ADVERTISED PLAN

173 Burke Road, Glen Iris

Economic Benefits & Impacts Assessment

PREPARED FOR **Time & Place**

12th March 2024

macroplan

Important Notice

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Key Findings

Proposed Development Summary

The proposed mixed-use development at 173 Burke Road, Glen Iris represents a key retail project that will work to amend existing gaps in the retail network of Glen Iris.

From 2021 to 2036, population growth within the proposed development's main trade area is expected to generate demand for an additional 2,958 m² of Food, Liquor & Groceries retail, with the proposed development having high potential to absorb this demand into the future.

Construction Phase Impacts

The initial capital investment of $80.0 million is estimated to create an additional $102.1 million of indirect output elsewhere in the wider economy, totalling $182.1 million construction output (including direct and indirect) to the economy during the construction phase.

This capital investment will generate approximately 179 FTE of direct on-site construction employment and a further 254 FTE of indirect construction employment, totalling 433 total FTE jobs created during the 25-month construction programme.

Completion Impacts

Upon completion, the proposed development will support around 189 direct FTE jobs at capacity on-site, and an additional 62 indirect FTE jobs in the wider economy, totalling 251 ongoing FTE jobs created through the development.

An estimated $56.2 million of total operational phase output will be created by the proposed development at capacity, along with $5.2 million of estimated resident consumption expenditure per annum from the residential component of the development.

Proposed Development Summary

$80.0 million Total Construction Cost	**24,324 m²** Total Gross Floor Area Proposed
3,675 m² New Retail Space	**58** New Apartments
290 New Car Parks	**626 m²** Communal Areas

Construction Phase Impacts

$80.0 million Initial Capital Investment	**$182.1 million** Total Construction Output
179 FTE Direct On-Site Construction Employment	**433 FTE** Total Construction Employment

Completion Impacts

189 FTE Direct Ongoing Employment	**251 FTE** Total Ongoing Employment
$5.2 million Estimated Resident Consumption Expenditure	**$56.2 million** Total Operational Phase Output

Executive summary

This report was prepared by Macroplan (the author) for Glen Iris Devco Pty Ltd (the client). This report presents a retail market and high-level economic impact assessment (EIA) in relation to the proposed mixed-use development located at 173 Burke Road, Glen Iris (the subject site), which is located approximately 9 km southeast of the Melbourne CBD.

The proposed development, located at 173 Burke Road in Glen Iris, is planned to be developed as a mixed-use development featuring a supermarket and small food & beverage retail offering on the ground floor and 4-levels of apartments above. The development will also include 3-level basement carparking as well as a mezzanine level to cater for supermarket services and back of house.

The current design for the development on the subject site indicates a 4-storey mixed-use building totalling **3,675 sqm NLA** of retail floorspace and 58 apartments. The total construction cost of the development is estimated at approximately **$80 million** with an estimated construction timeframe of **25 months**.

Regional and local context

- Located 11 km from the CBD, Glen Iris is an affluent inner eastern suburb of Melbourne, which borders Malvern to the west and Malvern East to its south

Trade area population

- The main trade area population is estimated at 36,370 at 2025, including over 13,480 within the primary sector.

- The population is projected to reach over 37,770 at 2031 and 38,720 at 2036, reflecting an average annual growth rate of 0.7% over the forecast period.

Socio-demographic profile

- Per capita income levels in the main trade area are 60.1% above the metropolitan Melbourne average, highlighting the affluence of the area.

- The socio-demographic profile of the trade area is representative of an established inner eastern suburb of Melbourne, characterised by high incomes, while accommodating a diverse mix of residents across varying life stages, such as students, families and retirees.

Retail expenditure

- Total per capita retail expenditure for main trade area residents is estimated at $20,280, 24.2% above the Melbourne metropolitan average. Expenditure one food items are estimated to be 14.7% above, while expenditure on non-food items is estimated at 36.3% above the metropolitan Melbourne average.

- Retail spending is expected to increase from an estimated $722 million currently to $855 million by 2036, reflecting average annual growth of 1.3%.

Retail floorspace analysis

- Retail floorspace demand of trade area residents will increase by more than 9,740 sq.m over the forecast period, including 2,958 sqm for FLG.

- In the primary sector, Glen Iris Village Woolworths is estimated to capture 33.0% of FLG expenditure generated by the population, highlighting on one hand, the locational advantages and proximity of the development to these residents, while on the other, reflecting that some resident will continue to shop at competing centres whether out of preference of certain supermarket brands and/or familiarity.

- The population of just the primary sector is estimated at 12,680 at 2021. Across metropolitan Melbourne a population of between 8,000 – 10,000 residents in its core catchment to be considered an adequate level to support a full-scale supermarket. This is reflective of the undersupply of supermarket floorspace in the surrounding area and demonstrates the clear economic potential for a major supermarket at the subject site.

- The Woolworths supermarket is projected to achieve sales of $45.8 million in 2026 (in its first assumed full year of trade) reflecting a sales productivity level of around 12,908 sq.m per sq.m. Over the forecast period, sales are projected to grow at an average annual rate of 1.2% and reach $51.6 million in 2036.

- The above analysis indicates that there will be a growing need for the provision of additional retail floorspace in order to meet demand from local residents into the future, and the proposed development has high potential to absorb this demand into the future.

Economic Benefits & Impacts

The development of the proposed commercial office building at the subject site will deliver a number of economic and community benefits to the area. Key quantifiable economic impacts that may arise from the proposed facility are summarised as follows:

- The initial construction investment of $80.0 million is likely to create an additional $102.1 million of indirect output elsewhere in the wider economy, totalling $182.1 million construction output (including direct and indirect) to the economy during the construction phase.

- The construction of the proposed facility is expected to generate approximately 179 direct construction FTE jobs per annum on site plus another 254 indirect FTE jobs per annum elsewhere in the economy, totalling 433 construction related FTE jobs per annum during the construction phase.

- In the operational phase, the proposed development is likely to generate approximately $33.2 million operating revenue per annum when fully operational, which is anticipated to create another $23.0 million indirect output per annum elsewhere in the wider economy, totalling $56.2 million ongoing output per annum (including direct and indirect) to the economy.

- Upon completion, the operation of the proposed development is likely to create an ongoing full-time employment of 189 direct FTE jobs and a further 62 indirect FTE jobs, totalling 251 FTE jobs during the operational phase.

- Based on average consumption expenditure of $42,245 per capita per annum across metropolitan Melbourne referring to MarketInfo database (2020), it is expected that these residents living in the proposed development may generate up to $5.2 million consumption expenditure per annum.

In addition, the proposed facility will also deliver a number of non-quantifiable economic and community benefits, and these include:

- The proposed mixed-use development on the subject site will generate increased levels of economic growth to the surrounding 'Central Park Village' activity centre, with the development of a new supermarket creating a multiplier effect by generating increased footfall and visitation to the precinct.

- This multiplier effect will flow through to other businesses operating in the area, increasing patronage to existing specialty retail stores and retail service operators in 'Central Park Village', thereby generating increased economic activity for these businesses and creating positive growth in the community.

- The proposed development includes a significant provision of on-site underground retail carparking and as such will increase the overall visitation capacity of Central Park Village without a detrimental impact on existing street level parking.

- Furthermore, increased footfall and visitation to the activity centre will increase the viability of new retailers opening in the area, leading to higher levels of retail and service provision for local residents and thus generating increased amenity and progressive value uplift for surrounding properties.

- The provision of a new supermarket on the subject site would help to amend gaps in the retail market, which faces challenges with significant physical barriers such as major roads and train lines, thus providing local residents with a greater diversity of choices and prices, thereby increasing the amenity of the area for local residents in terms of retail affordability and convenience.

- The proposed supermarket development has the potential to contribute to the Victorian Government's goal of creating 20-minute neighbourhoods, which represents the concept of a well-designed, walkable neighbourhood that offers a range of infrastructure such as retail, childcare, community hubs, public transport connections, sports and recreation facilities and health services within a 20-minute walkable neighbourhood. This will be achieved through the proposed development and its potential to create an improved sense of community and overall liveability through the development of a destination that provide residents, workers and visitors with a new place to gather, socialise and shop, supporting social interaction and social cohesion within the area, and further increasing the walkability of Glen Iris.

- In recent years, there has been an increasing trend towards higher dwelling density in the Glen Iris – East and Malvern – Glen Iris SA2s, as evidenced by the prevalent housing typologies amongst new dwelling approvals area, which totalled 1,534 new dwelling approvals (NDAs) for apartments, 499 NDAs for separate houses and 289 NDAs for townhouses / semi-detached dwellings.

- The proposed supermarket development on the subject site has the potential to alleviate retail service provision issues that may arise from increasing population density as a result of high-density residential developments and will work to transform underutilised land into a functional facility that provides key retail spaces for businesses, future proofing the retail landscape of Glen Iris against projected increases in population density.

- The provision of a more diverse set of housing typologies through the apartments delivered as part of proposed development will lead to an increase in positive housing outcomes for local residents and provide downsizers with more options to 'age-in-place', with this process freeing up existing residential lots for infill development and having a positive impact on the overall supply of housing in the local government area, thus mitigating housing affordability and typology mismatch issues in Glen Iris.

- Furthermore, a trend towards increasing density also raises the issue of land availability, since there is likely to be a very limited supply of large, appropriately zoned sites that could potentially house supermarkets in the future, potentially indicating a prime opportunity to develop a supermarket on the subject site in the present to ensure adequate levels of provision as Glen Iris continues to grow and flourish.

Section 1: Site location and planning framework

This section of the report presents an overview of the site context and development plans and summarises the planning framework relevant to the subject site.

1.1   Site context

Located 11 km from the CBD, Glen Iris is an affluent inner eastern suburb of Melbourne, which borders Malvern to the west and Malvern East to its south (refer Map 1.1).
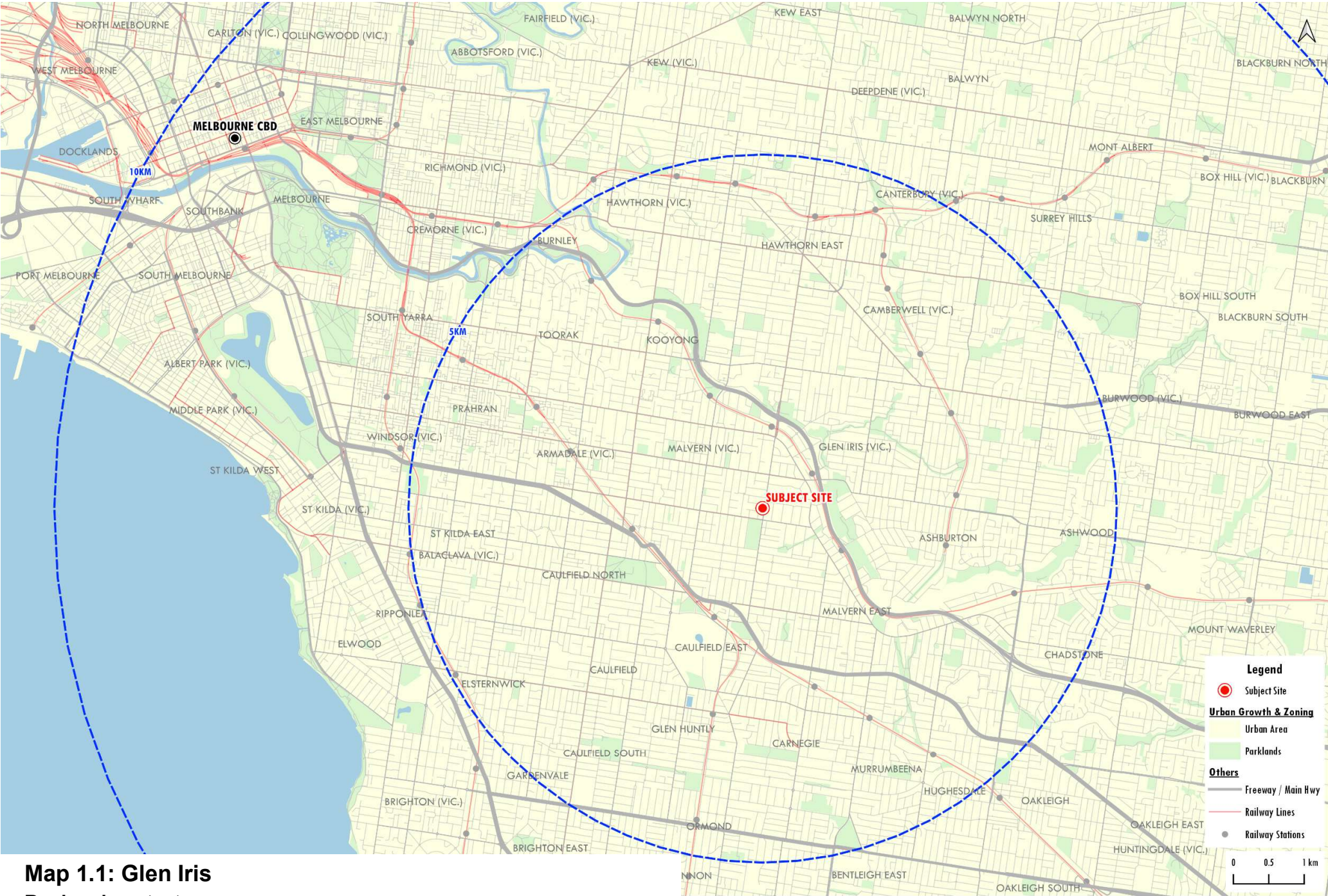
The subject site, located at 173 Burke Road, Glen Iris, is centrally situated in the Glen Iris and Malvern East community, near the intersection of Burke Road and Wattletree Road (refer Map 1.2). Burke Road is a major north-south arterial in the region, which provides access to Camberwell and the Camberwell Shopping Precinct to the north, while Wattletree Road is a key east-west traffic route, which connects to Dandenong Road at Armadale. The subject site is located a short distance from both the Monash Freeway (to the north) and Dandenong Road (to the south), two of the main carriageways which connect the CBD to Melbourne's south-eastern suburbs. A wealth of public transport infrastructure surrounds the site, including the No. 5 tram route (which terminates at the intersection of Burke Road and Wattletree Road), while the Glen Iris, Darling, Gardiner, Tooronga (part of the Glen Waverley line) and Caulfield (Cranbourne, Pakenham and Frankston lines) train stations, which are all located within approximately a 2 km radius.

Located south of the subject site, on the south-western portion of the Burke Road and Wattletree Road intersection, the 19-hectare Central Park is a hub of community life for local residents (refer Map 1.2). Since it was acquired by Malvern City Council in 1906, the park and the adjoining Gascoigne Estate forms a consistent and historically significant example of Federation and inter-war development in Melbourne.

As a point of juxtaposition, a number of contemporary and boutique apartments are currently in development on the eastern side of Burke Road, opposite Central Park, which includes Sia, at 84 Burke Road; Central Park Apartments at 2A Nyora Street; and Trinity at 118 Burke Road. This on one hand represents an extension of the type and scale of development which has occurred over the last decade, leveraging the location of prime sites opposite Central Park. On the other hand, these developments represent an evolution of the preceding decades, which saw large detached blocks subdivided for single storey multi-unit housing on adjoining residential streets off Burke Road, such as adjoining Paxton Street, Grant Street and Vickery Street. This mix of the historic and the modern is one the defining attributes of the local Glen Iris/Malvern East area, attracting a diverse demographic which includes families, retirees, couples and young adults across difference life stages.

Several public and private educational institutions surround the subject site. Located on the southern side of Dandenong Road, there were approximately 14,000 full-time student enrolments at the Monash University Caulfield campus in 2022, studying disciplines across Business and Economics, Architecture, Arts, Information Technology and Medicine and Health Sciences. Furthermore, Sacred Coeur and Korowa Anglican Girls' School, both independent all-girls institutions, (which offer programs from its Early Learning Centre for 3 to 4 year olds, all the way to Year 12), as well as the Caulfield Grammar Malvern Campus (early Learning to Year 6), are all situated in the immediate vicinity.

The subject site is located within the northern parts Central Park Village Neighbourhood Activity Centre (NAC), a vibrant centre with a provision of some 40 retail specialties and commercial tenancies (refer Map 1.3). The offer of the centre include cafés (Our Kitchen Table, Coffee & Soul, Cannoli & Co.), restaurants (Riserva), take-away food operators (Home To Roost, Sam's Fish n' Chips), and a number convenience-oriented retail (pharmacy, newsagency, beauty salon, optometrist, hairdressers) and non-retail uses (Australia Post, dental clinics), as well as a small ad hoc provision of discretionary non-food retail outlets (homewares/furnishings, jewellers, cosmetics). A supply audit conducted by this office revealed there are two vacant shopfronts with the Central Park Village NAC at August 2020. Finally, it is important to note that the subject site is located within the existing activity centre and is contains a Commercial 1 zoning.

Map 1.1: Glen Iris
Regional context

Legend
- Subject Site

Urban Growth & Zoning
- Urban Area
- Parklands

Others
- Freeway / Main Hwy
- Railway Lines
- Railway Stations

0   0.5   1 km

macroplan

Legend

- ■ Subject Site
- ▢ Central Park Village
- ■ Specialty Shops

Residential

- ■ Completed
- ■ Under Construction

0   100   200 m

Map 1.2: 173 Burke Road, Glen Iris
Site context

macroplan

PHOTOMAPS BY NEARMAP
IMAGERY DATE: JUNE 2020

LEGEND

- SUBJECT SITE
- CENTRAL PARK VILLAGE
- SPECIALTY SHOPS

DORRINGTON AV

HOPE ST

173 BURKE RD

BURKE RD

WESTERN SIDE OF BURKE ROAD - NORTH TO SOUTH
- LEILUI HAIRSTYLERS - HAIRDRESSERS
- 161 CELLARS BOTTLESHOP & PROVIDORE - LIQUOR AND FOOD RETAIL
- VACANT
- SANDWICHES,SUSHI AND FALAFEL - TAKEAWAY FOOD
- TOM POCKETT CELLARS - WINE BAR/CAFE
- HEATHERSHAW'S COMPOUNDING PHARMACY - PHARMACY
- KERABU - RESTAURANT
- VACANT
- SAM'S FISH N CHIPS - TAKEAWAY FOOD
- DELICIOUS DELIGHTS - BAKERY

NORTHERN SIDE OF WATTLETREE ROAD - EAST TO WEST
- CENTRAL PARK FURNISHINGS - HOMEWARES AND FURNITURE
- ACCENT ON DESIGN - BUILDING DESIGN CONSULTANTS
- CENTRAL PARK OPTICAL - OPTOMETRISTS
- PERIO CENTRE - PERIODONTICS AND IMPLANT DENTISTRY
- ON THE PARK HAIR AND BEAUTY - HAIRDRESSER AND BEAUTY SALON
- INTRA ORAL TECHNOLOGIES - DENTAL LABORATORY
- COUSINS CONNECTIONS - TRAVEL AGENCY
- SECOND OBSESSION - SECOND HAND DESIGNER APPAREL
- RISERVA - RESTAURANT
- CENTRAL PARK NEWSAGENTS - NEWSAGENCY

SOUTHERN SIDE OF WATTLETREE ROAD, WEST TO EAST
- ONE LITTLE PLACE - CAFE
- THE BASE COLLECTIVE - COSMETICS
- JULIETTE - CAFE/BAKERY
- NUTTY LATTE - ICE-CREAMERY

WATTLETREE RD

KINGSTON ST

CENTRAL PARK

EASTERN SIDE OF BURKE ROAD, SOUTH TO NORTH
- CENTRAL PARK MYOTHERAPY - NON-RETAIL
- AUSTRALIA POST
- COFFEE AND SOUL - CAFE
- WATTLETREE CHILD - CHILDREN'S APPAREL
- THE FRAME SPOT - PICTURE FRAMING
- CANNOLI&CO. - CAFE
- OUR KITCHEN TABLE - CAFE
- HAIR PERFORMANCE - HAIRDRESSERS
- SAINT LAWRENCE - PATISSERIE
- JAFARI JEWELLERY - JEWELLER
- PIZZA AND PASTA - TAKEAWAY FOOD
- DENTIST
- CENTRAL PARK MILK BAR - CONVENIENCE STORE
- HOME TO ROOST - TAKEAWAY FOOD
- NORSU INTERIORS - HOMEWARES AND FURNISHINGS

N

0   0.02   0.04
KILOMETRES

Map 1.3: 173 Burke Road, Glen Iris
Central Park Village

macroplan

1.2   Proposed development

Table 1.1 presents a summary of the proposed development by use, while Figure 1.1 illustrates the ground floor supermarket development concept.

A full-scale Woolworths supermarket of 2,631 sq.m (with an additional 917 sqm of retail floorspace comprising back of house, mezzanine and store entry) is planned to tenant the ground floor of the development as well as 127 sq.m of Food & Beverage retail space, while 58 high-quality residences are planned above street level across four storeys. The residential component is planned to encompass a mix of 2, 3 and 4-bedroom options, configured with at least 2 bathrooms in each apartment.

It is noted that car parking is provided across 3 basement levels, including 170 car spaces for retail patrons (on Basement Level 1 and 2) and 120 car spaces for residents (on Basement Level 2 and 3).

Table 1.1			
173 Burke Road, Glen Iris - Development Concept			
Level	Use (sq.m)	Floorspace (sq.m)	No. of appartments
G	Woolworths Supermarket*	3,548	
G	F&B Retail	127	
1	Residential	2,267.0	19
2	Residential	1,995.0	17
3	Residential	1,703.0	9
4	Residential	1,395.0	9
*includes liquor, back of house and store entrance			
Source: Time & Place; Macroplan			

Figure 1.1
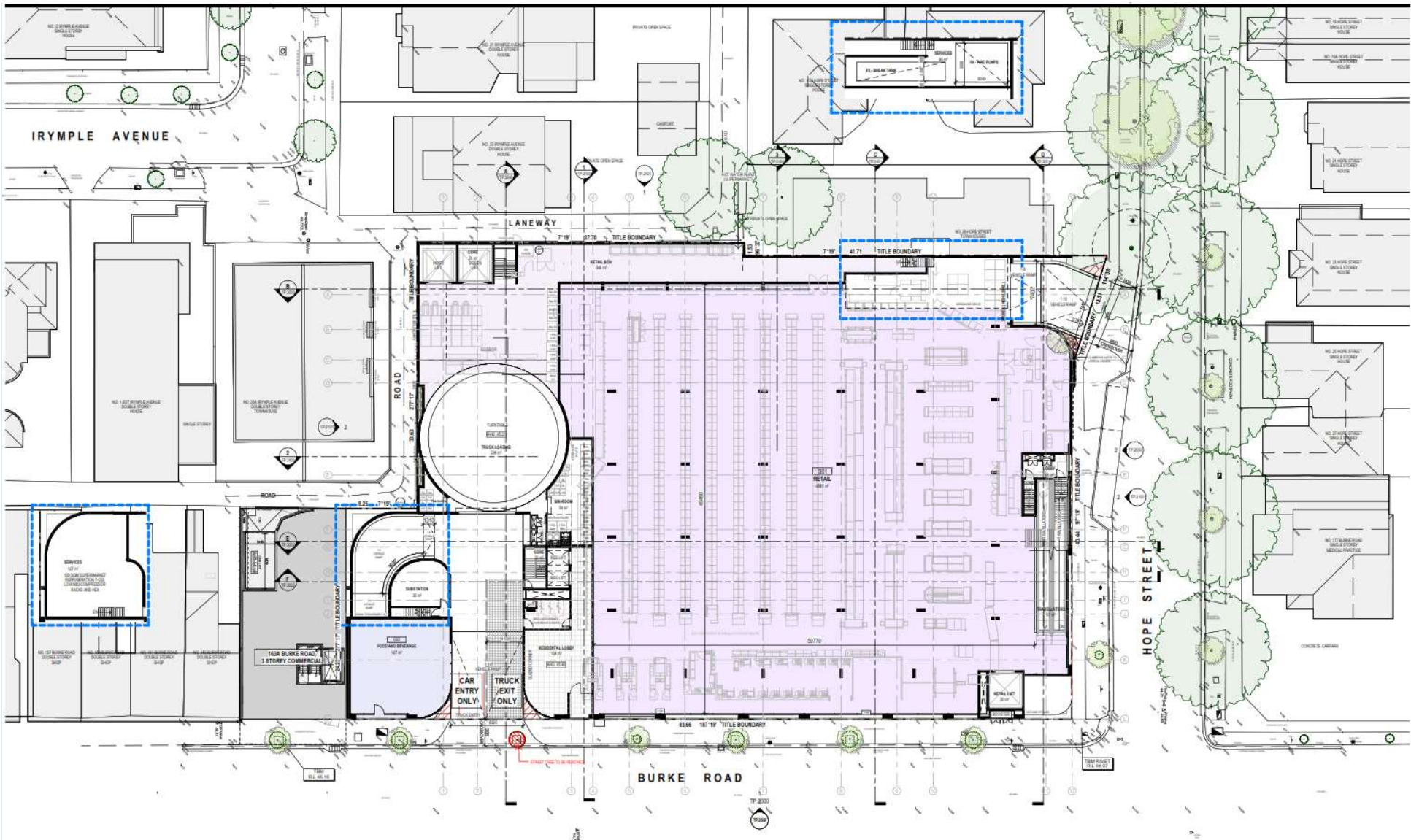
1.3   Planning framework

The City of Stonnington is currently preparing a new Activity Centres Strategy, which was expected to be released in 2021 but is currently still in the draft stage. The current and soon to be superseded Strategy was prepared by a multi-disciplinarian team of consultants in 2016, including Essential Economics, which provided an economic analysis of the Activity Centres in the municipality.

The strategy focussed on 17 Neighbourhood Activity Centres, which typical of inner eastern Melbourne, is renowned for its strip-based retail centres. The centres function as a gathering place for the local community and also serves the daily shopping and convenience-oriented needs of surrounding residents and visitors. The Strategy was underpinned by an analysis of the current and potential future economic performance of each activity centre, but it also addressed issues such as the role of each centres in relation to local employment, housing diversity, the public realm, walkability, access to community services, public transport and environmental design. The Strategy indicates there should be a strong preference for medium and high-density residential development to occur within Neighbourhood Activity Centres sites.

On a broad level, the Strategy notes that retail floorspace was underprovided by 13,000 sq.m in Stonnington's Major Activity Centre and Neighbourhood Activity Centres, including a high level of unmet supermarket floorspace. The Strategy assessed that over the period to 2031 centres within the City of Stonnington "*will require an additional 40,000 sq.m of retail floorspace, at an average rate of +2,000 sq.m per annum*", to keep up with the anticipated population growth in the municipality. The Strategy concludes that where this increase in retail and supermarket floorspace occurs across Stonington, would be most likely dependent on market preferences.

More specifically in reference to the Central Park Village NAC, the Strategy notes that the centre provides close to 3,000 sq.m of retail floorspace across food-catering, non-food specialty retail, services and a small provision of fresh food retailing. Designated as a small neighbourhood centre, Central Park Village currently caters for only the basic retail and service needs of the surrounding population, meaning that local residents also need to travel to other larger centres in order to meet their weekly food and grocery needs.

The vision as outlined in the Strategy for the future development of the NAC is focussed predominantly on improved connections to Central Park and the tram terminus and retention of historic buildings which were built in the 1910's to 1930's. The Strategy also notes that the northern commercial building (i.e. the subject site) is Commercial 1 Zone and, if redeveloped, it should provide "*retail uses at ground floor; residential uses could be located above street level*".

The development of the Woolworths supermarket at the subject site will likely elevate Central Park Village NAC within the Stonnington retail hierarchy, enabling the centre to serve the weekly food, grocery, and convenience-oriented needs of residents in the surrounding area.

Section 2: Trade area analysis

This section of the report provides an analysis of the trade area likely to be served by the proposed Woolworths supermarket at the Central Park Village NAC site, including current and projected population levels, the socio-demographic profile of the catchment population, and the estimated current and future retail expenditure capacity of trade area residents.

2.1 Trade area definition

The extent of the trade area or catchment for any centre is shaped by a number of important factors, which are described as follows:

- The relative attraction of the centre in question as compared with alternative retail facilities. The factors that determine the strength and attraction of any shopping or activity centre are primarily the scale and composition of the centre, in particular the major trader (or traders) that are included within it; the layout, ambience and presentation of the centre; and carparking, including access and ease of use.

- While the strength and appeal of a centre directly impacts on the breadth of customer draw, the proximity and attraction of competitive retail centres serve to restrict a centre's ability to extend its trade area. Thus, the locations, compositions, quality and scale of competitive retail facilities all serve to define the extent of the trade area which the centre in question is effectively able to serve.

- The available road network and public transport service and how they operate to effect ease of use and access to the centre in question are also important factors impacting on its relative attractiveness.

- Significant physical barriers which are difficult to negotiate, or which take considerable time to cross can often act to delineate the boundaries of the trade areas that are able to be served by specific centres.

Taking the above into account, the catchment for Woolworths Central Park Village is influenced, in particular by the following:

- The role and function of the Central Park Village NAC with a supermarket anchor, which will provide a key shopping destination serving the weekly food and grocery needs of residents in the surrounding area, while supported by the existing provision of food catering and convenience-oriented retail.

- The locations of competitive supermarket-based centres in the surrounding area, including Tooronga Village and Home Co. Hawthorn East to the north, Malvern Central and the wider Glenferrie Road shopping strip to the west, Caulfield Plaza to the south, Carnegie Central to the south-east and Woolworths Ashwood to the east.

- The high-profile nature and convenient local accessibility of the subject site, particularly the range of key road and public transport options available.

On this basis, the Woolworths Central Park main trade area has been defined to include a primary sector and four secondary sectors, as illustrated on Map 2.1 and described as follows:

- The **primary sector** encompasses parts of Glen Iris, Malvern East and Malvern and is generally bound by the Glen Waverley train line to the east, Manning Road to the South and Malvern Road to the north.

- The **secondary north sector** contains parts of Glen Iris and is generally bound by Toorak Road to the north, Glen Iris Road to the east, Malvern Road and Valley Parade to the south and burke Road to the west.

- The **secondary east** sector contains the parts of Glen Iris east of the Glen Waverley train line.

- The **secondary south** contains parts of Malvern East and is generally bound by Manning Road to the north, MacGregor Street to the east, Dandenong Road to the south and Tooronga Road to the west.

- The **secondary west** contains parts of Malvern and is generally bound by Malvern Road to the north, Tooronga Road to the east and Dandenong Road to the south.

In combination, the primary and secondary sectors are referred to as the main trade area throughout the remainder of this report.
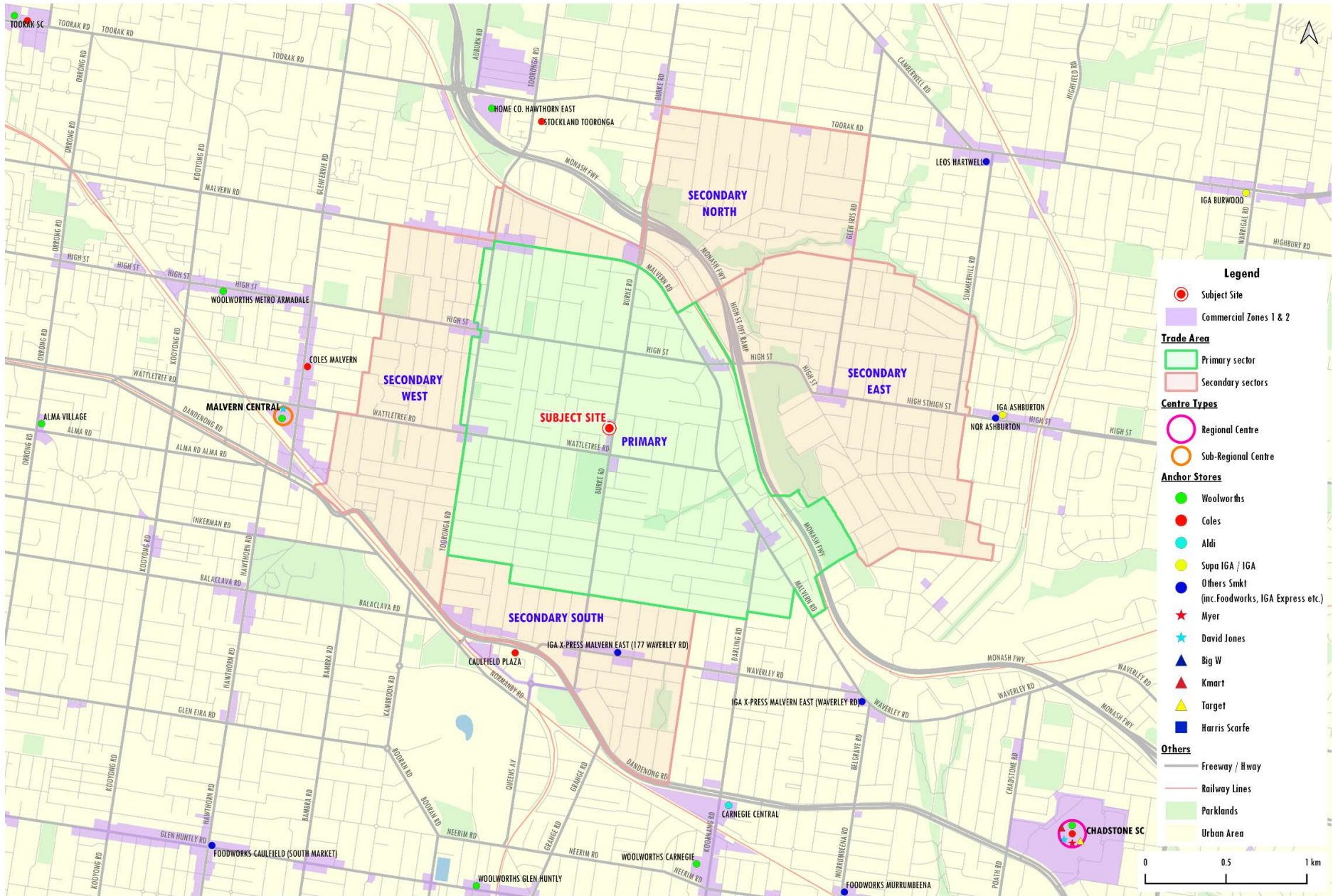
Map 2.1: Woolworths Central Park
Trade area and competition

macroplan

2.2   Trade area population

Table 2.1 details the existing and projected population levels within the defined main trade area. The information has been collected from a range of sources, including the following:

- Australian Bureau of Statistics (ABS) Census of Population and Housing (2016);

- ABS Dwellings Approvals and Estimated Residential Population Data (2017-2019);

- Victoria in Future 2019 population projections prepared by the Victorian Government; and

- Forecast .id population projections prepared for the City of Stonnington (updated December 2022) and the City of Boroondara (updated February 2022).

The main trade area population is estimated at 36,370 at 2025, including over 13,480 within the primary sector. The population is projected to reach over 37,770 at 2031 and 38,720 at 2036, reflecting an average annual growth rate of 0.7% over the forecast period.

The subject development is projected to add close around 55 new residents once completed. Population growth within the primary sector is also expected to be underpinned by a number of urban renewal developments, developed on large blocks and located on key arterials in the surrounding locality. A number of these medium/high density developments to the north of the subject site are nearing completion, including:

- 221 Burke Road Apartments, located at 221 Burke Road, Glen Iris, which contains 11 one, two, three and four-bedroom apartments within a 3-storey building.

- 1707-1709 Malvern Road Dwellings, located at 1707-1709 Malvern Road, Glen Iris, which comprises 8 four-bedroom townhouses.

In the wider area, population growth will be driven by future residential developments such as:

- Galerie Glen Iris Apartments, located at 1538-1540 High Street, Glen Iris, a 3-storey apartment building development comprising 29 two and three-bedroom apartments, which is in the pre-construction phase.

- Avery Apartments, located at 1542-1544 High Street, Glen Iris, a 4-storey apartment building development comprising 27 two and three-bedroom apartments, which has received development approval.

- A residential development comprising 4 townhouses at 32 Paxton Street, Malvern East, which has received building approval.

- 223 Burke Road Apartments, located at 223 Burke Road, Glen Iris, a 3-storey apartment development that comprises 16 apartments, which has received development approval.

- A residential development comprising 6 townhouses at 1443 High Street, Glen Iris, which has received development approval.

- 1445-1447 High Street Apartments, located at 1445-1447 High Street, Glen Iris, a 3-storey apartment development comprising 23 apartments, which has received development approval.

- A residential development comprising 12 townhouses at 1795 & 1797 Malvern Road, Glen Iris, which has received development approval.

- 94 Burke Road Apartments, located at 94 Burke Road, Malvern East, a 3-storey apartment development comprising 11 apartments, which has received development approval.

- 6 & 8 Nash Street Apartments, located at 6 & 8 Nash Street, Glen Iris, a 3-storey apartment development comprising 15 apartments, which has received development application.

- 385-387 Wattletree Road Apartments, located 385-387 Wattletree Road, Malvern East, a 4-storey apartment development comprising 29 apartments, which has received development approval.

Table 2.1 173 Burke Rd, Glen Iris trade area population, 2011-2036*						
	Estimated population			**Projected population**		
Trade area sector	2011	2016	2021	2026	2031	2036
Primary	12,660	13,110	12,680	13,480	14,080	14,530
Secondary sectors						
• East	6,610	6,820	6,820	6,920	7,070	7,170
• North	4,500	4,830	5,160	5,260	5,360	5,410
• West	5,430	5,670	5,240	5,540	5,840	6,040
• South	4,290	5,020	4,920	5,170	5,420	5,570
Total secondary	20,830	22,340	22,140	22,890	23,690	24,190
Main trade area	**33,490**	**35,450**	**34,820**	**36,370**	**37,770**	**38,720**
	Average annual growth (no.)					
Trade area sector			2016-21	2021-26	2026-31	2031-36
Primary			-86	160	120	90
Secondary sectors						
• East			0	20	30	20
• North			66	20	20	10
• West			-86	60	60	40
• South			-20	50	50	30
Total secondary			-40	150	160	0
Main trade area			**-126**	**310**	**280**	**90**
	Average annual growth (%)					
Trade area sector			2016-21	2021-26	2026-31	2031-36
Primary			-0.7%	1.2%	0.9%	0.6%
Secondary sectors						
• East			0.0%	0.3%	0.4%	0.3%
• North			1.3%	0.4%	0.4%	0.2%
• West			-1.6%	1.1%	1.1%	0.7%
• South			-0.4%	1.0%	0.9%	0.5%
Total secondary			-0.2%	0.7%	0.7%	0.4%
Main trade area			**-0.4%**	**0.9%**	**0.8%**	**0.5%**
*As at June Source: ABS Census 2021; Victoria In Future 2019; Forecast.id; Macroplan						

2.3 Socio-demographic profile

The following Table 2.2 and Chart 2.1 detail the socio-demographic profile of the trade area population and compares these metrics to the metropolitan Melbourne and national averages. These statistics are sourced from the 2021 Census of Population and Housing, with the key points to note are summarised as follows:
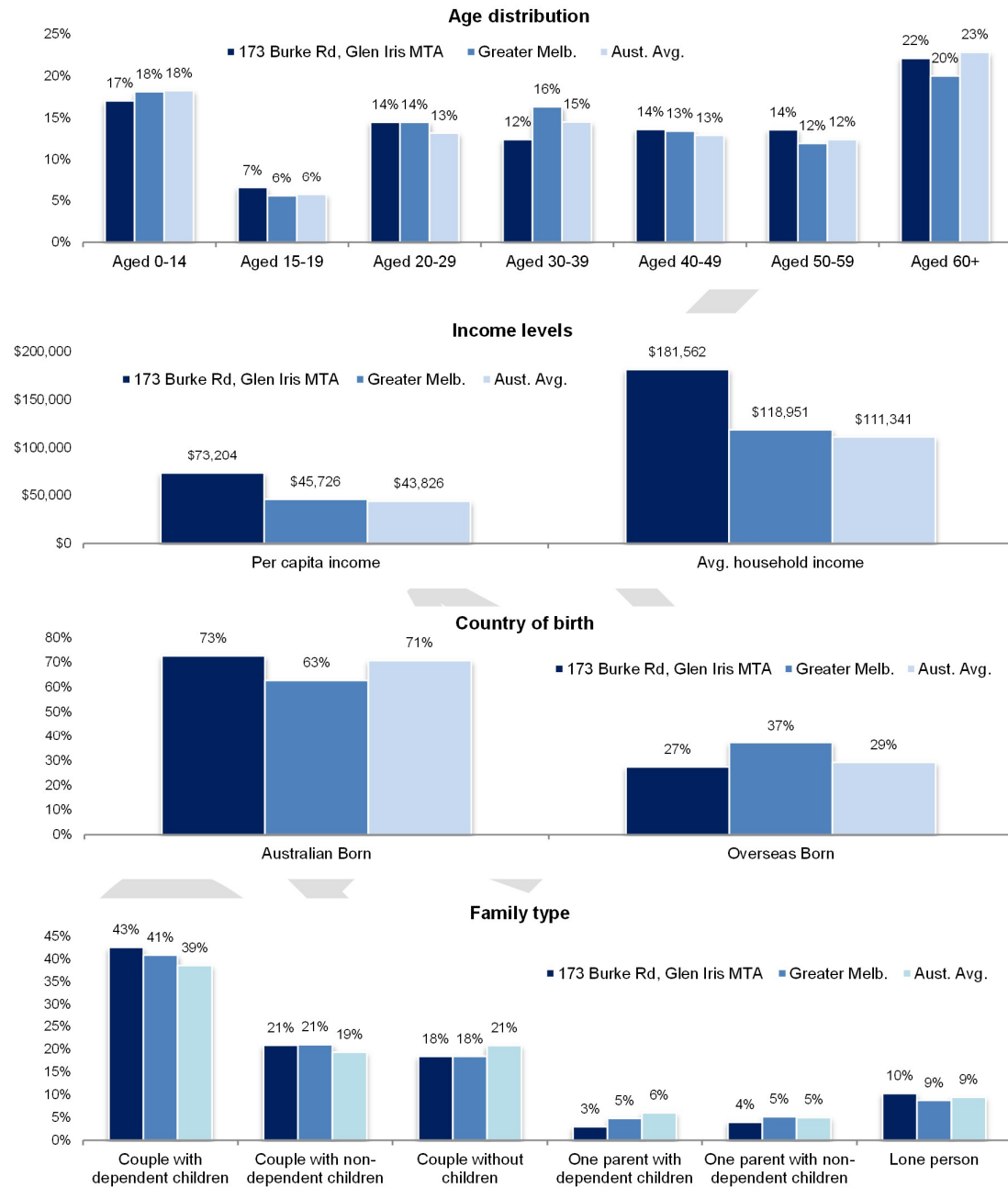
- Per capita income levels are 60.1% above the metropolitan Melbourne average, highlighting the affluence of the area.

- The age distribution of the trade area population is comparable to the Melbourne average by age bracket, with the slightly more residents over 40 years vs. the Melbourne average.

- The percentage of households who own their homes, at 69.4%, is slightly above the metropolitan Melbourne average of 66.6%. A deeper analysis shows that outright ownership is above average (at 37.1%), which is counter-weighed by a below average representation of ownership with a mortgage (32.3%). The above average representation of renters, which is particularly evident in the secondary south sector likely points to sizable student population living in the area surrounding the Monash University Caulfield campus.

- Australian born residents account for 72.6% of the trade area population, which is above the metropolitan Melbourne average of 62.7%, which typifies the established nature of the area.

- The main trade area contains a high proportion of traditional families (i.e. households comprising couples with dependent children), estimated at over 42.6% of households, which is above the metropolitan Melbourne average of 40.9%.

The socio-demographic profile of the trade area is representative of an established inner eastern suburb of Melbourne, characterised by high incomes, while accommodating a diverse mix of residents across varying life stages, such as students, families and retirees.

Table 2.2								
173 Burke Rd, Glen Iris main trade area - socio-demographic profile, 2021								
	Primary		**Secondary sectors**			**Main**	**Greater Melb.**	**Australia**
Census item	**sector**	East	North	West	South	**TA**	**avg.**	**avg.**
Per capita income	$74,088	$74,010	$71,900	$78,349	$64,200	$73,204	$45,726	$43,826
Var. from Greater Melb.	*62.0%*	*61.9%*	*57.2%*	*71.3%*	*40.4%*	*60.1%*		
Avg. household income	$181,715	$208,843	$175,976	$187,898	$146,238	$181,562	$118,951	$111,341
Var. from Greater Melb.	*52.8%*	*75.6%*	*47.9%*	*58.0%*	*22.9%*	*52.6%*		
Avg. household size	2.5	2.8	2.4	2.4	2.3	2.5	2.6	2.5
Age distribution (% of population)								
Aged 0-14	16.2%	19.8%	16.9%	17.7%	14.7%	17.0%	18.1%	18.3%
Aged 15-19	6.8%	7.6%	6.0%	6.3%	5.4%	6.6%	5.6%	5.7%
Aged 20-29	13.2%	10.4%	14.6%	12.8%	25.0%	14.5%	14.5%	13.2%
Aged 30-39	11.8%	9.3%	14.4%	13.0%	15.4%	12.4%	16.3%	14.5%
Aged 40-49	13.0%	15.0%	14.8%	13.9%	11.6%	13.6%	13.4%	12.9%
Aged 50-59	14.0%	14.9%	13.2%	13.7%	10.8%	13.6%	11.9%	12.4%
Aged 60+	25.0%	22.9%	19.6%	22.4%	15.9%	22.1%	20.0%	22.8%
Average age	41.6	42.0	38.7	40.2	32.9	39.8	37.2	38.8
Housing status (% of households)								
Owner (total)	72.1%	80.9%	66.4%	69.8%	52.5%	69.4%	66.6%	65.1%
• Owner (outright)	39.9%	42.9%	33.5%	39.1%	25.5%	37.1%	29.7%	30.6%
• Owner (with mortgage)	32.2%	37.9%	33.0%	30.7%	27.0%	32.3%	37.0%	34.5%
Renter	26.8%	18.0%	31.8%	29.2%	46.3%	29.4%	30.1%	30.3%
Birthplace (% of population)								
Australian born	74.6%	75.6%	69.2%	76.8%	62.7%	72.6%	62.7%	70.8%
Overseas born	25.4%	24.4%	30.8%	23.2%	37.3%	27.4%	37.3%	29.2%
• Asia	11.4%	11.5%	16.3%	8.5%	23.4%	13.4%	19.4%	12.7%
• Europe	4.9%	3.6%	4.3%	4.9%	4.7%	4.6%	6.2%	4.2%
• Other	9.1%	9.2%	10.1%	9.8%	9.2%	9.4%	11.6%	12.4%
Family type (% of population)								
Couple w dep't child.	42.1%	46.1%	43.5%	42.2%	39.2%	42.6%	40.9%	38.6%
Couple w non-dep't child.	20.9%	25.9%	19.2%	19.9%	17.4%	20.8%	21.0%	19.3%
Couple without child.	18.7%	16.1%	18.7%	18.4%	19.9%	18.4%	18.4%	20.8%
One parent w dep't child.	2.8%	2.7%	3.2%	2.7%	3.5%	2.9%	4.8%	6.0%
One parent w non-dep't	4.0%	3.3%	4.2%	4.4%	3.8%	3.9%	5.2%	5.0%
Lone person	10.3%	5.4%	10.2%	11.5%	14.8%	10.3%	8.8%	9.4%
Source: ABS Census of Population & Housing 2021; Macroplan								

Chart 2.1

173 Burke Rd, Glen Iris main trade area - socio-demographic profile, 2021

Age distribution

■ 173 Burke Rd, Glen Iris MTA ■ Greater Melb. ■ Aust. Avg.

	Aged 0-14	Aged 15-19	Aged 20-29	Aged 30-39	Aged 40-49	Aged 50-59	Aged 60+
173 Burke Rd MTA	17%	7%	14%	12%	14%	14%	22%
Greater Melb.	18%	6%	14%	16%	13%	12%	20%
Aust. Avg.	18%	6%	13%	15%	13%	12%	23%

Income levels

■ 173 Burke Rd, Glen Iris MTA ■ Greater Melb. ■ Aust. Avg.

	Per capita income	Avg. household income
173 Burke Rd, Glen Iris MTA	$73,204	$181,562
Greater Melb.	$45,726	$118,951
Aust. Avg.	$43,826	$111,341

Country of birth

■ 173 Burke Rd, Glen Iris MTA ■ Greater Melb. ■ Aust. Avg.

	Australian Born	Overseas Born
173 Burke Rd, Glen Iris MTA	73%	27%
Greater Melb.	63%	37%
Aust. Avg.	71%	29%

Family type

■ 173 Burke Rd, Glen Iris MTA ■ Greater Melb. ■ Aust. Avg.

	Couple with dependent children	Couple with non-dependent children	Couple without children	One parent with dependent children	One parent with non-dependent children	Lone person
173 Burke Rd, Glen Iris MTA	43%	21%	18%	3%	4%	10%
Greater Melb.	41%	21%	18%	5%	5%	9%
Aust. Avg.	39%	19%	21%	6%	5%	9%

Source: ABS Census of Population & Housing 2021; Macroplan

2.4   Retail expenditure

Macroplan estimates retail expenditure capacity generated by trade area residents based on information sourced from Market Data Systems (MDS), which utilises the detailed micro-simulation model of household expenditure behaviour for all residents of Australia. The model takes into account information from a wide variety of sources, including the regular ABS Household Expenditure Survey, National Accounts Data, Census Data and other information.

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

- Take-home food and groceries – goods typically sold in supermarkets and specialty fresh food stores;

- Packaged liquor – packaged beer, wine and spirits such as those purchased at bottle-shops and liquor outlets. The combination of take-home food and groceries and packaged liquor is referred to as FLG expenditure;

- Food catering – cafes, take-away outlets and restaurants;

- Apparel – clothing, footwear, fashion and accessories;

- Household Goods – giftware, electrical, computers, furniture and homewares;

- Leisure – sporting goods, games, books, stationary items, newspapers and magazines;

- General Retail – pharmaceutical goods, cosmetics, toys, florists, mobile phones; and

- Retail Services – key cutting, shoe repairs, hair and beauty.

Chart 2.2 illustrates the estimated per capita retail expenditure levels for the main trade area population, benchmarked against the respective Melbourne metropolitan and Australian national averages.

Total per capita retail expenditure for main trade area residents is estimated at $20,280, 24.2% above the Melbourne metropolitan average. Expenditure one food items are estimated to be 14.7% above, while expenditure on non-food items is estimated at 36.3% above the metropolitan Melbourne average.

Chart 2.2

173 Burke Rd, Glen Iris main trade area - retail expenditure per person, 2022/2023*

*Including GST
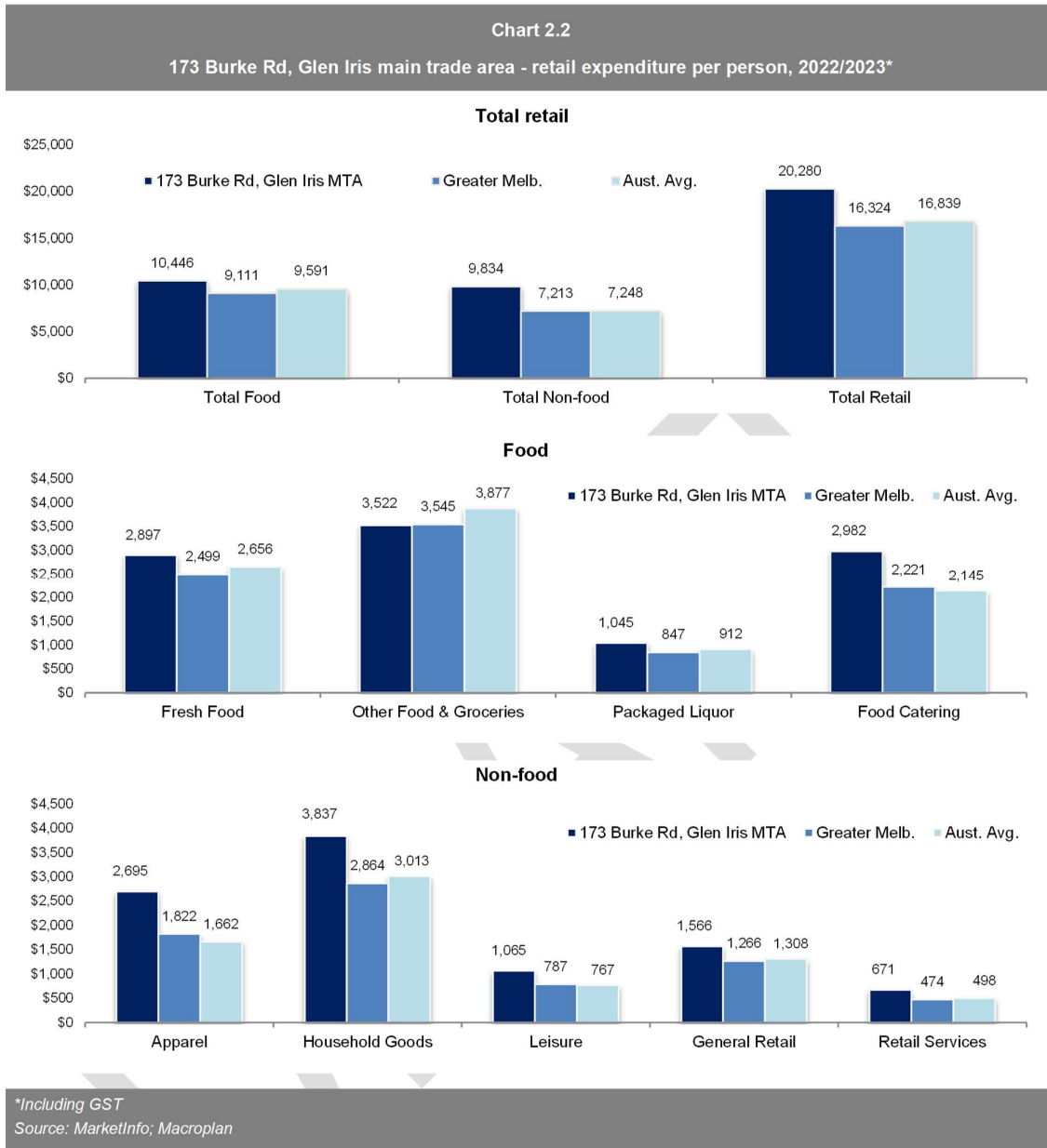Source: MarketInfo; Macroplan*

Table 2.3 presents projections of the retail expenditure capacity for trade area population. Retail spending is expected to increase from an estimated $722 million currently to $855 million by 2036, reflecting average annual growth of 1.3%. All spending forecasts in this report are expressed in constant dollars (i.e. excluding inflation) and including GST.

The average annual growth rate generated by the main trade area over the forecast period consists of the following two elements:

• Average population growth of 0.6% per annum; and

• Real retail expenditure growth of 0.7% per annum.

Table 2.3
173 Burke Rd, Glen Iris main trade area - retail expenditure ($M), 2023-2036*

Year ending June	**Primary sectors**	East	**Secondary sectors** North	West	South	**Total Secondary**	**Main TA**
2023	270	140	104	111	96	451	722
2024	276	141	105	113	98	457	733
2025	281	143	107	115	99	464	744
2026	286	144	108	117	101	470	756
2027	288	145	108	118	102	473	761
2028	292	147	110	120	103	480	772
2029	297	148	111	122	105	486	783
2030	301	150	112	124	107	493	794
2031	306	152	113	126	108	499	805
2032	310	153	114	128	110	506	816
2033	314	155	115	130	111	511	826
2034	319	156	116	132	113	517	835
2035	323	158	117	133	114	523	845
2036	327	159	118	135	116	528	855
Average annual growth ($M)							
2023-2036	4.3	1.5	1.1	1.9	1.5	5.9	10.3
Average annual growth (%)							
2023-2036	1.5%	1.0%	1.0%	1.5%	1.4%	1.2%	1.3%

Constant 2022/23 dollars & including GST
Source: MarketInfo; Macroplan

Table 2.4 details the retail expenditure capacity of the main trade area population by broad retail category over the forecast period. Spending on food, liquor and groceries (FLG), which is the main retail expenditure category for supermarkets, is projected to grow from an estimated $99 million at 2023 to $122 million at 2036, reflecting an average annual growth rate of 1.6% per annum over the forecast period.

Table 2.4								
173 Burke Rd, Glen Iris primary sector - retail expenditure by category ($M), 2023-2036*								
Year ending June	FLG	Food catering	Apparel	Household goods	Leisure	General retail	Retail services	**Total retail**
2023	99	40	36	50	14	21	9	270
2024	101	41	37	51	15	21	9	276
2025	103	42	38	52	15	22	9	281
2026	105	43	38	53	15	22	10	286
2027	106	44	38	53	15	22	10	288
2028	108	44	39	54	15	22	10	292
2029	110	45	39	55	15	23	10	297
2030	111	46	40	55	16	23	10	301
2031	113	47	40	56	16	23	10	306
2032	115	48	40	57	16	24	10	310
2033	117	49	41	57	16	24	11	314
2034	118	50	41	58	16	24	11	319
2035	120	51	42	59	17	24	11	323
2036	122	51	42	59	17	25	11	327
Average annual growth ($M)								
2023-2036	1.7	0.9	0.4	0.7	0.2	0.3	0.1	4.3
Average annual growth (%)								
2023-2036	1.6%	1.9%	1.1%	1.3%	1.2%	1.3%	1.5%	1.5%

*Constant 2022/23 dollars & including GST
Source: MarketInfo; Macroplan

Retail expenditure category definitions:

- FLG: take-home food and groceries, as well as packaged liquor.

- Food catering: expenditure at cafes, take-away food outlets and restaurants.

- Apparel: clothing, footwear, fashion accessories and jewellery.

- Household goods: giftware, electrical, computers, furniture, homewares and hardware goods.

- Leisure: sporting goods, music, games, books, newspapers & magazines, stationery and photography equipment.

- General retail: pharmaceutical goods, cosmetics, toys, florists, mobile phones and pets.

- Retail services: hair & beauty, optical goods, dry cleaning, key cutting and shoe repairs.

Section 3: Competition

This section of the report presents a summary of the competitive context in which the proposed Woolworths Central Park will operate. Table 3.1 details the provision of competitive retail facilities within and surrounding the main trade area defined for the proposed Woolworths supermarket.

Centre	Retail GLA (sq.m)	Major traders	Dist. by road from 173 Burke Rd, Glen Iris (km)
Table 3.1			
173 Burke Rd, Glen Iris - schedule of major retail facilities			
Within trade area			
Glen iris Village	1,100		1.0
Malvern road/Burke road	500		1.0
Wattletree Village	1,300		1.1
Darling Village	1,800		1.3
High on Tooronga	5,100		1.4
East Malvern Terminus	3,500		2.3
Beyond trade area			
Malvern Village	11,200		2.0
Caulfield Plaza	4,310	Coles (3,150)	2.0
Glennferrie Rd AC	42,500		
- Coles Malvern	3,500	Coles (3,500)	2.0
- Malvern Central	15,400	David Jone (7,280), Woolworths (3,350)	2.2
- Other	23,600		-
East Malvern Village	2,300		2.4
Carnegie Central	11,500	Woolworths (4,150), Aldi (1,700), Spotlight	2.9
Tooronga Village	9,000	Coles (4,140)	2.8
Home Co.	11,500	Woolworths (3,600)	3.2
Woolworths Ashwood	3,850	Woolworths (3,850)	4.4
Chadstone SC	190,000	Myer, David Jones, Kmart, Target, Woolworths (4,000), Coles (4,200), Aldi (1,400)	4.7
Caulfield Village	6,000	Coles (3,800)	2.2

Source: Property Council of Australia; Cordells; Macroplan

There is a distinct lack of supermarket facilities within the local area, as well as throughout the main catchment which generally extends by some 2 km from the subject site. The locality is dominated by small strip based centres, the location of which are illustrated on Map 2.1. These centres are composed of mainly takeaway food tenants and cafés, while also providing an ad hoc provision of convenience-oriented specialties, often at varying degrees of quality.

While these centres serve the everyday top-up needs of residents in its respective catchments, despite their designation as neighbourhood activity centres, the lack of a supermarket anchor means that there is a clear lack of supermarket facilities to adequately serve the weekly food and grocery needs of surrounding residents at the local level.

The most relevant enclosed shopping centre/strips beyond the trade area, which are likely to bear a competitive influence on a supermarket development at Central Park Village, are summarised as follows, with their locations illustrated on the previous Map 2.1:

- **Caulfield Plaza** is located on the southern side of Dandenong Road and possesses frontages to both Dandenong Road and Sir John Monash Drive. Generally dated and poorly presented, the centre is anchored by a Coles supermarket of 3,100 sq.m and supported by approximately 1,200 sq.m of specialty floorspace (which includes a pharmacy, an Asian grocery store, a bakery, a café/take away store, an Indian take away restaurant, a Chinese restaurant, and a hairdresser). A number of popular takeaway food tenancies surrounds the centre along Sir Monash Drive, which serves the sizable adjacent student population, as well as the wider area in the evening peak period, particularly through delivery platforms such as Ubereats, Menulog and Doordash.

- **Caulfield Village**, located a short distance from Caulfield Plaza, is multi-staged high-density residential development which is planned to encompass a neighbourhood centre anchored a full-line Coles supermarket.

- **Malvern** Central a small higher-order centre located 2.2 km west subject site and is anchored by a small-format David Jones department store and a Woolworths supermarket. A revamped David Jones introduced an upmarket food hall featuring a range of premium offerings in 2018.

- A freestanding Coles supermarket of approximately 3,500 sq.m is located a short distance north of Malvern Central, within the **Glenferrie Road Activity Centre,** a thriving strip centre, which provides an extensive provision of convenience-oriented retail, food and beverage operators (including takeaway food, cafes, boutique bakeries and a number of well-reviewed and popular restaurants), retail services and some independent discretionary non-food specialties across apparel and homewares. The concentration of food retailers between High Street and Union Street is high, while the block to the south between Union Street and Wattletree Road is tenanted by apparel, homewares and other non-food uses. Further south to the rail line is the less vibrant part of the strip with a combination of gyms, medical, food and non-food uses. Along Station Street the retail uses cater to the nearby residents and people frequenting Malvern Station.

- **Carnegie Central** is located is almost 3 km south-east of the subject site and is anchored by Woolworths and Aldi supermarkets, as well as a Spotlight outlet. The anchors account for the majority of the floorspace within the centre, which contains a limited provision of fresh food and food catering specialty retail. The centre contains a very A smaller Woolworths supermarket of approximately 2,100 sq.m is located a short distance south of the centre, behind the Koornang Road retail strip, which is a popular destination for Korean, Japanese and Chinese food in region.

- The site of the Coles corporate headquarters, **Tooronga Village**, is anchored by one of the strongest performing Coles supermarkets in its network, which is partly attributed to serving the sizable corporate workforce. In addition to a First Choice Liquor outlet, the centre contains a wide provision of approximately 30 convenience-oriented and food-catering specialties.

- A short distance to the west near the intersection of Toorak Road and Malvern Road, **HomeCo**. Hawthorn East opened December 2019, with the ownership group redeveloping 30 former Masters Hardware sites it acquired

after the collapse of the short-lived venture. The centre encompasses 11,500 sq.m of floorspace and contains the latest Woolworths and Dan Murphy's store concepts, as well as outlets for Anaconda, Chemist Warehouse and Costi's Seafood.

- **Woolworths Ashwood**, which is a free-standing supermarket located near the intersection of Warrigal Road and High St Road. The supermarket is likely over-trading, serving a substantial and well-defined trade area which contains the eastern parts of Glen Iris, Ashburton and Ashwood.

Some of the higher order and non-food discretionary needs of the main trade area is likely served by Chadstone SC, which is the largest regional shopping centre in Melbourne and is anchored by a comprehensive range of department store (Myer, David Jones), discount department store (Target, Kmart) and supermarket anchors (Woolworths, Coles, Aldi). The centre possesses a destinational draw and features one of two luxury fashion precincts in Melbourne. Its latest completed redevelopment revamped the entertainment offer at the centre, introducing a new format Hoyts cinema and Lego Playland, as well as a remixed and expanded food and beverage/dining precinct.

Section 4: Retail floorspace demand

This section of the report outlines the expected demand for retail floorspace generated by the main trade area population and then assesses the sales potential for the proposed Woolworths supermarket.

4.1   Retail floorspace demand

Modelling retail demand for a given area or centre can be imprecise and depends on a range of factors. Therefore, the floorspace demand analysis presented in this sub-section should be viewed as indicative.

Table 4.1 details the total estimated retail floorspace demand generated by residents in the main trade area. This retail floorspace demand would be served by retail facilities supermarket facilities located just beyond the trade area, including competitive retail centres such as Caulfield Plaza, Carnegie Central, Tooronga Village, Malvern Central and Woolworths Ashburton. The higher-order discretionary needs of the trade area population are likely to be served by centres such as Chadstone SC and retail strip such as Chapel Street, both of which encompasses a wide-ranging regional draw, as well as the Melbourne CBD.

The retail floorspace demand figures are calculated by applying an average Retail Turnover Density (RTD) to the estimated available retail sales volume by category. The RTD is simply the level of sales per sq.m which retailers in each category typically achieve, with consideration given the retail context of the subject site. Consequently, adopted RTD levels are the highest for food, liquor & groceries (FLG) retailers, estimated to average $11,500 per sq.m, and average $7,610 per sq.m for overall retail expenditure.

Analysis of Table 4.1 illustrates that the retail floorspace demand of trade area residents will increase by more than 9,740 sq.m over the forecast period, including 2,958 sqm for FLG, the main key expenditure category for supermarkets. Consequently, our analysis shows that based on the growth in the FLG expenditure of the trade area population to 2036, a further full-scale supermarket could be supported. This would be in addition to any unmet demand for supermarket floorspace in the trade area.

| Table 4.1 | | | | | | | | | |
| 173 Burke Rd, Glen Iris main trade area - Estimated retail floorspace demand (sq.m), 2023-2036 | | | | | | | | | |
Year ending June	FLG	Food catering	Total food	Apparel	H'hold goods	Leisure	General retail	Retail services	Total non-food	Total retail
2023	23,102	12,945	**36,050**	17,441	24,832	5,575	7,336	3,616	**58,800**	**94,850**
2024	23,373	13,138	**36,510**	17,558	25,047	5,619	7,399	3,655	**59,280**	**95,790**
2025	23,646	13,332	**36,980**	17,675	25,263	5,662	7,462	3,695	**59,760**	**96,740**
2026	23,920	13,528	**37,450**	17,791	25,479	5,705	7,526	3,734	**60,230**	**97,680**
2027	23,981	13,603	**37,580**	17,748	25,468	5,697	7,522	3,740	**60,180**	**97,760**
2028	24,237	13,790	**38,030**	17,849	25,663	5,735	7,580	3,776	**60,600**	**98,630**
2029	24,494	13,979	**38,470**	17,949	25,858	5,773	7,637	3,812	**61,030**	**99,500**
2030	24,753	14,170	**38,920**	18,048	26,053	5,811	7,694	3,849	**61,460**	**100,380**
2031	25,013	14,362	**39,370**	18,147	26,248	5,848	7,751	3,886	**61,880**	**101,250**
2032	25,244	14,539	**39,780**	18,224	26,412	5,879	7,799	3,918	**62,230**	**102,010**
2033	25,446	14,700	**40,150**	18,280	26,545	5,903	7,838	3,946	**62,510**	**102,660**
2034	25,650	14,862	**40,510**	18,335	26,677	5,927	7,877	3,973	**62,790**	**103,300**
2035	25,854	15,026	**40,880**	18,389	26,810	5,950	7,916	4,001	**63,070**	**103,950**
2036	26,060	15,191	**41,250**	18,444	26,943	5,974	7,955	4,029	**63,340**	**104,590**
2023-2036	3,164	2,413	**5,570**	1,057	2,243	422	658	441	**4,820**	**10,390**
RTD*	11,500	8,200	**10,300**	5,500	5,500	6,800	7,600	6,600	**6,000**	**7,600**

*Retail Turnover Density - Turnover ($) per sq.m in 2023, growth assumed at 0.5% p.a
Source: MarketInfo; Macroplan

It is highlighted that while our analysis models the expected growth in retail and in particular supermarket floorspace demand from to 2036, it is considered that the area is already undersupplied in supermarket floorspace at 2023. The 2016 City of Stonnington Activity Centres Strategy showed, based on analysis undertaken by Hill PDA in *The City of Stonnington Activity Areas Economic Analysis (2013)*, that the municipality was currently undersupplied by 13,000 sqm of retail floorspace in its Major and Neighbourhood Activity Centres, "*including a high level of unmet demand for supermarket floorspace (equivalent to three full-line supermarkets)*".

4.2 Floorspace demand retained

The level of food, liquor and grocery (FLG) expenditure which can be reasonably captured by a Woolworths supermarket at the Central Village site will depend on its ease of accessibility, the offer provided, its convenience, and the retail offer of competing centres.

In the primary sector, Woolworths Central Park is estimated to capture 33.0% of FLG expenditure generated by the population, highlighting on one hand, the locational advantages and proximity of the development to these residents, while on the other, reflecting that some resident will continue to shop at competing centres whether out of preference of certain supermarket brands and/or familiarity. This is considered a relatively conservative figure.

It is estimated that the subject development could retain around 5% of FLG expenditure generated in the secondary sectors. The proximity of these residents to competing centres who possess strong incumbent supermarket anchors constrains the ability of the Woolworths Central Park to draw strong market shares from these sectors. For the secondary west sector, trade is limited by Malvern Central and the wider Glenferrie Road Activity Centre,

which in combination, possesses both major supermarket operators. This is similarly echoed for residents of the secondary north sector, with the subject development likely sharing supermarket expenditure with the dual offer of Tooronga Village and Home Co. Hawthorn East. Furthermore, Carnegie Central and the Kooyong retail strip limits the ability of the subject development to capture substantial expenditure from the south east. In the secondary east sector, Woolworths Central Park Village is likely to share what is traditionally a clearly defined catchment for Woolworths Ashwood between the Monash Freeway and Warrigal Road.

Table 4.2 illustrates the level of retained floorspace, based on the percentage capture of FLG expenditure in each sector. Our analysis shows at these rates, average retention across the main trade area is estimated at 18.2%, which could reasonably support between 4,396 sqm to 4,999 sqm of FLG/supermarket floorspace over the period to 2036. The modest planned food catering provision at the subject site is estimated to retain 1.8% of main trade area expenditure in this category, with supportable floorspace estimated at up to 259 sq.m by 2026.

The proposed development of a Woolworths supermarket anchored retail provision at the Central Park Village site is, therefore, considered easily supportable by the trade area population. It is reiterated that the market shares adopted are considered conservative, showing the high level of unmet demand at the local level.

This point is further illustrated by the population base of the trade area. The population of just the primary sector is estimated at 12,680 at 2021. Across metropolitan Melbourne a population of between 8,000 – 10,000 residents in its core catchment to be considered an adequate level to support a full-scale supermarket. This is reflective of the undersupply of supermarket floorspace in the surrounding area and demonstrates the clear economic potential for a major supermarket at the subject site.

Table 4.2			
173 Burke Rd, Glen Iris - indicative supportable floorspace by category (sq.m), 2023-2036			
Year ending June	FLG	Food catering	**Total retail**
<u>% retail expenditure retained</u>			
Primary	33.0%	3.3%	**9.0%**
Secondary	<u>9.2%</u>	<u>0.9%</u>	<u>**3.1%**</u>
Main TA	**18.2%**	**1.8%**	**5.4%**
2023	4,396	247	**5,290**
2024	4,454	251	**5,360**
2025	4,512	255	**5,430**
2026	4,571	259	**5,500**
2027	4,580	260	**5,510**
2028	4,631	264	**5,560**
2029	4,682	268	**5,630**
2030	4,733	271	**5,690**
2031	4,785	275	**5,750**
2032	4,831	279	**5,810**
2033	4,873	282	**5,850**
2034	4,915	285	**5,910**
2035	4,957	289	**5,960**
2036	4,999	292	**6,000**
2023-2036	688	52	**815**
RTD*	11,500	8,200	**10,800**
Retail Turnover Density - Turnover ($) per sq.m in 2023, growth assumed at 0.5% p.a *Source: MarketInfo; Macroplan*			

4.3   Sales potential

In order to be able to consider the question of potential economic benefits and impacts that might arise from the development of the subject site, the first step is to quantify the level of sales which the offering can reasonably expect to achieve. For the purposes of this assessment, the first full year of trade is assumed to be financial year 2026.

The key considerations for estimating the sales potential of the proposed development include the following:

- The location of the subject site near the intersection of two key traffic routes in the area in Burke Road and Wattletree Road, as well as the proximity to Central Park, a key community hub, means the site is well-placed to convenient serve the supermarket needs of the population in the surrounding local area.

- The offer and retail pull of a full-scale Woolworths supermarket

- The size of the supermarket, which is planned to be 3,548 sq.m (GLA).

- The available population within the main trade area defined for the subject site, which is estimated at a substantial 36,370 at 2026, before growing incrementally, at an average annual rate of 0.8% to reach 38,720 by 2031.

The likely sales potential for the proposed development is now considered, taking into account the above factors. The key points taken into consideration when assessing the sales potential are as follows:

- Supermarkets generate almost all of their sales from the take-home food, grocery and packaged liquor (FLG) retail expenditure category, as detailed in Section 3 of this report. The primary sector population will provide the majority of the sales for the proposed supermarket at the subject site.

- Typically, Australians direct around 65% – 75% of food and grocery spending to supermarkets and major foodstores (i.e. grocery stores greater than 500 sq.m). This ratio can vary from location to location and is dependent upon the provision of supermarkets and foodstores within the particular area or region, as well as the socio-demographic profile of the population. The likely share directed to supermarkets is expected to be at the lower end of this range for the Woolworths Central Park trade area population as there is a higher provision of fresh food options, such as major food markets and a comparatively larger provision of fresh food specialties in the surrounding region, increasing the available facilities in which FLG needs can be met

- There are currently only no major supermarkets operating in the main trade area, and there is a clear supply gap in the area surrounding the subject site. The analysis of FLG floorspace expenditure which can be reasonably retained by a supermarket at the subject site provided in the preceding sub-section shows that a full-scale supermarket can be supported over the forecast period.

The estimation of sales potential for the proposed supermarket-anchored facility firstly considers the size of market expenditure. The typical proportion of this expenditure directed to supermarkets is then assessed. Finally, the market shares of this retail expenditure are estimated for each sector of the main trade area, while there is an allowance for some business to be captured from beyond the trade area.

Tables 4.3 details the sales potential and growth outlook of the subject site over the forecast period to 2036. The Woolworths supermarket is projected to achieve sales of $45.8 million in 2026 (in its first assumed full year of trade) reflecting a sales productivity level of around $12,908 per sq.m. Over the forecast period, sales are projected to grow at an average annual rate of 1.2% and reach $51.6 million in 2036.

Table 4.3 173 Burke Rd, Glen Iris sales potential, 2026-2036 ($M)*			
Year ending June	Supermarket	Food catering	**Total**
2026	45.8	1.1	**46.9**
2027	46.0	1.1	**47.1**
2028	46.7	1.1	**47.8**
2029	47.3	1.1	**48.4**
2030	48.0	1.1	**49.1**
2031	48.7	1.1	**49.8**
2032	49.3	1.1	**50.4**
2033	49.9	1.2	**51.0**
2034	50.4	1.2	**51.6**
2035	51.0	1.2	**52.2**
2036	51.6	1.2	**52.8**
GLA (sq.m)	**3,548**	**127**	**3,675**
Avg. ann. growth, 2026-2036	**1.2%**	**1.2%**	**1.2%**
Constant 2022/23 dollars & including GST Source: Macroplan			

Section 5: Economic Benefits & Impacts Assessment

This section provides a high-level economic impact assessment in relation to the proposed development, with the following key economic indicators assessed:

- Construction output;

- Construction employment;

- Operational employment;

- Operational Output; and

- Wider economic benefits.

5.1 Construction Output

The initial construction investment of approximately **$80.0 million** for the proposed development will translate into a first round of benefits, realised as increased construction output and employment during the construction phase.

Output multipliers derived from the ABS Input-Output tables are used for estimating potential economic output of the proposed development within the construction sector. Output multipliers indicate every $1 of construction investment is likely to generate another approximately $1.3 production induced indirect economic output during the construction phase.

The production induced impacts include the amount of output required within other industries throughout the economy to support the initial construction investment. This may include the follows:

- Manufacturing (e.g. building material manufacturing),

- Professional, scientific and technical services (e.g. professional / technical services in planning, design and other services),

- Financial and insurance services (e.g. project financing services),

- Transport, postal and warehousing (e.g. storing and transporting building materials),

- Wholesale trade (e.g. building materials trade),

- Rental, hiring and real estate services,

- Administrative and support services (e.g. government / Council's support services, development assessment and approvals), and

- Other industries.

Based on output multipliers, the initial construction investment of **$80.0 million** for the proposed development is likely to generate an additional **$102.1 million** indirect construction output elsewhere in the wider economy, totalling **$182.1 million** construction output (including direct and indirect) to the economy during the construction phase.

It is noted that the I-O multipliers have been adjusted based on location quotients by industry for Victoria. If building materials and services are sourced locally, it is expected that a large share of this construction output can be captured locally in metropolitan Melbourne and Victoria.

Table 5.1 Estimated Construction Output		
Direct Output ($M)	Indirect Output ($M)	Total Output ($M)
$80.0 M	$102.1 M	**$182.1 M**
Source: ABS, Cera Stribley, Macroplan (2023)		

5.2   Construction Employment

The construction of the proposed facility will also create a significant number of onsite and supporting employment during the construction phase.

Employment multipliers from the ABS Input-Output tables are used for estimating potential employment effects of the proposed facility during construction phase. Employment multipliers for the construction sector indicate an initial impact at approximately 2.3 construction jobs created per $1 million of investment; plus another 3.2 production induced indirect jobs elsewhere in the economy during the construction phase. All jobs reported in the ABS I-O tables are measured as full time equivalent (FTE).

The production induced indirect employment involves the additional jobs generated in other industries throughout the economy in order to support the initial construction investment and all the subsequent induced economic growth. This may include manufacturing, professional, scientific and technical services, transport, postal and warehousing, administrative and support services, wholesale trade, retail trade, financial and insurance services, and others.

Based on employment multipliers, the proposed development is expected to generate approximately **179** direct construction FTE jobs on site and an additional **254** indirect FTE jobs elsewhere in the economy, totalling **433** construction related FTE jobs over the 25-month construction phase.

It is noted that the ABS I-O multipliers have been adjusted based on location quotients by industry for Victoria. If building materials and services are sourced locally, it is expected that a large share of this construction related employment growth can be captured locally in metropolitan Melbourne and Victoria.

Table 5.2 Estimated Construction Employment		
Direct FTE	Indirect FTE	Total FTE
179	254	**433**
Source: ABS, Cera Stribley, Macroplan (2023)		

5.3   Operational Phase Employment

The operation of the proposed facility will also support an increased level of employment both directly onsite and indirectly in the wider economy. The following average employment densities are assumed for each of the uses:

- Retail: 1 FTE job per 20 sqm NLA.

- Residential: assumed at 5 FTE jobs including building management, maintenance and repairs, cleaning, landscaping, and other services;

Using these assumptions, the total direct on-site employment generated during the operational phase is estimated at approximately **189 FTE jobs** for the proposed development.

This direct operational employment will also flow through the economy, realised as indirect employment growth elsewhere in the economy supporting onsite employment. The ABS I-O simple employment multipliers indicate the following:

- Every 1 direct retail FTE job, which is categorised as retail trade industry, will generate another 0.3 indirect supporting FTE jobs elsewhere in the economy, including professional, scientific and technical services, transport, postal and warehousing, rental, hiring and real estate services, administrative and support services, manufacturing, and other industries.

- Every 1 direct residential related FTE job, which is largely categorised as the administrative and support services, will generate another 0.6 indirect supporting FTE jobs elsewhere in the economy, including administrative and support services, construction, transport, postal and warehousing, financial and insurance services, accommodation and food services, rental, hiring and real estate services, and other industries.

Based on simple multipliers, the total direct and indirect employment generated during operational phase is estimated at approximately **251 FTE jobs** for the proposed development.

Table 5.3 Operational Phase Employment			
Proposed Uses	Direct	Indirect	Total
Retail	184	59	**243**
Residential	5	3	**8**
Total	**189**	**62**	**251**
Source: ABS, Cera Stribley, Macroplan (2023)			

5.4   Ongoing Output

The operation of the proposed development represents an ongoing generator of economic output, and the extent of this output has been captured in this analysis.

Output multipliers from the ABS Input-Output tables have been used to estimate the potential ongoing economic output of the proposed facility during the operational phase. Output multipliers sourced from the ABS indicate the following:

- Retail: An initial direct output of $1 million per 6.4 direct FTE employees, and an indirect output multiplier of 0.7 per $1 million of direct output.

- Residential: An initial direct output of $1 million per 3.7 direct FTE employees, and an indirect output multiplier of 0.6 per $1 million of direct output.

For the proposed development, these multipliers indicate an ongoing total direct output of **$33.2 million**, with a total ongoing estimated output of **$56.2 million.**

Table 5.4 Operational Phase Output			
Proposed Uses	**Direct**	**Indirect**	**Total**
Retail	$31.6 M	$22.1 M	**$53.8 M**
Residential	$1.5 M	$0.9 M	**$2.4 M**
Total	**$33.2 M**	**$23.0 M**	**$56.2 M**
Source: ABS, Cera Stribley, Macroplan (2023)			

5.5 Resident Population Consumption Expenditure

Upon completion, the proposed development will generate a level of economic activity to the surrounding area through resident population consumption expenditure. In order to quantify this expenditure, the number of persons residing in the residential portion of the development has been estimated using the following assumptions:

- A total of 58 dwellings delivered as part of the proposed development, comprising 2 1-bedroom apartments, 31 2-bedroom apartments, 25 3-bedroom apartments and 3 4-bedroom apartments;
- A private dwelling occupancy rate of 89.0% sourced from the ABS Census of Population and Housing (2021);
- An average household size of 2.4 persons as part of the proposed development, with this figure being informed by the prevalent dwelling typologies delivered by the proposed development as well as average household size estimates sourced from the ABS Census of Population and Housing (2021).

Adopting these assumptions, the proposed development has the capacity to accommodate approximately 124 residents upon completion.

Based on average consumption expenditure of $42,245 per capita per annum across metropolitan Melbourne referring to MarketInfo database (2020), it is expected that these residents living in the proposed development may generate up to $5.2 million consumption expenditure per annum. This includes expenditure in food, liquor and grocery, food catering, apparel retail, household goods, leisure, general retail, retail services and other services. Such expenditure represents a key source of economic activity for the region, and it is expected that a large proportion of this expenditure will be captured by local businesses operating within Glen Iris.

Potential population accommodated and estimated consumption expenditure within the proposed development are presented in Table 5.5 below.

Table 5.5		
Estimated Resident Population Consumption Expenditure		
No. of Households	No. of Residents	Consumption Expenditure ($M p.a.)
52	124	$5.2 M
Source: ABS, Cera Stribley, Macroplan (2023)		

5.6 Wider Economic Benefits

In addition to the quantified economic benefits outlined above, the proposed development is expected to enhance the local 'Central Park Village' activity centre and generate significant economic multipliers in the area.

Economic activity and retail activation

The proposed mixed-use development on the subject site will generate increased levels of economic growth to the surrounding 'Central Park Village' activity centre, with the development of a new supermarket creating a multiplier effect by generating increased footfall and visitation to the precinct. Furthermore, the proposed development includes a significant provision of on-site underground retail carparking and as such will increase the overall visitation capacity of Central Park Village without a detrimental impact on existing street level parking.

This multiplier effect will flow through to other businesses operating in the area, increasing patronage to existing specialty retail stores and retail service operators in 'Central Park Village', thereby generating increased economic activity for these businesses and creating positive growth in the community. Furthermore, increased footfall and visitation to the activity centre will increase the viability of new retailers opening in the area, leading to higher levels of retail and service provision for local residents and thus generating increased amenity and progressive value uplift for surrounding properties.

Whilst there is a moderately developed existing supply of supermarkets in Glen Iris and surrounds, existing retail facilities are marred by accessibility issues and physical boundaries such as major roads, train lines, major highways and train stations. The provision of a new supermarket on the subject site would help to amend gaps in the retail market and will provide local residents with a greater diversity of choices and prices, thereby increasing the amenity of the area for local residents by providing a more convenient option.

Furthermore, the proposed supermarket development has the potential to contribute to the Victorian Government's goal of creating 20-minute neighbourhoods, which represents the concept of a well-designed, walkable neighbourhood that offers a range of infrastructure such as retail, childcare, community hubs, public transport connections, sports and recreation facilities and health services within a 20-minute walkable neighbourhood. This will be achieved through the proposed development and its potential to create an improved sense of community and overall liveability through the development of a destination that provide residents, workers and visitors with a new place to gather, socialise and shop, supporting social interaction and social cohesion within the area, and further increasing the walkability of Glen Iris.

Land Supply & Densification

In recent years, there has been an increasing trend towards higher dwelling density in the Glen Iris – East and Malvern – Glen Iris SA2s. This trend is evidenced by the prevalent housing typologies amongst new dwelling approvals in the Glen Iris – East and Malvern – Glen Iris SA2s, which totalled 1,534 new dwelling approvals (NDAs) for apartments, 499 NDAs for separate houses and 289 NDAs for townhouses / semi-detached dwellings.

Chart 5.1:   New Dwelling Approvals, 2016 – 2023, Glen Iris East & Malvern – Glen Iris SA2s
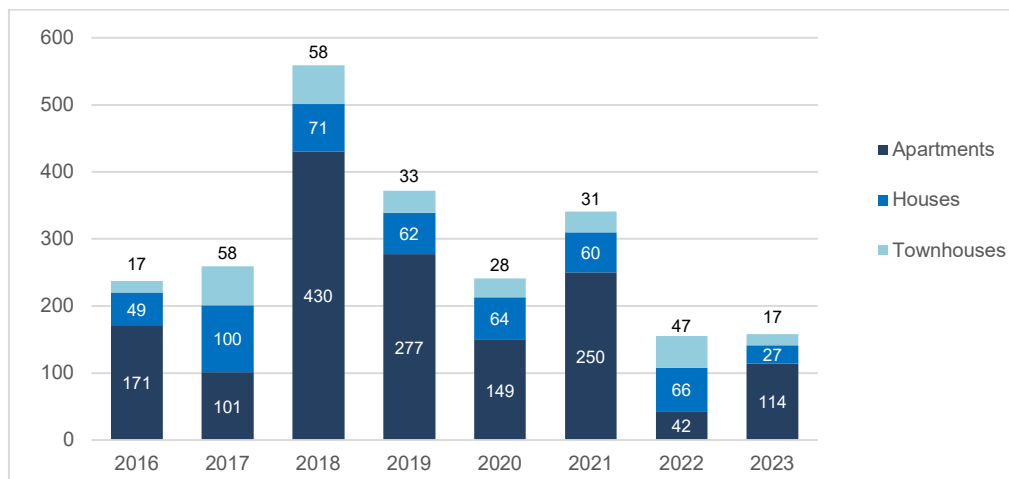
Source: ABS Census of Population & Housing (2021), , Cera Stribley, MarketInfo (2020), Macroplan (2023)

Increasing dwelling density in Glen Iris will also result in higher population density, with this growing resident population requiring the development of additional retail facilities and services in order to maintain current provision rates. The proposed supermarket development on the subject site has the potential to alleviate this issue and will work to transform underutilised land into a functional facility that provides key retail spaces for businesses, future proofing the retail landscape of Glen Iris against projected increases in population density.

The provision of a more diverse set of housing typologies through the proposed residential development will lead to an increase in positive housing outcomes for local residents and provide downsizers with more options to 'age-in-place', with this process freeing up existing residential lots for infill development and having a positive impact on the overall supply of housing in the local government area, thus mitigating housing affordability and typology mismatch issues in Glen Iris.

Furthermore, a trend towards increasing density also raises the issue of land availability, since there is likely to be a very limited supply of large, appropriately zoned sites that could potentially house supermarkets in the future, potentially indicating a prime opportunity to develop a supermarket on the subject site in the present to ensure adequate levels of provision as Glen Iris continues to grow and flourish.

5.7   Consideration of trading impacts

The purpose of an impact assessment is to provide guidance as to whether or not there is likely to be a net community benefit or disbenefit from any proposed development. In particular, if there is a real possibility of some existing facilities potentially being impacted to such a degree that they may be lost to the community and if the service or services provided by those facilities are not at the very least replaced by the proposed new facilities, then a community disbenefit could result.

In order to understand whether any particular centre may be impacted to the extent that its continued viability may be in question, we have estimated specific retail impacts that we expect across the surrounding competitive network once Woolworths Central Park is developed.

These estimates provide indications as to whether the scale of the proposed supermarket is reasonable and whether any surrounding centres are likely to be at risk to the extent that the community would suffer a net disbenefit, attributable to the subject retail development. In considering likely trading impacts on any individual centre or individual retailer, it must first be acknowledged that such estimation can only realistically expect to provide a broad indication of likely outcomes, since there are many factors which can change in response to any new retail development, and which will have a bearing on the consequent outcomes.

The impacted centre or retailer has a number of possible actions which it may be able to take that may mitigate the extent of the impact. Expansions and improvements may be undertaken at other centres throughout the region, and these factors can change the nature of the impact of the new centre being developed.

It is much more reasonable for the purposes of impact analysis, therefore, to consider the likely broad changes in competitive circumstances, and in particular the changes in availability of retail spending for competitive centres, that can reasonably be expected to result from the development of Woolworths Central Park. These broad changes effectively set the market conditions within which the competitive centres will operate as a result of this development, and reasonable conclusions can then be drawn about the possible impacts of these broad changes in market conditions.

The projected sales for the Woolworths Central Park would result from a redirection of spending to the new development from a range of other centres located beyond the defined trade area, which may experience some

trading impacts. In order to estimate the likely order of these impacts, we have had particular regard to the location and composition of each centre relative to the subject development site and their respective roles in the region.

The following factors are of relevance in terms of how the likely impacts will play out:

- The distance of each centre, by road, from the proposed development.

- The size of the centre, in terms of total relevant retail floorspace. More specifically in this instance, the amount of supermarket floorspace available is the most important factor to consider.

- The brand of the supermarket and its core offer.

- The respective role and function of each centre. For example, a neighbourhood centre will be oriented towards serving the food, grocery and convenience-oriented needs of the local population, while a regional centre (such as Chadstone SC), will serve the predominantly the discretionary non-food needs of a wide-ranging catchment.

- The relative accessibility and convenience of the impacted centre compared with the proposed retail development.

- The estimated performance of the centre (in current sales) and projected future performance. This accounts for any future developments in the region that might also impact on the future sales of existing centres.

When assessing the impacts that are likely to be absorbed by existing facilities/centres, the following key principles, established as a result of previous experience and numerous observations in many other situations, will normally apply:

- The greatest impacts are typically absorbed by the closest comparable centres. For example, a new full-line supermarket is generally likely to have the greatest impacts on the closest full-line supermarket(s), and at the lower end of the spectrum, have lesser impacts on smaller scale supermarkets/food stores (e.g. IGA), which generally serve a more convenience top-up retail role.

- Impacts on small scale, local convenience/food stores tend to be relatively smaller in extent, as these stores normally attract a smaller market share of available main trade area expenditure and perform a different role and function in the retail hierarchy. These stores tend to serve the local walkable catchments surrounding them, and/or more specialised/discerning needs (e.g. specialty food stores). In this regard, small local centres in the area perform a very 'localised' role for convenience and top-up shopping needs only, rather than meeting the shopping needs, as would be provided by a full-line supermarket for example. This is particularly true for the surrounding network of Activity Centre located within the trade area, which contain only specialty retail serving the daily convenience-oriented needs of its locality.

Table 5.6 presents an impact analysis for relevant centres which may be impacted from the Woolworths Central Park development. The analysis is described as follows:

- The estimated 2023 sales for each of the existing centres are firstly detailed. These estimates are based on publicly available information, such as from Shopping Centre News and the Property Council of Australia, and where no sales data is available are derived based on appropriate sales productivity levels for comparable centres. These estimations have regard for the location of these centres in inner Eastern Melbourne, which tend to trade at levels above the metropolitan average, due to the relative undersupply of supermarket floorspace.

- The projected sales potential for each centre at 2026 are then estimated. Firstly, assuming no development of the Woolworths Central Park. The no development scenario allows for the sales potential for each existing centre to increase in line with the underlying growth in retail expenditure capacity of the surrounding area.

- The sales potential for each centre at 2026 are then estimated, assuming that Woolworths Central Park is developed. The estimates of centre sales potential post impact are calculated by allocating the anticipated impacts on each centre from Woolworths Central Park.

- The estimated sales potential for each centre at 2026 are provided three years post development, again adopting a growth outlook for each centre that reflects the underlying growth in retail expenditure capacity.

- The estimated impacts on each centre at 2023, expressed in dollar terms and in percentage terms respectively, as a result of the subject development are then shown.

- Finally, the resultant growth in sales potential for each centre are detailed, assuming the Woolworths Central Park proceeds.

A Woolworths supermarket anchoring Central Park Village will elevate the status of the centre above other NACs in surrounding area in the retail hierarchy, underpinned by its ability to serve the main weekly food and grocery needs of its catchment. The development will greatly add to the convenience and offer of Central Park Village and will result in a significantly uplift in visitation levels to the centre. It is estimated that existing retailers at Central Park Village will experience an increase of trade of some $2.1 million in 2026, representing a sales uplift of 8.6%, if the Woolworths supermarket proceeds compared with the base case without any development at the subject site.

It is assessed that the subject development will not impact or impact to an immaterial/negligible extent, other NACs in the trade area. Other NACs in the main trade area are likely to continue in their role of serving the convenience-oriented needs of their respective localities.

The analysis in the Table 5.6 shows that the supermarket anchored centres which surround the trade area will account for the majority of the anticipated impacts, including Malvern Central, Coles Malvern, Tooronga Village, Home Co. Hawthorn East, Caulfield Plaza, the future Caulfield Village, Carnegie Central and Woolworths Ashwood. The impacts are assessed to be no more than 9.3% on any individual centre following the opening of the Woolworths supermarket at Central Park Village.

The estimated impacts are well within the reasonable bounds of normal competition and would not threaten the viability or going concern of any of these centres or supermarkets. These acceptable potential impacts reflect the significant undersupply of supermarket floorspace in the local area, and that the proposed Woolworths Central Park development will likely source its sales from a defined catchment with a clear need for supermarket floorspace.

| | | | | | Table 5.6 | | | | | | | | |
| | | | | 173 Burke Rd, Glen Iris - estimated impact on specific centres ($M)* | | | | | | | | | |

| Centre | Dist. from site (km) | Retail GLA (sq.m) | Supermarkets | Est. sales 2023 ($M) | Proj. 2026 | | Proj. 2031 | Est. impact 2026 | | | Change with dev't (%) | |
					No dev't ($M)	With dev't ($M)	With dev't ($M)	$M	%	Dist.	2023-26	2026-31
Within trade area												
Central Park Village**	-	2,800		23.4	24.5	26.6	28.3	2.1	8.6%	-4.6%	13.7%	21.2%
Glen iris Village	1.0	1,100		7.8	8.2	8.0	8.6	-0.1	-1.4%	0.3%	3.2%	10.0%
Malvern road/Burke road	1.0	500		4.2	4.4	4.4	4.7	0.0	0.0%	0.0%	4.7%	11.6%
Wattletree Village	1.1	1,300		9.2	9.6	9.5	10.1	-0.1	-1.2%	0.3%	3.4%	10.2%
Darling Village	1.3	1,800		13.6	14.3	14.2	15.1	-0.1	-0.8%	0.3%	3.9%	10.7%
High on Tooronga	1.4	5,100		38.7	40.5	40.3	42.9	-0.2	-0.6%	0.5%	4.1%	10.9%
East Malvern Terminus	2.3	3,500		26.5	27.8	27.6	29.4	-0.2	-0.8%	0.5%	3.8%	10.6%
Total within trade area		**16,100**		**123.4**	**129.2**	**130.5**	**139.1**	**1.3**	**1.0%**	**-2.8%**	**5.8%**	**6.6%**
Beyond trade area												
Malvern Village	2.0	11,200		84.9	88.9	88.6	94.4	-0.3	-0.3%	0.6%	4.4%	11.2%
Caulfield Plaza	2.0	4,310	Coles	50.3	52.7	48.0	51.2	-4.7	-8.9%	10.2%	-4.6%	1.7%
Coles Malvern	2.0	3,500	Coles	47.8	50.0	45.3	48.3	-4.7	-9.3%	10.2%	-5.1%	1.2%
Malvern Central	2.2	15,400	Woolworths	147.8	154.8	148.3	158.1	-6.4	-4.2%	14.0%	0.4%	6.9%
East Malvern Village	2.4	2,300		17.4	18.3	18.1	19.3	-0.1	-0.6%	0.3%	4.0%	10.9%
Carnegie Central	2.9	11,500	Woolworths, Aldi	81.0	84.8	80.0	85.2	-4.8	-5.6%	10.5%	-1.2%	5.3%
Tooronga Village	2.8	9,000	Coles	112.7	118.0	112.7	120.0	-5.4	-4.6%	11.7%	-0.1%	6.5%
Home Co.	3.2	11,500	Woolworths	93.1	97.4	92.8	98.9	-4.7	-4.8%	10.2%	-0.3%	6.2%
Woolworths Ashwood	4.4	3,850	Woolworths	52.5	55.0	49.9	53.1	-5.1	-9.3%	11.2%	-5.1%	1.2%
Chadstone SC	4.7	190,000	Woolworths, Coles, Aldi	2,158.4	2,260.0	2,258.5	2,406.6	-1.5	-0.1%	3.3%	4.6%	11.5%
Caulfield Village	2.2	6,000	Coles	65.1	68.2	64.1	68.3	-4.1	-6.0%	8.9%	-1.6%	4.9%
Beyond MTA total		**268,560**		**2,911.1**	**3,048.1**	**3,006.4**	**3,203.5**	**<u>-41.8</u>**	**-1.4%**	**91.2%**	**3.3%**	**6.6%**
Sub-total		**284,660**		**3,034.5**	**3,177.3**	**3,136.9**	**3,342.6**	**-40.5**	**-1.3%**	**88.4%**	**3.4%**	**6.6%**
Other centres				n.a.	n.a.	n.a.	n.a.	-5.3	n.a.	11.6%	n.a.	n.a.
Total								**-45.8**		**100%**		
Subject centre (p)		*3,548*		*45.8*								

Expressed in financial years, constant 2023 dollars & including GST
**Contains only existing retail specialties and does no include proposed supermarket*
Source: Various; Macroplan

Section 6: Conclusions

6.1   Retail Needs Assessment Findings

The proposed development at 173 Burke Road will fulfill unmet retail demand for the population in the defined main trade area. There are currently only no major supermarkets operating in the main trade area, and there is a clear supply gap in the area surrounding the subject site.

- The main trade area population is estimated at 36,370 at 2025, including over 13,480 within the primary sector. The population is projected to reach over 37,770 at 2031 and 38,720 at 2036, reflecting an average annual growth rate of 0.7% over the forecast period.

- Total per capita retail expenditure for main trade area residents is estimated at $20,280, 24.2% above the Melbourne metropolitan average. Expenditure one food items are estimated to be 14.7% above, while expenditure on non-food items is estimated at 36.3% above the metropolitan Melbourne average.

- The proposed development at the Central Park Village subject site is considered easily supportable by the expenditure generated by the trade area population. It is reiterated that the market shares adopted are considered conservative, showing the high level of unmet demand for supermarket floorspace at the local level.

- The Woolworths supermarket is projected to achieve sales of $45.8 million in 2026 (in its first assumed full year of trade) reflecting a sales productivity level of around $12,908 per sq.m. Over the forecast period, sales are projected to grow at an average annual rate of 1.2% and reach $51.6 million in 2036.

6.2   Economic Impacts & Benefits

The development of the proposed commercial office building at the subject site will deliver a number of economic and community benefits to the area. Key quantifiable economic impacts that may arise from the proposed facility are summarised as follows:

- The initial construction investment of **$80.0 million** is likely to create an additional **$102.1 million** of indirect output elsewhere in the wider economy, totalling **$182.1 million** construction output (including direct and indirect) to the economy during the construction phase.

- The construction of the proposed facility is expected to generate approximately **179** direct construction FTE jobs per annum on site plus another **254** indirect FTE jobs per annum elsewhere in the economy, totalling **433** construction related FTE jobs per annum during the construction phase.

- In the operational phase, the proposed development is likely to generate approximately **$33.2 million** operating revenue per annum when fully operational, which is anticipated to create another **$23.0 million** indirect output per annum elsewhere in the wider economy, totalling **$56.2 million** ongoing output per annum (including direct and indirect) to the economy.

- Upon completion, the operation of the proposed development is likely to create an ongoing full-time employment of **189** direct FTE jobs and a further **62** indirect FTE jobs, totalling **251** FTE jobs during the operational phase

- Based on average consumption expenditure of $42,245 per capita per annum across metropolitan Melbourne referring to MarketInfo database (2020), it is expected that these residents living in the proposed development may generate up to **$5.2 million** consumption expenditure per annum.

In addition, the proposed facility will also deliver a number of non-quantifiable economic and community benefits, and these include:

- The proposed mixed-use development on the subject site will generate increased levels of economic growth to the surrounding 'Central Park Village' activity centre, with the development of a new supermarket creating a multiplier effect by generating increased footfall and visitation to the precinct.

- This multiplier effect will flow through to other businesses operating in the area, increasing patronage to existing specialty retail stores and retail service operators in 'Central Park Village', thereby generating increased economic activity for these businesses and creating positive growth in the community.

- The proposed development includes a significant provision of on-site underground retail carparking and as such will increase the overall visitation capacity of Central Park Village without a detrimental impact on existing street level parking.

- Furthermore, increased footfall and visitation to the activity centre will increase the viability of new retailers opening in the area, leading to higher levels of retail and service provision for local residents and thus generating increased amenity and progressive value uplift for surrounding properties.

- The provision of a new supermarket on the subject site would help to amend gaps in the retail market, which faces challenges with significant physical barriers such as major roads and train lines, thus providing local residents with a greater diversity of choices and prices, thereby increasing the amenity of the area for local residents in terms of retail affordability and convenience.

- The proposed supermarket development has the potential to contribute to the Victorian Government's goal of creating 20-minute neighbourhoods, which represents the concept of a well-designed, walkable neighbourhood that offers a range of infrastructure such as retail, childcare, community hubs, public transport connections, sports and recreation facilities and health services within a 20-minute walkable neighbourhood. This will be achieved through the proposed development and its potential to create an improved sense of community and overall liveability through the development of a destination that provide residents, workers and visitors with a new place to gather, socialise and shop, supporting social interaction and social cohesion within the area, and further increasing the walkability of Glen Iris.

- In recent years, there has been an increasing trend towards higher dwelling density in the Glen Iris – East and Malvern – Glen Iris SA2s. This trend is evidenced by the prevalent housing typologies amongst new dwelling approvals in the Glen Iris – East and Malvern – Glen Iris SA2s, which totalled 1,534 new dwelling approvals (NDAs) for apartments, 499 NDAs for separate houses and 289 NDAs for townhouses / semi-detached dwellings.

- The proposed supermarket development on the subject site has the potential to alleviate retail service provision issues that may arise from increasing population density as a result of high-density residential developments and will work to transform underutilised land into a functional facility that provides key retail

spaces for businesses, future proofing the retail landscape of Glen Iris against projected increases in population density.

- The provision of a more diverse set of housing typologies through the apartments delivered as part of proposed development will lead to an increase in positive housing outcomes for local residents and provide downsizers with more options to 'age-in-place', with this process freeing up existing residential lots for infill development and having a positive impact on the overall supply of housing in the local government area, thus mitigating housing affordability and typology mismatch issues in Glen Iris.

- Furthermore, a trend towards increasing density also raises the issue of land availability, since there is likely to be a very limited supply of large, appropriately zoned sites that could potentially house supermarkets in the future, potentially indicating a prime opportunity to develop a supermarket on the subject site in the present to ensure adequate levels of provision as Glen Iris continues to grow and flourish.

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