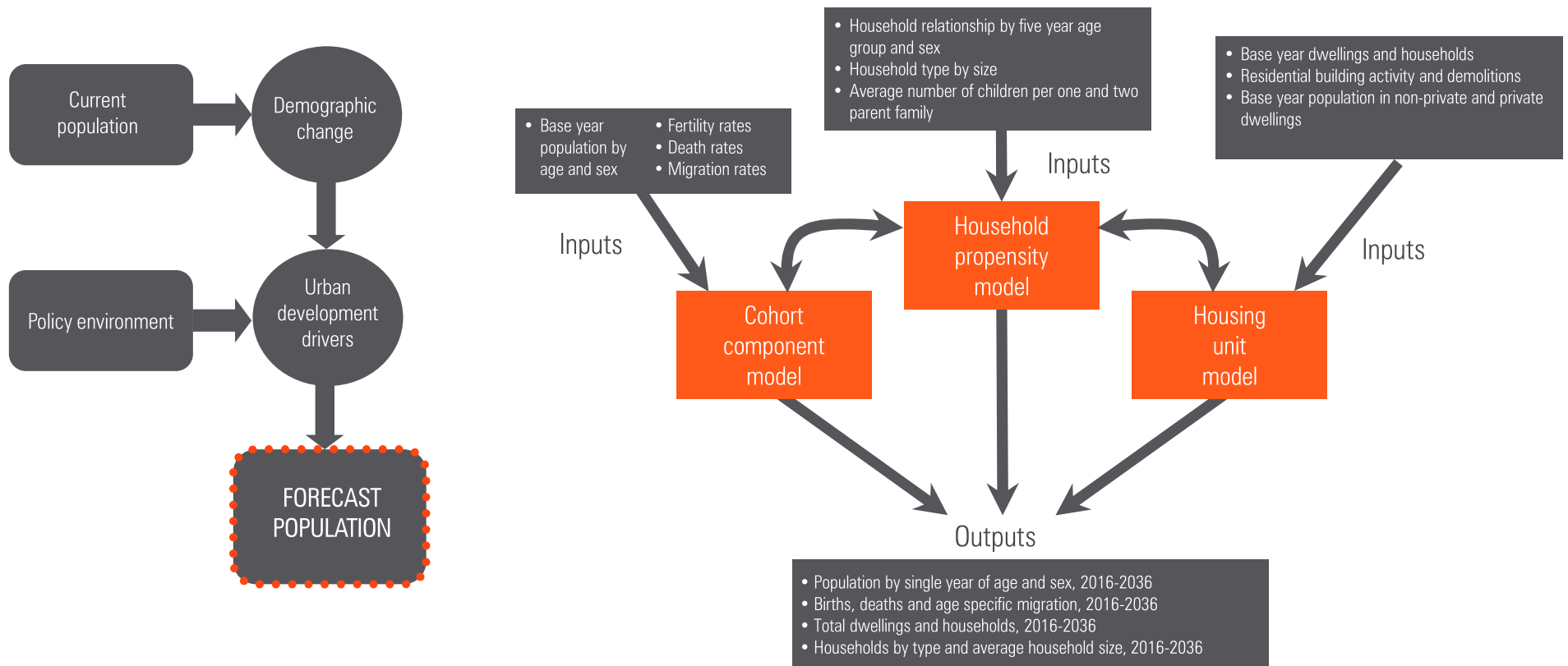
This section provides population and household forecasts for the Blackwattle Bay in accordance with Study Requirement 26.4. The forecasts are developed using .id's forecasting model that incorporates our detailed understanding of the drivers of demographic change as well as specific input provided by project stakeholders.

Key findings

- The forecasts for the Blackwattle Bay Study Area see an increase in population from 0 in 2016 to 2,796 in 2036. This forecast is based on an addition of 1,523 dwellings in net terms¹ between 2028 and 2036.¹
- Average household size is expected to decrease from at 1.96 in 2031 to 1.93 in 2036.
- The area is expected to attract a range of markets including both younger adult age groups driven by all the classic attributes of inner city areas: fast access to CBD jobs in finance, banking and professional services, as well as a range of entertainment and cultural options either on site or within a short walk. There is also expected to be a sizeable component of older working adults and retirees, attracted by waterfront property with close proximity to the new Sydney Fish Market as well as a range of transport options and waterfront trails.
- The largest forecast increases by age are in the 25-39 age bracket by 2036. This is partly the result of people migrating to the District in those age groups, as well as the ageing of early movers to the site in their 20s. There are also significant increases in the 50 to 64 age group.
- Without the planned SSP development, it is forecast that population and dwelling levels would remain zero within the Blackwattle Bay Study Area.
- The forecasts for Blackwattle Bay Catchment see an increase in population from 33,623 in 2016 to 46,305 in 2036.
- Without development, population in the catchment is forecast to only reach 43,509 in 2036.

¹ Source: *Blackwattle Bay Final Precinct Plan, 2024.*

6.1 Forecast methodology and model



6.2 Forecast inputs and assumptions

Drivers of change – metropolitan and regional

Overseas migration - Overall numbers and NSW's share and distribution

Competing areas - Inner West, other areas in City of Sydney

Planning policy - Residential development potential in nominated sites/Districts

Drivers of change – local inputs to model

Births and deaths

- These are based on the general assumptions used for the City of Sydney forecasts for the Harris Street small area. The Harris Street small area is primarily comprised of the suburbs of Pyrmont and Ultimo. Most of Blackwattle Bay Study Area falls within this small area, although there is a small section along Bridge Road in the Glebe Point Road small area.
- The fertility assumptions used for Blackwattle Bay Study Area are slightly higher than those used in the Harris Street area. This is because the Ultimo area has a high proportion of students that have very low fertility rates. It is assumed that the proportion of students in Blackwattle Bay will be considerably lower than the Harris Street small area.
- The death rates used for Blackwattle Bay are the same as those used in the Harris Street small area

Age specific migration

- Based on the proposed dwelling mix and price points, it is assumed that the Study Area will play a similar role to many waterfront areas in Pyrmont, and other inner city areas, attracting 20-29 year olds as well as large numbers of older adults and retirees. Fast access to CBD jobs in finance, banking and professional services will be a key driver as well as waterfront views and access to harbourfront trails. The Study Area overall is assumed to gradually transform its migration profile as the development transitions.

- The development phase (2028-2036) sees 20-29 and 45-64 year olds moving in. After development has finished, there will continue to be large numbers of these groups moving in, however there will also be large numbers of 30-39 year olds moving out. Not all 20-29 year olds are expected to move out when they reach their 30s however, with enough remaining to result in an ageing of the Study Area over time. By 2036, it is forecast that 25-34 year olds will be the two largest age cohorts, with significant numbers of 50-64 year olds.

Household structure

- This is informed by the nature of the dwelling stock proposed in terms of number of bedrooms and the tenure type. It is assumed that household relationships by age will follow similar patterns to other inner city areas that are not dominated by students. The general result sees 18-29 year olds being more likely to be in couple without children and group household relationships. There are however still assumed to be some family with children households, with similar proportions to that of Pyrmont in 2016. Older adults are assumed to be more likely to be lone person households. The overall result sees a decline of average household size from 1.99 in 2026 to 1.90 in 2036 as the area ages and there is an increase in smaller household types.

Non-private dwellings

- Non-private dwellings are those which provide a communal or transitory type of accommodation and can include institutional uses such as nursing homes, boarding schools, prisons etc. There were no non-private dwellings in the area as at 2016 and none are assumed to be added over the forecast period.

6.2 Forecast inputs and assumptions

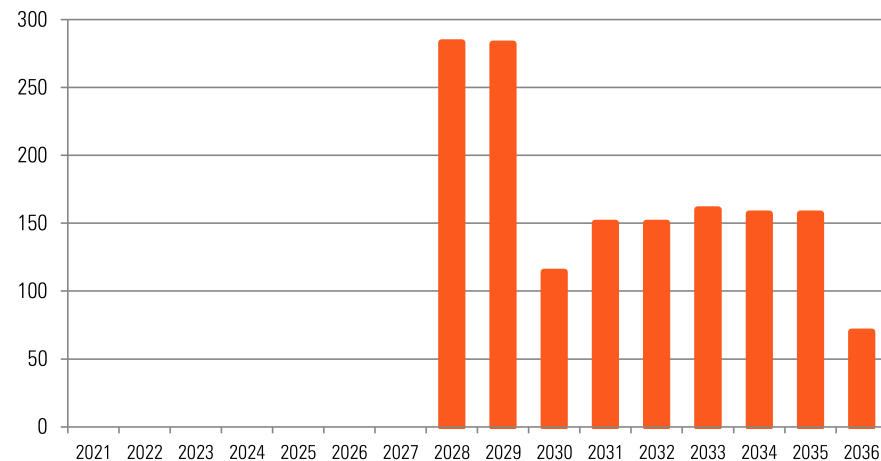
Vacancy rates

- Vacancy rates are assumed to commence at 10% and decrease as new dwelling stock is added, going from 10% in 2028 to 5% in 2032.

Assumed dwelling change

- Assumptions on net dwelling change have been based on the latest information provided by the NSW Government on possible dwelling numbers and timing.

Figure 76: Assumed dwelling change by year, Blackwattle Bay Study Area, 2021 to 2036



Source: Blackwattle Bay Final Precinct Plan, 2024.

Dwelling occupancy rates

- The forecast result sees an end occupancy rate of 1.8 residents per dwelling. This rate is slightly higher than some high-density benchmark locations (Brisbane City East – 1.7; Docklands – New Quay – 1.6) as the prime location and resident profile is likely to contribute to higher occupancies.
- The forecast result is lower than that experienced in the nearby Pyrmont – Jones Bay area (2.0 residents per dwelling) due to the development profile with taller buildings and smaller apartments expected. The Blackwattle Bay Study Area (minus new Sydney Fish Market) is planned to have much high dwelling densities of approx. 245 dwellings per hectare compared to Pyrmont – Jones Bay's existing 80 dwellings per hectare.
- For comparison, Jacksons Landing, a precinct at the northern tip of the Pyrmont peninsula which includes the smaller Pyrmont-Jones Bay area, is estimated to have also had an occupancy rate of 1.8 residents per dwelling upon completion in 2013.¹

Table 18: Forecast Blackwattle Bay Study Area dwelling occupancy rates 2036 compared to benchmark areas

Benchmark area	Residents	Dwellings	Dwelling Occupancy Rate
Pyrmont – Jones Bay	990	494	2.00
Blackwattle Bay Study Area	2,796	1,523	1.84
Jacksons Landing	2,500	1,400	1.79
Brisbane City East	1,790	1,046	1.71
Docklands – New Quay	2,921	1,785	1.64
Potts Point	1,982	1,311	1.51

¹ Source: <https://jacksonslanding.net.au/>; accessed May 2021

6.3 Forecast results – Blackwattle Bay Study Area

Summary

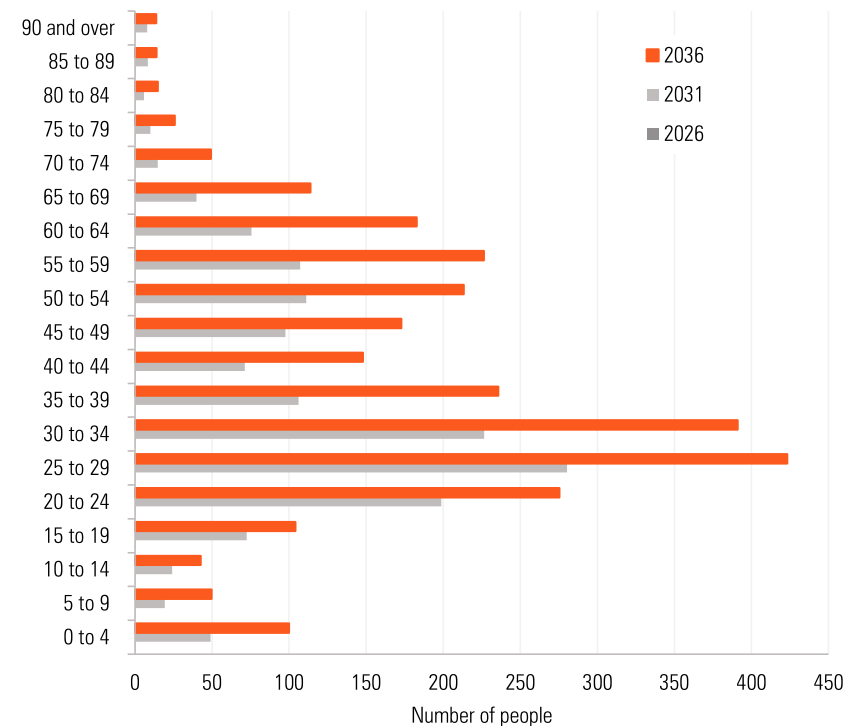
- The forecasts for Blackwattle Bay Study Area (with the planned SSP development) see an increase in population from 0 in 2016 to 2,796 in 2036. This forecast is based on an addition of 1,523 dwellings in net terms¹ between 2028 and 2036. Average household size is expected to decrease from at 1.96 in 2031 to 1.93 in 2036 based on a market predominantly comprising couple without children and lone person households, albeit with reasonable numbers of couple with children and group households.
- The area is expected to attract both younger adult age groups, as well as a substantial proportion of older adults and retirees. The largest forecast increases by age are in the 25-39 age bracket.
- In terms of households, the largest numerical increase is in couple without children households. Lone person households are forecast to be the second highest household type by 2036.
- Without the planned SSP development, it is forecast that population and dwelling levels would remain zero within the Blackwattle Bay Study Area area.*

Table 19: Population and household forecasts, Blackwattle Bay Study Area, 2016-2036

	2016	2021	2026	2031	2036
Population	0	0	0	1,527	2,796
Change in pop. (5yrs)	-	-	0	1,527	1,269
Average annual % change	-	-	-	-	13%
Households	0	0	0	779	1446
Change in households (5yrs)	-	-	0	779	667
Average h/hold size	-	-	-	1.96	1.93
Dwellings	-	-	0	829	1,523

¹ Private occupied and unoccupied dwellings

Figure 77: Forecast age structure, Blackwattle Bay Study Area, 2026 to 2036



Source: .id Forecasts, 2024

6.3 Forecast results – Blackwattle Bay Study Area

Table 20: Forecast age structure, Blackwattle Bay Study Area, 2016-2036

	2016	2021	2026	2031	2036
0 to 4	0	0	0	49	100
5 to 9	0	0	0	19	50
10 to 14	0	0	0	24	43
15 to 19	0	0	0	72	104
20 to 24	0	0	0	199	275
25 to 29	0	0	0	280	423
30 to 34	0	0	0	227	391
35 to 39	0	0	0	106	236
40 to 44	0	0	0	71	148
45 to 49	0	0	0	98	173
50 to 54	0	0	0	111	213
55 to 59	0	0	0	107	226
60 to 64	0	0	0	76	183
65 to 69	0	0	0	40	114
70 to 74	0	0	0	15	49
75 to 79	0	0	0	10	26
80 to 84	0	0	0	6	15
85 to 89	0	0	0	8	14
90 and over	0	0	0	8	14
Total population	0	0	0	1,527	2,796

Source: .id Forecasts, 2024

Figure 78: Forecast households by type, Blackwattle Bay Study Area, 2016 to 2036

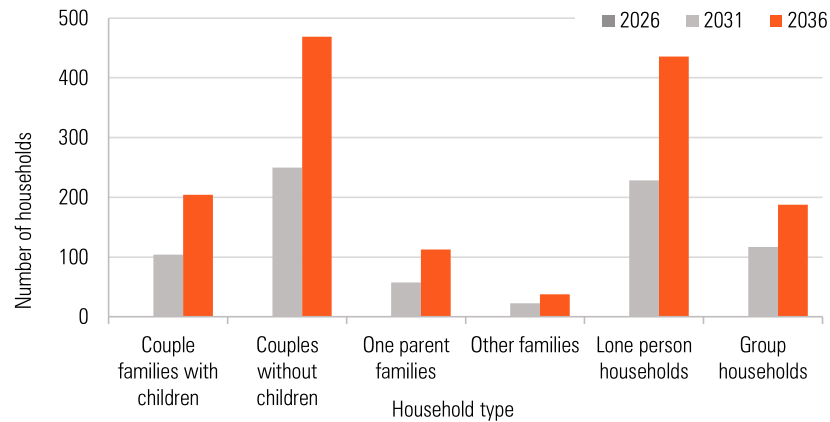


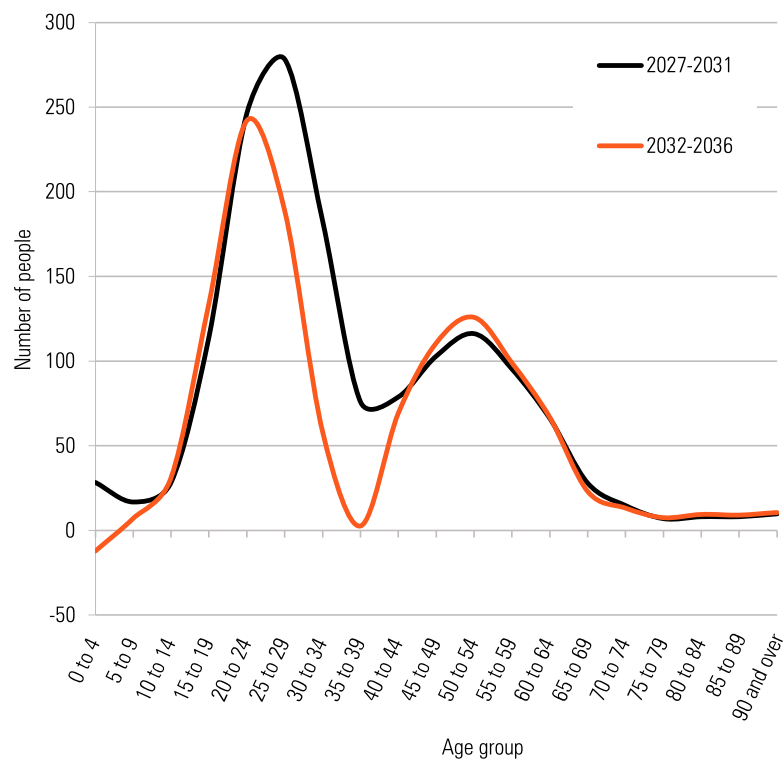
Table 21: Forecast households by type, Blackwattle Bay Study Area, 2016 to 2036

	2016	2021	2026	2031	2036
Couple families with children	0	0	0	104	204
Couples without children	0	0	0	250	469
One parent families	0	0	0	57	113
Other families	0	0	0	23	38
Lone person households	0	0	0	228	435
Group households	0	0	0	117	187
Total households	0	0	0	779	1,446

Source: .id Forecasts, 2024

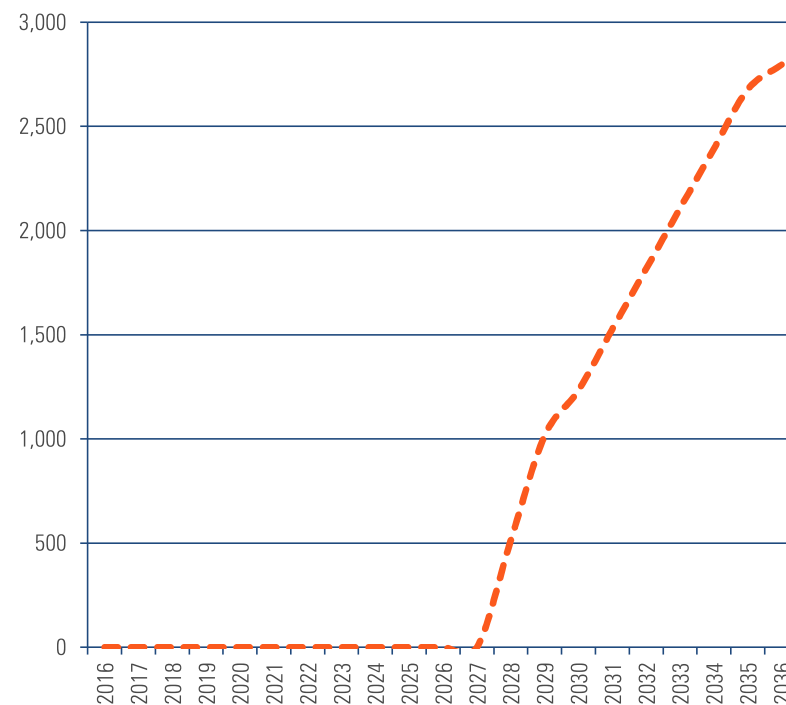
6.3 Forecast results – Blackwattle Bay Study Area

Figure 79: Forecast migration by age, Blackwattle Bay Study Area, 2016-2036



Source: .id Forecasts, 2024

Figure 80: Forecast total population, Blackwattle Bay Study Area, 2016 to 2036



Source: .id Forecasts, 2024

6.3 Forecast results – Blackwattle Bay Study Area

Indicative demographic profile

Most of the forecast characteristics of residents are due to the development area being located in the inner city of Sydney – home to a relatively young, highly educated, multicultural resident base.

This picture is then nuanced by the age of development (e.g. new inner city developments such as Docklands - New Quay show lower shares of older residents in early development phase), its specific location (the area of Pyrmont has a higher share of couple households than the City of Sydney average), and the projection of some existing trends (e.g. continuing education attainment and lower car ownership).

This informs a comparison to benchmark areas profiled earlier:

- The forecast Blackwattle Bay resident population most closely reflects the combination of the existing Blackwattle Bay Catchment area and Docklands-New Quay benchmark area in terms of age profile. However, there is forecast to be a higher share of middle-aged residents, and a slightly lower portion of high school/university student aged residents.
- The forecast household type also most closely reflects a combination of the existing Blackwattle Bay Catchment area and Docklands-New Quay benchmark area, however with a smaller share of lone person households and higher share of couples.
- The most common resident profile is likely to be young professional couples (with or without children) accessing professional jobs in the inner city.
- A mixture of student and young worker group and lone person households is also forecast to be high.

The table on the right presents an indicative resident profile based on benchmark analysis and table 19 provides a comparison to the existing City of Sydney and Greater Sydney as a whole.

Table 22: Indicative resident profile, Blackwattle Bay, 2036

	Likely profile
Age profile	A large share of residents (29%) are forecast to be between 25 to 34 years, similar to the 31% for the Blackwattle Bay catchment in 2016. Middle-aged residents (40-59) are forecast to represent a higher share (27.2%) than the existing catchment (18.8%).
Ethnicity	It is likely that the site will have a very high proportion of residents born overseas (>50%) given the existing high overseas born rate in the catchment area, high rates in relevant benchmark (Docklands-New Quay) and current inner city trends.
Education levels	Residents are likely to be highly qualified with > 70% having post school qualifications (most with university degrees) and more qualified even than the existing catchment profile due to the age profile and likely housing costs.
Employment outcomes	It is likely that the resident base has a high participation rate with three quarters (75%) or more engaged in the labour force. Unemployment levels are likely to be slightly lower than the existing catchment due to the presence of a lower student base.
Income levels	The majority of households are likely to be in the upper middle income range. The share of households in higher income brackets is likely to be larger than the Greater Sydney average. The suburb of Pyrmont had 24% of households in top income bracket in 2016.
Household types	The most common household types are forecast to be couples with no children (32%), and lone households (31%). Both forecast to be higher than the existing catchment share which is impacted by student group households.
Household tenure	It is likely that a slight majority of households will be renting (50-60%) with the next largest share being those paying off a mortgage (likely 20-25%)
Car ownership	Car ownership is expected to be very low given its inner city location, abundance of public transport, limited parking, access to car share options and decreasing car ownership in general. It is likely that the majority of households (70% or more) will not own a car.
Method of travel to work	Given the location's accessibility to the CBD on foot and access to metro/bus/light rail options, car usage is likely to be minimal. Working from home rates will be higher than the metro average.

6.3 Forecast results – Blackwattle Bay Study Area

Table 23: Indicative resident profile, Blackwattle Bay, 2036 compared to existing benchmarks in 2016

	Forecast Blackwattle Bay Study Area	City of Sydney, 2016	Greater Sydney, 2016
Age structure			
0-19 years	10.6%	10.7%	24.6%
20-39 years	47.4%	56.3%	30.5%
40-64 years	33.7%	24.7%	30.9%
65+ years	8.3%	8.2%	13.9%
Cultural Diversity			
Born Overseas	> 50%	54.8%	34.4%
Aboriginal and/or Torres Strait Islander	< 1%	1.3%	1.5%
Education			
Year 12 or equivalent	> 85%	85.3%	69.5%
Post school qualification	> 70%	64.9%	46.5%
Employment outcomes			
Participation rate (share of 15yrs+ engaged in labour force)	70-75%	73.5%	65.6%
Unemployed	4%	3.0%	2.0%
Income			
Low income households	15%	25.8%	30.7%
High income households	25%	17.4%	7.9%
Household type			
Lone person households	28.3%	32.5%	20.4%
Couples without children	32.8%	25.9%	22.4%
Couples with children	13.6%	9.5%	35.3%
Tenure			
Dwelling owned outright	< 15%	14.5%	29.9%
Has a mortgage	20-25%	20.3%	34.0%
Renting	50-60%	64.5%	35.2%
Car ownership			
No motor vehicles	> 70%	41.3%	11.6%

Source:
Australian Bureau
of Statistics,
Census of
Population and
Housing, 2016 for
benchmark
geographies.

6.4 Forecast results – Blackwattle Bay Catchment Area

Summary – Blackwattle Bay Catchment area

- The forecasts for Blackwattle Bay Catchment¹ see an increase in population from 33,623 in 2016 to 46,305 in 2036. This forecast is based on an addition of 1,446 occupied dwellings as a result of the SSP area development.
- With development, occupied private dwellings are forecast to increase to 20,953 in 2036, from 14,720 in 2016.
- Without development², population in the catchment is forecast to only reach 43,509 in 2036 and occupied private dwellings are forecast to increase to 19,243.
- The catchment is expected to have a higher share of older residents (>50 years) with the development compared to without.

Table 24: Change in population and dwellings, Blackwattle Bay Catchment, with development, 2016 to 2036

	2016	2021	2026	2031	2036
Population	33,623	31,674	36,304	40,785	46,305
Change in pop. (5yrs)	4,210	-1,949	4,630	4,481	5,521
Average annual % change	2.7%	-1.2%	2.8%	2.4%	2.6%
Occupied dwellings	14,720	16,019	16,558	18,117	20,953
Change in dwellings (5yrs)	719	1,299	539	1,558	2,836
Average annual % change	1.1%	1.7%	0.7%	1.8%	3.0%

Table 25: Change in population and dwellings, Blackwattle Bay Catchment, without development, 2016 to 2036

	2016	2021	2026	2031	2036
Population	33,623	31,674	36,304	39,258	43,509
Change in pop. (5yrs)	4,210	-1,949	4,630	2,954	4,251
Average annual % change	2.7%	-1.2%	2.8%	1.6%	2.1%
Occupied dwellings	14,720	16,019	16,558	17,416	19,243
Change in dwellings (5yrs)	719	1,299	539	858	1,827
Average annual % change	1.1%	1.7%	0.7%	1.0%	2.0%

¹ The geography for the catchment forecast is based on the Employment profiling catchment (see Appendix, p107), not the population profiling catchment area, to align with and allow for use of Transport for NSW's Travel Zone projections.

The forecasts have been adjusted for the impacts of COVID in 2021 which Transport for NSW has not done.

² The estimated base case for the catchment area without the SSP development is prepared by adjusting (removing development estimates) from the COVID adjusted Transport for NSW's Travel Zone projections for the catchment area.

Source: COVID adjusted .id Forecasts and adaptation of Transport for NSW's Travel Zone Projections, 2022

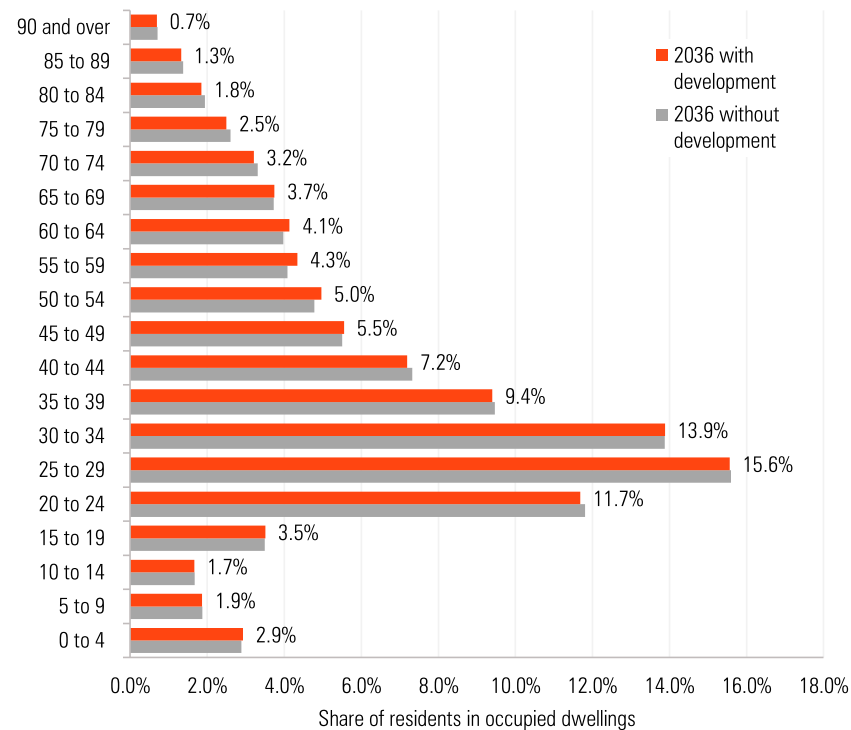
6.4 Forecast results – Blackwattle Bay Catchment Area

Figure 81: Change in population, Blackwattle Bay Catchment, 2016-2036



Source: COVID adjusted .id Forecasts and adaptation of Transport for NSW's Travel Zone Projections, 2022

Figure 82: Age structure, Blackwattle Bay Catchment, with and without development, 2036



Source: COVID adjusted .id Forecasts and adaptation of Transport for NSW's Travel Zone Projections, 2022

07 Employment Forecasts

Employment forecasts



Employment
forecasts

This section provides employment forecasts for the Blackwattle Bay. The forecasts are developed via a combination of methods that in .id's experience provide site specific employment estimates. They incorporate two different principle sites: the new Sydney Fish Market (SFM); and the redeveloped existing Sydney Fish Market site and adjacent private lands.

Key findings

- It is forecast that by 2036 there could be approximately 4,273 ongoing jobs in Blackwattle Bay.
- Employment opportunities will be largely focused on business services, especially Professional, Scientific and Technical Services and Information Media and Telecommunications, due to the increase in commercial office space planned for the site.
- The new Sydney Fish Market site will continue to support seafood related wholesale and retail as well as a likely uplift in hospitality based jobs.
- Other opportunities could be in recreational services, community services, personal services, child care, and serviced apartments/short term rental accommodation.
- Without the planned SSP development, it is forecast that job levels would remain relatively low within the existing SFM site and adjacent private lands. The new SFM which has already been approved would contain approx. 725 jobs.
- The forecasts for Blackwattle Bay Catchment see an increase in jobs from 64,188 in 2016 to 87,827 in 2036. This projection is based on an addition of 3,860 in net terms between 2016 and 2036 as a result of the SSP area development.
- Without development, jobs in the catchment is forecast to only reach 83,967 in 2036.

Process of forecasts delivery

- Translate current development forecasts into the investigation area
- Devise assumptions, informed by stakeholder input and benchmark area and proximate location employment analysis
- Provide draft forecasts
- Key stakeholders to provide feedback
- Provide final forecasts with revisions based on feedback

7.1 Forecasts process, methodology and assumptions

The forecasts have been underpinned by the vision and principles for the Blackwattle Bay, which include:

- rejuvenating the Sydney Fish Market (SFM) and expanding the fresh food offering to create a world-class market and dining attraction
- Integrating housing, employment and mixed uses to create a vibrant, walkable, mixed use precinct on the city's edge.

The proposed residential and commercial uplift in the area is substantial and represents high density mixed use development. Our employment forecasts are based on existing and potential Fish Market activities and population forecasts for the area.

As with any long term employment projection, a considerable amount of uncertainty is involved due to macro trends and changes in planned vs actual development outcomes.

Method

There are three main components to the projection process:

- A) Estimate employment in new Sydney Fish Market site
- B) Estimate employment in a renewed Blackwattle Bay
- C) Account for transition to new employment uses

Drivers of change – metropolitan and regional

Structural trends

- Inner Sydney's share of employment growth
- Business services & Household services (knowledge)

Nearby employment Districts

- Jones Bay Wharf / Darling Harbour entertainment area; UTS (Ultimo) and University of Sydney/Royal Prince Alfred Hospital (Camperdown); CBD

Planning policy

- The Transformation Plan: The Bays Precinct, Sydney.
- Pyrmont Peninsula Place Strategy
- Eastern City District Plan

Proposed demographics

- Young working age population
- Couples without children and lone households
- Likely middle to upper income

Expected population change

- Growing inner city residential demand
- Major District density change
- Increase in younger cohorts and families

¹See NSW Government, 2020, *Revitalising Blackwattle Bay* brochure

7.1 Forecasts process, methodology and assumptions

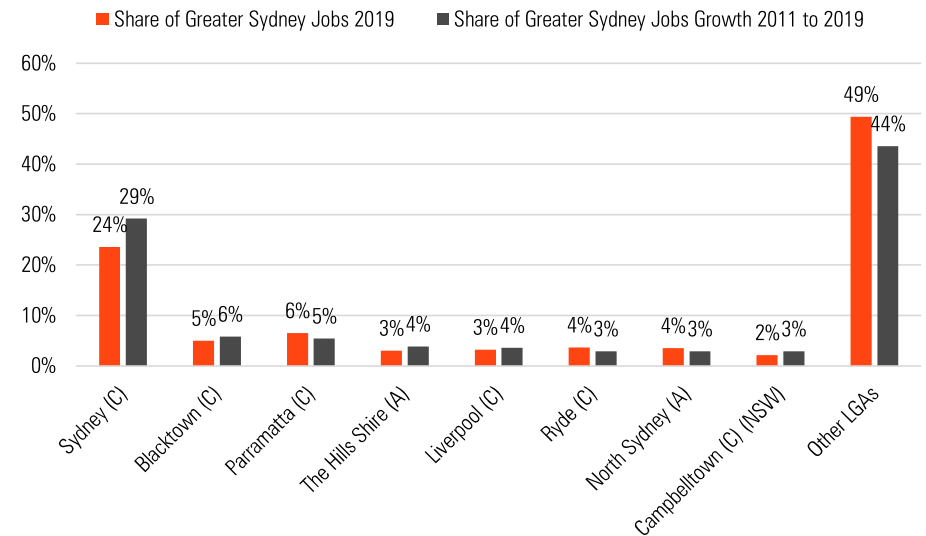
Employment trends

- Rise in health and aged care services
- Home based businesses and employment
- Hospitality growth in inner city

Employment / Agglomeration

- Inner Sydney continues to grow its share of employment. Outside the CBD, employment clustering is occurring around transport/activity nodes.
- The CBD would act as a large draw for resident workers. There is the potential for some creative industries and professional services employment spill over.
- A New Metro station for Pyrmont would make the area more attractive to commercial enterprises looking to connect with other economic nodes across Sydney.
- The hospitality and retail offer from the redeveloped fish market is likely to be intensified and diversified. Improved transport connections would help grow jobs density

Figure 83: Share of jobs growth by LGA, 2006 to 2015



Source: NIEIR, 2020

7.1 Forecasts process, methodology and assumptions

Nearby employment precincts

Employment opportunities are abundant within walking distance from the Blackwattle Bay. In fact, Sydney's CBD is only 20 mins on foot. Other large employment clusters within a 20 min walk include:

- Pyrmont Wharfs (Jones Bay, Darling Island) and Star Casino Complex
- Darling Harbour
- University of Technology Sydney and Broadway Shopping Centre
- The Barangaroo development nearing completion is estimated to support 24,000 permanent jobs.¹

In terms of planned employment areas:

- Tech Central is a planned new technology and innovation precinct next to Central Station. The area is headlined by a 40 storey tower set to house 4000 Atlassian employees after its completion in 2025 along with other small tech enterprises and start-ups,
- The Central Sydney Planning Strategy has planned for a substantial commercial GFA uplift across the CBD in key locations or 'clusters of towers',
- Bays West adjoins the Blackwattle Bay Study Area and is also earmarked to attract new innovative enterprises. A Place Strategy is currently being developed (guided by the Bays Precinct Transformation Plan).

Planning policy

- The Bays Precinct Transformation Plan emphasises employment uses with a rejuvenated Sydney Fish Market. There is an aspiration to double visitor numbers and expand the market offer. The plan notes the provision of 'compatible housing suitable to living on the edge of the CBD' which will necessitate population servicing employment offers.

Figure 84: The greater Bays Precinct Area encompassing Blackwattle Bay and Bays West



Source: Bays Precinct Transformation Plan, 2015

7.2 New Sydney Fish Market site

Existing employment

As noted in section 3.4.1, the City of Sydney Floorspace and Employment Survey 2017 has estimated that the Blackwattle Bay contains approximately 560 jobs.¹

The Sydney Fish Market is the primary employment node but not the only employment area within Blackwattle Bay. Therefore, not all these jobs can be apportioned to its operations.

Isolating out non direct fish market operations from the data, it is estimated that the market area currently contains approximately 527 jobs.²



Existing Sydney Fish Market. *Source: City of Sydney*

New employment

The new Sydney Fish Market is planned to be approximately 47% larger than the original and is estimated to support 700 jobs during the construction phase and 725 ongoing jobs once fully operational.

Applying the City of Sydney Floorspace and Employment Survey 2017 work space ratios⁴ for the existing fish market site, and adjusting for productivity improvements, also generates an employment figure approximately equivalent to the estimated new ongoing jobs created.³



Artists impression of new Sydney Fish Market.
Source: Infrastructure NSW

¹CoS FES, 2017, unpublished data

²Based on removing obvious non-fish market activities (e.g. concrete manufacturing) and allocating seafood related wholesaling and business services based on approximate land share

³BBC Consulting Planners, 2019, *Environmental Impact Statement, New Sydney Fish Market, April 2019*.

⁴Workspace ratios are an indication of the average number of square metres within which employees work for a particular industry.

7.3 Redeveloped Blackwattle Bay

Commercial office and retail/hospitality employment

The redevelopment of the existing Sydney Fish Market site and adjacent properties will generate employment opportunities related to new commercial office space and in servicing the new resident, office worker and visitor base. While some service needs can be met by surrounding areas in Pymont and Ultimo, there will ultimately be demand for localised service delivery. This is especially so with activation of ground floor premises built into the new developments.

Without a comprehensive retail/office demand analysis, two methods can be applied to estimate the likely new employment. These methods involve:

- Applying work space ratios¹ to proposed floor space demand estimates to project employment numbers for retail/food/beverage services, and commercial office based services.
- Analysing benchmark locations to sense check job estimates and industry mix.

I) Applying work space ratios

The uplift in non-residential space at the redeveloped Blackwattle Bay area has been estimated by type (office or retail and/or accommodation). Relevant workspace ratios from the City of Sydney Floorspace Survey 2017 can be applied to these estimates to project future jobs upon project competition and full occupancy

This method generates an ongoing job estimate of 4,674 once the site is fully occupied.

Table 26: Redeveloped Blackwattle Bay job estimates post full development – work space ratios

Workspace type	Employment estimate based on uplift in workspace due to project
Retail	269
Office	3,680
Total	3,949

¹ Workspace ratios are an indication of the average number of square metres within which employees work for a particular industry

7.3 Redeveloped Blackwattle Bay

II) Benchmark analysis

Based on forecast population estimates, the planned Blackwattle Bay upon full development would have a population density within the vicinity of 450 residents per hectare.

The nearest approximate benchmark area to this level of density is Docklands-New Quay in Melbourne (see section 4). It is an area of very high density high rise apartments, restaurants and short term accommodation. The demographic profile (young couples and lone person households) also closely resembles the forecast Blackwattle Bay demographics. Its waterside location close to the CBD and tourism destinations is relatively similar to Blackwattle Bay.

The estimated employment in Docklands-New Quay was approximately 1,758 in 2018. Just over a quarter of the jobs were in hospitality areas and more than half the jobs were in office based industries. As of 2018, when the City of Melbourne CLUE data employment estimates were created, the Docklands-New Quay benchmark area had still not been fully developed out. Therefore, it is likely the full jobs figure would be much higher.

If we apply job/floor ratios seen in the Docklands-New Quay benchmark area and adjust for higher shares of office space planned for SFM existing site in particular we arrive at estimates shown in Table 24.

III) Combining estimates

The two methodologies would suggest:

- a retail/hospitality mix of around 350-400 jobs is realistic (retail will be less than expected when looking at benchmark areas due to the retail role the new SFM will form)
- An office-based job estimate of 3,500-4,000 appears within reasonable bounds.



Table 27: Redeveloped SFM site job estimates post full development – benchmark analysis

Workspace type	Benchmark floorspace compared to fully developed existing SFM site	Relevant benchmark job numbers	Employment estimate
Accommodation/restaurant/eating/shop	84%	356	424
Office	30%	1,052	3,421
Total			3,846

7.4 Employment transition and additional considerations

Phased development

Due to the staged development of specific sites in Blackwattle Bay, the full forecast job numbers will not eventuate until post-completion of all projects.

Construction of the new Sydney Fish Market is expected to commence sometime in 2021 and the new site is due to open in 2025. The existing Sydney Fish Market will operate until the new site is ready to absorb a transfer of activities.

Demand side for commercial and retail

Hill PDA have prepared a retail and commercial demand analysis for Blackwattle Bay. According to this report:

- there is likely to be sufficient demand for full take up of planned retail floorspace by 2036,
- intensive and commercial office based floorspace would likely not be fully taken up until between 2041-2046.

Based on this, the following assumptions have been made:

- Employment at the new Sydney Fish Market will be at operational capacity by 2026,
- Retail and hospitality employment will grow in line with dwelling completions and be at full capacity by 2036, and
- Commercial office employment will grow in line with development and demand side absorption to reach full capacity by 2041.

¹ HillPDA, 2020, *BLACKWATTLE BAY STATE SIGNIFICANT PRECINCT, Economic Development, Local Retail and Services*.

Working from home

In 2016, it was estimated that 4.1% of the residents in the Blackwattle Bay Catchment area worked from home. This was on par with residents in the City of Sydney as a whole. However, this figure differed by location with Pyrmont having around 4.6% of residents working from home, Ultimo closer to 2.8%.

It is assumed that workplace flexibility arrangements will increase over the coming decades, enhanced somewhat by the experience during the COVID pandemic restrictions. However, as the Pyrmont Peninsula Economic Development Strategy notes while there could be fewer jobs located in employment nodes, the pandemic has also reinforced the importance of face-to-face interactions.

It is important to note that in the City of Sydney, the share of residents working from home on Census dates in the twenty years to 2016 was hardly changed at all (+0.1% from 1996 to 2016). However, in Pyrmont the share increased from 2.4% to 4.6% in the same period.

COVID-19 restrictions have encouraged more businesses to support more flexible working conditions which has seen a greater number of people working from home. While the levels of home based work are unlikely to be as high post COVID, it can be expected that the share of residents working from home will be greater than historical levels.

Given this, we have made an assumption that by 2036 the share of Blackwattle Bay residents working from home would be in the vicinity of 7.5%

¹ NSW Government, *Pyrmont Peninsula Economic Development Strategy*, p.10.

7.5 Forecast results – Blackwattle Bay Study Area

Forecasts summary – Blackwattle Bay Study Area

It is forecast that by 2036 there could be just around 4,273 ongoing jobs in the Blackwattle Bay Study Area. The estimate is based on the assumed 725 jobs at the new Sydney Fish Market site, the workspace ratio method applied for the redeveloped existing Sydney Fish Market site, the retail and commercial uptake suggested by HillPDA, and a 7.5% working from home share of employed residents.

The chart and table presents the forecast ongoing employment and ongoing plus construction in the Blackwattle Bay Study Area during the 20-year period to 2036.

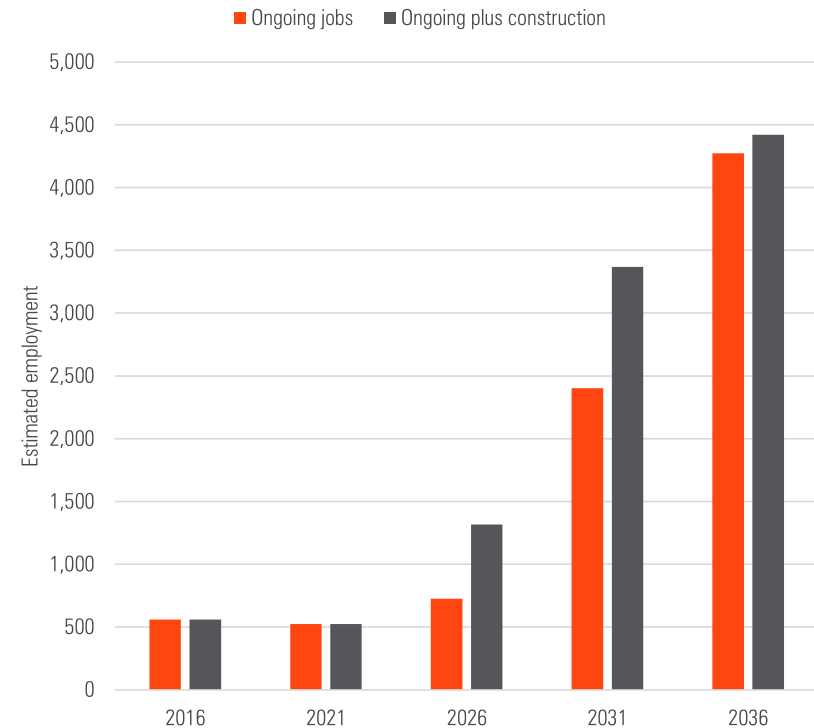
Construction estimates are based on economic impact modelling of assumed construction costs. A two-year completion cycle for each individual building (non-fish market) has been assumed.¹

Table 28: Forecast jobs, Blackwattle Bay Study Area, with development, 2016 to 2036

	2016	2021	2026	2031	2036
Ongoing jobs	560	525	725	2,403	4,273
Change in jobs (5yrs)	-	-35	200	1,678	1,870
Average annual % change	-	-1.3%	6.7%	27.1%	12.2%
Ongoing plus construction	560	525	1,318	3,367	4,420
Change in jobs (5yrs)	-	-35	793	2,049	1,053
Average annual % change	-	-1.3%	20.2%	20.6%	5.6%

¹ A ratio of construction costs per floor area has been applied to each building and then the estimated cost has been run through the economy.id impact model for the City of Sydney. This model relies on NIEIR, 2023 data.

Fig 84: Forecast jobs, Blackwattle Bay Study Area, 2016 to 2036



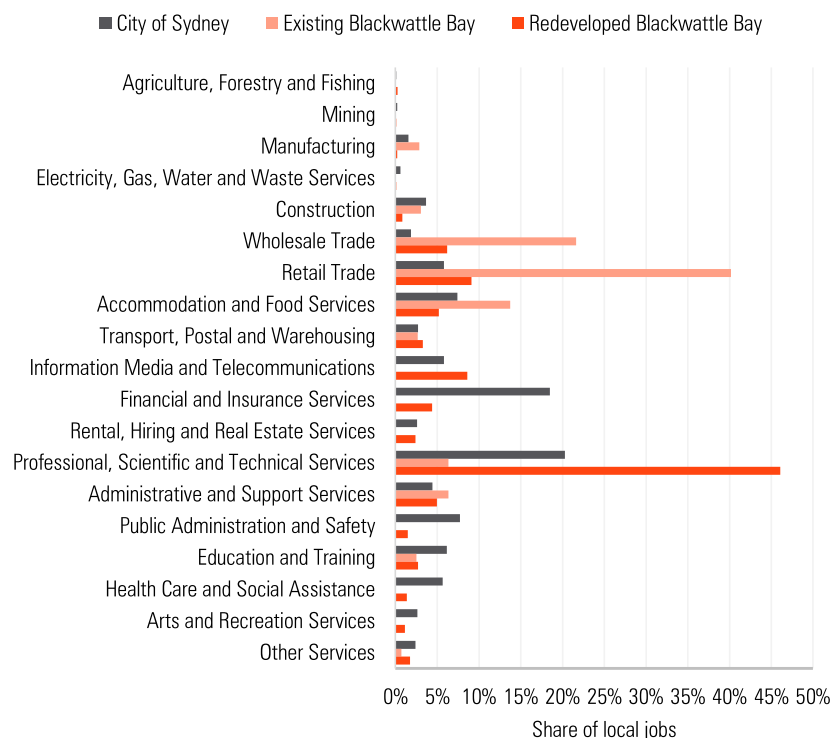
7.5 Forecast results – Blackwattle Bay Study Area

Indicative industry mix

Based on benchmark analysis and taking into account the Pyrmont Peninsula Economic development Strategy, the possible future industry mix at the site can be estimated.

- Due to the increased commercial office space planned for Blackwattle Bay, it is likely that there is a large increase in business services based jobs than what exists currently (especially Professional, Scientific and Technical Services). It is forecast that this sector will be the number one employer reflecting the inner-city location and growth in these jobs more generally.
- Information Media and Telecommunications jobs are also likely to be strong given the industry structure of the Blackwattle Bay Catchment.
- The role of the redeveloped Sydney Fish Market is reflected in an increase in Retail Trade and Food Services jobs. However, as a share of jobs they will be lower than what currently exists on the site as this is the primary employment activity at the moment.
- Other opportunities could be in community services, personal services, childcare, and serviced apartments/short-term accommodation rental.

Figure 85: Indicative forecast jobs by industry, Blackwattle Bay Study Area



Source: Based on .id modelling; Pyrmont Peninsula Economic Development Strategy, 2020; and benchmark analysis

7.6 Forecast results – Blackwattle Bay Catchment area

Summary – Blackwattle Bay Catchment area

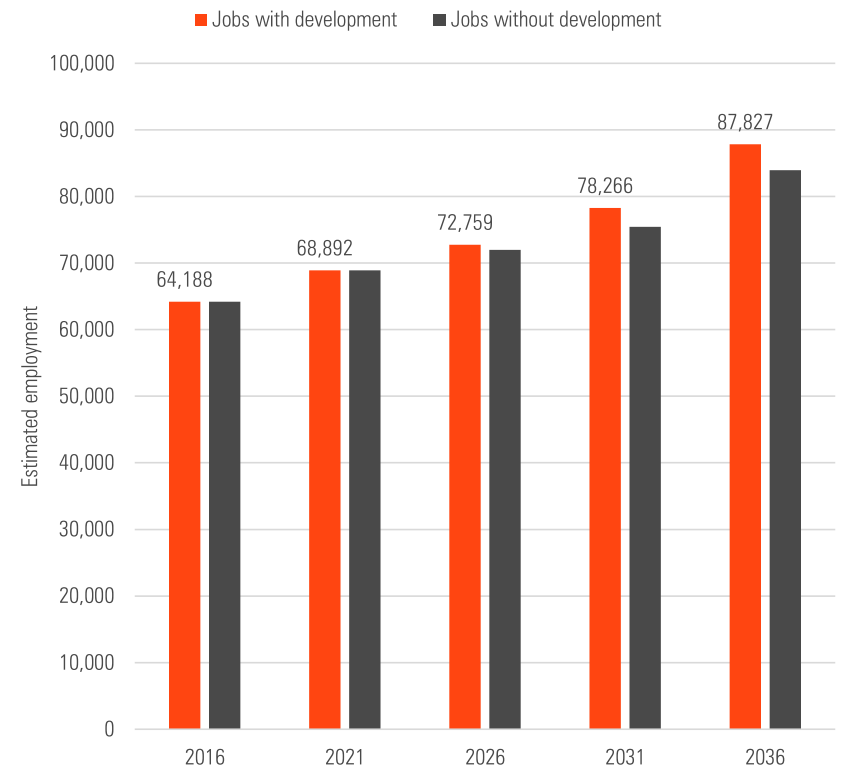
- The forecasts for Blackwattle Bay Catchment¹ see an increase in jobs from 64,188 in 2016 to 87,827 in 2036. This projection is based on an addition of 3,860 in net terms between 2016 and 2036 as a result of the SSP area development.
- Without development, jobs in the catchment is forecast to only reach 83,967 in 2036.

Table 29: Forecast change in jobs, Blackwattle Bay Catchment, 2016 to 2036

	2016	2021	2026	2031	2036
Jobs with development	64,188	68,892	72,759	78,266	87,827
Change in jobs. (5yrs)	13,883	4,704	3,867	5,507	9,561
Average annual % change	5.0%	1.4%	1.1%	1.5%	2.3%
Jobs without development	64,188	68,927	72,001	75,459	83,967
Change in jobs (5yrs)	13,883	4,739	3,074	3,459	8,508
Average annual % change	5.0%	1.4%	0.9%	0.9%	2.2%

¹The geography for the catchment forecasts is based on the Employment profiling catchment (see Appendix, p107), to align with and allow for use of Transport for NSW's Travel Zone Employment Projections which have been updated to the 2022 release. The estimates for the catchment area with the SSP development has been prepared by adjusting (adding development estimates) to the Transport for NSW's Travel Zone projections for the catchment area. Analysis of 2022 projections suggest they have been adjusted for COVID impacts, but have not forecast any employment change in the Blackwattle Bay Study area.

Figure 86: Forecast change in jobs, Blackwattle Bay Catchment, 2016-2036



Source: Based on .id modelling and Transport for NSW's Travel Zone Employment Projections, 2022