
21-41 CANBERRA AVENUE AND
18-32 HOLDSWORTH AVENUE, ST LEONARDS
ECONOMIC IMPACT ASSESSMENT

TOP SPRING AUSTRALIA
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EXECUTIVE SUMMARY

BACKGROUND

Top Spring Australia is preparing a Planning Proposal (the Top Spring Proposal) for submission to Lane Cove Council (Council) for a site in St Leonards comprising the contiguous allotments of 21-41 Canberra Avenue and 18-32 Holdsworth Avenue (herein referred to as 'the Site').

The Site is located within the Lane Cove Local Government Area and is within the St Leonards South Precinct (hereinafter referred to as "the Precinct"), an area of land covered by a Council-led planning proposal to deliver high-density residential uses with significant additional local infrastructure and green space.

In July 2015, Council resolved to amend and support the St Leonards South Master Plan, and the proposed Lane Cove Local Environmental Plan (LEP) amendment to permit rezoning of the Precinct for higher density residential.

The St Leonards South Planning Proposal proposes controls in the LEP and DCP including the following changes:

- Rezoning from R2 Low Density Residential Zone to R4 High Density Residential and RE1 Public Recreation.
- Incentive Height and FSR controls triggered by:
 - Nominated amalgamation packages; and
 - Land dedication to community infrastructure including pedestrian paths, roads, open space and facilities.
- Revised built form controls for setbacks, height in storeys, open space and landscaping, basement parking, and pedestrian and vehicle access.

The draft LEP amendment was endorsed by the State Government's 'Gateway' process in September 2016, subject to a number of supporting technical studies being undertaken. Public exhibition for the St Leonards South Residential Precinct Draft Plans and supporting studies was held in late 2017 through to January 2018.

In March 2018, a Gateway extension to complete the St Leonards South Planning Proposal was granted to Council to allow for the release and consideration of the 'St Leonards and Crows Nest Planned Precinct Draft Land Use Infrastructure and Implementation Plan'. This amended Gateway approval required that the NSW Government's then-titled 'Land Use and Infrastructure Plan' (LUIP) for the wider lands within the St Leonards and Crows Nest 'Planned Precinct' be publicly exhibited.

AEC Group (AEC) has been engaged to prepare an Economic Impact Assessment (EIA) to analyse the likely economic impacts arising from redevelopment of the Site as envisaged in the Top Spring Proposal.

STRATEGIC CONTEXT AND THE PROPOSAL

The Site is strategically located within a precinct identified for development into higher density dwellings. It is proximate to existing and future transport nodes (St Leonards Station and the future Crows Nest Metro Station are approximately 500m and 1km from the Site respectively) and retail services and amenity.

The St Leonards and Crows Nest Planned Precinct (the Planned Precinct) which the St Leonards South Precinct is a part of, is expected to undergo significant transformation to realise the integrated transport and land use opportunities presented by the Crows Nest Metro Station to open in 2024.

The Region Plan and District Plan affirm the significance of increasing housing in areas proximate to local services and transport infrastructure. Specifically, St Leonards status as a Strategic Centre reinforces the importance of providing adequate residential zoned land around a commercial core to enable more residents to benefit from access to goods and services in the centre.

The Proposal responds to the objectives and directions of the Region Plan and District Plan and the St Leonards South Planning Proposal (2017) specifically:

- Rezoning of the Site from R2 Low Density Residential zone to R4 High Density Residential zone.
- Increasing FSR from 0.5:1 to 2.75:1 (southern portion) and 3:1 (northern portion).

- Increasing building height limits from 9.5m to heights of 15-31m (southern portion) and 37m (northern portion).
- Public benefit outcomes through the provision of through-site links and 'green spines'.

The Top Spring Proposal envisages redevelopment of the Site to approximately 357 apartments across five blocks, incorporating a 'green spine' and through-site links connecting Canberra Avenue and Holdsworth Avenue.

The Southern Portion of the Site aligns with the nominated amalgamation blocks (Area 9-11) in Council's Planning Proposal and is envisaged to be developed to controls consistent with the draft LEP and DCP controls.

The Northern Portion of the Site mostly aligns with the nominated amalgamation blocks (Area 7-8), with the exclusion of two allotments in the north of Area 7 and Area 8 respectively. The Northern Portion therefore comprises a smaller area than nominated in Council's Planning Proposal. Notwithstanding, the Top Spring Proposal proposes to shift provision of the pedestrian link slightly south for it to be delivered within the Northern Portion of the Site.

Despite a smaller amalgamation block in the Northern portion of the Site, the Top Spring Proposal incorporates delivery of public benefit outcomes with the provision of two east-west pedestrian connections between Holdsworth Avenue and Canberra Avenue to an integrated 'pocket park' at the end of Holdsworth Avenue.

ASSESSMENT OF ECONOMIC IMPACTS

On completion of development, the Site is expected to generate ongoing economic/ operational activity through:

- Economic activity generated by new residents working from home (dispersed jobs).
- Economic activity in the LGA as a result of direct expenditure of residents in the new dwellings.

New households are expected to patronise businesses and centres in the Lane Cove LGA and beyond. The assessment of economic impacts is undertaken from the Lane Cove LGA perspective. A Base Case and a Proposal Case are developed for the purposes of comparison:

- **Base Case:** The Base Case assumes the R2 Low Density Residential zone and FSR 0.5:1 remain unchanged. Existing buildings (20 detached dwellings) are assumed to continue in their existing use.
- **Proposal Case:** The Proposal Case envisages planning control amendments to facilitate redevelopment of the Site into approximately 357 new apartments, north-south green spines, east-west pedestrian links and associated landscaping.

Compared to the Base Case, the Proposal Case results in higher levels of economic activity through the direct and flow-on impacts associated (per annum):

- \$36.2 million *additional* in output (including \$15.4 million in direct activity).
- \$20.7 million *additional* contribution to Gross Regional Product (including \$9.4 million in direct activity)
- \$11.2 million *additional* in incomes and salaries paid to households.
- 167 FTE jobs (including 87 direct employees).

The assessment distinguishes economic impacts during the construction phase and those economic impacts that will be more permanent in nature following construction completion and operations commencement.

During construction, the Proposal Case is estimated to support greater levels of economic activity, resulting in:

- \$165.4 million in output (including \$77.4 million in direct activity).
- \$61.8 million contribution to GRP (including \$16.8 million in direct activity).
- \$33.3 million in incomes and salaries paid to households.
- 484 FTE jobs (including 156 directly employed in construction activity).

CONCLUSION

The Top Spring Proposal demonstrates alignment with the objectives and aspirations of state planning policy:

- Greater Sydney Region Plan.
- North District Plan.

Land that is close to existing employment centres and public transport networks is scarce and valuable. As cities grow there is commensurate pressure on scarce lands to be developed for a variety of uses. The benefits of enabling more intensive use of land which is a finite asset are therefore obvious.

In the case of the Proposal, local and state government policy have identified the St Leonards South Precinct as suitable for higher density residential uses given its proximity to jobs, services and transport infrastructure.

It is an unfortunate reality that despite an increase to FSR controls, some landowners will still not sell their sites to developers seeking to consolidate a development site. It therefore becomes necessary for planning authorities to adopt a flexible approach to delivery of development and infrastructure.

The Top Spring Proposal envisages a departure from Council's St Leonards South Planning Proposal, specifically proposing an alternate amalgamation block in the Northern Portion of the Site (Area 7 and 8). While this would result in development on a smaller site, the spirit and intent of the provision of public benefit is preserved through the provision of an east-west pedestrian link within the Site.

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1. INTRODUCTION

1.1 BACKGROUND

Top Spring Australia is preparing a Planning Proposal (the Top Spring Proposal) for submission to Lane Cove Council for a site in St Leonards comprising the contiguous allotments of 21-41 Canberra Avenue and 18-32 Holdsworth Avenue (herein referred to as 'the Site').

The Site is located within the Lane Cove Local Government Area and is within the St Leonards South Precinct (hereinafter referred to as "the Precinct"), an area of land covered by a Council-led planning proposal to deliver high-density residential uses with significant additional local infrastructure and green space. The Precinct pertains to the land bounded by River Road, Canberra Avenue, Park road and Marshall Avenue.

A Masterplan Study (the St Leonards South Master Plan) was undertaken by Lane Cove Council in December 2014 to recommend on a development strategy for the Precinct. The Precinct was recognised as an appropriate location to accommodate growth, aligned with the then Sydney Metropolitan Strategy directions for housing growth close to services and transit-oriented development.

In July 2015, Council resolved to amend and support the St Leonards South Master Plan, and the proposed Lane Cove Local Environmental Plan (LEP) amendment to permit rezoning of the Precinct for higher density residential.

The draft LEP amendment was endorsed by the State Government's 'Gateway' process in September 2016, subject to a number of supporting technical studies being undertaken. Public exhibition for the St Leonards South Residential Precinct Draft Plans and supporting studies was held in late 2017 through to January 2018.

In March 2018, a Gateway extension to complete the St Leonards South Planning Proposal was granted to Council to allow for the release and consideration of the 'St Leonards and Crows Nest Planned Precinct Draft Land Use Infrastructure and Implementation Plan'. This amended Gateway approval required that the NSW Government's then-titled 'Land Use and Infrastructure Plan' (LUIP) for the wider lands within the St Leonards and Crows Nest 'Planned Precinct' be publicly exhibited.

Draft Lane Cove LEP, DCP and Landscape Masterplan

The St Leonards South Planning Proposal proposes controls in the LEP and DCP including the following changes:

- Rezoning from R2 Low Density Residential Zone to R4 High Density Residential and RE1 Public Recreation.
- Incentive Height and FSR controls triggered by:
 - Nominated amalgamation packages; and
 - Land dedication to community infrastructure including pedestrian paths, roads, open space and facilities.
- Revised built form controls for setbacks, height in storeys, open space and landscaping, basement parking, and pedestrian and vehicle access.

Top Spring Proposal

The Top Spring Proposal responds to the vision of a high density residential precinct with high quality open space, providing more homes close to jobs, as foreshadowed in local and state strategic planning documents.

The proposal envisages development of approximately 357 apartments and provision of east-west pedestrian links. The Site is configured in a Northern and a Southern portion, aligning with the nominated amalgamation blocks.

- **Northern Portion** (21-25 Canberra Avenue, 18-24 Holdsworth Avenue) is an amalgamation block that is two allotments short of Area 7 and 8 as nominated in the St Leonards South Planning Proposal. The proposal nevertheless includes an east-west pedestrian link within the amalgamation block, effectively moving the pedestrian path to the south.
- **Southern Portion** (27-39 Canberra Avenue, 26-32 Holdsworth Avenue) is an amalgamation block as nominated as Area 9, 10 and 11 in the St Leonards South Planning Proposal.

The key controls specific to the Top Spring Proposal are:

- Rezoning of the Site from R2 Low Density Residential zone to R4 High Density Residential zone
- Increasing the Site's FSR from 0.5:1 to an FSR of 2.75:1 (southern portion) and FSR 3:1 (northern portion).
- Increasing building height limits from 9.5m to heights of 15-31m (southern portion) and 37m (northern portion).
- Public benefit outcomes through the provision of through-site links and 'green spines'.

The intended outcome for the Top Spring Proposal is to allow for the draft controls within Council's St Leonards South Planning Proposal, including the incentive FSR and height controls, to be applied to the identified sites, with flexibility around the delivery of amalgamation packages and public benefits.

The Top Spring Proposal would result in an amendment to the Lane Cove LEP (2009) consistent with Council's St Leonards South Planning Proposal. The Top Spring Proposal assumes that the Council's draft DCP controls will also be applied to the Site.

1.2 SCOPE AND PURPOSE

AEC Group (AEC) has been engaged to prepare an Economic Impact Assessment (EIA) to analyse the likely economic impacts arising from redevelopment of the Site as envisaged in the Top Spring Proposal.

In order to assess the economic impacts, a Base Case and Proposal Case are developed.

- **Base Case:** The Base Case assumes the R2 Low Density Residential zone and FSR 0.5:1 remain unchanged. Existing buildings (20 detached dwellings) are assumed to continue in their existing use.
- **Proposal Case:** The Proposal Case envisages planning control amendments to facilitate redevelopment of the Site into approximately 357 new apartments, north-south green spines, east-west pedestrian links and associated landscaping.

The purpose of the EIA is two-fold:

- 1 To consider the merits of the Proposal from a strategic planning and market perspective, specifically the role of the Site to provide housing opportunities and enabling economic activity.
- 2 To carry out economic modelling to assess the economic impacts of the Proposal and to understand the opportunity cost of the Base Case.

1.3 STRUCTURE OF STUDY

The Economic Impact Assessment is structured in the following manner:

- **Chapter 2: Site Context**
This chapter provides an overview of the Site including its location and surrounds, strategic planning context and implications for the Site.
- **Chapter 3: Baseline Research**
This chapter examines the socio-demographic profile and employment profile of the St Leonards South Precinct and the St Leonards Employment Area, noting historical trends, the nature and characteristics of residents and business activity and potential for future growth as espoused in key strategic planning objectives.

The research provides insight into the profile of current residential demand, the nature of business and employment activity in the St Leonards Employment Area and concludes respective implications for the Site.
- **Chapter 4: Economic Impact Assessment**
This chapter assesses the economic impacts of future development on the Site by estimating impacts resulting from population activity resulting from additional dwellings.
- **Chapter 5: Policy Assessment**
This chapter reviews and translates the key findings from Chapters 2 to 4 and applies them in the assessment of the Top Spring Proposal against policy considerations.

2. SITE CONTEXT

2.1 LOCATION

The Site is located in the suburb St Leonards and comprises of an amalgamation of 20 contiguous lots (21-41 Canberra Avenue and 18-32 Holdsworth Avenue) which are bounded by Canberra Avenue to the east and south, and Holdsworth Avenue to the west.

Figure 2.1: The Site



Source: AEC

The Site is currently improved by detached dwellings of varying ages, typically on blocks circa 600sqm. Collectively, the Site is understood to bear an approximate site area of 12,700sqm. Newlands Park is located to the south-east of the Site and is identified as a public space within the St Leonards South Precinct Masterplan.

Access to the Site is via Pacific Highway and St Leonards station, approximately 450m to the Site's north. Additionally, Wollstonecraft Station and the future Crows Nest Metro Station are approximately one kilometre south and east of the Site, respectively.

The Site is located in the south-east corner of the St Leonards South Precinct (the Precinct), which is an area of land bounded by the River Road (south), Canberra Avenue (east), Marshall Avenue (north) and Park Road (west). The Precinct is currently the subject of a Council-led planning proposal (the St Leonards South Planning Proposal) to deliver high-density residential uses with significant additional local infrastructure and green space. Figure 2.2 illustrates the St Leonards South Precinct.

The Precinct is strategically located proximate to existing and future public transport nodes, and major employment hubs. Figure 2.2 illustrates the Precinct's locational context.

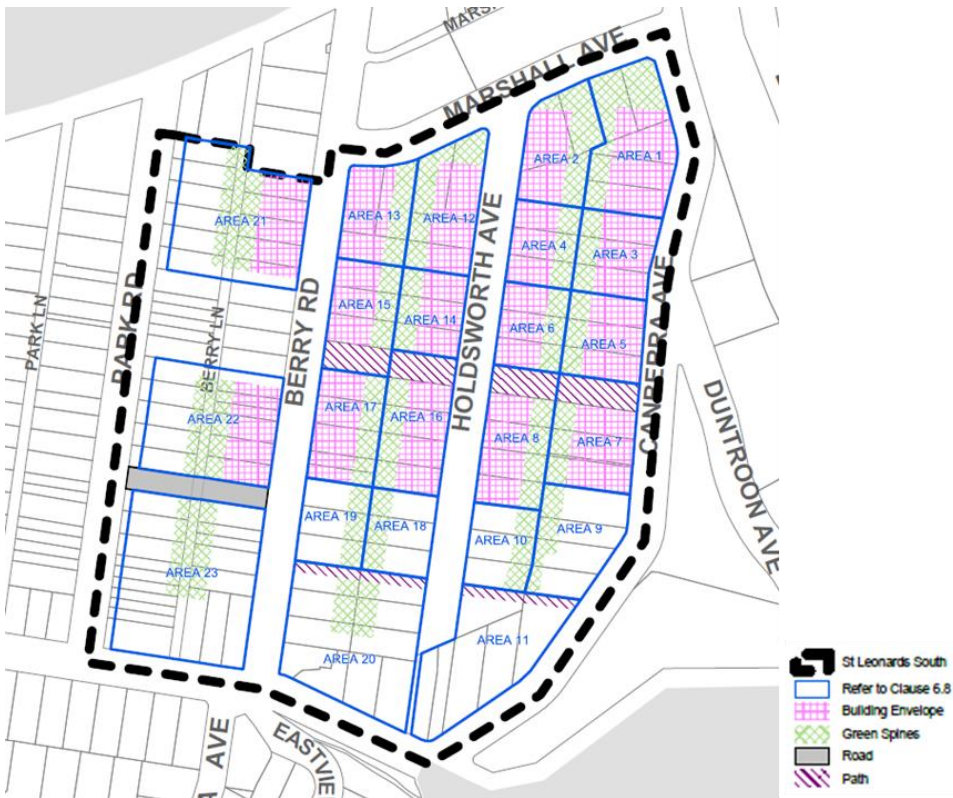
Figure 2.2: St Leonards South Precinct



Source: LCC (2017)

The St Leonards South Planning Proposal outlines the nominated amalgamation patterns for the Precinct and is depicted in Figure 2.3.

Figure 2.3: St Leonards South Precinct, Proposed Amalgamation Patterns



Source: Lane Cove Council (2016)

The Site straddles numerous nominated amalgamation blocks, specifically those of Areas 7 and 8 (Northern portion) and Areas 9, 10 and 11 (Southern portion).

Table 2.1 outlines the respective allotments in each amalgamation block, also indicating those allotments not owned by Top Spring and not the subject of the Top Spring Proposal.

Table 2.1: Details of the Site

Portion	Nominated Amalgamation Block	Property Address
Northern	Area 7	19 Canberra Avenue*
		21 Canberra Avenue
		23 Canberra Avenue
		25 Canberra Avenue
	Area 8	16 Holdsworth Avenue*
		18 Holdsworth Avenue
		20 Holdsworth Avenue
		22 Holdsworth Avenue
24 Holdsworth Avenue		
Southern	Area 9	27 Canberra Avenue
		27A Canberra Avenue
		29 Canberra Avenue
		31 Canberra Avenue
	Area 10	26 Holdsworth Avenue
		28 Holdsworth Avenue
		30 Holdsworth Avenue
	Area 11	32 Holdsworth Avenue
		33 Canberra Avenue
		35 Canberra Avenue
		37 Canberra Avenue
		39 Canberra Avenue
		41 Canberra Avenue

Source: AEC, Lane Cove Council

*Properties not under the ownership of Top Spring

With the exception of the northern most lots in Area 7 (19 Canberra Avenue) and Area 8 (16 Holdsworth Avenue), the Site incorporates all the allotments in Areas 7, 8, 9, 10 and 11.

2.1.1 Surrounding Uses

The Site is proximate to a range of retail and commercial offices and transport links. Situated about 450m north of the Site is the St Leonards train station and St Leonards commercial centres and supporting retail facilities.

St Leonards Commercial Centre

The St Leonards Commercial Centre is located approximately 450m from the Site, anchored by the St Leonards train station.

Retail uses in St Leonards are clustered around the station and along Pacific Highway, where the co-location of retail (generally food and beverage, or specialty stores) and small-scale business operators is observed, particularly on the west of the highway. The St Leonards Forum Plaza is a mixed use development built over the train station, and offers a range of retail facilities, which include a Coles Supermarket, Priceline Pharmacy, McDonalds and specialty retail stores.

St Leonards is a major office market in Sydney's north shore, with purpose built commercial buildings mostly clustered around the train station and along the Pacific Highway. The majority of office stock is of slightly older quality (secondary grade stock), mostly accommodating businesses who operate in the media and technology and health care sectors.

As a transport interchange, St Leonards also provides bus connections to the locality and neighbouring suburbs including Artarmon, Crows Nest and Mosman.

Health and Research

The Royal North Shore Hospital (RNSH) campus is located along Westbourne Street with a site area of nearly 13 hectares. It is located approximately 750m from the Site.

The RNSH is an A1 principal referral hospital and NSW trauma centre, being the principal hospital for the North Sydney Local Health District and provides a variety of specialist clinical services State-wide. The RNSH accommodates 700 beds with over 150 emergency beds and is understood to have treated over 83,500 emergency department presentations over the 2016-2017 period (Bureau of Health Information, 2018).

The RNSH is a major teaching hospital for the Sydney Medical School (University of Sydney) and provides Allied Health and nursing teaching programs for students from the University of Technology, Australian Catholic University and nearby TAFE St Leonards.

Located on the RNSH campus is the Kolling Institute of Medical Research within the 10-storey 'Kolling Building'. The Kolling Institute is a major medical research facility specialising in research into early childhood diseases, acute and critical care, chronic diseases and ageing.

The North Shore Private Hospital (NSPH) is located along Reserve Road. The 2.2ha site includes both the NSPH and recently constructed six-level RNSH decked carpark. The NSPH comprises a total of 313 beds and provides a range of specialist services; it is also a teaching hospital for the University of Sydney.

Crows Nest Village

Crows Nest Village is approximately 1.5km from the Site and provides a range of retail and non-retail uses, anchored by the 'eat street' on Willoughby Road and the recently redeveloped Woolworths Crows Nest. Whilst the majority of business activity in Crows Nest is comprised of population-serving and hospitality-based businesses (including financial institutions, liquor stores, personal services and specialty stores), many commercial offices are observed to co-locate with retailers in mixed used developments. Smaller, design-based businesses seeking a smaller office space are the common occupiers in commercial offices in Crows Nest.

Whilst Crows Nest does not have a train station, existing bus links provide connections to St Leonards Station and the Sydney CBD. The Sydney Metro City and Southwest, which is currently under construction, will provide residents and workers with a metro rail line connecting Crows Nest to the Sydney CBD and Sydney's north-west suburbs.

2.1.2 Sydney Metro City and Southwest

Sydney Metro City and Southwest is Stage 2 of the Sydney Metro program, which will provide a turn up and go metro rail service from Chatswood to Sydenham, with new metro stations to be delivered at Crows Nest, Victoria Cross, Barangaroo, Martin Place, Pitt Street and Waterloo. Tunneling works are currently underway, with the new metro line expected to commence operations in 2024.

The future Crows Nest Metro Station will be located along Pacific Highway within 1km from the Site and act as an anchor for new mixed use development around the station. Additionally, the Crows Nest Metro Station will also serve as a southern gateway to St Leonards health and education precinct.

2.2 STRATEGIC PLANNING

2.2.1 A Metropolis of Three Cities - Greater Sydney Region Plan (2018)

A Metropolis of Three Cities (the Region Plan) was finalised in March 2018 and outlines a vision for the Greater Metropolitan Sydney region to 2056 with a 20 year plan to support this vision. The Region Plan states that Greater Sydney is growing and that by 2036, the NSW Government will need to deliver over 725,000 new homes for an additional 1.36 million people, and places for 817,000 additional jobs.

The Region Plan proposes that in order to deliver these new homes, housing and infrastructure, policy will need to adapt to ensure that Sydney is:

- A city of housing choice, with homes that meet our needs and lifestyles. Urban renewal is essential to meet the demand for new housing in Sydney.
- Supported by local centres which are a focal point for neighbourhoods, integrate public transport access and provide day-to-day services for local populations.
- A great place to live with communities that are strong, healthy and well.

Growth centred around strategic centres is essential for the successful delivery of the Region Plan's priorities and objectives. The Region Plan includes a focus for strategic centres to support residents through the provision of accessible retail, employment and services available with walkable catchment and with good levels of accessibility.

St Leonards is located in the North District of Greater Metropolitan Sydney. St Leonards is identified as a Strategic Centre and Health and Education Precinct and is considered major asset along the well-connected Eastern Economic Corridor from Macquarie Park to Sydney Airport.

Ten Directions, each comprised of a series of objectives are articulated to deliver and monitor the Region Plan. The objectives of direct relevance to the Top Spring Proposal are:

- Objective 10: Greater housing supply.
- Objective 14: Integrated land use and transport creates walkable and 30-minute cities.
- Objective 15: The Eastern, GPOP and Western Economic Corridors are better connected and more competitive.
- Objective 21: Internationally competitive health, education, research and innovation precincts.
- Objective 22: Investment and business activity in centres.

Objective 10

Greater Sydney's growing population will need to be supported with a greater number and more diverse range of housing options. Crucial factors when considering increased housing capacity include an acute awareness of locational attributes of existing infrastructure and its capacity to foster a well-connected city.

Development of housing targets will help inform preparation of councils' housing strategies. The 0-5 year targets are reflective of the existing development pipeline and provide a focus for infrastructure delivery. Beyond that, councils are to identify areas suitable for housing supply beyond 5 years and attributes of suitable areas for housing supply beyond 10 years.

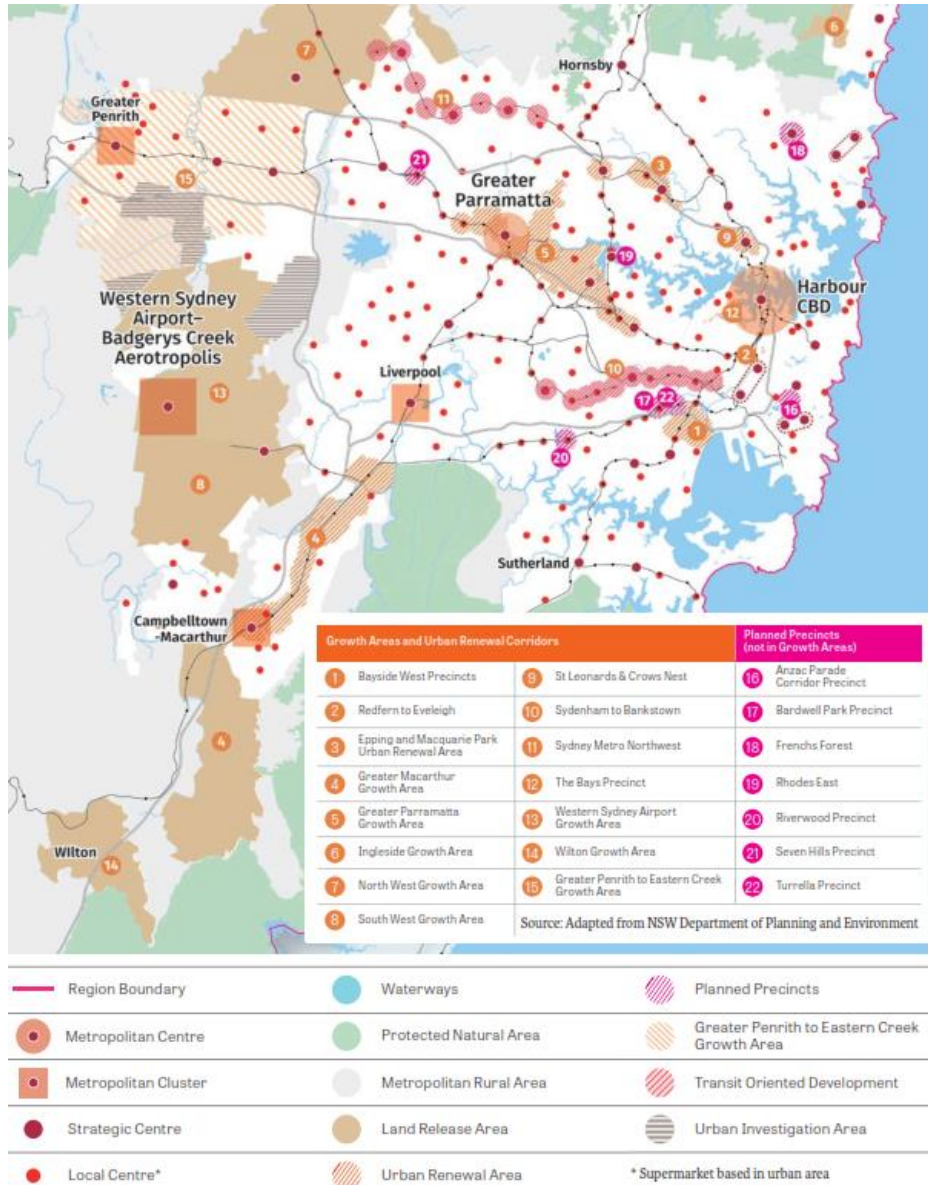
A place-based planning approach to developing housing strategies will ensure that new residential development will result in housing in the right locations and high quality urban outcomes.

Figure 2.4 shows the areas across Greater Sydney which are earmarked for growth, including the St Leonards and Crows Nest which is identified as a Growth Area.

Objective 14

Integrated land use and transport planning will maximise the benefits of productivity, efficiency and competitiveness in Greater Sydney's economy. Transport initiatives and a clear understanding of the long-term spatial pattern of land-use activities will support the delivery of 30-minute cities by alleviating congestion, and promoting walkable, pedestrian-orientated precincts.

Figure 2.4: Preferred Locations for Future Housing Consideration



Source: GSC (2018a)

Objective 15

The Region Plan seeks to strengthen economic opportunities in existing and developing economic corridors, to optimise agglomeration benefits and boost productivity with increased investment and opportunities for new and existing businesses.

The Eastern Economic Corridor benefits from strong road links and public transport access, which enables the connectivity of businesses and a diverse labour pool. The Site is located along the Eastern Economic Corridor, proximate to the St Leonards commercial office precinct (discussed further in Objective 22) and the Royal North Shore Hospital. The Site’s proximity to these major assets is significant in improving accessibility to employment areas, thus an advantageous location for facilitating increased residences.

Objective 21

The Region Plan identifies St Leonards as one of 13 health and education precincts. A key imperative of Objective 21 is the development of select health and education precincts into more advanced precincts, referred to as 'Innovation Districts'. Locating new dwellings development proximate to the St Leonards Health and Education Precinct will enable businesses to have access to a greater resource pool and provide housing closer to a key employment centre.

Objective 22

As Greater Sydney continues to grow, there will be need for additional retail floorspace but also standalone office developments to accommodate a significant increase in office jobs. To maximise the liveability, productivity and sustainability benefits of all centres, the Region Plan anticipates:

- Managing and expanding the network of existing centres.
- Planning and growing new centres.
- Monitoring development and activity trends and changes in centres.

A hierarchy of centres is established in managing Greater Sydney's network of centres: metropolitan centres, strategic centres and local centres.

Strategic centres are important within the hierarchy, serving to attract investment, business activity and jobs to provide access to a wide range of jobs, goods and services close to homes and to support the 30-minute city.

The expectations of strategic centres include:

- High levels of and flexibility for private sector investment.
- Co-location of a wide mix of land uses including residential.
- High levels of amenity and walkability and being cycle friendly.
- Areas identified for commercial uses, and where appropriate, commercial cores.

As a strategic centre St Leonards is expected to accommodate homes close to the goods and services provided and support the 30-minute city. A balance is required to provide adequate mixed-use or residential zoned land around a commercial core to allow new residents to benefit from access and services in centres.

2.2.2 North District Plan

In March 2018, the Greater Sydney Commission finalised the North District Plan (the District Plan), setting out priorities and actions for Greater Sydney's North District.

The proposed priorities and actions for a productive and liveable North District focused on planning a city of people and of great places as well as a supply of a range of housing and employment opportunities. It is guided by the aim of establishing 30-minute cities, where people are 30 minutes from jobs and services by public transport and 30 minutes from local services by active transport. This is projected to be achieved by responding to the planning priorities outlined in the District Plan.

St Leonards is identified in the District Plan as a Strategic Centre and as a health and education precinct. The Centre is anticipated to have job growth from an estimated 47,100 jobs in 2016 to between 54,000 and 63,500 jobs by 2036. The relevant approaches set to strengthen St Leonards include:

- Leverage the new Sydney Metro Station at Crows Nest to deliver additional employment capacity.
- Grow jobs in the centre.
- Reduce the impact of vehicle movements on pedestrian and cyclist accessibility.
- Deliver new high quality open space, upgrade public areas, and establish collaborative place-making initiatives.

While the St Leonards Strategic Centre is outlined for commercial and services growth, the District Plan also outlines the need for additional housing in close proximity to centres and services. A housing supply target is set for the Lane Cove LGA for an additional 1,900 dwellings to be delivered between 2016 and 2021, which includes the dwellings identified by Council to be delivered in the Precinct.

The District Plan outlines a number of key Planning Priorities in order to fulfil the primary objectives of delivering a productive, liveable and sustainable city, some of which include:

- Priority N5: Providing housing supply, choice and affordability, with access to jobs, services and public transport.
- Priority N9: Growing and investing in health and education precincts.
- Priority N10: Growing investment, business opportunities and jobs in strategic centres.
- Priority N12: Delivering integrated land use and transport planning and a 30-minute city.

Priority N5

This Priority relates to Objective 10 of the Region Plan. While the St Leonards Strategic Centre is outlined for commercial and services growth, the District Plan also outlines the need for additional housing in close proximity to centres and services. A housing supply target is set for the Lane Cove LGA for an additional 1,900 dwellings to be delivered between 2016 and 2021, which includes the dwellings identified by Lane Cove Council to be delivered in the St Leonards South Precinct.

Priority N9

This Priority gives effect to Objective 21 of the Region Plan. St Leonards is one of three health and education precincts in the North District. Housing location and choice for key workers and students is pivotal, and considered economic infrastructure with regard to the health and education precincts. Housing opportunities for students and workers should ideally be located within 30 minutes of a health and education precinct.

Priority N10

Priority N10 relates to Objective 22 of the Region Plan, stating that Strategic Centres will be the focus of public transport investments to deliver the 30-minute city objective. Supporting employment growth is pivotal to the growth of Strategic Centres, and adequate mixed-use or residential zoned land around the commercial core is essential in ensuring that new residents can benefit from access to centres. Delivering these new dwellings within walking distance of strategic centres should not constrain commercial and retail operations, but should contribute to a sense of vibrancy and encourage public transport use.

Priority N12

Priority N12 gives effect to Objective 14 of the Region Plan. As the North District evolves, planning and investment will need to recognize the need to reduce commute times and improve access to centres and workplaces. Planning and investment will need to integrate land use, transport and infrastructure to enable transport initiatives to support land use outcomes.

2.2.3 St Leonards and Crows Nest 2036 (2018)

In July 2016, the then Minister for Planning announced the strategic planning investigation of the St Leonards and Crows Nest Station Precinct ('the Precinct'). The Precinct is identified as a Strategic Centre in the North District Plan, and holds a unique opportunity for renewal and activation due to its importance as a key employment centre in Sydney and the new Sydney Metro station set to open in 2024.

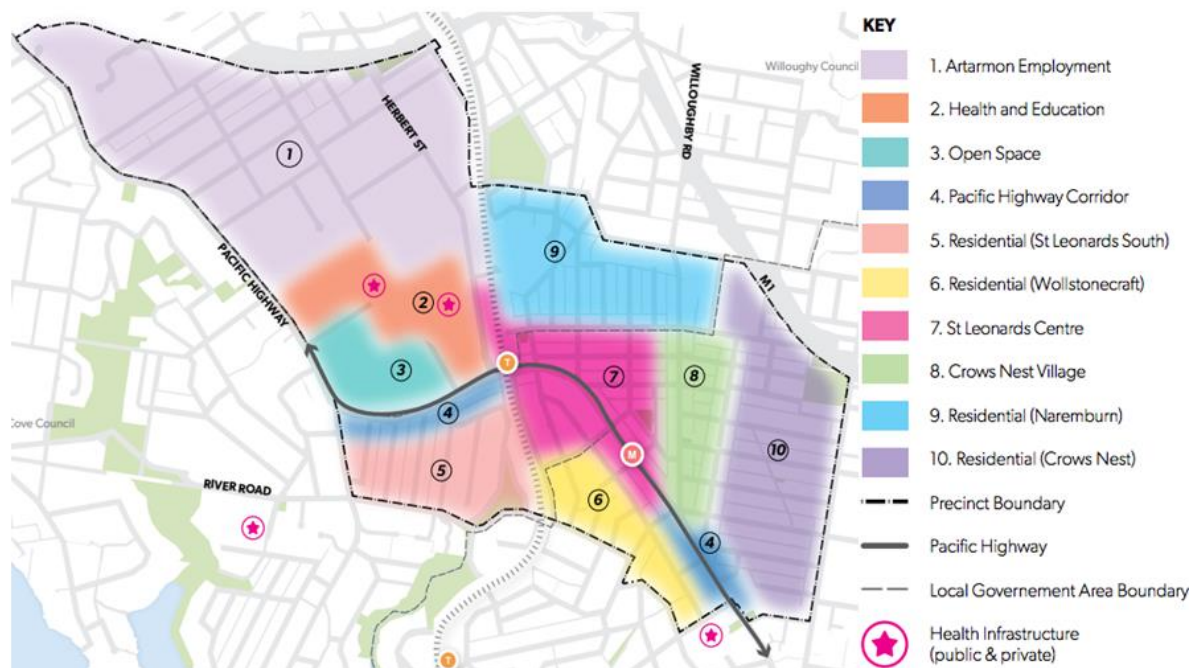
In August 2017, DPE released an Interim Statement for the St Leonards and Crows Nest Precinct, identifying the key assets, employment review, draft vision, objectives, guiding principles, character areas.

The key opportunities and key considerations for the Residential - St Leonards South character area (Area 5) were:

- St Leonards South is proposed to be a higher density residential area over time;

- Increased densities will be focused on those areas closest to St Leonards station; and
- Key matters for consideration include traffic, access and connections, provision of open space, schools and minimising overshadowing

Figure 2.5: Proposed Character Areas



Source: DPE

This draft planning package for St Leonards and Crows Nest 2036 Plan was placed on exhibition from October 2018 until 8th February 2019.

The draft 2036 Plan recommends that Lane Cove Council's Planning Proposal for St Leonards South Precinct be sent for review by the Independent Planning Commission to ensure consistency with the wider Precinct directions.

2.2.4 St Leonards South Planning Proposal (2017)

In December 2014, a Masterplan Study (the St Leonards South Master Plan) was undertaken by Council to recommend a development strategy for the Precinct. The Precinct was recognised as an appropriate location to accommodate growth, aligned with the then Sydney Metropolitan Strategy directions for housing growth close to services and transit-oriented development.

In July 2015, Council resolved to amend and support the St Leonards South Master Plan, and the proposed Lane Cove Local Environmental Plan (LEP) amendment, to permit the rezoning of the Precinct for the purposes of higher density residential development.

In September 2016, the draft LEP amendments were endorsed by the State Government's 'Gateway' process, subject to a number of supporting studies being undertaken. These studies were undertaken for Design, Transport and Accessibility, Heritage, Economic Review, Contributions, Community Facilities and other factors.

Between late 2017 through to January 2018, the St Leonards South Residential Precinct Draft Plans (the Draft Plans) and supporting studies were publicly exhibited for community feedback.

In March 2018, a Gateway extension to complete the St Leonards South Planning Proposal was granted to Council to allow for the release and consideration of the 'St Leonards and Crows Nest Planned Precinct Draft Land Use Infrastructure and Implementation Plan'. This amended Gateway approval required that the NSW Government's then-titled 'Land Use and Infrastructure Plan' (LUIP) for the wider lands within the St Leonards and Crows 'Planned Precinct' be publicly exhibited.

The St Leonards South Planning Proposal sought to amend the Lane Cove Local Environment Plan (2009), to include the following amendments:

- Rezoning of the Precinct from R2 Low Density Residential zone to R4 High Density Residential Zone.
- Increasing the existing FSR of 0.5:1 to 2:1.
- Increasing the building height limits from 9.5m to 25m.

The Master Plan and the St Leonards South Planning Proposal demonstrate alignment with the relevant Objectives and Priorities in the Region Plan and North District Plan outlined in section 2.2.1 and section 2.2.2.

2.3 IMPLICATIONS FOR THE SITE

The Site is strategically located within a precinct identified for development into higher density dwellings. It is proximate to existing and future transport nodes (St Leonards Station and the future Crows Nest Metro Station are approximately 500m and 1km from the Site respectively) and retail services and amenity.

The St Leonards and Crows Nest Planned Precinct (the Planned Precinct) which the St Leonards South Precinct is a part of, is expected to undergo significant transformation to realise the integrated transport and land use opportunities presented by the Crows Nest Metro Station to open in 2024.

The Region Plan and District Plan affirm the importance of increasing housing in areas proximate to local services and transport infrastructure. Specifically, St Leonards status as a Strategic Centre reinforces the importance of providing adequate residential zoned land around a commercial core to enable more residents to benefit from access to goods and services in the centre.

The Proposal responds to the objectives and directions of the Region Plan and District Plan and the St Leonards South Planning Proposal (2017) specifically:

- Rezoning of the Site from R2 Low Density Residential zone to R4 High Density Residential zone.
- Increasing FSR from 0.5:1 to 2.75:1 (southern portion) and 3:1 (northern portion).
- Increasing building height limits from 9.5m to heights of 15-31m (southern portion) and 37m (northern portion).
- Public benefit outcomes through the provision of through-site links and 'green spines'.

The Top Spring Proposal envisages redevelopment of the Site to comprise approximately 357 apartments across five blocks, incorporating a 'green spine' and through-site links connecting Canberra Avenue and Holdsworth Avenue.

The Southern Portion of the Site aligns with the nominated amalgamation blocks (Area 9-11) in Council's Planning Proposal and is envisaged to be developed to controls consistent with the draft LEP and DCP controls.

The Northern Portion of the Site mostly aligns with the nominated amalgamation blocks (Area 7-8), with the exclusion of two allotments in the north of Area 7 and Area 8 respectively. The Northern Portion therefore comprises a smaller area than nominated in Council's Planning Proposal. Notwithstanding, the Top Spring Proposal proposes to shift provision of the pedestrian link slightly south for it to be delivered within the Northern Portion of the Site.

It is an unfortunate reality that despite an increase to FSR controls, some landowners will still not sell their sites to developers seeking to consolidate a development site. It therefore becomes necessary for planning authorities to adopt a flexible approach to delivery of development and infrastructure.

Despite a smaller amalgamation block in the Northern portion of the Site, the Top Spring Proposal incorporates delivery of public benefit outcomes with the provision of two east-west pedestrian connections between Holdsworth Avenue and Canberra Avenue to an integrated 'pocket park' at the end of Holdsworth Avenue.

3. BASELINE RESEARCH

3.1 SOCIO-DEMOGRAPHIC PROFILE

This section considers the socio-demographic profile of residents in the St Leonards South Precinct (the Precinct), providing insight into the population and dwelling characteristics and any change which may have occurred.

The basis of the socio-demographic analysis is the Australian Bureau of Statistics (ABS) Statistical Area Level 1 (SA1) geographies. Whilst not aligning exactly with the boundaries of the St Leonards South Precinct (as defined by Council), it is a useful approximation for socio-demographic analysis.

The Area of Analysis is depicted in Figure 3.1 and for ease of reference is also referred to as 'the Precinct'.

Figure 3.1: Socio-Demographic Area of Analysis



Source: AEC

3.1.1 Population and Households

Population Growth

In 2016, there were 935 residents in the Precinct, comprising a small portion (3%) of the Lane Cove LGA's 36,050 residents. Since 2011, there had been an average growth of 6.5% per annum in the Precinct, significantly greater than the 2.7% average growth per annum recorded across the LGA.

Table 3.1: The Precinct, Historic Population (2011-2016)

Area	2011	2016	2011-16	
			Change	Avg. Annual
The Precinct	681	935	37.3%	6.5%
Lane Cove LGA	31,510	36,050	14.4%	2.7%

Source: ABS (2012, 2017)

Age Structure

The age structure of residents in the Precinct has remained stable. The majority of residents are observed to be adults, many in the 25-34 years age cohort (28%), followed by those aged 35 to 44 years (20%).

Between 2011 and 2016, there has been an increase in retirees and those approaching retirement, whilst a decline in younger residents (24 years and below) has also been recorded.

Lane Cove LGA has recorded little change over the years in the age structure of its resident profile.

Table 3.2: The Precinct, Age Structure (2011-2016)

Age Group	The Precinct		Lane Cove LGA	
	2011	2016	2011	2016
0-14 years	16.7%	14.0%	18.9%	18.5%
15-24 years	10.1%	8.4%	11.2%	10.9%
25-34 years	27.7%	27.8%	15.5%	17.4%
35-44 years	19.2%	20.2%	16.1%	16.3%
45-54 years	12.5%	13.0%	13.7%	13.0%
55-64 years	7.2%	9.6%	11.1%	10.2%
65-74 years	4.4%	5.3%	6.9%	7.5%
75-84 years	1.6%	1.5%	4.1%	4.0%
85+ years	0.6%	0.0%	2.4%	2.2%
Total	100%	100%	100%	100%

Source: ABS (2012, 2017)

Household and Family Composition

Family households are the dominant household type in the Precinct, comprising 62% of household types in 2016. Lone person households also command a notable presence, with almost a quarter of households in the Precinct consisting of a lone resident.

This aligns with that of the LGA which is also dominated by family households, with more than two thirds of households consisting of families.

Household composition in the Precinct has remained mostly unchanged between 2011 and 2016, as has been the trend observed in the broader LGA.

Table 3.3: The Precinct, Household Composition (2011-2016)

Household Composition	The Precinct		Lane Cove LGA	
	2011	2016	2011	2016
Family households	63.0%	62.3%	66.9%	67.0%
Lone person households	25.0%	24.2%	24.5%	24.0%
Group households	3.8%	5.3%	4.9%	4.3%
Other households	8.2%	8.2%	3.7%	4.7%
Total	100%	100%	100%	100%

Source: ABS (2012, 2017)

Table 3.4 shows that the family composition in the Precinct has experienced a shift, with an increase in couples with no children comprising 54% of the family composition in the Precinct in 2016, compared to 46% in 2011. This change was concurrent with the decrease in single parent families, which declined from 11% (2011) to 5% (2016).

Table 3.4: The Precinct, Family Composition (2011-2016)

Family Composition	The Precinct		Lane Cove LGA	
	2011	2016	2011	2016
Couples with no children	46.2%	54.0%	37.0%	39.0%
Couples with children	39.2%	40.6%	49.5%	48.9%
Single parent families	11.3%	5.4%	11.2%	10.4%
Other families	3.2%	0.0%	2.3%	1.7%
Total	100%	100%	100%	100%

Source: ABS (2012, 2017)

Household and Family Composition by Age

Household and family types in the Lane Cove LGA were further analysed by breaking down the various household/family types into age groups. The analysis reveals the following observations:

- Couples with no children are generally younger couples aged between 25 and 34 years, comprising approximately a quarter of the households in the LGA. Residents in their senior years (aged 55 years and above) also have a notable presence, comprising 23.3% of this household type.
- Couples living with children make up the largest component of household types in the LGA, with couples aged 40-49 years comprising 40% of household types in the LGA.
- Residents in lone person households are generally observed across all age groups, with a relatively even spread of residents between the age groups of 25 and 59 years (ranging between 4% and 6%). Senior residents aged 60 and above comprise 17% of this household type.

Table 3.5: Lane Cove LGA, Household and Family Composition by Age Cohort, 2016

Age Cohort	Couples with no children	Couples with children	One parent family	Other family	Lone person household	Group household
Catchment H'Hold %	26.1%	32.8%	7%	1.1%	24%	4.3%
15-19 years	0.0%	0.0%	1.1%	0.4%	9.6%	0.5%
20-24 years	8.3%	0.6%	0.1%	0.1%	6.6%	1.1%
25-29 years	13.9%	2.4%	0.1%	0.0%	4.9%	0.6%
30-34 years	10.6%	9.6%	0.1%	0.0%	4.9%	0.3%
35-39 years	5.0%	16.8%	0.4%	0.0%	4.6%	0.2%
40-44 years	2.7%	19.7%	0.6%	0.0%	4.7%	0.1%
45-49 years	2.2%	19.5%	0.9%	0.0%	4.1%	0.1%
50-54 years	2.9%	18.3%	1.0%	0.0%	4.2%	0.1%
55-59 years	5.7%	13.0%	0.8%	0.0%	5.8%	0.1%
60-64 years	7.5%	9.8%	0.7%	0.0%	6.7%	0.1%
65+ years	10.1%	2.9%	0.4%	0.0%	10.3%	0.1%
Total	100%	100%	100%	100%	100%	100%

Source: ABS (2012, 2017, 2018d)

Population Stability

Analysis of where residents lived prior to moving to the Precinct provide insight into the stability of the population.

Most residents in the Precinct were already residing in the local Lane Cove LGA one year prior (78%), or neighbouring LGAs of North Sydney (5%) and Willoughby (5%). Analysis of place of residence five years prior shows 54% lived in the Lane Cove LGA, followed by 10% from North Sydney and 7% from Willoughby.

In general, residents in the Precinct are observed to have already been living in Sydney's North Shore. This trend is also observed for residents across the broader LGA, most of whom have relocated from other North Shore LGAs one and five years prior.

Education Levels

Analysis of education levels for residents in the Precinct shows that residents are well-educated, with the majority having completed high school (90%), and a high proportion continuing to pursue post-school qualifications, predominantly Bachelors' degrees (38%) and Postgraduate degrees (18%).

Residents in the Precinct are continuing to becoming more educated, as evidenced by the decline in the proportion of residents who did not complete high school or attain a post school qualification.

Across the broader LGA, residents are also highly educated with 82% of residents having completed high school, and 29% having attained Bachelors degrees.

Table 3.6: The Precinct, Education Levels (2011-2016)

Education Levels	The Precinct		Lane Cove LGA	
	2011	2016	2011	2016
Secondary Education				
Completed High School	86.2%	89.7%	79.2%	82.3%
Did Not Complete High School	13.8%	10.3%	20.8%	17.7%
Total	100%	100%	100%	100%
Post-School Qualifications				
Postgraduate Degree Level	13.0%	17.7%	10.8%	13.4%
Graduate Diploma & Graduate Certificate Level	4.1%	3.8%	2.9%	3.0%
Bachelor's degree Level	35.0%	37.6%	27.6%	29.0%
Advanced Diploma & Diploma Level	8.1%	6.8%	9.2%	8.5%
Certificate Level	5.7%	5.3%	8.4%	7.6%
No qualification	34.1%	28.9%	41.0%	38.4%
Total	100%	100%	100%	100%

Source: ABS (2012, 2017)

Household Income and Housing Costs

Analysis of weekly incomes shows that residents in the Precinct have high income levels, with the median income in 2016 recorded at over \$2,800 per week. Residents with a mortgage spend approximately 23% of the weekly income on mortgage repayments, whilst those renting also spend a similar portion of income on rent.

Between 2011 and 2016, incomes in the Precinct increased by almost 6%, reflecting growth of 1% per annum. Nevertheless, mortgage repayments as a proportion of income declined between 2011 and 2016, while in contrast rent as a proportion of income has increased.

Table 3.7: The Precinct, Household Income v Housing Costs (2011-2016)

Indicator	The Precinct		Lane Cove LGA	
	2011	2016	2011	2016
Median weekly household income	\$2,653	\$2,802	\$2,181	\$2,376
Median mortgage repayment	\$808	\$644	\$631	\$00
Median rent	\$550	\$653	\$420	\$520
% of income spent on mortgage	30.4%	23.0%	28.9%	25.3%
% of income spent on rent	20.7%	23.3%	19.3%	21.9%

Source: ABS (2012, 2017)

3.1.2 Dwellings**Dwelling Growth**

In 2016, there were 432 dwellings recorded in the Precinct, reflecting average growth of 6% per annum from 2011 whilst in the Lane Cove LGA there were more than 15,500 dwellings reflective of 3.2% average annual growth.

Table 3.8: The Precinct, Dwellings Growth (2011-2016)

Area	2011	2016	2011-16	
			Change	Avg. Annual
The Precinct	319	432	35.4%	6.3%
Lane Cove LGA	13,280	15,549	17.1%	3.2%

Source: ABS (2012, 2017)

Dwelling Structure

Units and apartments have increased as a proportional share of dwellings in the Precinct, being more than 65% of overall dwellings in 2016. In contrast apartments comprised less than half the dwelling types in the Precinct in 2011. The increase in the proportion of apartments has been concurrent with the decline in separate houses and semi-detached/townhouses.

Whilst Lane Cove LGA has also seen growth in apartments and a simultaneous decline in separate houses, though the rate of change has been less marked due to the larger quantum of overall dwellings in the LGA.

Table 3.9: The Precinct, Dwelling Structure (2011-2016)

Dwellings Structure	The Precinct		Lane Cove LGA	
	2011	2016	2011	2016
Separate house	35.4%	29.3%	48.6%	40.8%
Semi-detached, row/terrace, townhouse	13.7%	4.7%	6.1%	5.5%
Flat, Unit or Apartment	47.8%	65.4%	45.1%	53.6%
Other dwelling	3.2%	0.7%	0.3%	0.1%
Total	100%	100%	100%	100%

Source: ABS (2012, 2017)

*Changes in ABS methodologies and dwellings classifications may lead to discrepancies in data between years.

Household Occupancy Rates

Average household occupancy rates increased between 2011 and 2016 in the Precinct. In 2016, there were 2.2 persons per dwelling in the Precinct, compared 2.1 persons in 2011. The converse trend was observed across the Lane Cove LGA. In 2016, there were 2.3 persons per dwelling recorded, compared to 2.4 persons in 2011.

Dwelling Ownership

Analysis of dwelling ownership patterns in the Precinct reveals that in 2016, owner-occupiers comprised 67% of residents, with a relatively even split of those owning their houses outright and mortgaging their houses (34% each). Renters also comprise a significant portion of the property market, comprising 30% in 2016.

Between 2011 and 2016, dwelling ownership levels in the Precinct have risen whilst the proportion of renters has declined.

Similarly, residents of the Lane Cove LGA are mostly owner-occupiers (63%) compared to renters (35%).

Table 3.10: The Precinct, Dwelling Ownership (2011-2016)

Dwelling Ownership	The Precinct		Lane Cove LGA	
	2011	2016	2011	2016
Owned outright	25.1%	33.9%	22.5%	30.4%
Owned - mortgage	36.7%	33.7%	28.2%	33.0%
Rented	37.1%	30.4%	47.2%	34.9%
Other tenure type	1.2%	1.9%	2.1%	1.7%
Total	100%	100%	100%	100%

Source: ABS (2012, 2017)

3.2 EMPLOYMENT PROFILE

The St Leonards centre is within 500m and represents the closest commercial and employment area to the Site.

ABS Census data was analysed at the statistical area Destination Zone (DZ) level to understand the economic and employment activity in the St Leonards centre and its surrounds. Whilst the geographic boundaries of the DZs and St Leonards centre do not align exactly, is it useful in understanding the business activity that it sustains.

The 'St Leonards Employment Area' or 'Employment Area' analysed in this section is depicted in Figure 3.2.

Figure 3.2: St Leonards Employment Area

Source: AEC

Table 3.11 provides an overview of the employment profile in the St Leonards Employment Area, analysed by 1-digit Australia and New Zealand Standard Industry Classifications (ANZSIC) categories.

In 2016, almost 30,000 workers were employed in the Employment Area, with more than one-quarter of employees employed in the Health Care and Social Assistance industry. Since 2011, the Employment Area increased by 1,415 jobs (5%), representing average annual growth of 1%.

Table 3.11: St Leonards Employment Area, Employment Profile

Indicator	Outcome
Total Employment	
2016	29,730
2011	28,315
Key Industries (2016, % of Total Employment)	
Health Care and Social Assistance	25.5%
Professional, Scientific and Technical Services	19.3%
Information Media and Telecommunications	10.3%
Key Occupations (2016, % of Total Employment)	
Professionals	43.0%
Managers	16.5%
Clerical and Administrative Workers	15.4%

Source: ABS (2012, 2017b)

3.2.1 Employment by Industry

Growth in employment has been largely driven by Health Care & Social Assistance and Information Media & Telecommunications, increasing by 36% (2,023 jobs) and 42% (901 jobs) over the 2011-2016 period respectively.

Despite strong growth in these two industries, other industries experienced comparatively weaker growth, thus offsetting the large increases in employment driven by Health Care and Information Media & Telecommunications.

Professional, Scientific & Technical Services declined from almost 6,400 jobs in 2011 to 5,700 jobs in 2016 (10%, 667 jobs). Further disaggregation of the industry reveals that whilst Architectural, Engineering and Technical Services grew, this was offset by declines in other sub-sectors of Professional Scientific and Technical Services.

Table 3.12: St Leonards Employment Area, Employment by Industry (2011-2016)

Industry	2011		2016		Change (11-16)	
	No.	%	No.	%	%	Avg. Ann.
ANZ Standard Industry Classification (ANZSIC)						
Agriculture, Forestry and Fishing	11	0.0%	58	0.2%	47	421.4%
Mining	28	0.1%	94	0.3%	66	236.1%
Manufacturing	2,203	7.8%	1,577	5.3%	-626	-28.4%
Electricity, Gas, Water and Waste Services	171	0.6%	120	0.4%	-51	-29.9%
Construction	1,796	6.3%	1,548	5.2%	-249	-13.8%
Wholesale Trade	1,594	5.6%	1,561	5.2%	-33	-2.1%
Retail Trade	1,440	5.1%	1,468	4.9%	28	2.0%
Accommodation and Food Services	581	2.1%	520	1.7%	-61	-10.5%
Transport, Postal and Warehousing	957	3.4%	884	3.0%	-73	-7.6%
Information Media and Telecommunications	2,160	7.6%	3,062	10.3%	901	41.7%
Financial and Insurance Services	1,450	5.1%	1,231	4.1%	-219	-15.1%
Rental, Hiring and Real Estate Services	514	1.8%	516	1.7%	3	0.5%
Professional, Scientific and Technical Services	6,391	22.6%	5,724	19.3%	-667	-10.4%
Administrative and Support Services	904	3.2%	891	3.0%	-12	-1.3%
Public Administration and Safety	220	0.8%	367	1.2%	146	66.4%
Education and Training	904	3.2%	903	3.0%	-1	-0.1%
Health Care and Social Assistance	5,554	19.6%	7,576	25.5%	2,023	36.4%
Arts and Recreation Services	267	0.9%	309	1.0%	43	16.0%
Other Services	1,170	4.1%	1,320	4.4%	150	12.9%
Broad Industry Classification (BIC)						
Knowledge Intensive	11,639	41%	11,791	40%	152	1%
Health and Education	6,458	23%	8,479	29%	2,022	31%
Population Serving	5,254	19%	5,166	17%	-88	-2%
Industrial	4,965	18%	4,294	14%	-671	-14%
Total	28,315	100%	29,730	100%	1,415	5.0%

Source: ABS (2012, 2017e)

By Broad Industry Classification, the Employment Area recorded:

- Strong increase in Health and Education jobs (+2,022 over 2011-2016).
- Population-serving jobs (e.g. retail trade, accommodation & food services) sustained some losses over the same period (-88 jobs).
- Knowledge-intensive jobs experienced modest growth, largely due to losses in Professional, Scientific & Technical Services and Financial & Insurance Services industries.

While the Employment Area has grown notably in the health/education and media/telecommunications sectors, other business and employment sectors have shown relatively weak growth. This is discussed further below.

3.2.2 Employment by Occupation

The occupation profile of the Employment Area has been stable, with steady growth in all occupations except Sales Workers.

The strong growth in Professionals (43%, circa 12,800 jobs), Managers (17%, circa 4,900 jobs) and Clerical & Administrative Workers (15%, circa 4,600 jobs) is consistent with the sectoral growth discussed in section 3.2.1.

Table 3.13: St Leonards Employment Area, Employment by Occupation (2011-2016)

Occupation	2011		2016		Change 2011-16	
	No.	%	No.	%	No.	%
Managers	4,876	17.2%	4,916	16.5%	39	0.8%
Professionals	12,087	42.7%	12,778	43.0%	692	5.7%
Technicians and Trades Workers	2,564	9.1%	2,739	9.2%	175	6.8%
Community and Personal Service Workers	1,147	4.1%	1,238	4.2%	90	7.9%
Clerical and Administrative Workers	4,351	15.4%	4,575	15.4%	225	5.2%
Sales Workers	1,697	6.0%	1,717	5.8%	20	1.2%
Machinery Operators and Drivers	636	2.2%	712	2.4%	76	11.9%
Labourers	957	3.4%	1,055	3.5%	97	10.2%
Total	28,315	100%	29,730	100%	1,415	5.0%

Source: ABS (2012, 2017e)

3.3 MARKET ACTIVITY

3.3.1 Residential Uses

The residential market in St Leonards is mostly observed to comprise medium to high density product, with apartment buildings adjacent to and above St Leonards Station.

Owing to the number of young professionals who enjoy the favourable access to transport links and retail services, there is generally wide market acceptance for high-density living in St Leonards. The transition to high-rise living has been acutely observed at a broader level across many metropolitan markets in Sydney.

This is influenced by a combination of factors including housing affordability issues, a shift in lifestyle preference for low maintenance living and a desire to live in a centre with high urban/retail amenity.

These core fundamentals ultimately form the primary drivers of demand for residential property, underpinning in the sharp increases in property prices across Sydney over the 2013-16 period. Whilst tempering slightly over the course of 2017-18, capital growth in St Leonards has been sustained in 2011-16, particularly in 2015-16.

Table 3.14: Median Dwelling Prices and Rents, St Leonards and LGA (2011-2016)

Region	2011-12	2012-13	2013-14	2014-15	2015-16	Avg. Annual (2011-16)
Median Dwelling Sales						
St Leonards (suburb)	8.7%	28.0%	7.1%	1.1%	25.5%	14.1%
Lane Cove LGA	1.2%	21.1%	21.9%	5.9%	9.4%	11.9%
Median Dwelling Rents						
Lane Cove LGA	2.1%	2.0%	4.0%	3.8%	7.4%	3.9%
Median Personal Income						
Lane Cove LGA	6.1%	3.4%	2.1%	2.9%	3.6%	3.6%

Source: FACS, ABS (2018e)

*Time series data not available from ABS for household income

Table 3.14 shows the changes in median dwelling prices and rents in St Leonards and the Lane Cove LGA for the period between 2011 and 2016. The strong demand for housing in St Leonards is reflected the growth of median dwelling prices, which have averaged 14% per annum between 2011 and 2016, and 12% in the broader LGA. Rental growth in the LGA has averaged a comparatively modest 4% per annum.

In contrast, analysis of personal incomes for the Lane Cove LGA shows that personal income grew at an average annual rate of less than 4%, significantly lower than the average annual growth in dwelling prices recorded in St Leonards and the Lane Cove LGA.

Over the past 12 to 18 months, investor sentiment and tightening of lending criteria have slowed the momentum in Sydney's property market. Notwithstanding, the extent of market softening has been more muted, conceivably due to building market anticipation of the metro station opening in 2024.

3.3.2 Commercial Uses

The St Leonards and Crows Nest office market is one of the North Shore's major office markets, comprising just over 307,000sqm of commercial office space (Knight Frank, 2018). Commercial land uses are primarily clustered along Pacific Highway and around the St Leonards train station; older-style commercial buildings characterise the market and account for circa 67% of total stock (Knight Frank, 2018).

Commercial offices accommodate a diverse range of uses, though the most significant being media, information and technology and medical and health care businesses. Major occupiers include IBM, Cardno, Medibank, Toyota Financial Services, Ramsay Health Care, SomnoMed Australia and Aspen Pharmacare. The St Leonards commercial office precinct forms part of the broader St Leonards Strategic Centre.

Office stock withdrawals and strong absorption levels have resulted in a reduction to the overall vacancy rate from 11.1% circa March 2018 to 9.9% in July 2018. As a result, rental growth for the prime office market has experienced its largest annual increase since 2007, increasing 8.1% from July 2017 to July 2018, translating to prime gross face rents of \$717/sqm.

Future supply of office stock to be delivered in the medium to long term is reasonable, with the majority of new office stock to be delivered from the construction of the Royal North Shore Hospital Site (which has been 100% pre-committed to the NSW Government tenants) and the Gore Hill Technology Park (Lot 6, 2019-247 Pacific Highway) injecting circa 56,000 sqm of masterplan space. Beyond this, notable additions to the commercial office market will be part of mixed use developments, including approximately 19,000sqm of commercial floorspace in 88 by JQZ, and circa 4,200sqm at St Leonards Square.

Market demand for commercial floorspace is observed to have been sustained over the past 12 months spurred by constrained supply in the Sydney CBD along with growing market momentum associated with future delivery of the Crows Nest Metro Station.

3.3.3 Retail Uses

A range of retail land uses are accommodated across St Leonards and Crows Nest, with the key retail offer situated within high street retail, in standalone buildings or co-located with commercial office suites.

For convenience or top-up shopping, residents and workers will likely patronise the Coles in St Leonards Forum Plaza and the Woolworths Crows Nest, which are full line supermarket majors, co-located with specialty retailers.

Those performing their weekly grocery shop are also well-catered for by Coles St Leonards and the Woolworths Crows Nest. In 2016, Coles Group Property Developments submitted a development application redevelopment of Crows Nest Plaza into a four-storey mixed use development, including two levels of retail. The proposed retail component of the redevelopment will include an expanded Franklins supermarket, a new Coles supermarket and a mini-major store, as well as provision of specialty floorspace.

Higher order shopping is typically associated with department stores and boutique retailers which offer a range of fashion apparel, jewellery and small household appliances. Residents and workers wishing to perform higher order shopping are likely to travel to Chatswood, where there are two department stores (Myer and David Jones) and specialty retail within the Chatswood Chase Shopping Centre and the Westfield Chatswood.

Experiential shopping in St Leonards and Crows Nest is generally focused along the 'eat street' along Willoughby Road, which provides a broad range of dining options in an alfresco setting.

While there are a range of retail and non-retail occupiers in St Leonards, the analysis in section 3.2.1 indicates a decline in Population-serving jobs over the 2011-2016 period.

3.4 IMPLICATIONS FOR THE SITE

Socio-demographic Profile

The Precinct experienced higher population growth than the Lane Cove LGA, expectedly given the delivery of apartments on Duntroon Avenue. Residents in the Precinct are notably young, with higher proportions of residents aged 25-44 years and 70% of residents aged 44 years or younger.

Between 2011 and 2016, couple households with no children increased as a proportion of total households in the Precinct from 46% to 54%, while single parent families decreased from 11% to 5%. This change is conceivably brought about by new residents relocating to the Precinct on Duntroon Avenue.

Residents in the Precinct (and indeed the Lane Cove LGA) are generally well educated and relatively affluent. Despite this, housing affordability is still fragile, with median house prices and median rents far outstripping incomes growth over the 2011-2016 period.

A strong desire to remain in the local area is observed, with residents generally choosing to remain close to established social connections. This is commensurate with the need to ensure appropriate choice of housing to suit different household types (including younger people forming new households and older people without children). Despite family households dominating household composition, single and two-person households comprise about 50% of total households in the LGA.

Apartment living close to a CBD and major commercial centre with access to transport links that will provide households the ability to access a housing product in their local area is equally important for housing choice.

Business and Investment in St Leonards Centre

The St Leonards commercial centre is approximately 450m of the Site and incorporates a range of business activity including the St Leonards train station. Key findings are summarised as follows:

- Employment in Health & Education as well as Information, Media & Telecommunications grew strongly over the 2011-2016 period, with almost 3,000 new workers added in these two sectors alone.
- Despite strong growth in the Health & Education and Information, Media & Telecommunications sectors, the growth was offset by employment in other sectors that either remained stagnant or declined marginally.
- Population-serving employment declined over the period.
- Knowledge-intensive employment is the dominant broad industry classification in the St Leonards employment area, however overall growth has been muted with losses experienced in Professional, Scientific & Technical Services and Financial & Insurance Services.

The decline in some knowledge-intensive employment sectors in St Leonards is consistent with the older-style and quality of commercial office floorspace available in the St Leonards CBD. While the average quality of commercial floorspace is a weakness in the St Leonards office market, the overall urban and retail amenity of any commercial centre is equally important in making it an attractive destination for business investment and activity.

A variety of food and beverage outlets, convenience shopping and specialty shops, entertainment and lifestyle options together contribute to the vibrancy and sustainability of a strategic centre such as St Leonards. They strengthen its desirability not just as an employment and business destination but also as a place to live.

Opportunity for the Site

The Top Spring Proposal will deliver approximately 357 dwellings within 500m from St Leonards train station. The capacity to provide housing close to transport and employment is a key tenet in delivering a 30-minute city, as espoused in government strategic planning objectives.

The decline (albeit marginal) of population-serving jobs detracts from the overall amenity in the centre. The addition of a diversity of housing stock in the Precinct and areas in the vicinity of the St Leonards CBD would address not only the demonstrated desire of local residents to remain in the local area, but also contribute to the economic activation of the St Leonards strategic centre by growing the pool of household spend available to sustain demand for services. The Proposal would therefore contribute to arrest the decline in Population-serving sectors.

4. ECONOMIC IMPACT ASSESSMENT

4.1 INTRODUCTION

This chapter provides an overview of the economic impacts arising from the Base Case and Proposal Case. The Base Case and Proposal Case are described below:

- **Base Case:** The Base Case assumes the R2 Low Density Residential zone and FSR 0.5:1 remain unchanged. Existing buildings (20 detached dwellings) are assumed to continue in their existing use.
- **Proposal Case:** The Proposal Case assumes the demolition of the improvements on the Site to facilitate a residential development comprising circa 357 apartments, north-south green spines, east-west pedestrian links and associated landscaping.

The economic impacts are assessed at the Lane Cove LGA level using AEC's proprietary Input-Output (IO) model. Refer to Appendix A for a description of Input-Output modelling methodology and key modelling assumptions).

4.2 DRIVERS OF ECONOMIC IMPACT

The following sections estimate the economic activity supported through the economic activity resulting dispersed jobs and household expenditure of residents on the Site if it was redeveloped under the Proposal Case compared to if it remained in existing use (Base Case).

The economic impacts have been assessed at the Lane Cove LGA level. An Input-Output model, including the development of specific regional Input-Output transaction tables, was developed to reflect the economic structure of the Lane Cove LGA (refer to Appendix A). Input-Output modelling describes economic activity through the examination of four types of impacts which are defined and described in the table below.

Table 4.1: Economic Indicators

Indicator	Description
Output	Refers to the gross value of goods and services transacted, including the costs of goods and services used in the development and provision of the final product. Output typically overstates the economic impacts as it counts all goods and services used in one stage of production as an input to later stages of production, hence counting their contribution more than once.
Gross Product	Refers to the value of output after deducting the cost of goods and services inputs in the production process. Gross product (e.g., Gross Regional Product) defines a true net economic contribution and is subsequently the preferred measure for assessing economic impacts.
Income	Measures the level of wages and salaries paid to employees of the industry under consideration and to other industries benefiting from the Project.
Employment	Refers to the part-time and full-time employment positions generated by the economic shock, both directly and indirectly through flow on activity, and is expressed in terms of Full-Time Equivalent (FTE) positions. One FTE job is defined as one person working full time for a period of one year.

Source: AEC

Input-Output multipliers can be derived from open (Type I) Input-Output models or closed (Type II) models. Open models show the direct effects of spending in a particular industry as well as the indirect or flow on (industrial support) effects of additional activities undertaken by industries increasing their activity in response to the direct spending. Closed models re-circulate the labour income earned as a result of the initial spending through other industry and commodity groups to estimate consumption induced effects (or impacts from increased household consumption).

The following estimates consider both Type I and Type II flow on impacts though it should be noted that Type II impacts are commonly considered to overstate economic activity.

Drivers of Economic Activity

In order to understand the economic impacts likely to result from the Proposal compared to the Base Case, it is necessary to distinguish economic impacts during the construction phase and those economic impacts that will be more permanent in nature following construction completion.

- **Construction Phase:** Construction activity will draw resources from and thereby generate economic activity in the Lane Cove LGA as well as from outside the LGA. Assumptions are made on the proportion sourced from within and from outside the LGA.
- **Operational Phase and Housing Impacts:** Following construction completion, the Site is expected to generate additional ongoing economic/ operational activity through dispersed jobs and increased household expenditure:
 - Dispersed jobs: Additional economic activity occurring as a result of employment activity from net new 'dispersed jobs', i.e. residents who work from home.
 - Household Expenditure: Additional economic activity would occur in the Lane Cove LGA as a result of direct expenditure of net new households, i.e. the increased number of households who live in the new dwellings.

Refer to Appendix A for a description of the drivers and assumptions that underpin the assessed economic impacts.

4.3 ECONOMIC ACTIVITY AND IMPACTS

The economic impacts/ contribution can be traced through the economic system via:

- **Direct impacts**, which are first round of effects from direct operational expenditure on goods and services.
- **Indirect Impacts (Flow-on impacts)**, which comprise the second and subsequent round effects of increased purchases by suppliers in response to increased sales. Flow-on impacts can be disaggregated to:
 - **Indirect Impact (Type I)** represents production induced support activity a result of additional expenditure by the industry experiencing the stimulus on goods and services in the intermediate usage quadrant, and subsequent round effects of increased purchases by suppliers in response to increased sales.
 - **Indirect Impact (Type II)** represents the consumption induced activity from additional household expenditure on goods and services resulting from additional wages and salaries paid within the economic system.

The premise behind Type I and Type II indirect impacts applies across both the construction and operations phase, except the impacts on industry will be different. For example, Type I impacts during the construction phase may include professional services (e.g. architects, engineers) and manufacturing (steel, construction materials) while examples of Type I impacts during the operations phase may include manufacturing (food and beverage and related) and administrative and support services (e.g. building cleaning, employment services,).

4.3.1 Construction Phase

The economic impacts during the Construction Phase are assessed for the Proposal Case only, as there is no redevelopment or construction activity in the Base Case.

Proposal Case

Economic activity generated by businesses and workers in the Lane Cove LGA is expected to be supported direct and flow-on impacts arising during construction:

- \$165.4 million in output (including \$77.4 million in direct activity).
- \$61.8 million contribution to GRP (including \$16.8 million in direct activity).
- \$33.3 million in incomes and salaries paid to households.
- 484 FTE jobs (including 156 directly employed in construction activity).

Table 4.2: Construction Impacts in Lane Cove LGA, Proposal Case

Impact	Output (\$M)	GRP (\$M)	Incomes (\$M)	Employment (FTEs)
Direct	\$77.4	\$16.8	\$7.6	156
Type I Flow-On	\$42.1	\$19.5	\$11.5	136
Type II Flow-On	\$45.9	\$25.4	\$14.2	192
Total	\$165.4	\$61.8	\$33.3	484

Source: ABS (2017c, 2017d), AEC

*numbers may not sum due to rounding

Major industry beneficiaries of the construction phase include:

- Construction (GRP of \$15.7 million).
- Professional, Scientific and Technical Services (\$7.3 million)
- Financial and Insurance Services (\$7.3 million).

4.3.2 Operational Phase

This section outlines the economic activity that is estimated to occur on the Site, generated by the residents working from home (dispersed jobs).

Base Case

The Base Case is estimated to accommodate one dispersed job on the Site, which generates the following economic impacts through direct and flow-on impacts (per annum):

- \$0.7 million in output (including \$0.3 million in direct activity).
- \$0.4 million contribution to GRP (including \$0.1 million in direct activity).
- \$0.2 million in incomes and salaries paid to households.
- 3 FTE jobs (including 1 FTE directly related to the activity and dispersed job on the Site).

Table 4.3: Operational Impacts from Dispersed Jobs in Lane Cove LGA, Base Case

Impact	Output (\$M)	GRP (\$M)	Incomes (\$M)	Employment (FTEs)
Direct	\$0.3	\$0.1	\$0.1	1
Type I Flow-On	\$0.1	\$0.1	\$0.0	0
Type II Flow-On	\$0.3	\$0.2	\$0.1	1
Total	\$0.7	\$0.4	\$0.2	3

Source: ABS (2017c, 2017d), AEC

*numbers may not sum due to rounding

Proposal Case

The Proposal is estimated to accommodate 15 dispersed jobs in the 357 new dwellings proposed (which could house an estimated 722 new residents), which are estimated to support the following economic impacts through direct and flow-on impacts (per annum):

- \$10.7 million in output (including \$4.3 million in direct activity).
- \$5.6 million contribution to GRP (including \$2.2 million in direct activity).
- \$3.2 million in incomes and salaries paid to households.
- 39 FTE jobs (including 15 directly related to activity and dispersed jobs on the Site).

Table 4.4: Operational Impacts from Dispersed Jobs in Lane Cove LGA, Proposal Case

Impact	Output (\$M)	GRP (\$M)	Incomes (\$M)	Employment (FTEs)
Direct	\$4.3	\$2.2	\$1.3	15
Type I Flow-On	\$2.2	\$1.1	\$0.6	7
Type II Flow-On	\$4.2	\$2.3	\$1.3	18
Total	\$10.7	\$5.6	\$3.2	39

Source: ABS (2017c, 2017d), AEC
 *numbers may not sum due to rounding

4.3.3 Net Operational Impact on Economic Activity

The net new dispersed jobs in the additional households accommodated by the Proposal is estimated to support the following economic impacts through direct and flow-on impacts (per annum):

- \$10 million in *additional* output (including \$4 million in direct activity).
- \$5.2 million *additional* contribution to GRP (including \$2 million in direct activity).
- \$3 million in *additional* incomes and salaries paid to households.
- 37 *additional* FTE jobs (including 14 *net new* FTE directly related to activity and dispersed jobs on the Site).

Table 4.5: Net Operational Impacts from Dispersed Jobs in Lane Cove LGA

Impact	Output (\$M)	GRP (\$M)	Incomes (\$M)	Employment (FTEs)
Direct	\$4.0	\$2.0	\$1.2	14
Type I Flow-On	\$2.0	\$1.0	\$0.6	7
Type II Flow-On	\$3.9	\$2.2	\$1.2	16
Total	\$10.0	\$5.2	\$3.0	37

Source: ABS (2017c, 2017d), AEC
 *numbers may not sum due to rounding

4.4 HOUSING IMPACTS

4.4.1 Household Expenditure Supported

This section outlines the household expenditure that could result from the new residents in the 357 new dwellings in the Proposal Case compared to the 20 dwellings in the Base Case, and potential economic activity supported.

The household expenditure activity supported should not be combined with the impacts in section 4.3.2 as some of these impacts are likely to have already been captured in the assessment (e.g. some expenditure on retail and food and beverage by households is likely to be spent at the retail and food/beverage outlets locating to the Site). This section provides insight into the specific economic activity supported in the Lane Cove LGA through household expenditure as its own separate analysis.

Increase to household expenditure levels can be expected due to the provision of new dwellings in the Proposal Case. Increased household expenditure will support additional economic activity, resulting in economic impacts for the Lane Cove LGA.

Base Case

Household expenditure associated with the existing 20 dwellings is estimated to support the following economic activity through direct and flow-on impacts (per annum):

- \$2.1 million in output (including \$0.9 million in direct activity).
- \$1.2 million contribution to Gross Regional Product (including \$0.6 million in direct activity)
- \$0.7 million in incomes and salaries paid to households.
- 10 FTE jobs (including 5 direct employees).

Table 4.6: Household Expenditure Impacts in Lane Cove LGA, Base Case

Impact	Output (\$M)	GRP (\$M)	Incomes (\$M)	Employment (FTEs)
Direct	\$0.9	\$0.6	\$0.3	5
Type I Flow-On	\$0.4	\$0.2	\$0.1	1
Type II Flow-On	\$0.9	\$0.5	\$0.3	4
Total	\$2.1	\$1.2	\$0.7	10

Source: ABS (2017e), AEC

*numbers may not sum due to rounding

Proposal Case

Household expenditure associated with the Proposal's 357 dwellings is estimated to support the following economic activity through direct and flow-on impacts (per annum):

- \$38.4 million in output (including \$16.3 million in direct activity).
- \$22 million contribution to Gross Regional Product (including \$10 million in direct activity)
- \$11.9 million in incomes and salaries paid to households.
- 177 FTE jobs (including 89 direct employees).

Table 4.7: Household Expenditure Impacts in Lane Cove LGA, Proposal Case

Impact	Output (\$M)	GRP (\$M)	Incomes (\$M)	Employment (FTEs)
Direct	\$16.3	\$10.0	\$5.3	92
Type I Flow-On	\$6.7	\$3.5	\$1.8	21
Type II Flow-On	\$15.3	\$8.5	\$4.8	64
Total	\$38.4	\$22.0	\$11.9	177

Source: ABS (2017e), AEC

*numbers may not sum due to rounding

4.4.2 Net New Household Expenditure Supported

Compared to the Base Case, *net new* household expenditure associated with the Proposal's 357 new dwellings is estimated to support the following economic activity through direct and flow-on impacts (per annum):

- \$36.2 million *additional* in output (including \$15.4 million in direct activity).
- \$20.7 million *additional* contribution to Gross Regional Product (including \$9.4 million in direct activity)
- \$11.2 million *additional* in incomes and salaries paid to households.
- 167 FTE jobs (including 87 direct employees).

Table 4.8: Net New Household Expenditure Impacts in Lane Cove LGA

Impact	Output (\$M)	GRP (\$M)	Incomes (\$M)	Employment (FTEs)
Direct	\$15.4	\$9.4	\$5.0	87
Type I Flow-On	\$6.4	\$3.3	\$1.7	20
Type II Flow-On	\$14.5	\$8.0	\$4.5	61
Total	\$36.2	\$20.7	\$11.2	167

Source: ABS (2017e), AEC

*numbers may not sum due to rounding

Refer to Appendix A for a detailed description of the assumptions and drivers that underpin the estimates of economic activity supported.

4.4.3 Contribution to Housing

The Top Spring Proposal envisages in the order of 357 dwellings, compared to the 20 existing dwellings in the Base Case.

The Sydney metropolitan area is experiencing significant demand for housing amid housing affordability issues, largely as a result of population growth. As a response, State government is focused on ensuring that the planning system facilitates increased opportunities for housing.

The Greater Sydney Region Plan and North District Plan emphasise the importance of ensuring housing supply and choice, and housing affordability which is facilitated close to jobs, services and public transport.

Housing Supply

Lane Cove LGA recorded a population of more than 36,000 residents in 2016, which is projected to grow at an average rate of 2% per annum up to 2036, whilst dwellings, which were recorded at over 15,500 in 2016 are projected to grow by 1.7% per annum on average over the same time period.

Household sizes across the LGA are observed to have decreased between 2011 and 2016, with 2.3 persons per dwelling in 2016, compare to 2.4 persons per dwelling in 2011.

With growth rates of projected population outstripping that of projected dwellings, a dwellings deficit could be the result, particular if the trend towards smaller household sizes continues. It is reasonable to expect that as the opening of the Sydney Metro City and Southwest draws closer, there will be sustained and increased interest for smaller dwellings proximate to the new Crows Nest Metro Station, particularly from lone person or couple households who favour proximity to transport and retail amenity.

The provision of 357 new dwellings on the Site constitutes a strong positive economic impact.

Integrated Land Use and Transport

The Greater Sydney Region Plan and North District Plan emphasise the significance of co-locating activities in strategic centres and attracting residential development proximate to centres and transport infrastructure.

Growing market appetite for multi-dwelling living and a desire to live closer to retail and transport amenity has resulted in strong market response to new developments in St Leonards and many areas across Greater Sydney. St Leonards is recognised at state level as a strategic centre and health and education precinct, benefiting from strong transport connections and an established commercial office precinct.

The Site is located within the St Leonards South Precinct and is identified as a suitable location for increased residential densities. Amendments to the planning controls and subsequent development of approximately 357 units constitutes a strong positive economic impact, aligned with planning objectives of state and local government.

Investment and Business Activity in Centres

The Greater Sydney Region Plan and North District Plan recognise the need to increase economic activity and employment growth in strategic centres across Greater Sydney.

The Top Spring Proposal envisages approximately 357 dwellings on the Site, potentially accommodating 722 residents. The residents will deliver positive economic impacts to the Lane Cove LGA from increased economic activity through dispersed jobs and additional household spending.

This will support economic activity in the LGA through additional household expenditure at local retailers and businesses (contributing to a total of 167 additional jobs). This assists in the sustainability and growth of the centre and in particular would support Population-serving industry sectors.

Economic modelling impacts estimated in Chapter 4 affirm that the Proposal has positive economic impacts, as demonstrated increased output and additional income and employment generated.

5. POLICY ASSESSMENT

5.1 ECONOMIC AND HOUSING IMPACTS

To compare the outcome of the Base Case against the Proposal Case, each of the identified impacts compared to the Base Case are summarised and ranked based on the rating system outlined in Table 5.1.

- **Base Case:** The Base Case assumes the R2 Low Density Residential zone and FSR 0.5:1 remain unchanged. Existing buildings (20 detached dwellings) are assumed to continue in their existing use.
- **Proposal Case:** The Proposal Case assumes the demolition of the improvements on the Site to facilitate a residential development comprising circa 357 apartments and provide through-site links.

Table 5.1: Economic Impact Rating Matrix

Severity of Impact	Score	Explanation
Strong Positive Impact	+3	The scenario would make a strong positive contribution towards this impact compared to the Base Case
Slight Positive Impact	+1	The scenario would make a slight positive contribution towards this impact compared to the Base Case
Neutral Impact	0	The scenario would make neither positive or a negative contribution towards this impact compared to the Base Case
Slight Negative Impact	-1	The scenario would make a slight negative contribution towards this impact compared to the Base Case
Strong Negative Impact	-3	The scenario would make a strong negative contribution towards this impact compared to the Base Case

Source: AEC

Table 5.2 identifies the economic impacts and derives a total score for Proposal using the Base Case as the starting point of '0'. The higher the positive score the greater the net positive economic impact from a community perspective, the lower the score the greater the adverse economic impact.

Table 5.2: Economic Impact, Base Case v Proposal Case

Impact	Base Case	Rating	Proposal Case	Rating
Employment & Economic Impact				
Output (\$M)	\$0.3	+1	\$4.3	+3
GRP (\$M)	\$0.1	+1	\$2.2	+3
Incomes (\$M)	\$0.5	+1	\$1.3	+3
Direct Employment (FTE)	1	+1	15	+3
Construction				
Output (\$M)	n/a	0	\$77.4	+3
GRP (\$M)	n/a	0	\$16.8	+3
Incomes (\$M)	n/a	0	\$7.6	+3
Direct Employment (FTE)	n/a	0	156	+3
Total		0	\$258.3	24

Source: AEC

*numbers may not sum due to rounding

In comparison to the Base Case, the Proposal Case clearly exhibits a positive economic impact.

5.2 SECTION 9.1 DIRECTIONS

The Section 9.1 (2) direction considered relevant is Section 3.1 (Residential Zones). The objectives are identified below together with their consideration in the context of the Proposal.

Table 5.3: Consistency with Section 9.1(2) Objectives

No.	Objective	Proposal Case
Section 3.1 (Residential Zones)		
1	Encourage a variety and choice of housing types to provide for existing and future housing needs	The Proposal envisages circa 357 new apartments (comprising 66 one-bedroom apartments, 217 two-bedroom apartments and 74 three-bedroom apartments) providing a range of dwellings for different life stages and lifestyle requirements. The Proposal complies with this objective.
2	Make efficient use of existing infrastructure and services and ensure that new housing has appropriate access to infrastructure and services	The Site is approximately 450m from the St Leonards Strategic Centre and the existing St Leonards train station. Accessibility will be further augmented once the Sydney Metro City & Southwest is operational. The Proposal complies with this objective.
3	Minimise the impact of residential development on the environment and resource lands	This objective is not applicable.

Source: AEC

Section 9.1 Directions set out six requirements for planning authorities to consider when preparing a planning proposal that will affect land within an existing or proposed residential zone.

Table 5.4: Planning Authority Considerations

Consideration	Achieved?	Explanation
Section 3.1 (Residential Zones)		
Broaden the choice of building types and locations available in the housing market	Yes	The Proposal envisages new 357 apartments comprising 66 one-bedroom apartments, 217 two-bedroom apartments and 74 three-bedroom apartments.
Make more efficient use of existing infrastructure and services	Yes	The Site is within 500m of an existing heavy rail station and 1km of a future metro station. The St Leonards Strategic Centre accommodates retail and non-retail services, community and cultural facilities as well as a wide range of medical and related services. The St Leonards and Crows Nest Planned Precinct is expected to further revitalise the area and attract new businesses and residents. The consideration is met.
Reduce the consumption of land for housing and associated urban development on the urban fringe	Yes	Increasing densities for housing in an established urban established centre such as St Leonards results in a more efficient use of lands and reduces urban sprawl.
Be of good design	Yes	The Top Spring Proposal has incorporates public open/green space that has been designed to maximise benefits to the local residents and the public.
Contain a requirement that residential development is not permitted until land is adequately serviced	N/A	The Site is within an existing residential zone.
Not contain provisions which will reduce the permissible residential density of land	N/A	This consideration is not applicable.

Source: AEC

5.3 NORTH DISTRICT PLAN

The Site is located within 500m from the St Leonards strategic centre and St Leonards train station. The Top Spring Proposal aligns with the North District Plan's objective of concentrating new development within, or proximate to centres to maximise use of existing infrastructure and services.

Objectives, Directions and Planning Priorities

The Proposal responds to Greater Sydney Region Plan and North District Plan in a number of key areas:

- **Providing Housing Supply, Choice and Affordability**

While providing housing supply is a central tenet of the District Plan's Liveability Direction, equally important are the issues of housing choice and housing affordability.

Analysis of the socio-demographic characteristics in section 3.1 demonstrates that residents in the area immediately surrounding the Site and in the LGA have a very low mobility rate, many being long-term residents of the local area. Residents in the Precinct are also notably younger than the broader LGA and are mostly composed in family households. Although, couple families with no children have been observed to have increased in proportion over the recent census period, coinciding with completion of the new apartments on Duntroon Avenue.

The Proposal will deliver further housing supply and provide a diversity of choice in a location proximate to a strategic centre, employment and services and rail infrastructure.

- **Investment and Business Activity in Centres**

Residential growth will result in growing economic activity in the LGA and St Leonards strategic centre by increasing the pool of expenditure available for spend at local businesses. This affirms the objective of growing investment and business activity in centres. Increase in residential capacity within walking distance not only results in a good liveability outcome, it assists with the sustainability and vibrancy of the centre.

New residents on the Site are estimated to support economic activity (not just on-site but in the St Leonards strategic centre and in the Lane Cove LGA), indicated by additional output generation and contribution to GRP, additional incomes and salaries to households and total employment supported.

5.4 SUMMARY

The Top Spring Proposal demonstrates alignment with the objectives and aspirations of state planning policy:

- Greater Sydney Region Plan.
- North District Plan.

Land that is close to existing employment centres and public transport networks is scarce and valuable. As cities grow there is commensurate pressure on scarce lands to be developed for a variety of uses. The benefits of enabling more intensive use of land which is a finite asset are therefore obvious.

In the case of the Proposal, local and state government policy have identified the St Leonards South Precinct as suitable for higher density residential uses given its proximity to jobs, services and transport infrastructure.

It is an unfortunate reality that despite an increase to FSR controls, some landowners will still not sell their sites to developers seeking to consolidate a development site. It therefore becomes necessary for planning authorities to adopt a flexible approach to delivery of development and infrastructure.

The Top Spring Proposal envisages a departure from Council's St Leonards South Planning Proposal, specifically proposing an alternate amalgamation block in the Northern Portion of the Site (Area 7 and 8). While this would result in development on a smaller site, the spirit and intent of the provision of public benefit is preserved through the provision of an east-west pedestrian link within the Site.

Economic modelling in Chapter 4 shows that additional household expenditure from new residents on the Site results in higher levels of economic activity through the direct and flow-on impacts associated (per annum):

- \$36.2 million *additional* in output (including \$15.4 million in direct activity).
- \$20.7 million *additional* contribution to Gross Regional Product (including \$9.4 million in direct activity)
- \$11.2 million *additional* in incomes and salaries paid to households.
- 167 FTE jobs (including 87 direct employees).

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APPENDIX A: INPUT-OUTPUT METHODOLOGY

INPUT-OUTPUT MODEL OVERVIEW

Input-Output analysis demonstrates inter-industry relationships in an economy, depicting how the output of one industry is purchased by other industries, households, the government and external parties (i.e. exports), as well as expenditure on other factors of production such as labour, capital and imports. Input-Output analysis shows the direct and indirect (flow-on) effects of one sector on other sectors and the general economy. As such, Input-Output modelling can be used to demonstrate the economic contribution of a sector on the overall economy and how much the economy relies on this sector or to examine a change in final demand of any one sector and the resultant change in activity of its supporting sectors.

The economic contribution can be traced through the economic system via:

- **Direct impacts**, which are the first round of effects from direct operational expenditure on goods and services.
- **Flow-on impacts**, which comprise the second and subsequent round effects of increased purchases by suppliers in response to increased sales. Flow-on impacts can be disaggregated to:
- **Industry Support Effects (Type I)**, which represent the production induced support activity as a result of additional expenditure by the industry experiencing the stimulus on goods and services in the intermediate usage quadrant, and subsequent round effects of increased purchases by suppliers in response to increased sales.
- **Household Consumption Effects (Type II)**, which represent the consumption induced activity from additional household expenditure on goods and services resulting from additional wages and salaries being paid within the economic system.

These effects can be identified through the examination of four types of impacts:

- **Output:** Refers to the gross value of goods and services transacted, including the costs of goods and services used in the development and provision of the final product. Output typically overstates the economic impacts as it counts all goods and services used in one stage of production as an input to later stages of production, hence counting their contribution more than once.
- **Gross Product:** Refers to the value of output after deducting the cost of goods and services inputs in the production process. Gross product (e.g. Gross Regional Product) defines a true net economic contribution and is subsequently the preferred measure for assessing economic impacts.
- **Income:** Measures the level of wages and salaries paid to employees of the industry under consideration and to other industries benefiting from the project.
- **Employment:** Refers to the part-time and full-time employment positions generated by the economic shock, both directly and indirectly through flow-on activity, and is expressed in terms of full-time equivalent (FTE) positions.

Input-Output multipliers can be derived from open (Type I) Input-Output models or closed (Type II) models. Open models show the direct effects of spending in a particular industry as well as the indirect or flow-on (industrial support) effects of additional activities undertaken by industries increasing their activity in response to the direct spending.

Closed models re-circulate the labour income earned as a result of the initial spending through other industry and commodity groups to estimate consumption induced effects (or impacts from increased household consumption).

MODEL DEVELOPMENT

Multipliers used in this assessment are derived from sub-regional transaction tables developed specifically for this project. The process of developing a sub-regional transaction table involves developing regional estimates of gross production and purchasing patterns based on a parent table, in this case, the 2014-15 Australian transaction table (ABS, 2017b).

Estimates of gross production (by industry) in the Catchment Area were developed based on the percent contribution to employment (by place of work) of the Catchment Area to the Australian economy (ABS 2012, 2017a), and applied to Australian gross output identified in the 2014-15 Australian table.

Industry purchasing patterns within the Catchment Area were estimated using a process of cross-industry location quotients and demand-supply pool production functions as described in West (1993).

Where appropriate, values were rebased from 2014-15 (as used in the Australian national IO transaction tables) to current values using the Consumer Price Index (ABS, 2017c).

MODELLING ASSUMPTIONS

The key assumptions and limitations of Input-Output analysis include:

- **Lack of supply-side constraints:** The most significant limitation of economic impact analysis using Input-Output multipliers is the implicit assumption that the economy has no supply-side constraints, so the supply of each good is perfectly elastic. That is, it is assumed that extra output can be produced in one area without taking resources away from other activities, thus overstating economic impacts. The actual impact is likely to be dependent on the extent to which the economy is operating at or near capacity.
- **Fixed prices:** Constraints on the availability of inputs, such as skilled labour, require prices to act as a rationing device. In assessments using Input-Output multipliers, where factors of production are assumed to be limitless, this rationing response is assumed not to occur. The system is in equilibrium at given prices, and prices are assumed to be unaffected by policy and any crowding out effects are not captured. This is not the case in an economic system subject to external influences.
- **Fixed ratios for intermediate inputs and production (linear production function):** Economic impact analysis using Input-Output multipliers implicitly assumes that there is a fixed input structure in each industry and fixed ratios for production. That is, the input function is generally assumed linear and homogenous of degree one (which implies constant returns to scale and no substitution between inputs). As such, impact analysis using Input-Output multipliers can be seen to describe average effects, not marginal effects. For example, increased demand for a product is assumed to imply an equal increase in production for that product. In reality, however, it may be more efficient to increase imports or divert some exports to local consumption rather than increasing local production by the full amount. Further, it is assumed each commodity (or group of commodities) is supplied by a single industry or sector of production. This implies there is only one method used to produce each commodity and that each sector has only one primary output.
- **No allowance for economies of scope:** The total effect of carrying on several types of production is the sum of the separate effects. This rules out external economies and diseconomies and is known simply as the “additivity assumption”. This generally does not reflect real world operations.
- **No allowance for purchasers’ marginal responses to change:** Economic impact analysis using multipliers assumes that households consume goods and services in exact proportions to their initial budget shares. For example, the household budget share of some goods might increase as household income increases. This equally applies to industrial consumption of intermediate inputs and factors of production.
- **Absence of budget constraints:** Assessments of economic impacts using multipliers that consider consumption induced effects (type two multipliers) implicitly assume that household and government consumption is not subject to budget constraints.

Despite these limitations, Input-Output techniques provide a solid approach for taking account of the inter-relationships between the various sectors of the economy in the short-term and provide useful insight into the quantum of final demand for goods and services, both directly and indirectly, likely to be generated by a project.

In addition to the general limitations of Input-Output Analysis, there are two other factors that need to be considered when assessing the outputs of sub-regional transaction table developed using this approach, namely:

- It is assumed the sub-region has similar technology and demand/ consumption patterns as the parent (Australia) table (e.g. the ratio of employee compensation to employees for each industry is held constant).
- Intra-regional cross-industry purchasing patterns for a given sector vary from the national tables depending on the prominence of the sector in the regional economy compared to its input sectors. Typically, sectors that are more prominent in the region (compared to the national economy) will be assessed as purchasing a higher proportion of imports from input sectors than at the national level, and vice versa.

DRIVERS OF ECONOMIC IMPACT

The following sections examine the estimated economic activity supported through the operations of businesses locating to the Site if it was redeveloped under proposal compared to if it remained in its existing use.

- **Base Case:** The Base Case assumes the R2 Low Density Residential zone and FSR 0.5:1 remain unchanged. Existing buildings (20 detached dwellings) are assumed to continue in their existing use.
- **Proposal Case:** The Proposal Case assumes the demolition of the improvements on the Site to facilitate a residential development comprising circa 357 apartments, north-south green spines, east-west pedestrian links and associated landscaping.

The economic impacts are assessed at the Lane Cove LGA level using AEC's proprietary Input-Output (IO) model. Refer to Appendix A for details of Input-Output modelling methodology and key modelling assumptions).

The economic impacts have been assessed at the Lane Cove LGA level. An Input-Output model, including the development of specific regional Input-Output transaction tables, was developed to reflect the economic structure of the Lane Cove LGA.

Input-Output modelling describes economic activity through the examination of four types of impacts which are defined and described in Table A.1.

Table A. 1: Economic Indicators

Indicator	Description
Output	Refers to the gross value of goods and services transacted, including the costs of goods and services used in the development and provision of the final product. Output typically overstates the economic impacts as it counts all goods and services used in one stage of production as an input to later stages of production, hence counting their contribution more than once.
Gross Product	Refers to the value of output after deducting the cost of goods and services inputs in the production process. Gross product (e.g., Gross Regional Product) defines a true net economic contribution and is subsequently the preferred measure for assessing economic impacts.
Income	Measures the level of wages and salaries paid to employees of the industry under consideration and to other industries benefiting from the Project.
Employment	Refers to the part-time and full-time employment positions generated by the economic shock, both directly and indirectly through flow on activity, and is expressed in terms of Full-Time Equivalent (FTE) positions. One FTE job is defined as one person working full time for a period of one year.

Source: AEC

Input-Output multipliers can be derived from open (Type I) Input-Output models or closed (Type II) models. Open models show the direct effects of spending in a particular industry as well as the indirect or flow on (industrial support) effects of additional activities undertaken by industries increasing their activity in response to the direct spending. Closed models re-circulate the labour income earned as a result of the initial spending through other industry and commodity groups to estimate consumption induced effects (or impacts from increased household consumption).

The following estimates consider both Type I and Type II flow on impacts though it should be noted that Type II impacts are commonly considered to overstate economic activity.

Drivers of Economic Activity

In order to understand the economic impacts likely to result from the Proposal, it is necessary to distinguish economic impacts during the construction phase and those economic impacts that will be more permanent in nature following construction completion and operations commencement.

- **Construction Phase:** Construction activity will draw resources from and thereby generate economic activity in the Lane Cove LGA as well as from outside the LGA. Assumptions are made on the proportion sourced from within and from outside the LGA.
- **Operations Phase:** On completion of development, the Site is expected to generate ongoing economic/operational activity through the dispersed jobs of residents working from home.

Construction Phase

For modelling purposes, construction costs (including contingency) for the Proposal Case were broken down into their respective ANZSIC industries. As the Base Case does not involve any construction activity, drivers of the Construction phase were examined for the Proposal Case only. This breakdown was developed based on assumptions by AEC regarding the most appropriate ANZSIC industries for each activity.

Table A. 2: Construction Cost Allocations, Proposal Case

Component	Proposal (\$M)	ANZSIC
Residential Apartments	\$127.4	Residential Building Construction
Car Parking	\$17.5	Non-Residential Building Construction
Demolition	\$0.6	Construction Services
Site Works/Infrastructure	\$2.9	Construction Services
Landscaping	\$2.0	Construction Services
Consultant Fees	\$15.0	Professional, Scientific and Technical Services
Total	\$165.4	

Source: AEC

Only the construction activity expected to be undertaken within the Lane Cove LGA has been included in the economic impact assessment. For the purposes of this assessment it was assumed:

- Approximately 50% of the direct expenditure on construction-related (i.e. Residential Building Construction, Non-Residential Building Construction and Construction Services) activity would be sourced from local businesses and labour. Of this:
 - Approximately 25% of purchases on goods and services (supply chain related activity) made by construction-related businesses sourced from outside the Lane Cove LGA would be spent within the local economy (i.e., 25% of the Type I flow on activity associated with non-local construction companies is assumed to represent additional local activity in Lane Cove LGA).
 - Approximately 5% of wages and salaries paid to construction-related workers sourced from outside the region would be spent on local goods and services, such as food and beverages (i.e., 5% of the Type II flow on activity associated with non-local workers is assumed to represent additional local activity in Lane Cove LGA).
- Approximately 15% of the direct expenditure on professional, scientific and technical services activity would be sourced from local businesses and labour.

Only flow-on activity of locally sourced professional, scientific and technical services activity is included, as it is not anticipated professional, scientific and technical services businesses located outside of Lane Cove LGA would purchase goods/ services from within Lane Cove LGA.

Operational Phase

The Base Case and Proposal Case are assumed to generate economic activity from the dispersed jobs on the Site i.e. people working from home. The quantum of economic activity therefore, is dependent on the number of people

working from home, which is dependent on the number of dwellings accommodated on the Site. Analysis of ABS and TfNSW estimate that 2.1% of residents in the Lane Cove LGA will work from home.

Base Case

The Site is currently improved with 20 dwellings. Analysis of ABS data for the Lane Cove LGA estimate that economic activity generated on the Site is through **one** dispersed job (i.e. one resident working from home).

Proposal Case

The Proposal envisages the Site is redeveloped to comprise 357 residential apartments with the potential to accommodate 722 new residents, of which **15** will work from home.

Net Operational Impact

The mix of land uses as envisaged under the Proposal Case would generate a larger quantum of economic activity from *net new* dispersed jobs, i.e. *additional* people working from home in the Proposal Case compared to the Base Case.

The new residences are anticipated to accommodate more people that choose to work from home (and thereby increase total jobs in the LGA). Data provided indicates the Proposal would accommodate approximately 337 additional residences compared to the Base Case (357 residences compared to 20 in the Base Case), with approximately 676 *additional* residents.

By applying analysis of ABS and TfNSW data, an estimated 2.1% of the residents in the Lane Cove LGA would work from home, with the Proposal accommodating 15 dispersed workers in its residential apartments as (total increase of 14 *net new* dispersed jobs compared to the Base Case). These 14 net new dispersed jobs are allocated into their relevant ANZSIC industries to calculate estimated output drivers, and are outlined in Table A. 3.

Table A. 3: Operational Output Drivers, Base Case v Proposal Case

ANZSIC Sector	Output (\$M) Base Case	Output (\$M) Proposal Case	Net Additional Output (\$M)
Agriculture, Forestry and Fishing	\$0.0	\$0.1	\$0.1
Mining	\$0.0	\$0.0	\$0.0
Manufacturing	\$0.0	\$0.2	\$0.2
Electricity, Gas, Water and Waste services	\$0.0	\$0.0	\$0.0
Construction	\$0.0	\$0.5	\$0.5
Wholesale Trade	\$0.0	\$0.2	\$0.2
Retail Trade	\$0.0	\$0.1	\$0.1
Accommodation and Food Services	\$0.0	\$0.0	\$0.0
Transport, Postal and Warehousing	\$0.0	\$0.1	\$0.1
Information Media and Telecommunications	\$0.0	\$0.4	\$0.4
Financial and Insurance Services	\$0.0	\$0.6	\$0.6
Rental, Hiring and Real Estate Services	\$0.0	\$0.3	\$0.3
Ownership of Dwellings	\$0.0	\$0.0	\$0.0
Professional, Scientific and Technical Services	\$0.1	\$1.1	\$1.0
Administrative and Support Services	\$0.0	\$0.3	\$0.3
Public Administration and Safety	\$0.0	\$0.0	\$0.0
Education and Training	\$0.0	\$0.1	\$0.1
Health Care and Social Assistance	\$0.0	\$0.2	\$0.2
Arts and Recreation Services	\$0.0	\$0.1	\$0.1
Other Services	\$0.0	\$0.1	\$0.1
Total	\$0.3	\$4.5	\$4.2

Source: AEC

*totals may not sum due to rounding

HOUSEHOLD EXPENDITURE SUPPORTED

This section outlines the household expenditure that would be associated with dwellings in the Base Case and Proposal Case, and the potential economic activity supported.

The household expenditure activity supported **should not be combined** with the impacts in the section above, as some of these impacts are likely to have already been captured in the assessment (e.g. some household expenditure is expected to be spend on the dispersed jobs locating on-site).

This section is to understand specific economic activity supported in Lane Cove LGA through household expenditure as its own separate analysis.

Household Expenditure

The ABS Household Expenditure Survey (ABS, 2017e) was used to identify the proportion of weekly household incomes that is spent across expenditure items. This was then applied to average weekly household incomes in Lane Cove LGA as outlined in the 2016 Census of Population and Housing (ABS, 2017a), annualised and allocated into their respective ANZSIC industries. The breakdown to ANZSIC industries was developed based on assumptions by AEC regarding the most appropriate ANZSIC industries for each activity.

Table A. 4 and Table A. 5 show the household expenditure estimates for the Lane Cove LGA for the Base Case and the Proposal Case.

Table A. 4: Household Expenditure by Industry, Base Case

Industry	Expenditure Estimate	Proportion Spent in Lane Cove LGA	Lane Cove LGA Estimate
Retail trade	\$0.59	75%	\$0.44
Ownership of Dwellings	\$0.12	50%	\$0.06
Food and Beverage Services	\$0.02	75%	\$0.02
Finance	\$0.14	100%	\$0.14
Primary and Secondary Education Services (incl Pre-Schools and Special Schools)	\$0.03	0%	\$0.00
Health Care Services	\$0.01	0%	\$0.00
Public Administration	\$0.00	0%	\$0.00
Construction Services	\$0.04	80%	\$0.03
Insurance and Superannuation Funds	\$0.05	50%	\$0.03
Rental and Hiring Services (excl. Real Estate)	\$0.04	0%	\$0.00
Personal Services	\$0.01	0%	\$0.00
Residential Care and Social Assistance	\$0.01	0%	\$0.00
Automotive Repair and Maintenance	\$0.00	50%	\$0.00
Sports and Recreation	\$0.03	50%	\$0.01
Road Transport	\$0.00	50%	\$0.00
Non-residential Property Operators and Real Estate Services	\$0.04	80%	\$0.03
Professional, Scientific and Technical Services	\$0.01	50%	\$0.01
Technical, Vocational and Tertiary Education Services (incl undergraduate and postgraduate)	\$0.00	50%	\$0.00
Heritage, Creative and Performing Arts	\$0.00	0%	\$0.00
Other Services	\$0.00	50%	\$0.00
Building Cleaning, Pest Control and Other Support Services	\$0.02	50%	\$0.01
Gambling	\$0.00	50%	\$0.00
Motion Picture and Sound Recording	\$0.00	75%	\$0.00
Other Repair and Maintenance	\$0.01	50%	\$0.00
Arts, Sports, Adult and Other Education Services (incl community education)	\$0.00	25%	\$0.00
Rail Transport	\$0.01	50%	\$0.01
Postal and Courier Pick-Up and Delivery Services	\$0.06	50%	\$0.03
Auxiliary Insurance Services	\$0.00	10%	\$0.00
Accommodation	\$0.01	0%	\$0.00
Electricity Transmission, Distribution, On Selling and Electricity Market Operation	\$0.01	75%	\$0.01
Gas Supply	\$0.00	50%	\$0.00
Water Supply, Sewerage and Drainage Services	\$0.02	50%	\$0.01
Telecommunications Services	\$0.02	75%	\$0.02
Internet Service Providers, Internet Publishing and Broadcasting, Websearch Portals and Data Processing	\$0.13	25%	\$0.03
Broadcasting (except Internet)	\$0.10	25%	\$0.02
Water, Pipeline and Other Transport	\$0.02	20%	\$0.00
Air and Space Transport	\$0.00	25%	\$0.00
Total	\$1.54		\$0.91

Source: ABS (2017e), AEC

*numbers may not sum due to rounding

Table A. 5: Household Expenditure by Industry, Proposal Case

Industry	Expenditure Estimate	Proportion Spent in Lane Cove LGA	Lane Cove LGA Estimate
Retail trade	\$10.46	75%	\$7.85
Ownership of Dwellings	\$2.11	50%	\$1.06
Food and Beverage Services	\$0.37	75%	\$0.28
Finance	\$2.53	100%	\$2.53
Primary and Secondary Education Services (incl Pre-Schools and Special Schools)	\$0.53	0%	\$0.00
Health Care Services	\$0.16	0%	\$0.00
Public Administration	\$0.01	0%	\$0.00
Construction Services	\$0.69	80%	\$0.55
Insurance and Superannuation Funds	\$0.89	50%	\$0.45
Rental and Hiring Services (excl. Real Estate)	\$0.66	0%	\$0.00
Personal Services	\$0.12	0%	\$0.00
Residential Care and Social Assistance	\$0.10	0%	\$0.00
Automotive Repair and Maintenance	\$0.01	50%	\$0.01
Sports and Recreation	\$0.46	50%	\$0.23
Road Transport	\$0.06	50%	\$0.03
Non-residential Property Operators and Real Estate Services	\$0.68	80%	\$0.54
Professional, Scientific and Technical Services	\$0.26	50%	\$0.13
Technical, Vocational and Tertiary Education Services (incl undergraduate and postgraduate)	\$0.03	50%	\$0.02
Heritage, Creative and Performing Arts	\$0.01	0%	\$0.00
Other Services	\$0.08	50%	\$0.04
Building Cleaning, Pest Control and Other Support Services	\$0.29	50%	\$0.15
Gambling	\$0.08	50%	\$0.04
Motion Picture and Sound Recording	\$0.04	75%	\$0.03
Other Repair and Maintenance	\$0.13	50%	\$0.06
Arts, Sports, Adult and Other Education Services (incl community education)	\$0.02	25%	\$0.00
Rail Transport	\$0.20	50%	\$0.10
Postal and Courier Pick-Up and Delivery Services	\$0.98	50%	\$0.49
Auxiliary Insurance Services	\$0.01	10%	\$0.00
Accommodation	\$0.15	0%	\$0.00
Electricity Transmission, Distribution, On Selling and Electricity Market Operation	\$0.15	75%	\$0.12
Gas Supply	\$0.09	50%	\$0.04
Water Supply, Sewerage and Drainage Services	\$0.34	50%	\$0.17
Telecommunications Services	\$0.37	75%	\$0.28
Internet Service Providers, Internet Publishing and Broadcasting, Websearch Portals and Data Processing	\$2.33	25%	\$0.58
Broadcasting (except Internet)	\$1.72	25%	\$0.43
Water, Pipeline and Other Transport	\$0.32	20%	\$0.06
Air and Space Transport	\$0.08	25%	\$0.02
Total	\$27.52		\$16.29

Source: ABS (2017e), AEC

*numbers may not sum due to rounding

Conceivably, the Proposal Case results in a greater quantum of household expenditure due to the significant increase in residents on the Site. The net additional household expenditure resulting from the increased dwellings from the Proposal is outlined in Table A. 6.

Table A. 6: Net Additional Household Expenditure by Industry, Proposal Case

Industry	Expenditure Estimate	Proportion Spent in Lane Cove LGA	Lane Cove LGA Estimate
Retail trade	\$9.87	\$0.00	\$7.41
Ownership of Dwellings	\$1.99	\$0.00	\$1.00
Food and Beverage Services	\$0.35	\$0.00	\$0.26
Finance	\$2.39	\$0.00	\$2.39
Primary and Secondary Education Services (incl Pre-Schools and Special Schools)	\$0.50	\$0.00	\$0.00
Health Care Services	\$0.15	\$0.00	\$0.00
Public Administration	\$0.01	\$0.00	\$0.00
Construction Services	\$0.65	\$0.00	\$0.52
Insurance and Superannuation Funds	\$0.84	\$0.00	\$0.42
Rental and Hiring Services (excl. Real Estate)	\$0.63	\$0.00	\$0.00
Personal Services	\$0.11	\$0.00	\$0.00
Residential Care and Social Assistance	\$0.09	\$0.00	\$0.00
Automotive Repair and Maintenance	\$0.01	\$0.00	\$0.01
Sports and Recreation	\$0.43	\$0.00	\$0.22
Road Transport	\$0.06	\$0.00	\$0.03
Non-residential Property Operators and Real Estate Services	\$0.64	\$0.00	\$0.51
Professional, Scientific and Technical Services	\$0.24	\$0.00	\$0.12
Technical, Vocational and Tertiary Education Services (incl undergraduate and postgraduate)	\$0.03	\$0.00	\$0.02
Heritage, Creative and Performing Arts	\$0.01	\$0.00	\$0.00
Other Services	\$0.08	\$0.00	\$0.04
Building Cleaning, Pest Control and Other Support Services	\$0.28	\$0.00	\$0.14
Gambling	\$0.08	\$0.00	\$0.04
Motion Picture and Sound Recording	\$0.04	\$0.00	\$0.03
Other Repair and Maintenance	\$0.12	\$0.00	\$0.06
Arts, Sports, Adult and Other Education Services (incl community education)	\$0.01	\$0.00	\$0.00
Rail Transport	\$0.18	\$0.00	\$0.09
Postal and Courier Pick-Up and Delivery Services	\$0.93	\$0.00	\$0.46
Auxiliary Insurance Services	\$0.01	\$0.00	\$0.00
Accommodation	\$0.14	\$0.00	\$0.00
Electricity Transmission, Distribution, On Selling and Electricity Market Operation	\$0.15	\$0.00	\$0.11
Gas Supply	\$0.08	\$0.00	\$0.04
Water Supply, Sewerage and Drainage Services	\$0.32	\$0.00	\$0.16
Telecommunications Services	\$0.35	\$0.00	\$0.26
Internet Service Providers, Internet Publishing and Broadcasting, Websearch Portals and Data Processing	\$2.20	\$0.00	\$0.55
Broadcasting (except Internet)	\$1.62	\$0.00	\$0.40
Water, Pipeline and Other Transport	\$0.30	\$0.00	\$0.06
Air and Space Transport	\$0.07	\$0.00	\$0.02
Total	\$25.98	\$0.00	\$15.38

Source: ABS (2017e), AEC

*numbers may not sum due to rounding



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