

Appendix E Economic Needs Assessment



ELYSIAN HEIGHTS – VILLAGE CENTRE NEEDS ASSESSMENT

Prepared for Greenland Development Pty Ltd

NOVEMBER 2024

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1.0 Introduction

This report has been prepared on behalf of Greenland Development Pty Ltd, ('the applicant') for consideration by the Department of Planning, Housing and Infrastructure (DPHI) to modify the Major Project ('Concept Plan') Approval No. 08_0234 for Elysian, formerly known as the 'Rise', located at Marana Street, Bilambil Heights NSW 2486 (formally described as Lot 32//DP1085109, Lot 33//DP1085109, Lot 31//DP850230, Lot 2//DP867486, Lot 4//DP822786, Lot 1//DP1033807, Lot 1//DP595529 and Lot 1//DP1033810, Lot 2//DP1156202 and Lot 1//DP1033811).

Refer to an aerial photograph of the subject site in Figure 1.1 following.

The proposal seeks approval to modify the Major Project consent pursuant to clause 3BA(5) of Schedule 2 of the *Environmental Planning and Assessment (Savings, Transitional and Other Provisions) Regulation 2017* (Transitional Regulation).

The modification seeks changes to the land uses of the approved project and the conditions of the consent. It is proposed to modify the approval by consolidating and simplifying land uses, omitting inappropriate uses and removal of the detailed layout to allow for flexibility at the detailed design stage.

A summary of the proposed changes include:

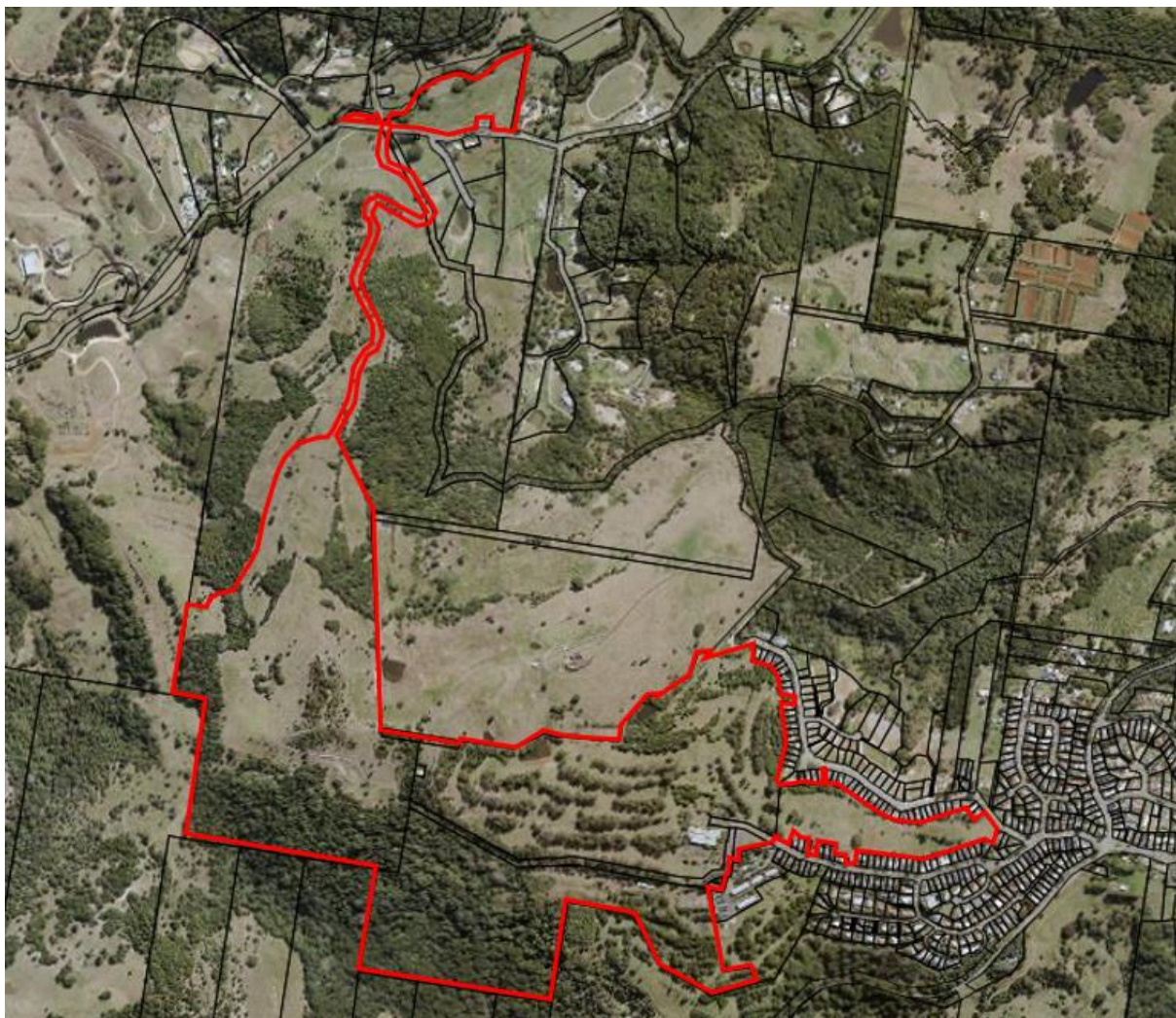
- Consolidation and updating of land uses and precincts
- Change of residential product type and density
- Increase in residential areas with an overall reduction in the yield of the development
- Deletion of precincts for a private school and nursing home
- Increase in open space overall, including additional land for conservation
- Reduced Village Centre precinct area
- Reduction in the number of precincts allocated for retirement living
- Realignment of major spine road and internal roads
- Relocation and consolidation of the reservoirs
- Change in tenure from Community title scheme/ Body corporate to Freehold

The Major Project Approval No. 08_0234 was originally approved on 29 June 2010, with two subsequent modifications approved on 4 April 2018 (Mod 1) and 31 October 2022 (Mod 2). It is proposed to change the approval description as follows:

- Concept plan for the development of a mixed residential development including 1,300 residential dwellings, 2,400m² gross floor area of retail space, 4,250m² gross floor area of commercial space, and associated infrastructure and landscaping.

It is considered that the proposed changes are substantially the same development for which the consent was originally granted.

Figure 1.1 Major Project approval - approximate boundary



Source: Tweed Council interactive mapping

1.1 Scope

The scope of this report focuses on providing an independent assessment of need conditions as they relate to the planned Village Centre at Elysian Heights including the mix of retail and commercial uses proposed within the centre. This includes analysing the balance between supply and demand based on existing and projected future market conditions for those relevant land uses.

1.2 Site and Local Area Context

The Elysian Heights site area comprises a total of approximately 184Ha, with the eastern boundary of the site bordering the existing developed urban area of the Bilambil Heights suburb. The total masterplan area is expected to be accessible via Marana Street to the south east and via Cobaki Road to the north, with this access indicating those surrounding communities most likely to benefit from an increase in retail and commercial uses within the planned Village Centre.

The current concept master plan, illustrated as Figure 1.2 over the page, shows the Village Centre as located toward the south eastern limit of the Elysian Heights site area, which provides a high level of accessibility .

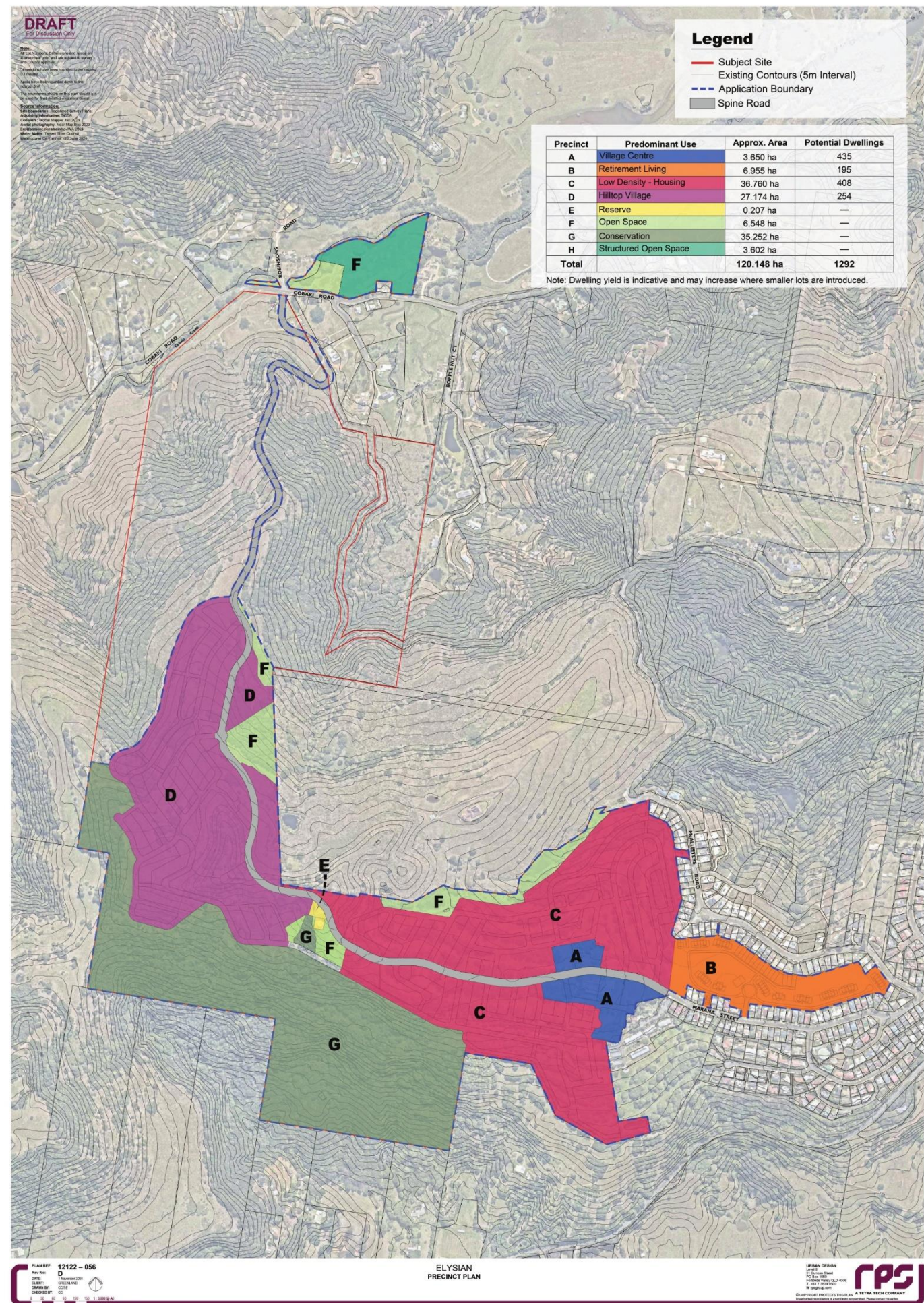
Bilambil Heights is the most proximate urban residential community to the subject site. The suburb is well established, though has experienced a small scale of new residential subdivision and development over the past several years. The community comprises approximately 3,500 people, with a further 450 people at Bilambil to the south. There is little in the way of non-residential land uses or services within Bilambil Heights, with only a small scale local convenience centre along Simpson Drive and a public school (kindergarten to year 6) at Bilambil.

The planned Cobaki urban development area is located to the north of the subject site. This development is expected to comprise approximately 5,500 dwellings and a population of 12,000 people on completion. The community development is planned to include a town centre, which include a range of retail, commercial and community services.

The subject site is located approximately 10km or 15 minutes' drive from those higher order activity centres and services located in Tweed Heads, including Tweed Mall Shopping Centre and surrounding medical, commercial and entertainment services, and the Tweed City Shopping Centre.

The subject site is somewhat isolated in terms of the accessibility of existing activity centres and community precincts. This emphasises the necessity for local activity centres to provide for the convenience and day-to-day centre related land use and service needs.

Figure 1.2 Elysian Heights – Current Master Plan



2.0 Catchment Analysis

2.1 Catchment delineation

A catchment is defined as the geographic area for which the possible development will generate the majority of its demand from. The extent of the catchment is driven by a range of accessibility and convenience factors including:

- Centre attraction relative to the competition, including tenancy mix, car -parking and co-location with higher order facilities and/or services. The key factors that determine the strength and attraction of any service-oriented centre are primarily the scale and composition of the centre, in particular the major anchor(s), proposed land uses, car parking, including access and ease of use and ambience and presentation of the centre.
- The surrounding competitive framework and existing supply. While the strength and appeal of a centre directly impacts its ability to extract market share, the proximity and attraction of competitive land uses impacts the extent of a centres trade area. In essence, all being equal, consumers naturally gravitate to the most convenient option.
- Road networks and traffic flows. The available road network, public transport service and journey to work patterns all affect centre access and impact on a centre's convenience and relative attractiveness.
- Natural and man-made physical boundaries such as rivers, rail, freeways etc. Significant physical barriers often act to delineate a catchment boundary. Evidence indicates that the more difficult a barrier to negotiate, the larger the decrease in customer patronage and market share is experienced.

While this assessment is focused on considering a range of potential land uses, they are all expected to be predominantly focused on providing a local role and function and serving demand onsite and within the close surrounding area. As such, a single catchment area has been defined and is considered relevant to the range of land uses being assessed onsite. Based on those above factors, a catchment area comprising a primary and secondary catchment has been defined as relevant to potential non-residential land uses onsite. This catchment represents those residents that will benefit from any additional non-residential

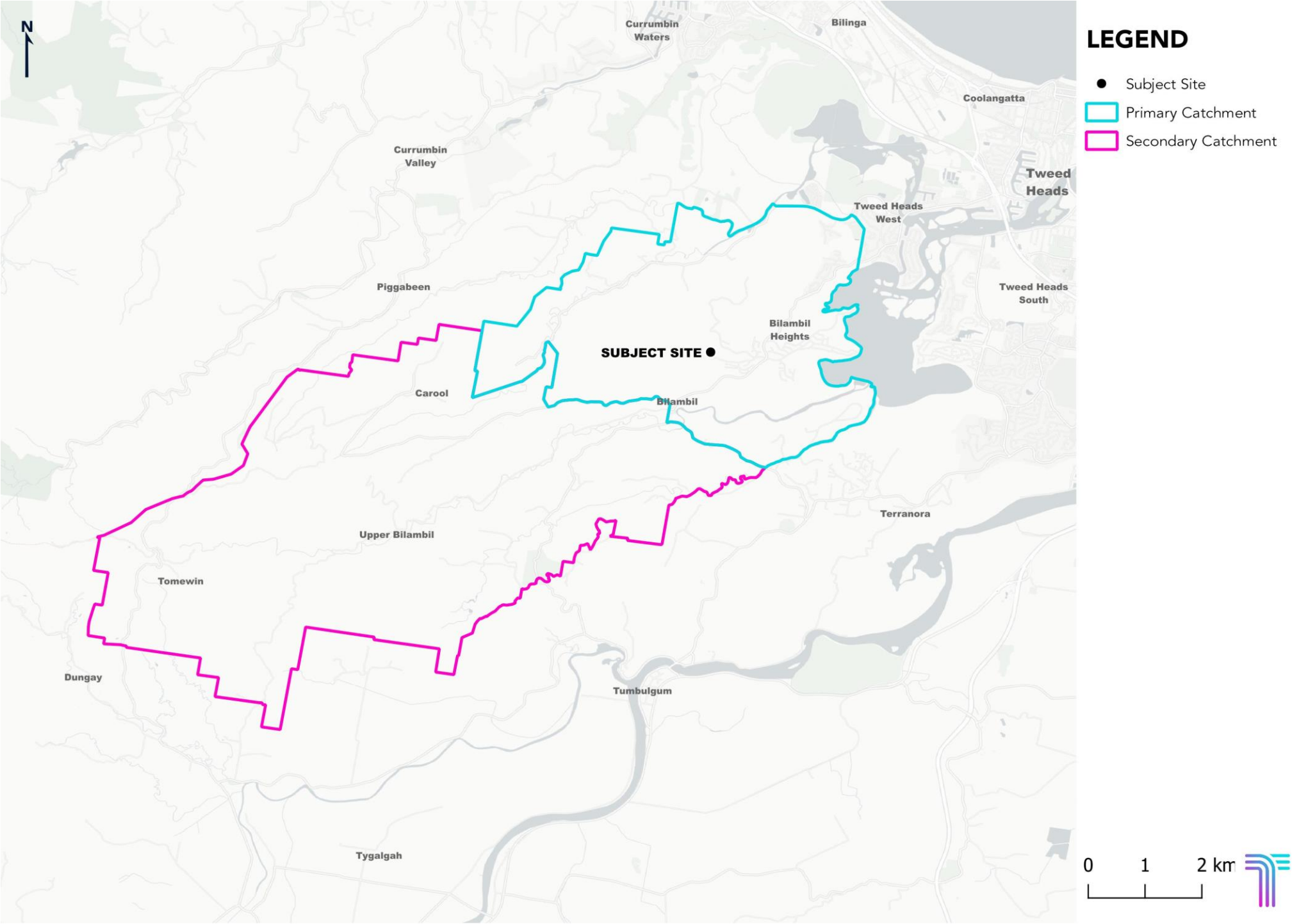
land uses onsite based on the improved accessibility and convenience they will offer residents throughout the defined area.

A description for each of the catchments is provided below.

- Primary Catchment – The primary catchment includes the site area, the surrounding urban areas at Bilambil Heights and Bilambil, and rural residential areas immediately surrounding the site area. Residents throughout this area are expected to access non-residential uses onsite on a regular daily/weekly basis.
- Secondary Catchment – The secondary catchment includes largely rural residential areas and the rural townships of Upper Bilambil, Duroby, Upper Duroby, Carool, Glengarrie, Uriup, and Tomewin. Residents throughout this area have limited access to local retail and community amenities and will benefit from any uses established onsite.

The catchment area is illustrated in Figure 2.1 over the page and has been used to determine the socio-demographic characteristics, population capacity (existing and forecast) and related demand conditions for the range of non-residential land uses considered onsite.

Figure 2.1 – Catchment Overview



2.2 Socio Demographic Profile

Table 2.1 (over the page) details the socio-demographic profile of the catchment population. This profile has been compared with the respective benchmarks for Non-Metro NSW and the Australian average. The data is sourced from the 2021 Census of Population and Housing.

Key points to note about the socio-demographic profile are as follows:

Income

The median household income for the primary catchment is within the \$1,500-\$1,749 range, which is slightly higher than the Non-metro NSW median of \$1,434 and comparable to the national median of \$1,746. The secondary catchment is slightly lower at \$1,250-\$1,499, however this has little impact on the overall catchment given the smaller population capacity compared to the primary.

Age Cohorts

The age profile for the catchment is diverse and largely comparable to the Non-metro NSW profiles, though has a slightly higher proportion of older residents aged 65+ when compared to the national profile. This is typical of older established residential suburbs, though the age profile will be influenced by the new residential development planned onsite which is expected to increase the proportion of young families in the catchment.

Home Ownership

Homeownership¹ patterns for residents of the catchment are well that of the Non-metro NSW and Australian benchmark, with 83.7% compared to 72.1% and 68.3% respectively. This is driven by 'owned with a mortgage' home ownership, which represented 44.8% of dwellings in 2021.

Family Type

The largest proportion of households within the catchment is couple families with children households, which represent 30.9% of all households compared to 26.6% for Non-metro NSW and 31.5% for Australia. The second largest cohort is couple family with no children,

¹ Includes both homes owned outright and those owned with a mortgage.

typically representative of young working couples and/or retired couples, at 30.8% compared to 29.7% for Non-metro NSW and 26.9% for Australia.

The socio demographic profile of the catchment depicts a diverse age and family profile with average incomes and high levels of home ownership, which is consistent of well-established urban neighbourhoods. The development of Elysian Heights is expected to increase the proportion of young families in catchment, as well as improve the income profile of the catchment. This will occur as a result of families attracted to the new housing development onsite, with prices onsite likely to be above the current median house price for the Bilambil Heights local area.

The catchment comprises a diverse demographic profile which indicates need for a wide range of local retail and commercial land use amenities and services that provide convenience and accessibility.

Figure 2.2 Socio-Demographic Profile



Source: ABS Census of Population and Housing 2021, Think Economics 2024

Table 2.1 Main Trade Area – Socio-Demographic Profile

	Primary	Secondary	Main Trade Area	Non-metro NSW	Australia
Population (ERP):					
2011	4,268	788	5,056	2,609,580	22,340,024
2016	4,335	852	5,187	2,707,935	24,190,907
2021	4,295	841	5,136	2,834,051	25,688,079
2022	4,303	852	5,155	2,862,995	26,005,540
Average Annual Growth 2016 - 22 (%)	4,226	854	5,080	0.93%	1.21%
Population Density (persons/sqkm)	4,249	856	5,105	3.6	3.3
Male (%)	48.3%	50.6%	48.7%	49.2%	49.3%
Female (%)	51.8%	48.5%	51.2%	50.8%	50.7%
Household Size:	2.59	2.63	2.60	2.64	2.74
Age Profile:					
0-4	5.4%	4.1%	5.2%	5.5%	5.8%
5-14	11.9%	8.6%	11.3%	12.4%	12.5%
15-19	5.8%	6.4%	5.9%	5.8%	5.7%
20-24	3.7%	4.8%	3.9%	5.4%	6.2%
25-34	10.9%	8.4%	10.5%	11.6%	14.3%
35-44	12.5%	12.0%	12.5%	11.4%	13.7%
45-54	13.0%	14.2%	13.2%	12.3%	12.8%
55-64	14.4%	17.9%	15.0%	13.5%	11.8%
65-74	13.6%	15.8%	13.9%	12.3%	9.7%
75-84	5.7%	5.9%	5.7%	7.1%	5.4%
85 +	2.9%	2.0%	2.8%	2.7%	2.1%
Birthplace:					
Australia	83.5%	85.0%	83.8%	87.0%	70.7%
Elsewhere	16.5%	15.0%	16.2%	13.0%	29.3%
Family and Household Composition:					
Couple family with no children	30.8%	30.8%	30.8%	29.7%	26.9%
Couple family with children	31.4%	28.3%	30.9%	26.6%	31.5%
One parent family	11.4%	14.7%	11.9%	11.7%	11.2%
Other family	0.8%	0.0%	0.7%	0.8%	1.0%
Lone person households	21.1%	25.2%	21.8%	28.0%	25.6%
Group households	4.5%	1.0%	3.9%	3.2%	3.8%
Income:					
Median Personal Income	\$650-\$799	\$500-\$649	\$650-\$799	\$722	\$805
Median Household Income	\$1,500-\$1,749	\$1,250-\$1,499	\$1,500-\$1,749	\$1,434	\$1,746
Tenure:					
Owned outright	37.1%	49.2%	38.9%	39.6%	32.1%
Owned with a mortgage	46.5%	35.4%	44.8%	32.5%	36.2%
Rented	16.4%	15.4%	16.3%	27.9%	31.7%
Dwelling Structure:					
Separate House	89.9%	100.0%	91.4%	83.6%	73.0%
Semi-Detached	5.4%	0.0%	4.5%	10.0%	12.7%
Flat or Apartments	3.4%	0.0%	2.9%	6.4%	14.3%

Source: ABS Census of Population and Housing 2021, Think Economics

2.3 Population Projections

Analysis of population estimates and projections have been based on the latest ABS Estimated Residential Population (ERP) from September 2023 together with data from the Population, Housing and Implied Dwelling Projections produced by the NSW Department of Planning and Environment in 2022.

A review of the NSW Department of Planning and Environment projections indicate limited anticipated population growth for the local area (represented by the Tweed SA2) and as such, growth assumptions for Elysian Heights have been developed in order to inform the population projections. The growth assumptions for Elysian Heights include the following:

- The community is expected support a population capacity of 2,000 people; and
- It is estimated that the community will grow by an average of 100 additional dwellings per annum

It is noted that the growth assumptions are considered somewhat conservative with additional land areas, including 147 McAllisters Road to the immediate north of Elysian Heights, expected to substantially increase residential growth capacity within the primary catchment.

Table 2.2 Population Projections

	Estimated Residential Population			Forecast Population		
	2016	2021	2023	2026	2031	2036
	Population (Persons)					
Primary	4,335	4,261	4,413	4,451	5,497	6,500
Secondary	852	861	891	901	926	932
Main Trade Area	5,187	5,122	5,304	5,351	6,423	7,432
	2011-16	2016-21	2021-23	2023-26	2026-31	2031-36
	Average Annual Growth (Persons)					
Primary	13	-15	76	13	209	201
Secondary	13	2	15	3	5	1
Main Trade Area	26	-13	91	16	214	202
	2011-16	2016-21	2021-23	2023-26	2026-31	2031-36
	Average Annual Growth (%)					
Primary	0.3%	-0.3%	1.8%	0.3%	4.3%	3.4%
Secondary	1.6%	0.2%	1.7%	0.4%	0.6%	0.1%
Main Trade Area	0.5%	-0.3%	1.8%	0.3%	3.7%	3.0%

Source: ABS ERP 2023, NSW Department of Planning and Environment 2022 & Think Economics

The primary catchment is expected to increase from 4,413 people in 2023 to approximately 6,500 people in 2036, as a result of the planned development onsite at Elysian Heights and some ongoing small scale residential development in the surrounding area within the catchment. The secondary catchment is expected to experience some incremental growth over the period, resulting in the total catchment population increasing to 7,432 people by 2036.

It is noted that there are some potential development sites within the catchment that have the potential to further increase residential and population capacity over the next several years. As such, the population projections are considered somewhat conservative.

3.0 Retail Assessment

This section provides an assessment of the market conditions related to planned retail land uses at Elysian Heights. This includes assessing competitive retail supply throughout the catchment, existing and forecast retail demand conditions, and determining what scale of opportunity exists onsite based on assumed retention and market gap.

3.1 Competitive supply

The existing retail supply throughout the catchment is quite limited, comprising a small local convenience centre at Bilambil Heights and several individual retail tenancies throughout the wider catchment area.

The following provides a summary of the existing retail supply in the catchment:

- The Bilambil Heights local centre comprises a convenience store (190sqm), and several specialty stores (425sqm) including a gift shop (only open one day per week), liquor store, pharmacy, hairdressers, and a café.
- There is Liberty service station at Bilambil, however, the retail amenity at this facility is considered very limited and represents very limited competition for any retail uses at Elysian Heights.
- There are two standalone restaurants within the catchment including Old Mate's Smoker in Bilambil and Potager – A Kitchen Garden in Carool. Both dining options have limited opening hours and only service lunch and dinner from Friday to Sunday. These restaurants are known to service wide regional catchments (Potager is 'Chef Hat' restaurant with strong reputation) and as such, they are not considered to impact the potential or opportunity for local retail uses at Elysian Heights.

Based on the review above, only the one local centre at Bilambil Heights represents competitive retail supply relevant to the planned Village Centre. The total floorspace within this centre equates to 615sqm, however, it is noted that some of the retail tenancies at Bilambil Heights have limited operating hours which does reduce the level of retail service and amenity that this centres provides.

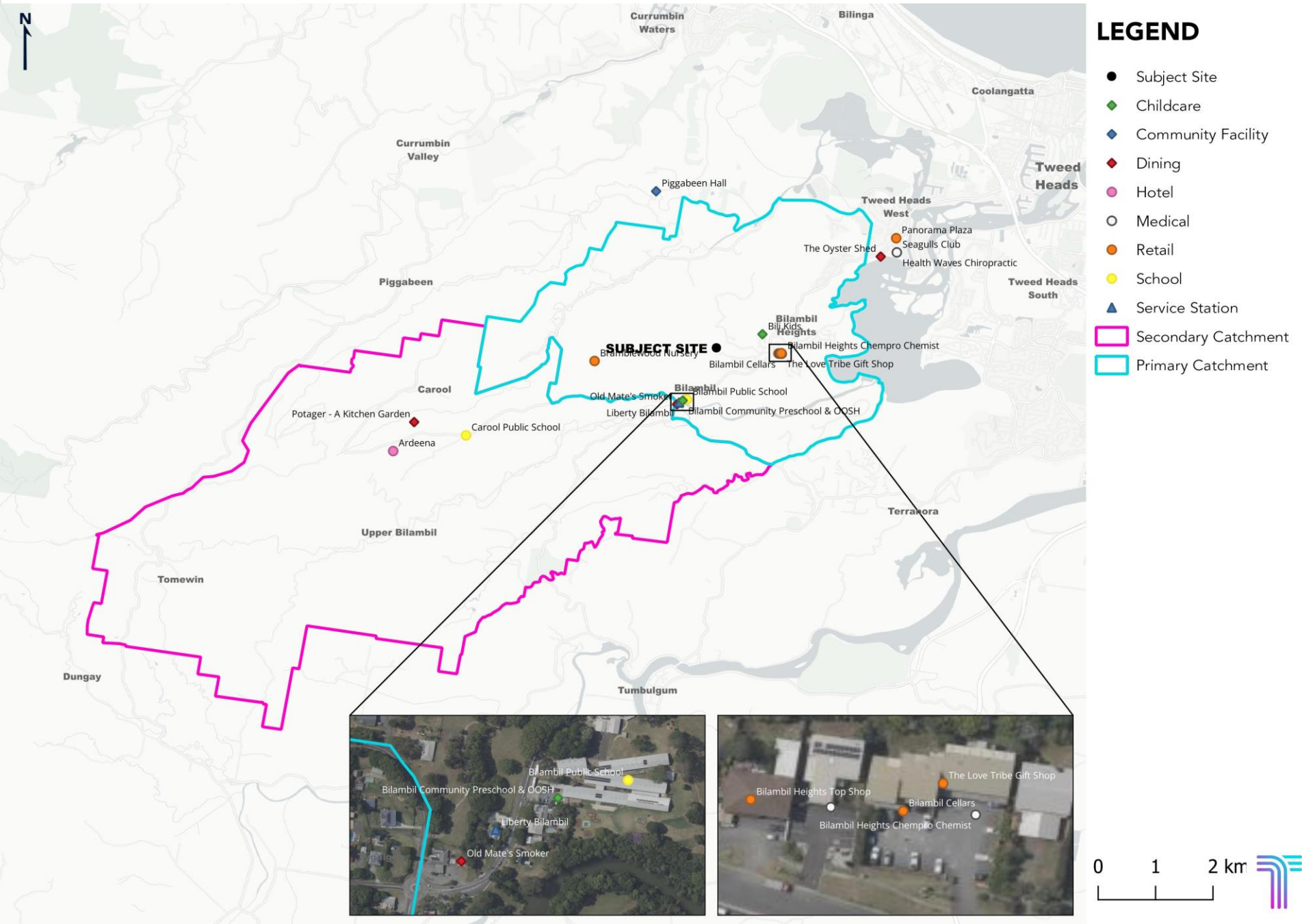
Retail uses outside of the catchment include Panorama Plaza which is located close to the catchment at Tweed Heads West and comprises approximately 1,650sqm of retail including a SPAR convenience supermarket, a café, and butcher. This is the closest convenience retail centre that supports an expanded role and function (comparative to the Bilambil Heights local centre) for many residents within the catchment.

The Pavilions Marketplace is a local centre located at Terranora, south east of the catchment. The centre includes a mix of retail shops such as an IGA supermarket, restaurants and cafes, pharmacy, and bottle shop, as well as non-retail spaces including a gym, veterinary clinic, hairdresser, and a medical centre. The total retail floorspace within the Pavilions Marketplace is estimated at approximately 1,300sqm.

Additional higher order retail centres and precincts, such as Tweed Mall Shopping Centre and Tweed City Shopping Centre, are located further to the east. These centres support higher order retail needs for residents within the catchment, supporting full line supermarket, discount department stores, and a wide range of comparative shopping needs. Based on the location of these higher order centres, they provide limited support for day-to-day convenience retail and centre related land uses.

Figure 3.1 over the page illustrates the defined catchment area as well as supply for retail and other non-residential land uses within the catchment.

Figure 3.1 Catchment Area & Supply



3.2 Retail demand

The retail demand profile for the trade area will be dependent on the retail expenditure characteristics of residents within the area. Think Economics estimates retail expenditure capacity generated by trade area residents based on the Consumer Spend Potential (CSP) data sourced from Precisely.

Unlike other products on the market, CSP was designed using a top-down method which overcomes several biases in base data for household expenditure. The size of the market for each CSP category is calculated from a variety of sources, the primary one being Household Final Consumption Expenditure (HFCE) tables from the National Accounts (Australia's gross domestic product figures). Because this dataset is an integral part of GDP statistics, it is the final arbiter of the size of the household market in Australia. In addition, Precisely uses other data sources to augment HFCE data. These include other National Accounts tables from the Australian Bureau of Statistics, as well as Retail Trade, Apparent Consumption of Alcohol, International Trade in Services, and Socio Economic Indexes for Areas (SEIFA). They also incorporate data from other Commonwealth sources – the Australian Prudential Regulation Authority, the Productivity Commission, and Tourism Research Australia – as well as other publicly available sources.

The CSP data is considered to be an accurate and detailed measure of retail expenditure capacity and behaviour and is widely relied on in the retail industry. Total retail expenditure is detailed in a number of categories, as follows:

- Food and groceries – goods typically sold in supermarkets and specialty fresh food stores.
- Off Premise liquor – packaged beer, wine and spirits such as those purchased at bottle-shops and liquor outlets. The combination of take-home food and groceries and packaged liquor is referred to as FLG expenditure.
- Meals out and Fast Food – cafes, take-away outlets and restaurants, including liquor consumed on such premises.
- Apparel – clothing, footwear, fashion and accessories.
- Household goods – giftware, electrical, computers, furniture and homewares.
- Leisure – sporting goods, music, DVDs, games, books, magazines and newspapers.

- General retail space –pharmaceutical goods, cosmetics, toys, florists and mobile phones.
- Retail Services – retail services such as key cutting, shoe repairs, hair and beauty.

Table 3.1 presents estimates of total retail expenditure by category generated by the resident population within the trade area over the forecast period to 2036. All spending forecasts include estimated real growth in retail expenditure, which is assumed to average 0.6% per annum across all retail categories.

Total available retail expenditure within the trade area is forecast to grow from \$83.5 million in 2021 to \$134.2 million in 2036, reflecting an average annual growth rate of around 3.2% per annum over the forecast period. This growth in expenditure will be dispersed across all retail categories, though the highest rates of growth are anticipated within the Meals Out and Fast Food category, followed by the Food and Grocery and Off Premise Liquor categories.

Table 3.1 Trade Area Retail Expenditure by Category (\$M)

Year	Food and Grocery	Off Premise Liquor	Meals Out and Fast Food	Apparel	Household Goods	Leisure	General Retail	Retail Services	Total Retail
2021	28.5	6.9	8.1	6.9	19.0	5.3	6.8	2.0	83.5
2022	29.2	7.1	8.3	7.0	19.5	5.4	7.0	2.1	85.6
2023	30.0	7.2	8.5	7.1	19.9	5.6	7.2	2.1	87.6
2024	30.3	7.3	8.6	7.2	20.1	5.6	7.2	2.2	88.5
2025	30.6	7.4	8.8	7.2	20.2	5.6	7.3	2.2	89.3
2026	31.0	7.5	8.9	7.3	20.4	5.7	7.3	2.2	90.2
2027	32.5	7.8	9.3	7.6	21.3	5.9	7.7	2.3	94.5
2028	34.0	8.2	9.8	7.9	22.2	6.2	8.0	2.4	98.8
2029	35.6	8.6	10.3	8.2	23.2	6.4	8.3	2.5	103.2
2030	37.1	9.0	10.8	8.5	24.1	6.7	8.7	2.6	107.6
2031	38.7	9.4	11.3	8.9	25.1	7.0	9.0	2.7	112.1
2032	40.3	9.7	11.8	9.2	26.0	7.2	9.4	2.8	116.4
2033	41.8	10.1	12.3	9.5	27.0	7.5	9.7	2.9	120.8
2034	43.4	10.5	12.8	9.8	27.9	7.7	10.0	3.1	125.2
2035	45.1	10.9	13.3	10.1	28.9	8.0	10.4	3.2	129.7
2036	46.7	11.3	13.8	10.4	29.8	8.2	10.7	3.3	134.2
Average annual growth (\$M)									
2021 - 2036	1.2	0.3	0.4	0.2	0.7	0.2	0.3	0.1	3.4
Average annual growth (%)									
2021 - 2036	3.3%	3.3%	3.7%	2.8%	3.0%	2.9%	3.0%	3.2%	3.2%

Source: Consumer Spend Potential 2022 Precisely, Think Economics

Demand (in terms of floorspace) will increase across all retail categories with those key categories with potential for retail uses onsite across a range of categories, though stronger opportunities within key convenience oriented categories including Food and Grocery and Meals Out and Fast Food.

Table 3.2 below indicates that the current level of retail expenditure generated by trade area residents supports an estimated total of 10,824sqm of retail floorspace in 2023. By 2036, population growth within the trade area is expected to increase floorspace demand by an additional 4,052sqm to a total of 14,876sqm.

Table 3.2 Retail floorspace demand by category (sqm)

Year	Food and Grocery	Off Premise Liquor	Meals Out and Fast Food	Apparel	Household Goods	Leisure	General Retail	Retail Services	Total Retail
2021	3,140	546	940	972	3,146	705	754	269	10,472
2022	3,196	556	959	984	3,192	715	765	273	10,641
2023	3,252	566	979	996	3,238	724	776	278	10,809
2024	3,262	567	985	994	3,238	723	776	278	10,824
2025	3,271	569	991	992	3,238	723	776	279	10,839
2026	3,281	571	997	990	3,238	722	776	279	10,854
2027	3,413	594	1,040	1,025	3,359	748	805	290	11,275
2028	3,546	617	1,083	1,060	3,479	774	834	301	11,694
2029	3,678	640	1,127	1,094	3,598	800	863	312	12,111
2030	3,810	663	1,171	1,128	3,716	825	891	323	12,528
2031	3,943	686	1,216	1,161	3,834	851	919	334	12,943
2032	4,068	708	1,258	1,192	3,944	874	946	344	13,332
2033	4,192	729	1,300	1,222	4,052	897	972	354	13,720
2034	4,317	751	1,343	1,253	4,161	920	998	365	14,107
2035	4,442	773	1,386	1,282	4,268	943	1,023	375	14,492
2036	4,566	794	1,429	1,312	4,375	966	1,049	385	14,876

Source: Consumer Spend Potential 2022 Precisely, Think Economics

3.3 Market gap and need assessment

The planned Village Centre at Elysian Heights is expected to be focused on serving the convenience retail needs of residents within the catchment, including the day-to-day shopping and retail service needs of residents. This is consistent with local centres, that typically capture up to 30% of retail demand and needs within a catchment, based on the role and function they support, with the remaining 70% of retail needs being distributed to higher order and specialist retail centres.

The existing 615sqm of retail uses within the catchment represent just 5.7% of retail demand generated by the existing resident population within the catchment. This is indicative of a significantly supply constrained local area, demonstrating that residents are predominantly reliant on retail centres outside of the catchment for day-to-day retail needs.

Taking into consideration the scale of retail demand typically supported by local centres (i.e. up to 30%) and the existing provision of 615sqm of convenience retail uses at Bilambil Heights, there is an existing undersupply of approximately 2,632sqm in 2024, which is projected to increase to more than 3,200sqm in 2031 based on projected population growth within the catchment including that anticipated at Elysian Heights.

This scale of undersupply demonstrates strong need conditions for additional local retail supply within the catchment, with the planned Village Centre considered to provide an appropriately scaled and located response these needs.

4.0 Hotel Tavern Assessment

This section provides an assessment of demand and need conditions related to the planned hotel tavern within the Elysian Heights Village Centre.

4.1 Hotel tavern demand

Taverns are a common neighbourhood land use given the broad dining, entertainment, and social recreation function that they provide for the community. They are common to the extent that most communities have a neighbourhood tavern that is typically central to the community and often integrated within a town centre or shopping centre precinct.

In assessing demand for taverns within the catchment, Think Economics has reviewed the rate of provision for taverns throughout the Gold Coast (considered the most relevant urban region to the subject site), based on existing licensed hotel premises. As at May 2024, there were a total of 109 licensed commercial hotels within the Gold Coast LGA. Based on the 2023 ERP of 666,087 people, this equates to an average rate of provision (i.e. demand) of 1 licensed hotel per approximately 6,110 people.

This rate of provision demonstrates that licensed hotel premises are a very common land use and amenity within local communities, with the very large majority of people having access to a licensed hotel within the local area close to where they live.

The population of the catchment is projected to reach the required rate of provision threshold (of 6,110+ people) by 2031. It is noted that the timing of demand for a licensed hotel within the catchment is largely aligned with the critical demand thresholds for a range of those other land uses expected within the planned Village Centre.

4.2 Competitive supply

There are no existing licensed hotels/taverns within the catchment however there are premises located close to the catchment. These include the Terranora Tavern which is located within the Pavilions Marketplace centre, and the Seagulls Club which is located at

Tweed Heads West. While Terranora Tavern is relatively small and is typical of a local tavern, the Seagulls Club is a much larger venue that includes a range of dining options, live entertainment, cater for events and represents a scale, role and function that serves a large regional catchment. Neither venue is considered to provide reasonable access to a local tavern venue.

4.3 Market gap and needs assessment

There are no licensed hotels within the catchment area, demonstrating that local residents are dependent on venues outside of the catchment. Those taverns closest to the catchment area have been identified in the competitive assessment, however, neither are considered to provide reasonable access to a local tavern facility based on accessibility and/or the role and function of these existing facilities.

As such, there is considered some level of undersupply within the catchment for a local licensed hotel venue. This undersupply will increase as the local population continues to increase, with very clear need conditions emerging from 2030 when the catchment population is expected to exceed the typical rate of provision for local licensed hotel venues.

It is considered that the timing for a licensed hotel venue within the Village Centre could be reasonably justified earlier than 2030 based on the lack of existing food and drink outlets or similar amenities that support local community interaction, socialisation and recreation within the catchment area. The community benefit and need are therefore considered to support a licensed hotel within the early stages of the planned Village Centre.

5.0 Office & Medical Assessment

This section provides an assessment of demand and need conditions for office and medical related uses within the planned Village Centre.

5.1 Office demand & needs assessment

Given the location of Elysian Heights and those higher order employment precincts across the Pacific Motorway to the east, the demand for future office space within Elysian Heights will predominantly be derived from residents onsite and within the catchment. It is acknowledged that there is likely limited potential to attract demand from beyond the local area (unless some specialisation is established onsite). This is however also consistent with the role and function that will be established by the planned Village Centre and is likely to add to the overall sense of community in the local area.

While demand will be derived from the local resident population, recent trends as a result of the Covid pandemic, have demonstrated an increase in people working from home or from suburban office precincts. Prior to the Covid pandemic, around 30% of Australians regularly worked from home, though in August 2021 this rate had increased to 41%. While this rate is now declining somewhat as work conditions have largely returned to normal, ABS statisticians have suggested that the data shows a strong preference from many employees to work from home or at least locally and that this trend is likely to remain over the long term.

The increase in the 'cities to suburbs' or 'urban to suburban' trend, which is demonstrated by an increase in people working from home offices or suburban office locations instead of inner city office precincts, is also being supported by many companies that are returning to a hub and spoke model for office locations, supporting multiple smaller suburban satellite offices as opposed to a single large central office location.

While Elysian Heights is not necessarily considered a likely location for larger companies looking to establish a regional or satellite office, those demand trends related to local offices as an alternative to CBD or major precinct located office space is expected to supplement demand and need for future office space within the planned Village Centre.

The average office demand/rate of provision generated per occupied dwelling in South East Queensland varies depending on location. Within Brisbane office demand is generated at an average of approximately 2.0-2.2sqm per occupied dwelling, however this rate is higher than other regions as Brisbane absorbs a lot of demand from outside of the region. Office demand in the Gold Coast region (as well as the Moreton Bay and Sunshine Coast regions) is generated at an average rate of 1.5sqm per occupied dwelling, with this being divided between regional office supply (i.e. higher order office precincts/centres) and local office supply (i.e. lower order activity centres).

The demand for office over the next several years at least is expected to be influenced by a continuation of the 'cities to suburbs' trend, which has been factored into the analysis.

The estimated office demand generated by the catchment population is presented in Table 5.1 below. It is estimated that one third of demand is expected to be directed to local office supply, including within local activity centres.

Table 5.1 Elysian Heights Office Demand

	2023	2026	2031	2036
Population				
Dwellings	2,040	2,058	2,470	2,860
Population	5,304	5,351	6,423	7,432
Est. office demand per occupied dwelling (sqm)				
Regional office demand	1.50	1.50	1.50	1.50
Local office demand	0.50	0.50	0.50	0.50
Est. retail demand (sq.m)				
Potential regional demand/opportunity	3,060	3,087	3,706	4,290
Potential local demand/opportunity	1,020	1,029	1,235	1,430

Source: Think Economics

At 2036, there is projected to be approximately 2,860 occupied dwellings within the catchment supporting a population of approximately 7,432 people. This population is estimated to generate demand for up to 4,290sqm of office space throughout the

surrounding region, with demand for approximately 1,430sqm of office supply within the catchment.

There is no office supply within the small local centre at Bilambil Heights and no other dedicated office supply identified within the catchment area. This lack of supply demonstrates that local business owners and employees have a lack of access to local office alternatives, highlighting the undersupply in the catchment and need for local office space.

Local office supply is essential to ensuring that there are local employment opportunities within a community as well as to provide the community with essential local professional services, including accountants, lawyers, solicitors, financial planners, town planners, etc. As such, in addition to economic need conditions, there is strong existing and increasing community needs for office supply within the catchment.

5.2 Medical demand & needs assessment

There is only one medical centre within the catchment area, which is the Bilambil Heights Medical Centre at 73 Simpson Drive. However, the online booking system for the centre indicates that no bookings are available and advises people to book appointments at the associated Kennedy Drive Medical Centre in Tweed Heads West.

There is therefore effectively no medical centres or services within the catchment currently, with residents travelling to Tweed Heads West or Terranora for local medical services or to Kingscliff for hospital medical needs.

The medical service needs relevant to Elysian Heights include local medical services such as general practitioners (GPs), dentists, optometrists, physiotherapists, psychologists, and others. These services will meet the regular medical service needs of residents whereas infrequent specialist and emergency medical services will be provided for in higher order centres and hospital precincts.

The following analysis has used benchmark rates of provision for health and medical services to determine the demand and need for local medical services derived from the population within the defined catchment between 2023 and 2036 based on anticipated population growth.

Table 5.2 Medical Services Demand

Medical Practitioner / Floorspace Demand	2023	2026	2031	2036
Population	5,304	5,351	6,423	7,432
Medical Service	Demand (No. of practitioners)			
General practitioners	7	7	8	10
Dental Practitioners	5	5	6	7
Medical Radiation Practitioners	4	4	4	5
Occupational Therapists	4	4	5	6
Optometrists	1	1	1	1
Osteopaths	1	1	1	1
Physiotherapists	6	6	8	9
Podiatrists	1	1	1	1
Psychologists	6	6	7	8
Total	35	35	42	49
Medical Floorspace Demand (sqm)	1,387	1,399	1,680	1,944

Source: Dept. of Health GP Workforce Statistics, QGSO, Think Economics

The analysis indicates demand for an estimated 1,387sqm of medical floorspace in 2023, increasing to 1,944sqm by 2036. While it is acknowledged that some of this demand is likely to be distributed to hospitals (including psychologists and occupational therapists) and to existing medical centres throughout the wider region based on higher order medical centres and established relationships with family doctors, it still demonstrates a significant undersupply in local medical services provision within the catchment.

There are strong existing and growing need conditions for medical services within the catchment. These are necessary to support the regular medical services needs of local residents, with demand and need likely to be further enhanced by an increase in younger families (typical within the new master planned community developments) and elderly residents if the planned 'retirement living' precinct (illustrated in Figure 1.2) is delivered.

6.0 Childcare Assessment

This section provides an assessment of demand and need conditions for a childcare centre within the planned Village Centre.

6.1 Competitive supply

There is currently one long day childcare centres within the catchment, Bili Kids at Bilambil Heights which is approved for 53 places. The closest childcare centres outside of the catchment are located at Terranora (one centre) and at Tweed Heads West (four centres), however, these centres represent non-local provision and relatively poor accessibility for many residents within the catchment.

Table 6.1 Existing Childcare Supply

Centre Name	Address	No. of places
<u>Within Primary Catchment</u>		
Bili Kids	24 Buenavista Dr, Bilambil Heights	53
<u>Outside Catchment</u>		
Terranora Preschool & Early Learning	Cnr Terranora and Henry Lawson Drive, Terranora	82
Twin Towns Early Learning Centre	42-44 Recreation Street, Tweed Heads West	84
Freckles Kindy and Learning Centre	205 Kennedy Drive, Tweed Heads West	75
Tweed Heads Kindy Care	239 Kennedy Drive, Tweed Heads West	28
Cooloon Children's Centre	Cnr Park and Recreation Street, Tweed Heads West	45

Source: startingblocks.gov.au, careforkids.com.au

6.2 Demand assessment

The utilisation rate of formal childcare services has been informed by the most recent statistical data from the 2023 Early Childhood and Education Census (ECEC) undertaken by the Queensland Department of Education (which is considered relevant as the site falls within the Gold Coast urban region).

This data indicates that the total enrolment rate for children aged 0-4 years in long day care and kindergarten (typically provided for within long day childcare centres) was 59.3%. It is noted that there is potential that this enrolment rate will increase in 2024 and beyond as a result of increases in the Federal childcare subsidy funding, with total budget allocation for this funding increasing by 20% in late 2023.

Total spaces required are calculated using an assumed average of 4.0 days per week per child attending long day care². Assuming 75% occupancy rates, demand in 2023 was calculated at 158 places, which will grow to an estimated 221 places by 2036 based on anticipated population growth within the catchment.

Table 6.2 Childcare Demand

	0-4 years Trade Area	Utilisation Rate	No. of Children	Average No. of Days per Week	Total Spaces Required per Week	Spaces Required at 100% Occ. per day	Spaces Required at 75% Occ. per day
2023	249	59%	148	4.0	591	118	158
2026	252	59%	149	4.0	597	119	159
2031	302	59%	179	4.0	716	143	191
2036	349	59%	207	4.0	829	166	221

Source: ABS Childhood Education and Care, Think Economics

The demand for childcare services is expected to increase by an additional 63 places over the 13 years from 2023 to 2036, however current demand is significantly greater than existing local supply provision within the catchment.

6.3 Market gap and needs assessment

There is only one childcare centre within the catchment, which supports a total of 53 places. This indicates that approximately two thirds of demand is being distributed to those childcare centres outside of the catchment at Tweed Heads West and Terranora.

The existing supply of childcare services represents a significant under supply based on estimated demand. This is reinforced by a review of the vacancy status of the Bili Kids childcare centre in November 2024 (using the startingblocks.gov.au website) which

² <https://www.education.gov.au/child-care-package/early-childhood-data-and-reports/data-usage-services-fees-and-subsidies/september-quarter-2023-report>

indicates that the centre has no vacancies across all age categories and days. This further demonstrates the constrained nature of existing childcare supply and need for additional capacity in the local area.

There is a significant existing need for additional childcare services capacity within the catchment, which will continue to increase based on projected population growth. These need conditions include an increase in overall capacity as well as choice in supply in order to ensure that the community has suitable access to local supply and alternative options in childcare services.

7.0 Need Implications

The Elysian Heights community development will significantly increase the local population and urbanised area directly west of Bilambil Heights. While this increase in resident population will generate an increase in demand and need for a range of community land uses, existing residents in the local area also support strong need conditions based on the current imbalance between demand and supply conditions across a range of land uses.

The planned Village Centre is consistent with the overall community development intent for Elysian Heights which has been supported through various past structure plans and development approvals. The Village Centre will add to the amenity of the community development, ensuring that future residents, and existing residents in the local area, have access to an appropriate scale and mix of local community services, infrastructure and amenity.

The Village Centre is expected to be anchored by a range of key community land uses and services that will support convenience, accessibility, amenity and employment opportunities in the local area. These land uses will include retail, food and drink outlets, licensed hotel, commercial offices, medical services, and childcare services. These uses are consistent with the day-to-day lifestyle needs of a residential community and will significantly contribute to the efficient delivery and functionality of the Elysian Heights community development, and the existing community in the local area.

The analysis presented in this report very clearly demonstrates that there is an existing and/or increasing undersupply and need for all of those land uses expected within the planned Village Centre. This undersupply demonstrates that residents have a significant dependence on activity centres and services outside of the local area for day-to-day needs, which results in increased and unnecessary private vehicle usage (and associated traffic congestion and pollution) and a loss of time and productivity.

The impacts related to an undersupply of specific land uses are potentially greater, with a lack of local childcare services capacity sometimes resulting in reduced employment participation and a lack of local medical services (or reduced availability due to capacity)

potentially resulting in delayed medical treatment and/or increased hospital presentations for non-essential medical treatment.

On the basis of those implications presented above and the extent of analysis presented within this report, there is considered significant and overwhelming economic, community and planning need conditions supporting the planned Village Centre, including the mix of land uses proposed within the centre, within the Elysian Heights community development.

Disclaimers

Inherent Limitations

This report provides a summary of Think Economics research during the course of the work undertaken for Greenland Developments Pty Ltd under the terms of the engagement contract dated March 2024.

The services provided in connection with this engagement comprise a market research and advisory engagement, and consequently no opinions or conclusions intended to convey assurance have been expressed. Think Economics have indicated within this report the sources of the information provided. We have not sought to independently verify those sources unless otherwise noted within the report.

Think Economics is under no obligation in any circumstance to update this report, in either oral or written form, for events occurring after the report has been issued in final form.

The findings in this report have been formed on the above basis.

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This report has been prepared at the request of Greenland Developments Pty Ltd in accordance with the terms of Think Economics engagement contract dated March 2024. Other than our responsibility to Greenland Developments Pty Ltd, neither Think Economics nor any member or employee of Think Economics undertakes responsibility arising in any way from reliance placed by a third party on this report. Any reliance placed is that party's sole responsibility.

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