BATEMANS BAY, LIVING PLACE MASTER PLAN

Economic assessment

Prepared for Eurobodalla Shire Council

OCTOBER 2024

CONTENTS

Figures

Tables

Quality Assurance

Report contacts

Nicholas Hill

Acting Managing Principal
M.A Property Development, UTS
B. Science, M Human Geography, Macquarie University
Nick.Hill@hillpda.com

Supervisor

Adrian Hack

Principal, Urban and Retail Economics
M. Land Econ. B.Town Planning (Hons). MPIA
Adrian.Hack@hillpda.com

Quality control

This document is for discussion purposes only unless signed and dated by a Principal of HillPDA.

Reviewer

Signature		Dated	11/07/24

Report details

Job reference number	C23109
Version	DRAFT
File name	Batemans Bay, Living Place Master Plan – Economic Analysis
Date issued	TBA

EXECUTIVE SUMMARY

Eurobodalla Shire Council (Council) is currently preparing a master plan for Batemans Bay town centre. The intended outcome of the master plan is to increase development capacity and to accommodate growth and investment.

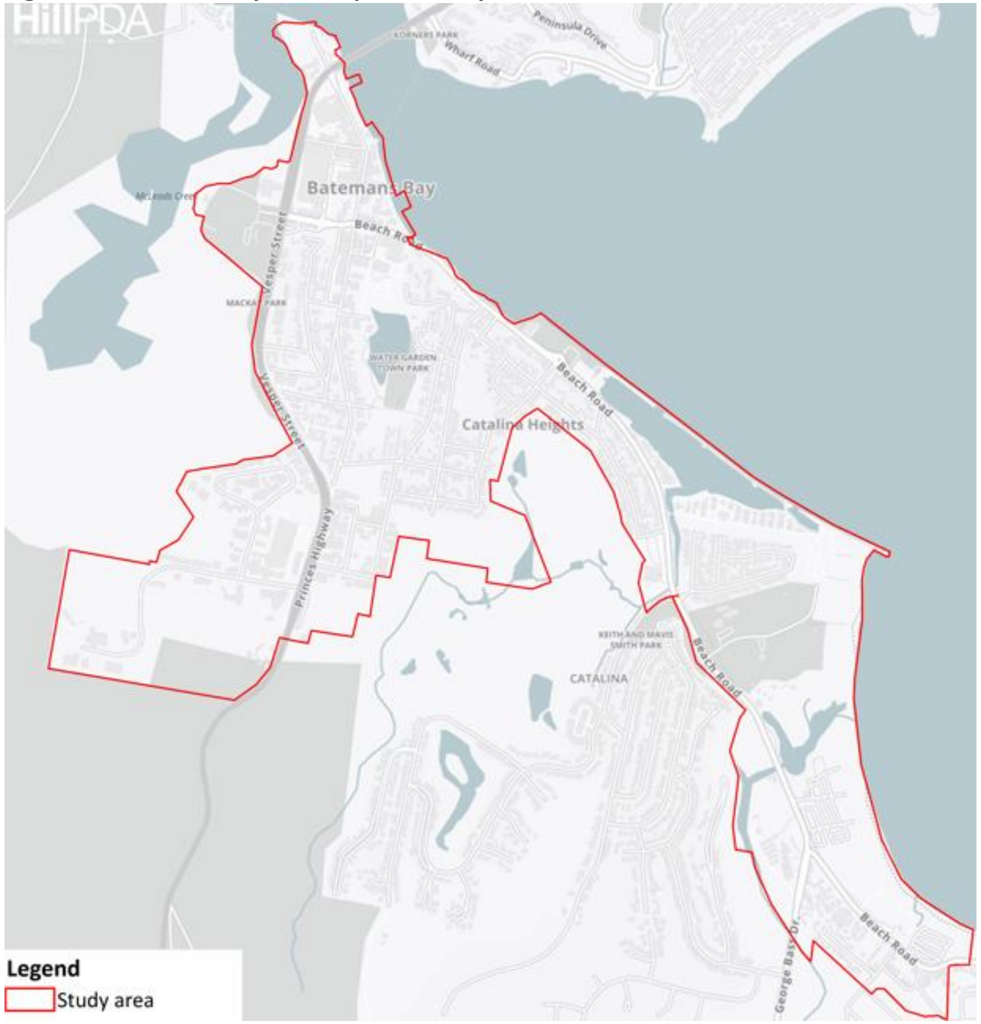
A key component of developing a robust and evidence-based master plan is understanding the current economic environment, the future demand for retail, commercial and other employment spaces, the capacity to accommodate future growth and best practice initiatives to encourage sustainability.

To provide this, HillPDA was commissioned to undertake an economic assessment of the Batemans Bay master plan area (hence referred to as the study area - see Figure 1). Specifically, this assessment:

- Undertakes a review of the strategic planning framework.
- Undertakes a review of recent socio-economic characteristics.
- Estimates the amount and types of uses located in the study area.
- Forecasts the demand for employment floorspace in the study area (commercial, retail and industrial space).
- Forecast the number of residential dwellings to be accommodated in the study area and their resulting floorspace requirements.
- Estimate the capacity of the current planning framework to accommodate projected demand.

At the time of this study, the master plan proposed that an additional 8,000 people could be accommodated in the study area. These new residents were predominantly to be accommodated within the existing town centre and Batemans Bay suburb. Commercial and retail demand modelling was undertaken to assess the impact that these new residents would have on the demand for such services.

Figure 1: Batemans Bay master plan – study area



Source: HillPDA

Key socio-economic characteristics

A review of ABS Census information, Spendmapp Data and desktop analysis provided the following key socio-economic characteristics of the study area which would likely influence the type and amount of employment space to be provided. These being:

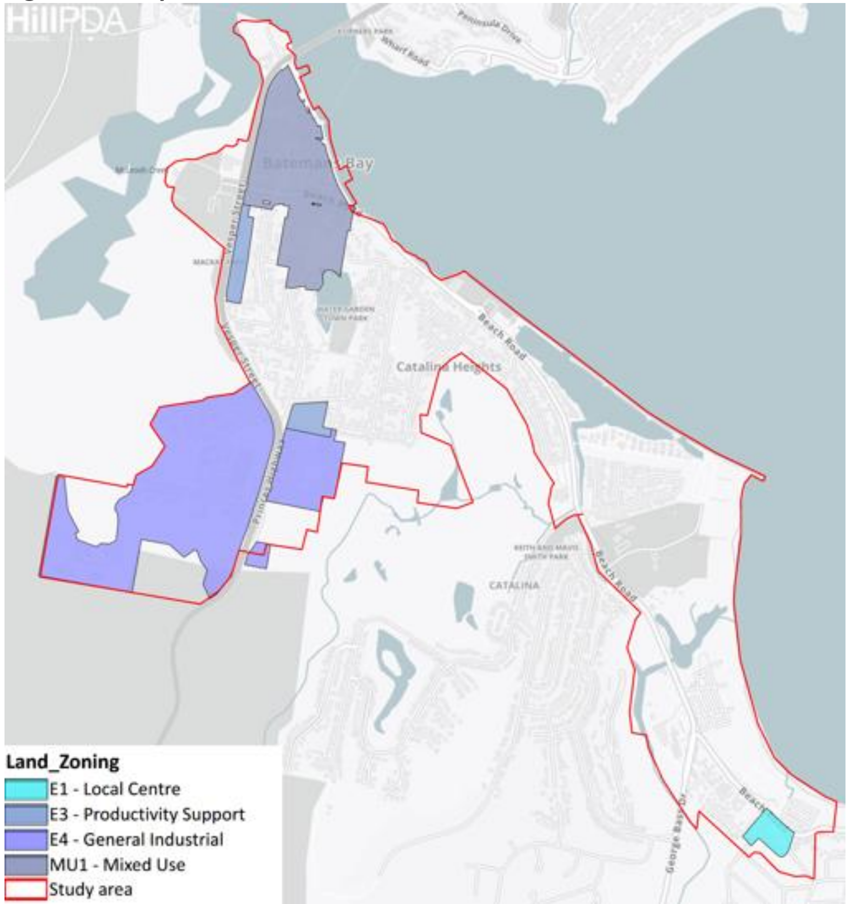
- Slow growth and an ageing resident population.
- Residents under 25 years declined 2.1% per annum between 2011-21.
- Compared to the wider LGA and Regional NSW, the study area had a lower workforce participation rate, a high level of part-time employment and a high unemployment rate.
- Only 44% of persons above 15 years old in the study area are in the workforce - compared to 60% for Regional NSW. This may indicate a high proportion of retirees in the study area.
- Low household incomes compared to the wider LGA.
- Strong growth in apartment-style dwellings.
- Over one-third of Eurobodalla's apartments were in the study area.
- Over the ten years to 2021, employment generated within the study area increased by 1,025 jobs or 27%, reaching a total of around 4,790 jobs.
- Job growth in the study area represented over a third (35%) of the net increase recorded across Eurobodalla over the period. This implies it is a strong employment hub for the LGA.
- The study area contained almost 60 Airbnb dwellings and around 19 hotels providing 565 rooms.
- In the year to July 2023, the study area captured $492 million in retail expenditure, which was $136 million or 38% higher than pre-COVID levels (year to July 2019).
- Owing to Batemans Bay being a key destination for tourists and visitors, the study area experiences seasonal fluctuations in spend. This is evident in:
  - 37% of retail spend in the year to July 2023 was sourced form visitors
  - Spend captured in the months of December and January is on average 43% higher than in any other month.

The study area today

The study area contains a range of employment zones that provide land and subsequent employment floorspace. Specifically, these zones are:

- MU1 – Mixed Use
- E1 – Local Centre
- E3 – Productivity Support
- E4 – General Industrial.

Figure 2: Study area – commercial and industrial zones



Source: HillPDA 2024

In total, it was estimated that the study area contained around 157,660sqm of occupied employment space. Of this:

- 75,220sqm or 48% was within the General Industrial zone
- 75,105sqm or 48% was within the Mixed Use zone
- 4,105sqm or 3% was within the Local Centre zone
- 3,235sqm or 2% was within the Productivity Support zone.

Figure 3: Total occupied employment floorspace by land zone (sqm

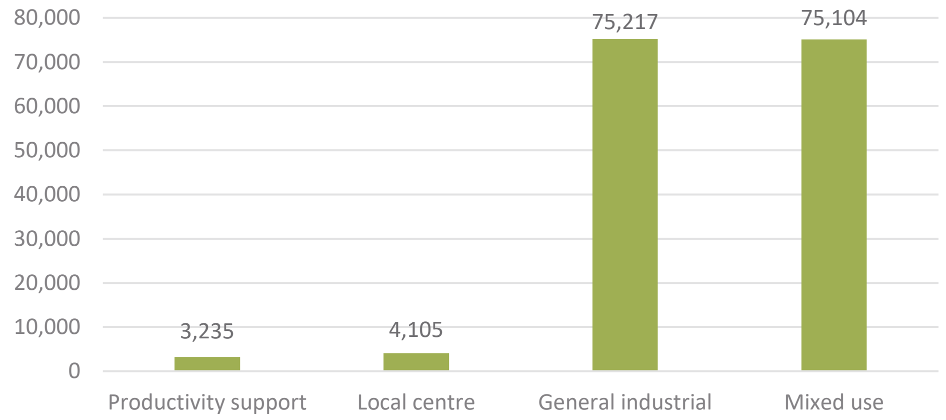
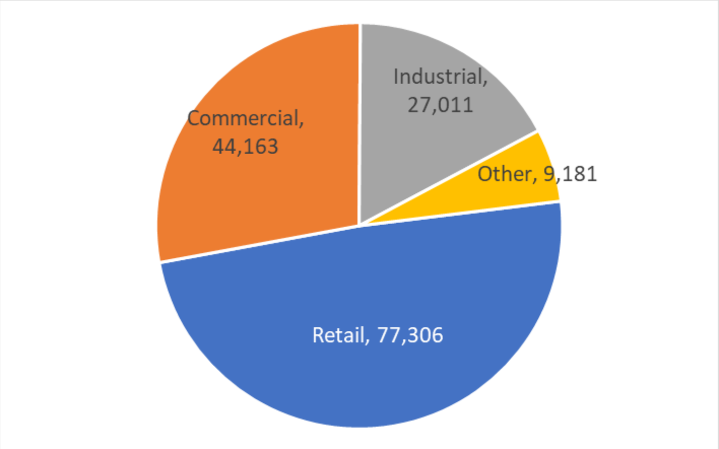


Figure 4: Total occupied employment floorspace by type of space (sqm)



Commercial centres

The study area contains two distinct commercial centres. The first is Batemans Bay town centre, identified by its mixed-use zoning. As detailed in the Eurobodalla Settlement Strategy, Batemans Bay is at the top of Eurobodalla's retail hierarchy, operating at the regional centre level. The town centre is contained within Batemans Bay suburb.

It is estimated that the study area contains around 75,105sqm of occupied space. Of this, 42,130sqm or 56% was attributed to retail uses, 24,840qm or 33% was commercial office uses, 7,795sqm or 10% was attributed to other uses, and the remaining 340sqm or 0.4% was occupied by industrial uses (predominantly repair and maintenance space).

The other commercial centre is in the south of the study area and is identified by its E1 - local centre zoning. The Eurobodalla Settlement Strategy refers to this centre as Batehaven neighbourhood centre. It is estimated that around 4,105sqm of occupied employment space is provided in the centre.

The breakdown of floorspace by broad land use categories is provide din the following table.

Table 1: Estimated occupied employment space – Study area commercial zones (sqm)

Land use	Local centre	Mixed-use	Total
Supermarket	704	9,254	9,958
Café/Restaurant	689	8,180	8,869
Bulky goods	54	2,366	2,420
Clothing	0	2,926	2,926
Department store	0	4,570	4,570
Personal services	429	4,302	4,731
Speciality Food**	327	2,157	2,483
Speciality non-food	461	5,478	5,939
Wholesale	50	1,413	1,463
Other retail	0	1,483	1,483
Non-retail commercial	1,339	24,839	26,178
Industrial	0	340	340
Other uses	54	7,795	7,849
Total	**4,105**	**75,104**	**79,208**

Employment precinct

The study area contains a large employment precinct (comprised of E3 and E4 zoned land), which is located along Princes Highway. It was estimated that this precinct contained 78,540sqm of occupied employment space. Of this, 32,465sqm or 41% was attributed to retail uses, 26,670sqm or 34% was attributed to traditional industrial uses (manufacturing, warehousing, trade businesses, etc), 17,985qm or 23% was attributed to commercial office uses, and the remaining 1,330qm or 2% was occupied by other uses.

It is worth noting that wholesale trade, automotive (retail), and bulky goods are classified as retail. Combined, these uses occupied 22,300sqm, or 69% of total retail space. As such, the employment land component of the study area is not occupied by retail uses that are more suitable for a local or town centre (such as specialty food, supermarkets, and personal services).

Figure 5: Study area's employment precinct's broad land use space allocation (sqm)

The study area tomorrow

Demand for additional retail, non-retail, and industrial floorspace in the study area is projected to increase with growth in residents, visitors, and workers.

Two demand scenarios were tested. These being:

- Scenario 1 | This scenario forecasts demand based on current population and employment forecasts for the study area
- Scenario 2 | This scenario was only undertaken for Batemans Bay town centre and explores the impact that 8,000 additional residents, as suggested in the masterplan, would have upon the demand for retail, commercial and industrial services in the town centre. For this scenario, the following was assumed:
  - Of the 8,000 new residents, 50% are redirected from elsewhere in the LGA, while the remaining 50% are additional (from outside the LGA).
  - The impact year for this would be 2031 onwards.

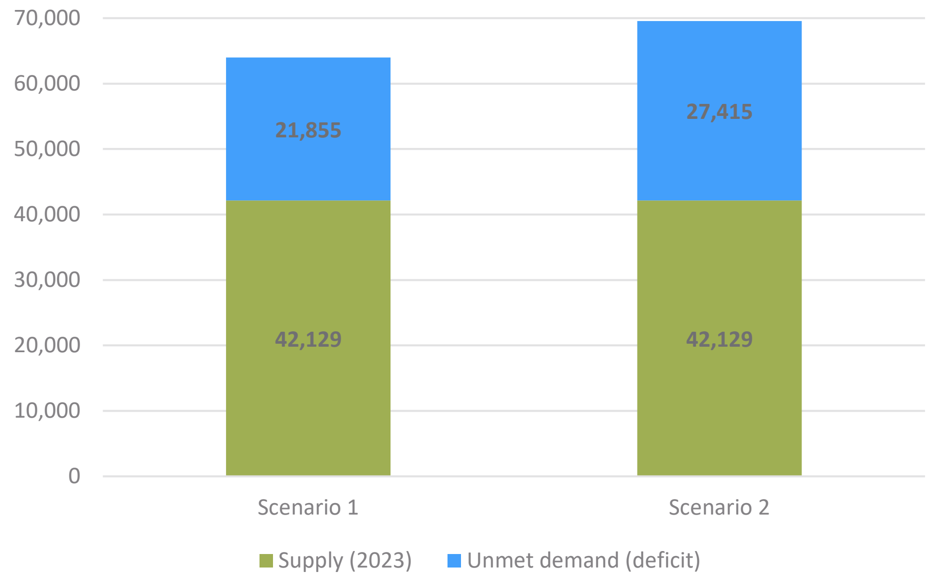
Batemans Bay town centre supply and demand summary

Under Scenario 1, it is estimated that around 40,560sqm of retail space could be supported in the town centre, increasing to around 63,985sqm of supportable space by 2046. This represents an increase of around 23,425sqm over the period.

Batemans Bay town centre currently has an estimated 42,130sqm of occupied retail floorspace. Our analysis suggests that only 40,560sqm is currently supportable, suggesting the town centre has a current oversupply of around 1,550sqm. However, without any additional supply, there would be a deficit in the supply of around 21,855sqm by 2046.

Under Scenario 2, it is estimated that around 40,560sqm of retail space could be supported in the town centre, increasing to around 69,545sqm of supportable space by 2046. This represents an increase of around 28,985sqm over the period. Without any additional supply, there would be a deficit in supply of around 27,415sqm by 2046.

Figure 6: Batemans Bay supply of retail floorspace and unmet demand (sqm by 2046)



The table below details the projected deficit in supply by 2046 (assuming no additional supply) for Batemans Bay town centre under each scenario. Most of the space (around half) is attributed to supermarket and café/restaurant space.

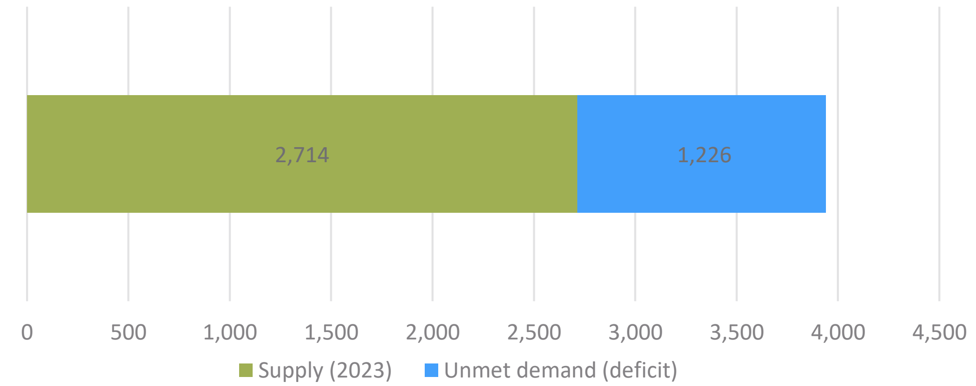
Table 2: Batemans Bay town centres floorspace deficit by category (sqm by 2046)

Retail category	Scenario 1	Scenario 2
Supermarkets & grocery stores	-4,995	-7,152
Specialised food stores	-1,469	-1,743
Bulky goods stores	-2,629	-3,153
Department stores	-1,894	-2,370
Apparel stores	-1,718	-2,025
Other non-food stores	-2,444	-2,772
Restaurants & fast food services	-6,289	-7,275
Personal services	-418	-925
Total	**-21,855**	**-27,415**

Batehaven neighbourhood centre supply and demand summary

It is estimated that around 2,530sqm of retail space could be supported in the town centre, increasing to around 3,940sqm of supportable space by 2046. This represents an increase of around 1,410sqm over the period. Batehaven neighbourhood centre currently has an estimated 2,715sqm of occupied retail floorspace. Without any additional supply, there would be a deficit in the supply of around 1,225sqm by 2046.

Figure 7: Batehaven retail floorspace supply and unmet demand by 2046 (sqm)



Based on our modelling and floorspace supply estimates, the following table details the projected deficit in floorspace by broad retail category within Batehaven neighbourhood centre by 2046, assuming no additional supply is provided.

Table 3: Batehaven NC floorspace deficit by category (sqm by 2046)

Retail category	Batehaven
Supermarkets & grocery stores	-134
Specialised food stores	-245
Bulky goods stores	104
Apparel stores	-114
Other non-food stores	13
Restaurants & fast food services	-461
Personal services	-389
Total	**-1,226**

Employment land and non-retail commercial floorspace demand

Employment land and non-retail floorspace demand are based on State employment projections for the study area. The masterplan scenario (Scenario 1 decried previously) has been amended to account for the 8,000 additional residents.

Based on current employment projections under Scenario 1 it is estimated that the study area's commercial centre could accommodate an additional 4,180sqm of non-retail commercial space and the employment precinct could accommodate an additional 14,430sqm of employment space.

Table 4: Scenario 1 – study area non-retail floorspace demand

Broad zone type	Zone	Floorspace		Net increase
		2024 (audit)	2046	
Commercial centre	Local centre	1,393	1,562	169*
Commercial centre	Mixed use	32,974	36,984	4,010*
Employment land	Productivity support	2,680	3,176	496
Employment land	General Industrial	75,217	89,150	13,933
	Total	**112,264**	**130,872**	**18,608**

Based on an additional 8,000 residents living in the study area under Scenario 2 it is estimated that the study area's commercial centre could accommodate an additional 5,625sqm of non-retail commercial space, which is 1,445sqm more than the previous forecast. The employment precinct could accommodate an additional 19,420sqm of employment space, which is an 4,990sqm more than the previous forecast.

Table 5: Scenario 2 – study area non-retail floorspace demand

Broad zone type	Zone	Floorspace		Net increase
		2024 (audit)	2046	
Commercial centre	Local centre	1,393	1,621	228*
Commercial centre	Mixed use	32,974	38,370	5,396*
Employment land	Productivity support	2,680	3,348	668
Employment land	General Industrial	**75,217**	**93,968**	**18,751**
	Total	**112,264**	**137,307**	**25,043**

Initiatives to encourage/support economic growth

Short to medium term Initiatives to encourage economic growth include the following:

- Increasing maintstreet amenity, beautification and ensuring active retail and other land uses activate the street rather than being internalised inside a building
- Facing the water – ensuring that active land uses capitalise on the water views. Ground floor uses between Orient Street and Murra Murra Mia Walkway should face both the street and the water
- Increase tourism accommodation on the water and expansion of d'Albora Marina
- Branding Batemans Bay with local produce and introducing culinary experiences – local oysters, wine and cheese
- Adventure tourism including a treetop adventure, kayaking, bushwalking, etc
- Public art which may be permanent or temporary exhibitions / festivals

Longer term solutions include:

- Increasing tourism infrastructure including a potential cruise ship wharf
- Tertiary education campus potentially partnering with local industries
- One or more wellness centres
- Increasing residential densities in the town centre and mixed-use development would improve both day and night-time activity. It would also help reduce the seasonal volatility of trade which is quite prevalent in many of these coastal towns – particularly on the South Coast.

Economic impacts of the MGS Draft Masterplan

Achievable yields on the six key sites in the "Batemans Bay Masterplan Height and Density" prepared by MGS Architects July 2024 are 1,810 residential apartments, 65,000sqm of retail and commercial floor space (a net increase of around 35,000sqm) and around 4,900 car parking spaces.

Total cost of design and construction would be around $1.7 billion in today's dollars. Total job years directly generated in design and construction would amount to 3,500 – say 140 average FTE over 25 years. Total job years in NSW directly generated and indirectly generated and supported (through production induced and consumption induced impacts) would be 13,174 – say 660 FTE per annum over 20 years.

Following redevelopment the net increase in jobs in the town centre would be around 1,060 full-time-equivalent. These workers would directly be generating $140m in gross value added (contribution to gross domestic product) every year.

INTRODUCTION

1.0 INTRODUCTION

Eurobodalla Shire Council (Council) is currently preparing a master plan for Batemans Bay town centre. The intended outcome of the master plan is to increase development capacity and investment within the town centre. This would allow the centre to house a larger permanent and visitor population and business community and to increase social activity.

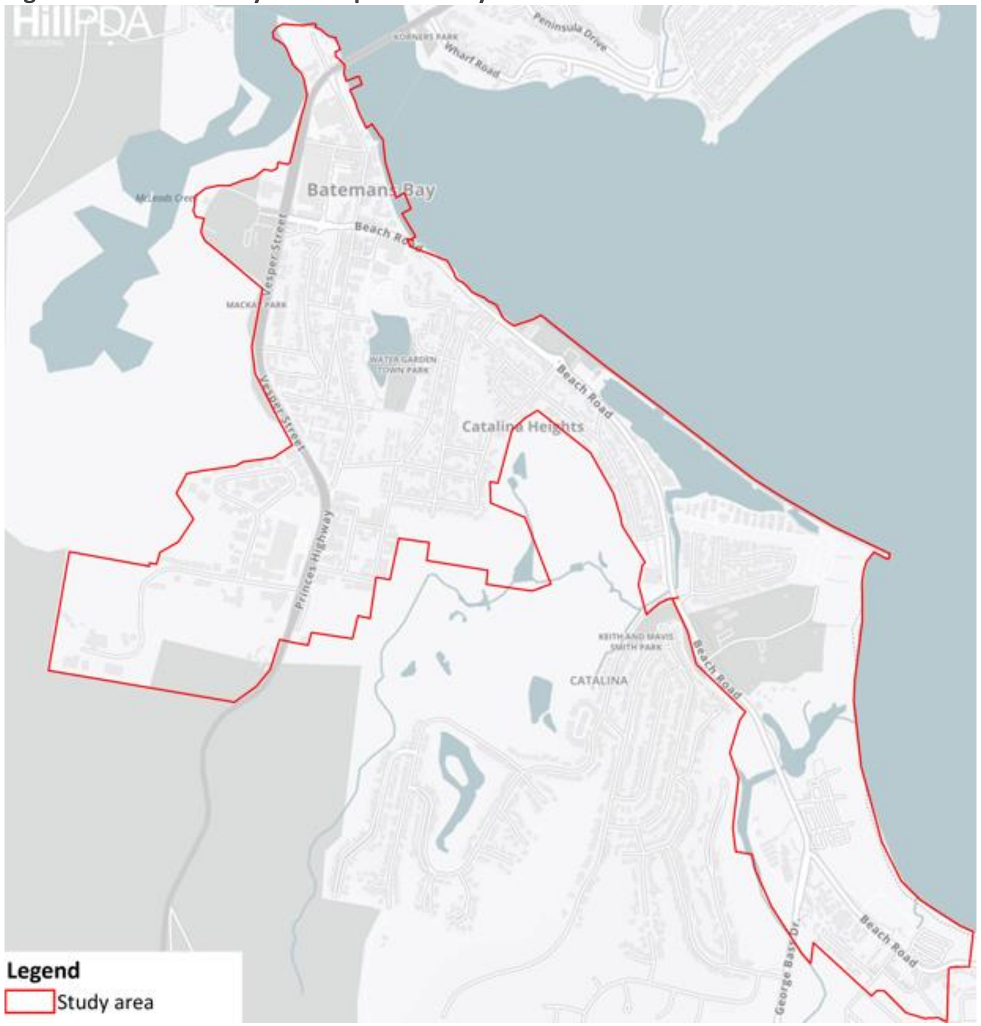
A key component of developing a robust and evidence-based master plan is understanding the current economic environment, key growth and opportunity industries, the future demand for retail and commercial space, the capacity to accommodate future growth and best practice initiatives to encourage sustainable growth.

To provide this, HillPDA was commissioned to undertake an economic assessment of the Batemans Bay master plan area (hence referred to as the study area, Figure 8). Specifically, this assessment:

- Undertakes a review of the strategic planning framework.
- Undertakes a review of recent socio-economic characteristics.
- Estimate the amount and type of uses located within the study area.
- Forecasts the demand for employment floorspace within the study area (commercial, retail and industrial space).
- Forecast the number of residential dwellings to be accommodated in the study area and their resulting floorspace requirements.
- Estimate the capacity of the current planning framework to accommodate its projected demand.

The outcome of the assessment will ensure that the master plan encourages and facilitates appropriate development, ensures sufficient capacity to accommodate projected growth and contributes to the local community remaining appropriately serviced while maintaining economic sustainability.

Figure 8: Batemans Bay master plan – study area



Source: HillPDA

2.0 STRATEGIC POLICY FRAMEWORK

This section undertakes a review of State and local planning policies/strategies. The section further identifies areas where the master plan assists in achieving the intent of these strategies from a housing and economic perspective.

2.1 Far South Coast Regional Economic Development Strategy – 2023 Update

The 2023 Far South Coast Regional Economic Development Strategy (REDS) Update provides evidence base to guide governments in making policy and investment decisions to enhance resilience and drive sustainable, long-term economic growth in regional NSW.

As highlighted in the 2023 Update, the Far South Coast region has seen significant investment and demographic changes since 2018, including:

Investment

- The new $260 million Eurobodalla Regional Hospital.
- $24 million investment into TAFE facilities to boost skills, including TAFE NSW - Batemans Bays CLC.
- Over $50 million invested into in regional tourism infrastructure, including Batemans Bay Coastal Headlands Walking Trail and Observation Point Viewing Platform.
- Over $100 million has been committed to private residential and commercial development.

Demographic changes

- +3.8% population growth between 2018 and 2021.
- 48% of the Far South Coast's population is over the age of 55.
- Housing vacancy rates sit at 2% as at August 2022 (down from 4.8% in March of 2020), with median house prices having risen by 72% between 2018 and 2022.
- Unemployment in the region sits above the state-wide average, while job vacancies reached an all-time high of 3,088 in August 2022.

Key engine industries

Despite significant external shocks since 2018, the following four industry sectors have remained resilient and key drivers of the economy. These are tourism; agriculture, forestry and fishing; health care; and manufacturing.

Reflecting the changes to the Far South Coast, the 2023 REDS Update provided the following strategies for these industries:

- Support the development and growth of the region's visitor economy and overall lifestyle appeal.
- Continue to grow the region's agricultural, aquaculture and food production sectors.
- Grow the participation, supply and retention of skilled labour, through improved liveability, to enhance regional economic resilience.
- Improve infrastructure and utility capacity to bolster resilience and support economic growth.
- Support investment in housing and population-serving infrastructure

2.2 Draft South East and Tablelands Regional Plan 2041

The draft South East and Tablelands Regional Plan 2041 (draft plan) provides strategies to manage and shape the region's growing cities and centres. These strategies aim to diversify the economy, create thriving communities and plan for a sustainable future.

Of relevance to this assessment are the following planning objectives of the draft plan:

- Objective 12 | Promote a year-round visitor economy.
- Objective 15 | Promote business and employment opportunities in strategic locations.
- Objective 17 | Plan for a supply of housing in appropriate locations.
- Objective 18 | Plan for more affordable, low-cost and social housing.
- Objective 19 | Improve the quality, resilience and sustainability of housing.

2.3 Eurobodalla Local Strategic Planning Statement 2020-40

The Eurobodalla Local Strategic Planning Statement (statement) sets out a 20-year strategic vision for land use planning across Eurobodalla. The statement sets several planning priorities to achieve its strategic vision.

Planning priorities of relevance to this assessment are as follows:

- Planning Priority 1 – Encourage greater housing diversity and affordability.
- Planning Priority 3 – Consolidate development within town and village centres.
- Planning Priority 11 – Activate town and village centres.
- Planning Priority 12 – Ensure an adequate supply of employment lands.

The statement provides the following key socio-economic characteristics of Eurobodalla:

- Home to almost 39,370 people in 2020, which is forecast to grow to 45,515 by 2036. Representing an annual growth rate of 0.9%.
- The population is reported to swell to 130,000 people of the summer holiday period.
- The population is rapidly aging with the median age being 54 and 34.1% of the forecast population being aged 65 years and over.
- The unemployment rate (9%) is one of the highest rates across Australia.
- Most households are one and two persons. This is in contrast to the majority of dwelling stocks being three and four bedroom homes.
- There was over $1 billion earmarked for investment across the Shire between 2020-23.
- The number of visitors to the region has risen from 1.3 million in 2017/18 to 1.6 million in 2018-19. This highlights the key contribution that the tourism sector provides.
- The local economy has not grown at a pace to provide sufficient jobs for the local population – with most jobs being part-time and low paying.

2.4 Eurobodalla Shire Economic Development Strategy 2019-28

Eurobodalla Shire Economic Development Strategy (the strategy) provides a plan to advance the economy of Eurobodalla Shire over a 10-year period form 2019. Economic growth is primarily achieved through strengthening the qualities that attract people to visit, invest and live in the area: high-quality tourism and recreation opportunities; small scale agriculture; food and rural tourism; and heritage, cultural and natural experiences.

The strategy estimates that achieving its plan, by 2036 the economy would be stronger and more diverse, including an additional 2,500 jobs and $330 million in Gross Regional Product over its base projection.

2.5 Batemans Bay Town Centre Structure Plan

The Batemans Bay Town Centre Structure Plan (structure plan) sets out the vision for the Batemans Bay town centre, with the aim to build a vibrant and diverse town centre environment for the current and future community.

Of relevance to this assessment are the following core principles of the structure plan:

- Promote and reinforce the role of Batemans Bay as the main 'street-based' activity centre for the Shire, supported by strategically located major retail/ commercial businesses.
- Support and enhance the diversity of services and activities within the town centre, together with the primacy of active street frontages and foreshore atmosphere.
- Facilitate the integration of additional commercial and residential floorspace within new development on land currently used for at-grade car parking.
- Maintain a 'human scale' of the built form with building heights limited to 3 or 4 floors with upper floors stepped back.

2.6 Strategic policy review summary

The master plan would increase the capacity and diversity of resident and visitor accommodation in the study area while promoting increased business investment, tourism infrastructure and employment opportunities. As such, the master plan would contribute to the attainment of several key planning priorities and actions reviewed in strategic policy for Eurobodalla and Batemans Bay town centre. The master plan would also contribute to alleviating some of the challenging socio-demographic trends observed in these documents.

3.0 SOCIO-ECONOMIC ASSESSMENT

The following section undertakes a review of the socio-economic trends within the study area. The purpose of this assessment is to understand local trends and factors which may influence the demand for and the type of retail and commercial space in the study area. It also provides baseline trends for the preparation of any population and employment forecast for the locality.

3.1 Study area – accommodation

The following undertakes a high-level review of the number and type of accommodation within the study area. This analysis was undertaken at the Statistical Area Level 1 (SA1) level. SA1s are geographical boundaries used by the Australia Bureau of Statistics (ABS). They are the smallest geographical unit for which the ABS provides comprehensive population and housing census data. SA1s generally have a population of 200 to 800 people, with an average of about 400 people.

For this assessment, the following five SA1s were analysed: 10104101704; 10104101705; 10104101706; 10104101718; and 10104101823. Combined, these SA1s best correlate to the study area.

3.1.1 Private dwelling growth and type

In 2021, the study area contained 1,517 private dwellings, representing an increase of around 165 dwellings or 12% from 2011. This proportional growth was slightly higher than Eurobodalla LGA over the 10-year period (10%).

The most common dwelling type in the study area, as of 2011, was separate dwellings (41% of dwellings). Despite this typology experiencing some growth over the period to 2021 (+22 dwellings), most new dwellings were apartments (+164 dwellings). The growth in apartments has seen them surpass separate dwellings as the common dwelling type by 2021 (41% and 38% of dwellings, respectively).

The study area is one of Eurobodalla's denser locations. This is evident in the location containing just over 36% of the LGAs apartments and that 41% of the study area's dwelling stock is apartments, compared to just 7% of dwelling stock across the LGA.

Table 6: Study area private dwellings by occupation and type

Dwelling type	2011			2021		
	Occupied	Unoccupied	Total	Occupied	Unoccupied	Total
Separate house	409	150	559	438	142	580
Semi-detached	177	80	257	179	49	228
Apartment	313	143	456	430	190	620
Other	80	0	80	75	0	75
Not stated	0	0	0	14	0	14
Total	**979**	**373**	**1,352**	**1,136**	**381**	**1,517**

Source: ABS Tablebuilder, HillPDA

3.1.2 Private dwelling suitability by typology 2021

The ABS provides data on the variable of housing suitability, which compares numbers of bedrooms required with actual numbers of bedrooms per dwelling. It can be used to analyse the under- or over-utilisation of dwellings and dwelling suitability for resident households.

The criteria used to derive this variable are based on the Canadian National Occupancy Standard for housing appropriateness and are sensitive to both household size and composition. The measure assesses the bedroom requirements of a household by specifying that:

- There should be no more than two persons per bedroom
- Children of less than five years of age of different sexes may reasonably share a bedroom
- Children less than 18 years of age and of the same sex may reasonably share a bedroom
- Single household members 18 years and over should have a separate bedroom, as should parents or couples and
- A lone person household may reasonably occupy a bed sitter.

Using this data, it can be observed that:

- Overall, the study area had better dwelling suitability than the LGA average, with 49% of dwellings having a spare bedroom compared to 56% of the LGA's dwellings.
- Apartments were more suitable to their occupants' needs, with 46% of dwellings having a spare bedroom in the study area. This is compared to 55% of townhouses and 51% of separate dwellings having spare bedrooms.

Table 7: Dwelling suitability by typology 2021

Bedrooms spare	Study area				LGA			
	Separate	Townh.	Apar.	Total*	Separate	Townh.	Apar.	Total*
One	20%	36%	34%	29%	17%	28%	28%	19%
Two	22%	19%	12%	17%	26%	20%	12%	24%
Three	7%	0%	0%	3%	13%	2%	1%	11%
Four+	1%	0%	0%	1%	2%	0%	1%	2%
% of typology	**51%**	**55%**	**46%**	**49%**	**58%**	**50%**	**41%**	**56%**

Source: ABS Tablebuilder, HillPDA -*includes other dwelling types

3.1.3 Tourist accommodation – Airbnb

HillPDA has assessed Airbnb's website. This assessment found a total of 59 dwellings for short-term-rent within the study area, representing around 3.9% of its total private dwelling stocks. Of these 59 dwellings:

- 44 were apartments, representing 7% of the study area's apartment stocks.
- 9 were semi-detached, representing 7% of semi-detached dwelling stocks.
- 44 were separate, representing 7% of the study area's separate dwelling stocks.

3.1.4 Tourist accommodation – hotels and motels

A review of Google business points indicates there were 19 hotels and motels within the study area. Combined, these establishments provided around 565 rooms.

Table 8: Short-term accommodation, bedrooms and star rating

Accommodation name	Rooms	Star rating
Araluen Motor Lodge	32	3
Argyle Terrace Motor Inn	13	3
Batemans Bay Lodge	43	4
Batemans Bay Marina Resort	89	3.5
Bay Breeze Boutique Accommodation	10	4
Bay View Hotel	14	3
Bayview Hotel	14	3
Beach Drive Motel	19	3
Corrigans Cove Resort	32	4
Hanging Rock Family Motel	27	3
Kon Tiki Motel Apartments	6	3
Mariners On The Waterfront Hotel	38	4
Quays Hotel	25	3
Ramada Resort	84	5
Sunseeker Motor Inn	31	4
The Esplanade Motel	23	4
The Isla	18	4
The Reef Motor Inn and The Reef Restaurant	30	3
Zorba Waterfront Motel	17	3

Source: HillPDA, sourced from Google

3.2 Resident socio-economic profile

The following assesses the socio-economic profile of the study area's residents.

3.2.1 Population growth and age structure

As of 2021, the population of the study area reached 2,022, having grown by just over 130 people over the preceding ten years. This equated to a proportional growth of 7% and an annual compound growth rate of 0.7%. This growth was under half that experienced across the LGA, which recorded a proportional growth of 17% and an annual compound growth rate of 1.6%.

Table 9: Population growth 2011-21

Area	2011	2021	Net change	% change	ACGR
Study area	1,891	2,022	131	7%	0.7%
LGA	35,336	41,215	5,879	17%	1.6%

Source: ABS Tablebuilder, Profile .id – place of usual residence

The age structure of the study area was comparable to that of wider LGA with a greater representation of residents in the higher age brackets. This was reflected in the median age being 54 years across the two areas in 2021.

Over the ten years to 2021, the study area experienced an ageing of the population. This is evident in the proportion of residents aged 60 years increasing from 36% in 2011 to 41% by 2021. Of the net growth in residents (+130), 155 (or 118%) were aged 60 and over. It is also noted that over this period the younger age groups (24 years and under) recorded negative growth.

The high number and growth in the older age cohorts will likely drive demand for increased health and social services. It would also indicate a higher demand for smaller style and affordable dwellings to allow residents to age in place while having greater accessibility to services.

Table 10: Age composition 2011-21

Age cohort	2011	2021	Change	LGA 2021
0-4	103	87	-16	1,697
5-14	175	141	-34	4,045
15-24	199	142	-57	3,338
25-39	274	304	30	5,128
40-59	465	518	53	9,814
60-69	261	339	78	7,932
70-84	319	409	90	7,769
85+	95	82	-13	1,492
Total	**1,891**	**2,022**	**131**	**41,215**

Source: ABS Tablebuilder, Profile .id – place of usual residence

3.2.2 Resident employment status

Although the unemployment rate within the study area had decreased between 2011-21 (12.4% to 7.1%) it remained almost double that of the wider LGA (4.1%). The higher unemployment rate within the study area is a result of a lower participation rate when compared to the wider LGA (40% and 45%, respectively). Increased employment opportunities provided within the study area could help alleviate the higher unemployment rate.

Although most people are employed full-time, the study area and LGA have a higher proportion of residents employed part-time compared to regional NSW. This may reflect reliance on the tourism and visitor economy. The tourism sector experiences fluctuations in demand and hence the higher tendency for part-time employment.

Given the nature of part-time employment, such jobs are lower paying. This reduces the amount of discretionary spending a person or household can generate. Increased employment opportunities, particularly business with higher tendency to provide full-time employment, can contribute to increasing the amount that persons and households can allocate to discretionary spending. This would further drive the demand for increased retail and other services in the study area.

Table 11: Employment status 2011-21

	2011	2021	LGA in 2021	Regional NSW
Employed full-time	46.9%	47.2%	47.6%	54.5%
Employed part-time	34.9%	38.9%	40.4%	33.7%
Employed, away from work	5.9%	6.8%	7.9%	7.3%
Unemployed	12.4%	7.1%	4.1%	4.6%
Total	**100.0%**	**100.0%**	**100.0%**	**100.0%**

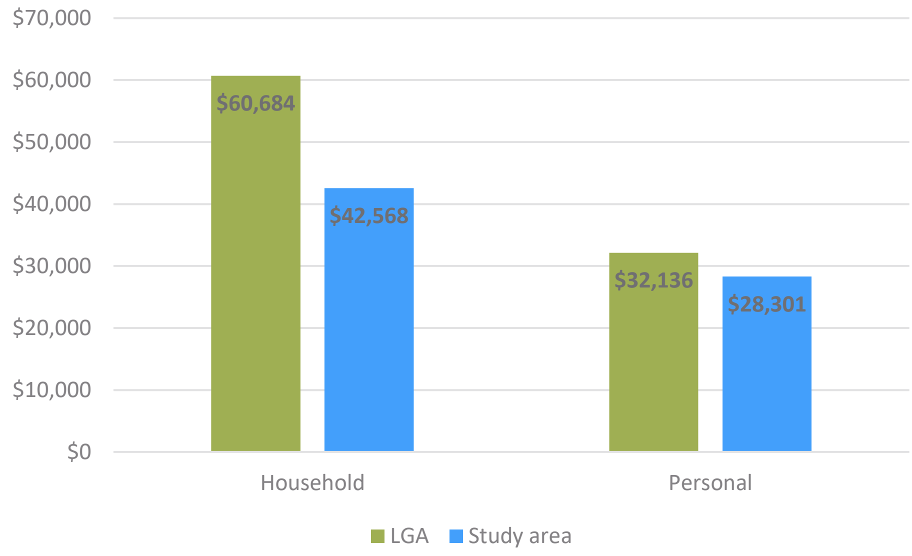
Source: ABS Tablebuilder, Profile .id – place of usual residence, *Regional NSW excludes Greater Sydney

3.2.3 Median household and personal income

As of 2021, median annual household and personal incomes within the study area were around $42,570 and $28,300 respectively. Compared to the wider LGA, household incomes were around $18,115 or 30% lower and personal incomes were $3,835 or 12% lower.

The lower household incomes in the study area can be partly explained by the higher representation of smaller dwellings (apartments) and the subsequent lower household size (1.8 persons per dwelling) when compared to the LGA (2.2 persons per dwelling).

Figure 9: Median annual household and personal incomes (2021)



Source: ABS Quick Stats, ABS data pack 2021 SA1 level, HillPDA

3.2.4 Resident employment profile

Over the ten years to 2021 employed residents in the study area increased by 117 residents or 21%. Over the period, the five top growth industries were:

- Health Care and Social Assistance – 32 additional working residents
- Administrative and Support Services – 23 additional working residents
- Retail Trade – 18 additional working residents
- Public Administration and Safety – 18 additional working residents
- Health Care and Social Assistance – 12 additional working residents.

As of 2021, the top five employment industries were:

- Accommodation and Food Services – 118 employed residents
- Health Care and Social Assistance – 114 employed residents
- Retail Trade – 103 employed residents
- Construction – 64 employed residents
- Public Administration and Safety – 41 employed residents.

As of 2021, the employment profile of residents in the study area was reflective of the wider LGA. However, proportionally, there was a higher representation of residents employed within accommodation and food services (19% and 10% respectively) and retail trade (16% and 12% respectively) and a lower representation in education and training (3% and 8% respectively) and construction (10% and 13% respectively).

Table 12: Resident employment profile

Industry	2011	2021	Change
Agriculture, Forestry and Fishing	10	6	-4
Mining	0	0	0
Manufacturing	31	18	-13
Electricity, Gas, Water and Waste Services	7	11	4
Construction	58	64	6
Wholesale Trade	13	3	-10
Retail Trade	85	103	18
Accommodation and Food Services	106	118	12
Transport, Postal and Warehousing	18	21	3
Information Media and Telecommunications	4	4	0
Financial and Insurance Services	8	9	1
Rental, Hiring and Real Estate Services	14	15	1
Professional, Scientific and Technical Services	21	21	0
Administrative and Support Services	14	37	23
Public Administration and Safety	23	41	18
Education and Training	23	21	-2
Health Care and Social Assistance	82	114	32
Arts and Recreation Services	5	9	4
Other Services	19	18	-1
Inadequately described	3	16	13
Not stated	4	16	12
Total	**548**	**665**	**117**

Source: ABS Tablebuilder, Profile.id – place of usual residence

3.3 Employment profile

The following assesses the socio-economic profile of the study area's employment profile. That is, the types of jobs and economic activity generated/located in the study area. This analysis was undertaken at the Destination Zone (DZ) level. DZs are geographical boundaries used by the Australia Bureau of Statistics (ABS). They are the smallest geographical unit for which the ABS provides comprehensive place of work census data.

For this assessment, the following ABS Destination Zone (DZ) was analysed 110178126.

3.3.1 Employment generation by industry type

Over a ten-year period to 2021, employment generated within the study area increased by 1,025 jobs or 27%, reaching a total of around 4,790 jobs. This job growth represented over a third (35%) of the net increase recorded across Eurobodalla over the period.

Over the period, the five top growth industries were:

- Construction - 263 additional jobs
- Public Administration and Safety - 218 additional jobs
- Health Care and Social Assistance - 174 additional jobs
- Transport, Postal and Warehousing - 47 additional jobs
- Administrative and Support Services - 47 additional jobs.

As of 2021, the top five employment industries were:

- Retail Trade - 833 total jobs
- Health Care and Social Assistance - 619 total jobs
- Accommodation and Food Services - 570 total jobs
- Construction - 513 total jobs
- Public Administration and Safety - 463 total jobs.

As of 2021, the study area had a high concentration of Eurobodalla's following industries:

- Financial and Insurance Services - 54% of the LGA's jobs
- Wholesale Trade - 52%
- Retail Trade - 46%
- Other Services - 45%
- Transport, Postal and Warehousing - 43%
- Manufacturing - 43% of the LGA's jobs
- Public Administration and Safety - 42%.

3.3.2 Industry clustering/specialisations

The location quotient is a simple way of seeing which are the main industries in an area, relative to the wider region. Location quotient shows the percentage of the local economy characteristic (eg. employment) in a particular industry divided by the percentage of the wider area (region, state and nation) that this industry makes up. As defined by Profile .id:

- Where location quotient =1, that industry is exactly as prevalent as in the wider region.
- A location quotient greater than 1.2 indicates a significant specialisation of the industry in the local area – possibly a key economic strength. Higher numbers mean greater specialisations. Anything over 2 is a major specialisation.
- A location quotient between 0.8 and 1.2 means the industry is broadly similar in importance in the local area compared to the comparison region and could be seen as representative.
- A location quotient under 0.8 indicates an industry which is more important in the region than the local area and may represent an economic weakness or opportunity for growth.

As shown in Table 13, this analysis reveals that when compared to the wider LGA the study area had a significant specialisation in the industries of:

- Manufacturing
- Wholesale Trade
- Retail Trade
- Transport, Postal and Warehousing
- Financial and Insurance Services
- Public Administration and Safety
- Other Services.

Conversely, the study area had weakness or growth opportunity in the industries of:

- Agriculture, Forestry and Fishing
- Mining
- Electricity, Gas, Water and Waste Services
- Information Media and Telecommunications
- Education and Training
- Health Care and Social Assistance
- Arts and Recreation Services.

Table 13: Study area employment generation 2011-21 and location quotation

Industry	2011	2021	Change	LQ	% of LGA jobs 21
Agriculture, Forestry and Fishing	62	88	26	0.68	23%
Mining	4	6	2	0.58	20%
Manufacturing	225	190	-35	1.26	43%
Electricity, Gas, Water & Waste Serv.	12	22	10	0.39	13%
Construction	250	513	263	1.01	34%
Wholesale Trade	81	99	18	1.53	52%
Retail Trade	800	833	33	1.34	46%
Accommodation and Food Services	553	570	17	1.13	39%
Transport, Postal and Warehousing	142	189	47	1.26	43%
Information Media and Telecom.	42	26	-16	0.45	15%
Financial and Insurance Services	98	77	-21	1.57	54%
Rental, Hiring & Real Estate Services	104	93	-11	1.13	39%
Professional, Scientific & Tech. Serv.	120	157	37	0.81	28%
Administrative and Support Services	103	150	47	0.97	33%
Public Administration and Safety	245	463	218	1.24	42%
Education and Training	225	203	-22	0.50	17%
Health Care and Social Assistance	445	619	174	0.78	27%
Arts and Recreation Services	34	33	-1	0.44	15%
Other Services	208	248	40	1.30	45%
Inadequately described	15	130	115		
Not stated	0	83	83		
Total	**3,768**	**4,792**	**1,024**		**34%**

Source: ABS 2011, 2021 Tablebuilder, Profile.id

Closer examination at the ANZSIC 2-digit level revels that the study area has significant specialisation in several key industries, primarily in manufacturing and wholesale trade. This implies that the study area is a key provider of and location for industrial services across Eurobodalla.

Table 14: Industry significant specialisation 2021– ANZSIC 2-digit level

ANZSIC 1-digit	ANZSIC 2-digit	LQ
Manufacturing	Textile, Leather, Clothing & Footwear Manufact.	2.13
Manufacturing	Printing	1.82
Manufacturing	Non-Metallic Mineral Product Manufacturing	2.03
Manufacturing	Fabricated Metal Product Manufacturing	2.27
Wholesale Trade	Machinery and Equipment Wholesaling	2.04
Wholesale Trade	Motor Vehicle and Motor Vehicle Parts Wholesaling	2.78
Wholesale Trade	Grocery, Liquor and Tobacco Product Wholesaling	2.26
Wholesale Trade	Other Goods Wholesaling	1.82
Information Media & Telecomm.	Motion Picture and Sound Recording Activities	2.00
Public Administration and Safety	Public Order, Safety and Regulatory Services	2.28
Arts and Recreation Services	Gambling Activities	1.94

Source: ABS 2011, 2021 Tablebuilder, HillPDA

3.3.3 Industry value added and worker productivity

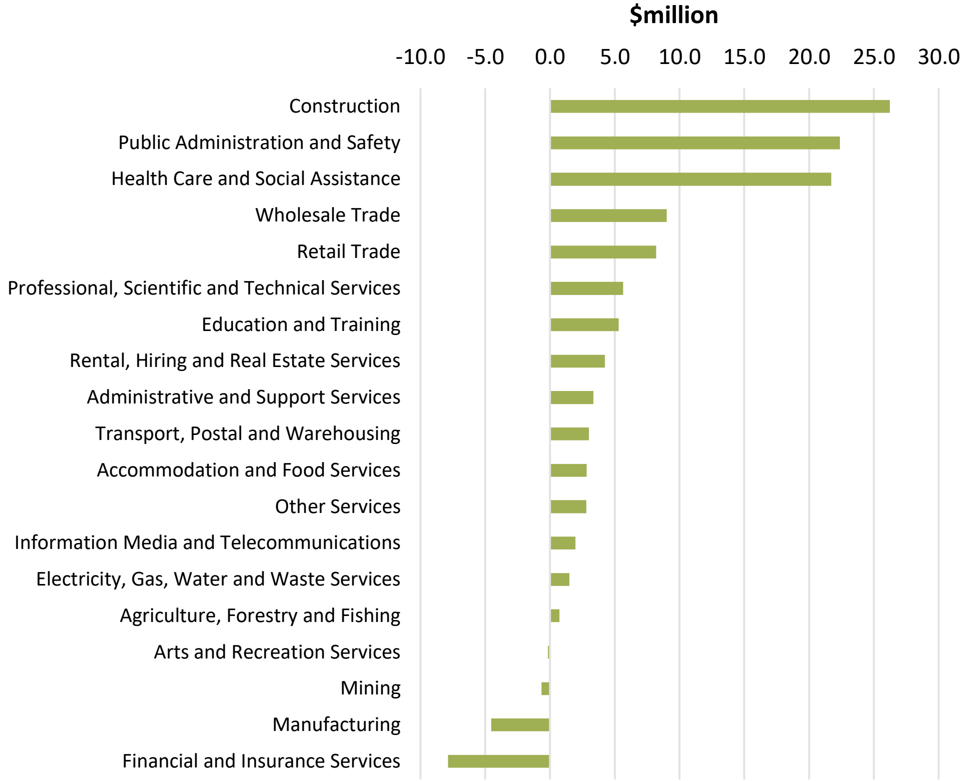
The industry value added (IVA) of an industry refers to the value of outputs less the costs of inputs. It measures the contribution that the industry makes to a country or region's wealth or gross domestic/regional product.

Over a ten-year period to 2021, IVA generated within the study area increased by an estimated $93 million 30%, reaching a total of around $401 million. This growth represented 35% of Eurobodalla's growth in IVA over the period.

Over the period, the five top growth industries were:

- Public Administration and Safety - $21 million
- Construction - $20 million
- Health Care and Social Assistance - $15 million
- Wholesale Trade - $8 million
- Retail Trade - $7 million.

Figure 10: Net change in study area IVA by industry



Source: ABS 2011, 2021 Tablebuilder, Profile.id, HillPDA

3.3.4 Employment projections

Between 2024-41, Transport for NSW project employment within the study area to increase by 378 jobs or 7%, reaching 5,587 jobs. Except for agriculture, forestry and fishing, all industries are projected to grow.

Over the period, the five top growth industries are forecast to be:

- Accommodation and Food Services - 99 additional jobs
- Other Services - 52 additional jobs
- Manufacturing - 43 additional jobs.
- Construction - 35 additional jobs
- Administrative and Support Services - 32 additional jobs

Analysis of broad industry codes (BICs) shows population serving industries are projected to increase the most (+208 or 55% of job growth). This BIC includes the industries of retail, accommodation, food services and construction. The next largest growth BIC is knowledge intensive industries, with 83 additional jobs. Employment within these two BICs are key drivers of commercial space and imply that there will be demand for additional commercial space such as that provided in Batemans Bay town centre.

Table 15: Study area employment projections 2024-41

Industry	2024	2046	Net change
Agriculture, Forestry and Fishing	91	91	0
Mining	0	0	0
Manufacturing	199	242	43
Electricity, Gas, Water and Waste Services	20	23	3
Construction	451	486	35
Wholesale Trade	96	108	11
Retail Trade	1,050	1,065	15
Accommodation and Food Services	592	691	99
Transport, Postal and Warehousing	241	257	16
Information Media and Telecommunications	27	33	6
Financial and Insurance Services	113	143	30
Rental, Hiring and Real Estate Services	111	130	18
Professional, Scientific and Technical Services	196	197	1
Administrative and Support Services	182	215	32
Public Administration and Safety	519	514	-5
Education and Training	252	262	9
Health Care and Social Assistance	689	695	5
Arts and Recreation Services	44	51	8
Other Services	335	387	52
Total	**5,209**	**5,587**	**378**
BIC	**2021**	**2046**	**Net change**
Health and Education	942	956	15
Industrial	648	720	73
Knowledge Intensive	1,148	1,230	83
Population Serving	2,472	2,680	208
Total	**5,209**	**5,587**	**378**

Source: NSW TfNSW 2022 employment projections

3.4 Tourism and visitor trends

As of 2021/22 it was estimated that the tourism sector:

- Supported a total of 1,280 jobs across Eurobodalla, of which 843 were directly generated.
- Supported a total of $201 million in Eurobodalla's output, of which $93 million was direct output.
- Supported a total of $98 million in Eurobodalla's gross regional product, of which $46 million was directly contributed.

The tourism sector is key pillar of Eurobodalla's economy. However, measures implemented to reduce the spread of COVID-19 have impacted the sector. This is evident in the sector's key economic metrics in 2021/21 being lower than in 2018/19. For example, when compared to 2018/19:

- Total employment was 642 jobs lower.
- Total output was 121 million dollars lower.
- Total industry value added was 59 million dollars lower.

Supporting a local-led recovery of this important sector will be crucial to the continued sustainability and growth of Eurobodalla's economy.

Table 16: Value of Eurobodalla's tourism

Employment	2018/19	2021/22	Change
Direct	1,265	843	-422
Indirect	657	437	-220
Total	**1,922**	**1,280**	**-642**
Output/Sales ($m)	**2018/19**	**2021/22**	**Change**
Direct	149.04	92.99	-56.05
Indirect	173.26	108.1	-65.16
Total	**322.29**	**201.09**	**-121.2**
Value added ($m)	**2018/19**	**2021/22**	**Change**
Direct	73.55	45.97	-27.58
Indirect	82.79	51.74	-31.05
Total	**156.34**	**97.71**	**-58.63**

Source: Profile .id

3.4.1 Tourist and visitor numbers

According to Profile.id in 2018/19 there were just over 1.5 million visitors to Eurobodalla. Of these, the majority (56%) were domestic overnight visitors, followed by domestic day trippers (41%) and lastly international visitors (2%).

Despite an initial reduction in domestic overnight and day visitor numbers from the impacts of COVID-19, such numbers have recovered. This is compared to international visitors where data is unavailable post 2019/20.

Table 17: Tourist and visitor numbers 2010-22

Year	International visitors	Domestic overnight visitors	Domestic daytrip visitors	Total visitors
2010/11	29,261	564,674	593,217	1,187,152
2011/12	23,057	669,314	468,821	1,161,192
2012/13	19,438	670,916	584,960	1,275,314
2013/14	24,526	715,220	392,516	1,132,262
2014/15	24,988	693,723	428,732	1,147,443
2015/16	28,398	745,218	619,786	1,393,402
2016/17	34,654	732,236	449,626	1,216,516
2017/18	34,512	794,221	501,071	1,329,804
2018/19	37,045	844,130	623,680	1,504,855
2019/20	32,000*	593,975	569,088	1,195,063
2020/21	n/a	905,089	646,862	1,551,951
2021/22	n/a	702,044	n/a	702,044
Average	**28,788**	**719,230**	**534,396**	**1,233,083**

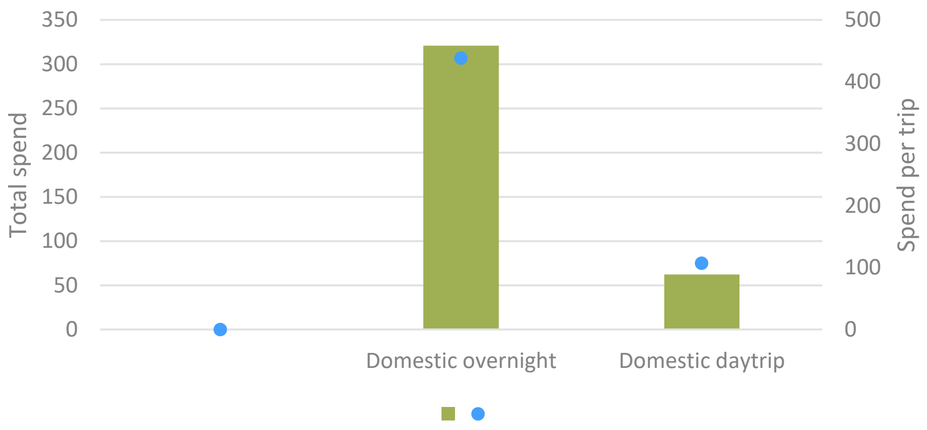
Source: Profile .id, *Tourism Research Australia LGA Profiles 2019 estimate – n/a = data not available

3.4.2 Tourist and visitor spend

According to Tourism Research Australia, total visitor expenditure in Eurobodalla was $394 million in 2019. Of this, $321 million, or 81%, was sourced from domestic overnight visitors, $62 million, or 16%, was sourced from domestic day trippers, and the remaining $12 million, or 3%, was from international visitors.

Domestic overnight visitors had the highest average spend per trip ($438), followed by international visitors ($363). Lastly, domestic day visitors had an average spend of $107 per trip.

Figure 11: Visitor spend – Eurobodalla 2019



Source: Tourism Research Australia 2019 LGA profile

3.5 Spending patterns

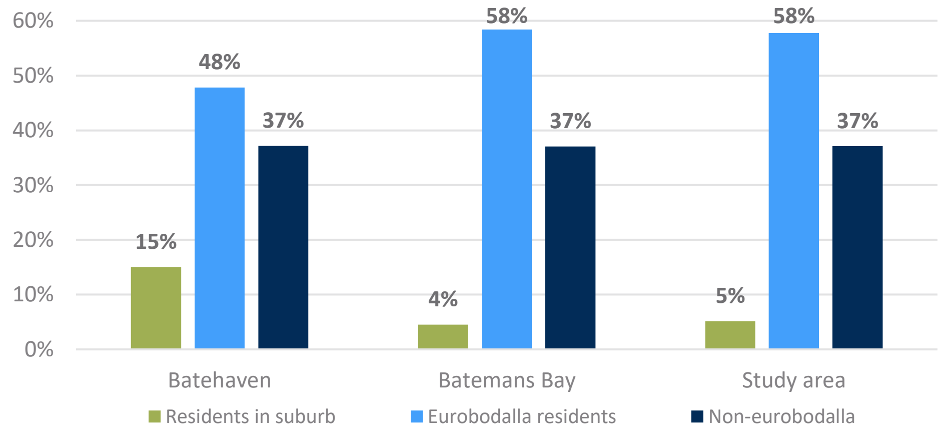
The following analyses Spendmapp by Geografia, provided by Council to understand the amount and type of retail expenditure that is captured within the study area. Spend data is provided at the suburb level, with the combination of Batemans Bay and Batehaven being the best corresponding boundary to the study area.

According to Spendmapp data, the study area captured around $492 million in retail expenditure in the year to July 1st 2023[1]. This was $136 million (or 38%) higher than total spend recorded in the year to July 2019 (pre-COVID).

Of this total expenditure in the year to July 2023, around $25 million, or 5%, was sourced from residents living in the study area, $284 million, or 58%, was sourced from other Eurobodalla residents, and the remaining $183 million, or 37%, was from visitors from outside Eurobodalla.

Proportionally, these sources of spend are similar across the study area's suburbs. The exception is Batehaven, which has a higher proportion of spend sourced from residents and a correspondingly lower proportion sourced from other Eurobodalla residents.

Figure 12: Sourced of retail expenditure captured in the study area (% of total spend)



Source: Spendmapp by Geografia, HillPDA

[1] This includes the categories of Bulky Goods, Department Stores & Clothing, Dining & Entertainment, Furniture & Other Household Goods, Grocery Stores & Supermarkets, Personal Services, Specialised Food Retailing and Specialised & Luxury Goods.

3.5.1 Capture of resident spend

In the year to June 2023, residents in the study area generated a total of $72 million in retail spend. Of this, $25 million or 35% was captured by retailers in the study area. The retention/capture of spend was highest for the categories of:

- Grocery Stores & Supermarkets - 45% of resident spend was captured in the study area.
- Personal Services - 41% of resident spend was captured in the study area.
- Specialised Food Retailing - 40% of resident spend was captured in the study area.
- Bulky Goods - 40% of resident spend was captured in the study area.

Table 18 shows the proportion of total resident spend generated (excluding online spend) in the study area that is captured by retailers in the study area. It also shows the proportion that is retained within each of the study area's suburbs.

Table 18: Study area capture of resident spend – year to June 2023

Retail category	Batemans Bay	Batehaven	Study area
Bulky Goods	77%	0%	40%
Department Stores & Clothing	55%	0%	27%
Dining & Entertainment	43%	5%	23%
Furniture & Other Household Goods	46%	0%	21%
Grocery Stores & Supermarkets	78%	16%	45%
Personal Services	46%	37%	41%
Specialised Food Retailing	57%	28%	40%
Specialised & Luxury Goods	62%	11%	34%
Total retail	**62%**	**12%**	**35%**

Source: Spendmapp by Geografia, HillPDA

3.5.2 Capture of remaining Eurobodalla resident trade

Excluding residents that lived in the study area, the remaining Eurobodalla population generated a total of $619 million in retail spend (excluding online spend). Of this, $284 million or 46% was captured within the study area. Analysis of each retail category indicated that the following had the highest capture rates:

- Bulky Goods - 75% of Eurobodalla's spend captured.
- Department Stores & Clothing - 50% of Eurobodalla's spend captured.
- Grocery Stores & Supermarkets - 50% of Eurobodalla's spend captured.
- Specialised Food Retailing - 47% of Eurobodalla's spend captured.

The majority of spend was captured within the suburb of Batemans Bay. The proportion of non-study area resident trade captured within the study area and across each of its suburbs can be seen in the table below.

Table 19: Study area's capture of external Eurobodalla resident retail spend

Retail category	Batemans Bay	Batehaven	Study area
Bulky Goods	72%	0%	75%
Department Stores & Clothing	47%	0%	50%
Dining & Entertainment	24%	2%	28%
Furniture & Other Household Goods	40%	0%	42%
Grocery Stores & Supermarkets	46%	2%	50%
Personal Services	29%	7%	38%
Specialised Food Retailing	37%	7%	47%
Specialised & Luxury Goods	39%	2%	43%
Total retail	**41%**	**2%**	**46%**

Source: Spendmapp by Geografia, HillPDA

3.5.3 Capture of visitor spend

In the year to June 2023, visitors to Eurobodalla spent an estimated $365 million on retail items. Of this, half ($365 million or 50%) was captured within the study area.

This proportional capture of total spend was higher in the following retail categories:

- Bulky Goods - 90% of visitor spend was captured within the study area.
- Department Stores & Clothing - 66% of visitor spend was captured within the study area.
- Personal Services - 50% of visitor spend was captured within the study area.

The proportion of visitor trade captured within the study area and across each of its suburbs can be seen in the table below.

Table 20: Capture of visitor spend – year to June 2023 (LGA %)

Retail category	Batemans Bay	Batehaven	Study area
Bulky Goods	90%	0%	90%
Department Stores & Clothing	66%	1%	67%
Dining & Entertainment	40%	4%	43%
Furniture & Other Household Goods	46%	0%	46%
Grocery Stores & Supermarkets	43%	2%	46%
Personal Services	50%	7%	57%
Specialised Food Retailing	37%	6%	43%
Specialised & Luxury Goods	45%	2%	47%
Total retail	47%	3%	50%

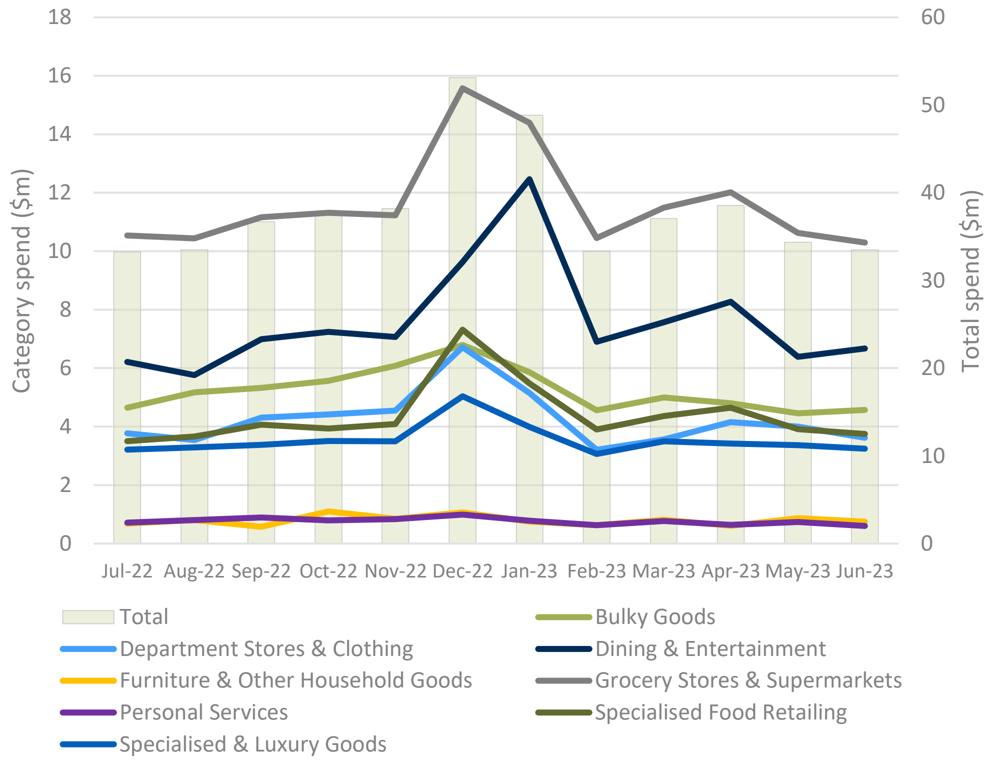
Source: Spendmapp by Geografia, HillPDA

3.5.4 Seasonal spending patterns

Owing to Batemans Bay being a key destination for tourists and visitors, the study area experiences seasonal fluctuations in spend.

This can be seen in Figure 13, which shows higher spending levels in the months of December and January. The average total spend captured over these two months ($51 million) is $15.4 million, or 43% higher than the average recorded over the other months in the year to June 2023.

Figure 13: Study area monthly capture of retail spend – July 22 – June 23



Source: Spendmapp by Geografia, HillPDA

Average spend in December and January was higher across all retail categories when compared to the combined average of the remaining months.

The average spend captured over December and January compared to the average of the remaining months in the year to July 2023 is provided below.

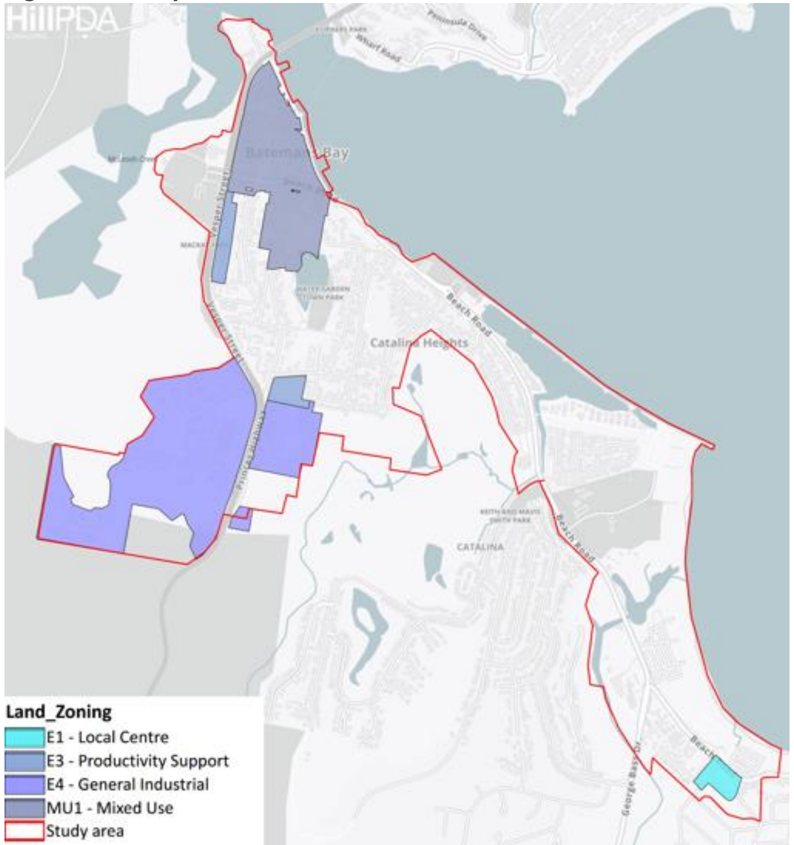
- Specialised Food Retailing $2.4 million or 61% higher
- Dining & Entertainment - $4.1 million or 60% higher
- Department Stores & Clothing - $2.1 million or 53% higher
- Grocery Stores & Supermarkets - $4.1 million or 37% higher
- Specialised & Luxury Goods - $1.2 million or 35% higher
- Bulky Goods - $1.3 million 27%
- Personal Services - $0.1 million or 20% higher
- Furniture & Other Household Goods - $0.1 million or 18% higher.

4.0 EMPLOYMENT FLOORSAPCE

This section estimates the amount and type of employment-providing space within the study area's commercial and employment (industrial) land zones (refer to Figure 14). Specifically, these zones are:

- MU1 – Mixed Use
- E1 – Local Centre
- E3 – Productivity Support
- E4 – General Industrial.

Figure 14: Study area – commercial and industrial zones



Source: HillPDA 2024

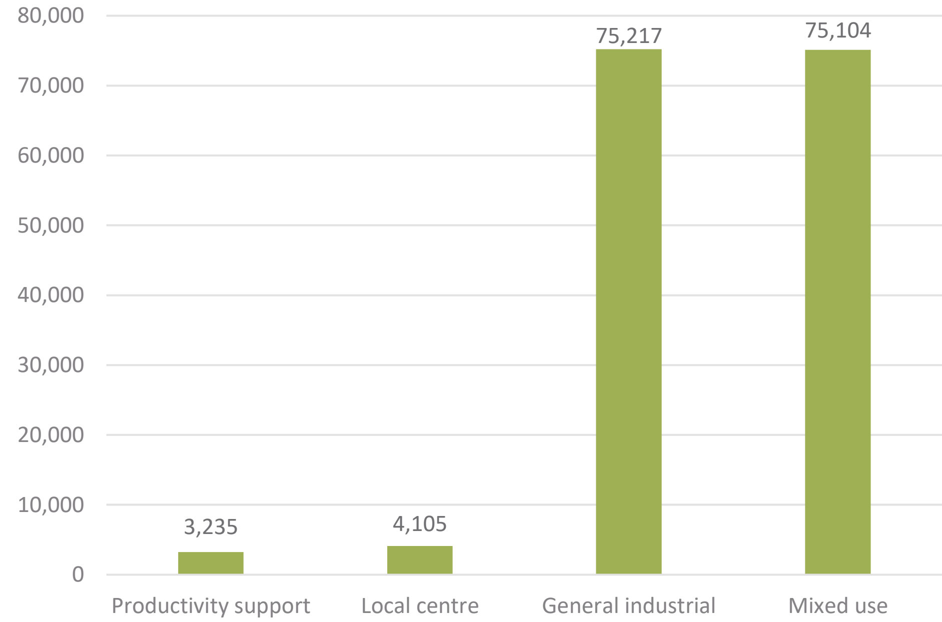
4.1 Audit results

Employment-providing floorspace was estimated using a combination of Google business points, Geoscape building floor print data, PCA Shopping Directory 2023 and Google Street View.

Using this methodology, it is estimated that the study area contained around 157,660sqm of occupied employment space. Of this:

- 75,220sqm or 48% was within the General Industrial zone
- 75,105sqm or 48% was within the Mixed Use zone
- 4,105sqm or 3% was within the Local Centre zone
- 3,235sqm or 2% was within the Productivity Support zone.

Figure 15: Total occupied employment floorspace by land zone (sqm)

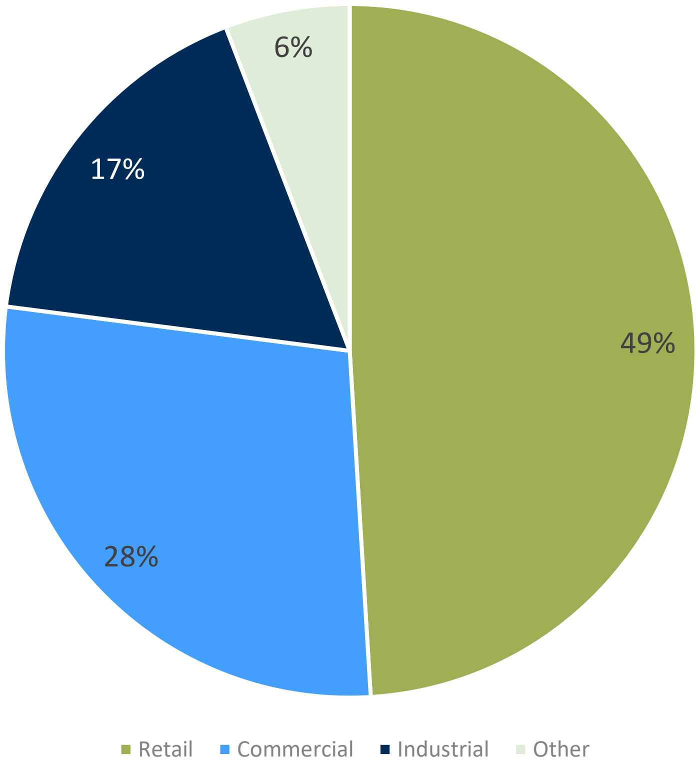


Source: HillPDA 2024

Most of this space was occupied by retail uses (77,305sqm or 49% of employment space) followed by:

- Commercial office uses – 44,165qm or 28%
- Industrial uses – 27,010sqm or 17%.
- Other uses – 9,180sqm or 6%

Figure 16: Occupied employment space by broad land use



Source: HillPDA 2024

4.2 Commercial zones land use audit

There are two distinct commercial locations within the study area: a mixed-use zone in the north and a local centre in the south within the suburb of Batehaven.

In total, these two locations provided a total of 79,210sqm of occupied space. Of this, 44,840sqm or 57% was attributed to retail uses, 26,180qm or 33% to commercial office uses, 7,850sqm or 13% to other uses, and the remaining 340sqm or 0.4% to industrial uses.

Most of the retail space (61%) was attributed to specialty food. This category includes restaurants and cafes, which comprised around 20% (8,870qm) of the total occupied retail space. Other top retail categories were:

- Supermarket – occupying 9,960sqm or 22%
- Speciality non-food – occupying 5,940sqm or 13%
- Personal services – occupying 4,730sqm or 11%
- Department store – occupying 4,570sqm or 10%.

A breakdown of floorspace is provided in Table 21 and Table 22.

4.2.1 Mixed use zone and marketplace audit findings

It was estimated that 75,105sqm of occupied space was contained within the study area's mixed-use zone. Of this, 42,130sqm or 56% was attributed to retail uses, 24,840qm or 33% was commercial office uses, 7,795sqm or 10% was attributed to other uses, and the remaining 340sqm or 0.4% was occupied by industrial uses (predominantly repair and maintenance space).

Most of the retail space (60%) was attributed to speciality food. This category includes restaurants and cafes, which comprised around 19% (8,180sqm) of the total occupied retail space. Other top retail categories were:

- Supermarket – occupying 9,255sqm or 22%
- Speciality non-food – occupying 5,480sqm or 13%
- Department store– occupying 4,570sqm or 11%.
- Personal services– occupying 4,300sqm or 10%.

4.2.2 Local centre audit findings

It was estimated that 4,105sqm of occupied space was contained within the study area's local centre zone. Of this, 2,710sqm or 66% was attributed to retail uses, 1,340qm or 33% was non-retail commercial and 55sqm or 1% was attributed to other uses.

Most of the retail space (80%) was attributed to speciality food. This category includes restaurants and cafes, which comprised around 26% (690sqm) of the total occupied retail space. The next largest retail floorspace categories were:

- Supermarket – occupying 705sqm or 26%
- Speciality non-food – occupying 460sqm or 17%
- Personal services – occupying 430sqm or 16%
- Speciality food – occupying 330sqm or 12%.

Table 21: Commercial centres land use audit

Land use	Local centre	Mixed-use	Total
Supermarket	704	9,254	9,958
Café/Restaurant	689	8,180	8,869
Bulky goods	54	2,366	2,420
Clothing	0	2,926	2,926
Department store	0	4,570	4,570
Personal services	429	4,302	4,731
Speciality Food**	327	2,157	2,483
Speciality non-food	461	5,478	5,939
Wholesale	50	1,413	1,463
Other retail	0	1,483	1,483
Non-retail commercial	1,339	24,839	26,178
Industrial	0	340	340
Other uses	54	7,795	7,849
Total	**4,105**	**75,104**	**79,208**

Source: HillPDA 2024, *these areas are located within the mixed use zone,**excludes supermarket/grocery and café/restaurant space

4.3 Employment land use audit

Employment (industrial) land in the study area consists of E3 – Productivity Support and E4 – General Industrial land zones.

It was estimated that, combined, the study area's employment land contained 78,540sqm of occupied employment space. Of this, 32,465sqm or 41% was attributed to retail uses, 26,670sqm or 34% was attributed to traditional industrial uses, 17,985qm or 23% was attributed to commercial office uses, and the remaining 1,330qm or 2% was occupied by other uses.

It is worth noting that wholesale trade, automotive (retail) and bulky goods uses are contained within the retail category. Combined, these uses occupied 22,300sqm or 69% of the retail space. As such, the employment land component of the study area is not occupied by retail uses which are more suitable/appropriate for a local or town centre (such as, specialty food, supermarket and personal services).

Figure 17: Study area's employment precincts broad land use space allocation (sqm)

Source: HillPDA 2024

Table 22: Study area occupied employment-providing floorspace estimate – commercial and industrial zones (2024)

Type	Land use	Broad - land use	Local centre	Productivity support	General industrial	Mixed-use	Total
Retail	Supermarket	Specialty Food	704	0	0	9,254	9,958
	Café/Restaurant	Specialty Food	689	363	855	8,180	10,086
	Bulky goods	Bulky goods	54	0	11,495	2,366	13,915
	Clothing	Clothing	0	0	459	2,926	3,385
	Department store	Department store	0	0	0	4,570	4,570
	Personal services	Personal services	429	0	129	4,302	4,860
	Speciality Food	Specialty Food	327	0	1,012	2,157	3,495
	Speciality non-food	Specialty Non-Food	461	754	6,412	5,478	13,104
	Wholesale	Wholesale	50	466	7,469	1,413	9,398
	Automotive	Retail other	0	32	2,839	1,483	4,353
		Subtotal	**2,712**	**1,614**	**30,669**	**42,129**	**77,124**
Commercial (non-retail)	Commercial other	Commercial	484	460	8,881	12,297	22,122
	Construction	Commercial	0	606	5,858	766	7,229
	Finance	Commercial	50	0	0	3,327	3,377
	Fitness/recreation	Commercial	58	0	1,807	544	2,409
	Legal	Commercial	0	0	0	842	842
	Medical	Commercial	746	0	0	4,654	5,400
	Real estate	Commercial	0	0	0	1,822	1,822
	Travel	Commercial	0	0	0	588	588
		Subtotal	**1,339**	**1,066**	**16,545**	**24,839**	**43,789**
Industrial	Repair and Maintenance	Industrial	0	0	18,195	107	18,302
	Manufacturing	Manufacturing	0	0	6,133	0	6,133
	Transport and warehousing	Transport and warehousing	0	0	2,343	233	2,575
		Subtotal	**0**	**0**	**26,671**	**340**	**27,011**
Other	Community	Community	0	0	591	1,133	1,724
	Education	Education	0	0	0	123	123
	Government	Government	54	0	741	4,999	5,793
	Hotel/club*	Hotel/club	0	0	0	1,541	1,541
		Subtotal	**54**	**0**	**1,332**	**7,795**	**9,181**
		Total	**4,105**	**2,680**	**75,251**	**75,104**	**157,140**

5.0 RETAIL FLOORSPACE DEMAND MODELLING

The following section forecasts the demand for retail floorspace within the study area's commercial centres. The methodology applied is based on expenditure modelling.

Expenditure modelling involves the definition of trade areas, analysing forecast resident, worker and visitor populations, estimating and projecting expenditure levels, estimating the level of expenditure captured specifically by a locality, proposed centre or subject site and dividing captured expenditure by industry benchmark turnover levels to derive required floor areas.

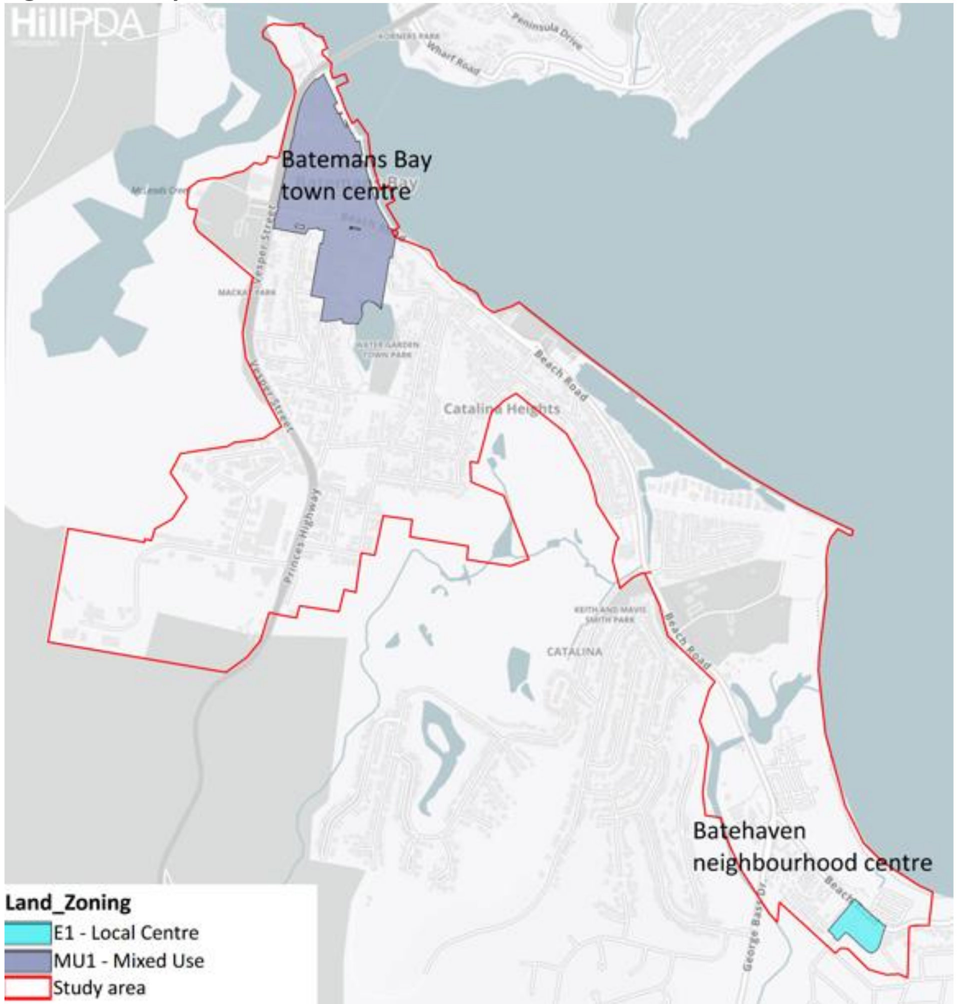
Specific steps undertaken to estimate the demand for retail services within each of the study area's commercial centres were as follows:

1. Analysed Spendmapp data to understand how much resident and visitor spend was generated across each of the study area's suburbs and Eurobodalla LGA.
2. Identified how much resident and visitor spend was captured by each centre across specific retail categories.
3. Estimated current and future resident and visitor populations and their resulting retail expenditure.
4. Estimated the amount and type of retail spend that would be retained/captured by each commercial centre.
5. Converted retail spend into floorspace based on average retail turnover densities.
6. Subtracted supply from demand to determine the future gap in floorspace.

The study area contains two distinct commercial centres. The first is Batemans Bay town centre, identified by its mixed-use zoning. As detailed in the Eurobodalla Settlement Strategy, Batemans Bay is at the top of Eurobodalla's retail hierarchy, operating at the regional centre level. The town centre is contained within Batemans Bay suburb.

The other commercial centre is in the south of the study area and is identified by its E1 - local centre zoning. The Eurobodalla Settlement Strategy refers to this centre as Batehaven neighbourhood centre.

Figure 18: Study area's commercial centres



Source: HillPDA 2024

5.1 Population projections

It is estimated that Eurobodalla's population will reach 52,740 by 2046. This represents an increase of 11,355 persons or 27% above the 2023 estimate.

Batemans Bay suburb's population is forecast to increase by just under 410 or 25% over the 23-year period, reaching 2,010 persons by 2046. While Batehaven suburb's population is forecast to increase by just under 180 or 9% over the 23-year period, reaching 2,115 by 2046.

Table 23: Population projections 2023-46

Location	2023*	2026	2031	2036	2046**	Change
Batemans Bay	1,602	1,668	1,755	1,820	2,010	408
Batehaven	1,937	1,973	2,006	2,031	2,115	178
Remaining LGA	37,847	39,220	41,394	43,556	48,613	10,766
Total LGA	**41,386**	**42,861**	**45,155**	**47,407**	**52,739**	**11,353**

Source: Profile.id February 2023 projections, HillPDA, estimated using ABS 2021 Census information and Profile .id residential development assumptions, ** forested applying 2021-36 annual compounded growth rate

5.2 Tourist and visitor projections

HillPDA has forecasted tourist and visitor numbers to Eurobodalla LGA to 2046. This has been achieved by applying annual compounded growth rates experienced between 2010/11 and 2018/19 or 2020/21.

Based on this method, it is estimated that by 2046, around 2.33 million people could visit Eurobodalla LGA. This represents an increase of around 775,615 persons or 50% more than in 2020/21.

Table 24: Tourist and visitor projections

Year	International visitors	Domestic overnight visitors	Domestic daytrip visitors	Total
2010/2011	29,261	564,674	593,217	1,187,152
2011/2012	23,057	669,314	468,821	1,161,192
2012/13	19,438	670,916	584,960	1,275,314
2013/14	24,526	715,220	392,516	1,132,262
2014/15	24,988	693,723	428,732	1,147,443
2015/16	28,398	745,218	619,786	1,393,402
2016/17	34,654	732,236	449,626	1,216,516
2017/18	34,512	794,221	501,071	1,329,804
2018/19	37,045	844,130	623,680	1,504,855
2019/20	32,000	593,975	569,088	1,195,063
2020/21	n/a	905,089	646,862	1,551,951
2026	38,193	979,668	675,477	1,693,338
2031	44,259	1,081,593	705,358	1,831,211
2036	51,290	1,194,122	736,561	1,981,973
2041	59,437	1,318,358	769,144	2,146,939
2046	68,878	1,455,520	803,169	2,327,567

Source: Profile.id, HillPDA

5.3 Forecast resident household expenditure estimates

This section examines the projected growth in household retail expenditure between 2023 and 2046. Household expenditure was sourced from:

- ABS Retail Turnover data which provides total turnover every month by State and by industry sub-groups across Australia.
- ABS Household Expenditure Survey which provides household expenditure by broad commodity type by and household income quintile.
- HillPDA's bespoke retail expenditure model which is generated by combining data from the Census, ABS Retail Turnover data and the ABS Household Expenditure Survey (HES).

It is estimated that residents across Eurobodalla generated $594 million in total household retail expenditure in 2023. This figure is forecast to increase to $907 million by 2046, representing an increase of $313 million or 53%.

When assessing Batemans Bay suburb, it is estimated that $22 million was generated in household expenditure in 2023. By 2046, this is forecast to $33 million, representing an increase of $11 million or 51%.

Batehaven suburb generated an estimated $28 million in household expenditure as of 2023. By 2046, this is forecast to $33 million, representing an increase of $11 million or 51%.

Table 25: Total Eurobodalla household expenditure estimates 2023-46 ($m)

Batemans Bay - suburb	2023	2026	2031	2036	2046	Change
Supermarkets and grocery stores	8	8	9	10	12	5
Specialised food stores	1	1	1	2	2	1
Bulky goods stores	4	4	4	5	6	2
Department stores	1	1	1	1	1	0
Apparel stores	2	2	2	2	3	1
Other non-food stores	2	2	3	3	3	1
Restaurants and fast food services	3	3	4	4	5	2
Personal services	1	1	1	1	1	0
Total	**22**	**24**	**26**	**28**	**33**	**11**
Batehaven - suburb	**2023**	**2026**	**2031**	**2036**	**2046**	**Change**
Supermarkets and grocery stores	9	10	10	11	13	3
Specialised food stores	2	2	2	2	2	0
Bulky goods stores	5	5	5	5	6	1
Department stores	2	2	1	1	1	0
Apparel stores	2	3	3	3	3	1
Other non-food stores	3	3	4	4	4	1
Restaurants and fast food services	4	4	5	5	6	2
Personal services	1	1	1	1	1	0
Total	**28**	**29**	**31**	**32**	**37**	**9**
Eurobodalla LGA (total)	**2023**	**2026**	**2031**	**2036**	**2046**	**Change**
Supermarkets and grocery stores	193	206	228	251	309	116
Specialised food stores	34	37	40	44	52	18
Bulky goods stores	101	107	117	127	152	50
Department stores	32	33	34	34	36	4
Apparel stores	53	55	60	65	77	24
Other non-food stores	73	77	84	91	109	36
Restaurants and fast food services	89	95	106	117	144	55
Personal services	19	20	22	23	28	9
Total	**594**	**630**	**690**	**753**	**907**	**313**

Source: HillPDA

5.4 Forecast tourist and visitor expenditure

To forecast visitor expenditure the following steps were undertaken:

- Assessed spend per trip estimates across each visitor type as of 2019 for the LGA (Tourism Research Australia Eurobodalla LGA profile).
- Escalated spend per trip at 1.5% per annum.
- Applied spend per trip across each visitor type to the estimated growth in visitors.
- Assumed 40% of total spend was directed toward retail items (Tourism Research Australia Domestic and International).

Applying this methodology, it is estimated that in 2023, around $160 million in retail expenditure from visitors was captured in Eurobodalla Shire. This is forecast to increase to around $415 million by 2046.

Table 26: Forecast tourist and visitor retail expenditure 2023-46 ($m)

Year	2023	2026	2036	2046
Retail spend	$159	$212	$297	$415

Source: HillPDA

5.5 Retail capture rates by broad store type

Section 5.4 identified the total volume of retail expenditure from residents across the main trade area. However, not all of this expenditure would be captured by retailers in the study area. Reasons for this include:

- The proximity and size of surrounding shopping centres
- The lack of a major bulky goods cluster and department stores in a centre
- Residents leaving the locality to undertake discretionary shopping
- Expenditure from residents who are on holidays/business trips or are away for other reasons for any extended period. This is counterbalanced to some extent by residents from outside the trade catchment visiting stores as they visit the area.

Capture rates (i.e. the proportion of expenditure captured by the centre) have been adopted, considering the above factors. Market share assumptions have been also influenced by Spendmapp data analysed in Section 3.5 and the floorspace audit.

5.5.1 Batemans Bay town centre capture of trade

Based on the above considerations and analysis, it is estimated that Batemans Bay town centre captures around 51% of Batemans Bay suburb's total household retail expenditure, 33% of the remaining LGA's spend and 32% of visitor spend. The breakdown across each broad retail category is provided in the following table.

Table 27: Batemans Bay town centre's capture of trade by broad retail category

Retail category	Batemans Bay	Remaining LGA	Visitor spend
Supermarkets and grocery stores	80.0%	46.0%	43.0%
Specialised food stores	60.0%	40.0%	36.0%
Bulky goods stores	14.7%	13.8%	8.0%
Department stores	50.0%	36.0%	38.0%
Apparel stores	30.0%	28.0%	4.0%
Other non-food stores	30.0%	28.0%	30.0%
Restaurants and fast food services	42.9%	24.5%	38.0%
Personal services	65.0%	44.0%	40.0%
Total	50.8%	32.5%	31.6%

Source: HillPDA

5.5.2 Batehaven neighbourhood centre's capture of trade

Based on the above considerations and analysis, it is estimated that Batehaven neighbourhood centre captures around 10% of Batehaven's total household retail expenditure, 1.8% of the remaining LGA's spend and 2% of visitor spend. The breakdown across each broad retail category is provided in the following table.

Table 28: Batehaven neighbourhood centre's capture of trade by broad retail category

Retail category	Batehaven	Remaining LGA	Visitor spend
Supermarkets and grocery stores	16.0%	1.9%	2.0%
Specialised food stores	27.8%	7.0%	4.0%
Bulky goods stores	0.0%	0.0%	0.0%
Department stores	0%	0.0%	0.0%
Apparel stores	0.2%	0.4%	1.0%
Other non-food stores	9.3%	1.5%	1.0%
Restaurants and fast food services	5.4%	1.9%	3.0%
Personal services	30%	7.1%	5.0%
Total	**9.7%**	**1.8%**	**2.0%**

Source: HillPDA

5.6 Study area retail centres capture of trade

The following details the amount of retail spend each retail centre within the study area could potentially achieve.

5.6.1 Batemans Bay town centre potential capture of retail trade

From applying the market share assumptions to the amount of retail expenditure generated within Batemans Bay suburb, remaining LGA, and visitor spend, it is estimated that in 2023, Batemans Bay town centre could achieve total retail sales of around $247 million in 2023, increasing to $434 million by 2046 (measured in 2023 dollars). This represents an increase of around $186 million or 75% over the period.

Table 29: Batemans Bay town centre potential capture of retail trade ($m)

Retail category	2023	2026	2031	2036	2046	Change
Supermarkets and grocery stores	105.6	116.6	130.6	145.8	183.8	78.1
Specialised food stores	20.2	23.1	26.0	29.3	37.4	17.2
Bulky goods stores	15.8	17.2	19.0	20.9	25.7	9.9
Department stores	15.3	16.7	17.9	19.2	22.6	7.3
Apparel stores	15.2	16.1	17.5	19.0	22.6	7.5
Other non-food stores	25.2	27.9	31.0	34.5	42.9	17.8
Restaurants and fast food services	40.8	48.5	55.6	63.7	84.4	43.6
Personal services	9.2	9.9	10.9	11.9	14.3	5.1
Total	**247.3**	**276.2**	**308.6**	**344.4**	**433.7**	**186.4**

Source: HillPDA

5.6.2 Batehaven neighbourhood centre potential capture of retail trade

Applying the market share assumptions to the amount of retail expenditure generated within Batehaven suburb, the remaining LGA, and visitor spending, it is estimated that in 2023, Batehaven neighbourhood centre could achieve total retail sales of around $16 million, increasing to $28 million by 2046 (measured in 2023 dollars). This represents an increase of around $12 million or 73% over the period.

Table 30: Batehaven neighbourhood centre potential capture of retail trade ($m)

Retail category	2023	2026	2031	2036	2046	Change
Supermarkets and grocery stores	5.6	6.2	6.8	7.6	9.4	3.8
Specialised food stores	3.4	3.8	4.3	4.7	5.9	2.5
Bulky goods stores	0.0	0.0	0.0	0.0	0.0	0.0
Department stores	0.0	0.0	0.0	0.0	0.0	0.0
Apparel stores	0.3	0.3	0.4	0.4	0.6	0.3
Other non-food stores	1.5	1.7	1.8	2.0	2.4	0.9
Restaurants and fast food services	3.3	3.9	4.4	5.1	6.7	3.4
Personal services	1.7	1.8	1.9	2.1	2.5	0.8
Total	**15.8**	**17.7**	**19.7**	**21.9**	**27.5**	**11.6**

Source: HillPDA

5.7 Retail floorspace demand

To determine the demand for retail floorspace, target turnover rates ($/sqm, otherwise known as Retail Turnover Densities (RTDs)) have been applied to projected expenditure captured in the study area across various broad retail categories. The RTD rate broadly represents industry averages.

5.7.1 Batemans Bay town centre retail floorspace demand

By applying the above RTD, it is estimated that around 40,560sqm of retail space could be supported in Batemans Bay town centre as of 2023. Supportable space increases to around 63,985qm by 2046 – an increase of around 23,425qm or 59% over the 23-year period.

Table 31: Batemans Bay town centre retail floorspace demand (sqm)

Retail category	2023	2026	2031	2036	2046	Change
Supermarkets & grocery stores	9,187	9,990	10,910	11,884	14,249	5,062
Specialised food stores	2,199	2,478	2,719	2,982	3,626	1,426
Bulky goods stores	5,263	5,674	6,155	6,662	7,891	2,628
Department stores	4,368	4,778	5,119	5,496	6,464	2,096
Apparel stores	3,371	3,543	3,790	4,043	4,644	1,273
Other non-food stores	5,034	5,527	6,037	6,585	7,922	2,888
Restaurants & fast food services	7,848	9,193	10,279	11,488	14,469	6,621
Personal services	3,290	3,506	3,774	4,051	4,720	1,430
Total	**40,559**	**44,689**	**48,782**	**53,191**	**63,984**	**23,425**

5.7.2 Batehaven neighbourhood centre retail floorspace demand

By applying the above RTD, it is estimated that around 2,530sqm of retail space could be supported in Batehaven neighbourhood centre as of 2023. Supportable space increases to around 3,940qm by 2046 – an increase of around 1,400qm or 58% over the 23-year period.

Table 32: Batehaven centre retail floorspace demand (sqm)

Retail category	2023	2026	2031	2036	2046	Change
Supermarkets & grocery stores	563	607	657	709	838	275
Specialised food stores	375	411	445	482	572	197
Bulky goods stores	0	0	0	0	0	0
Department stores	0	0	0	0	0	0
Apparel stores	67	76	84	92	114	47
Other non-food stores	309	331	356	383	448	140
Restaurants & fast food services	629	735	820	916	1,150	521
Personal services	590	624	667	711	818	227
Total	**2,532**	**2,783**	**3,030**	**3,294**	**3,940**	**1,408**

Source: HillPDA

5.8 Retail gap analysis

The following undertakes a gap assessment of the study area's two commercial centres. This assessment is for occupied retail floorspace.

5.8.1 Batemans Bay town centre retail gap assessment

Currently, there is an estimated 42,130sqm of occupied retail floorspace provided in Batemans Bay town centre. Our analysis suggests there is demand for around 40,560sqm. As such, the town centre currently has an oversupply of around 1,550sqm.

However, without any additional supply, there will be a deficit in supply of around 21,855sqm by 2046.

Most of this net demand (59%) would likely be in speciality food space and food services. This is reflective of the study area's status as a dining and entertainment destination.

Table 33: Batemans Bay town centre retail gap assessment (sqm)

Retail category	Supply (sqm)	GAP (supply minus demand (sqm)			
		2023	2026	2036	2046
Supermarkets & grocery stores	9,254	67	-736	-2,630	-4,995
Specialised food stores	2,157	-42	-321	-825	-1,469
Bulky goods stores	5,262	-1	-412	-1,400	-2,629
Department stores	4,570	202	-208	-926	-1,894
Apparel stores	2,926	-445	-617	-1,117	-1,718
Other non-food stores	5,478	444	-49	-1,107	-2,444
Restaurants & fast food services	8,180	332	-1,013	-3,308	-6,289
Personal services	4,302	1,012	796	251	-418
Total	**42,129**	**1,570**	**-2,560**	**-11,062**	**-21,855**

Source: HillPDA

5.8.2 Batehaven neighbourhood centre retail gap assessment

Currently, there is an estimated 2,715sqm of occupied retail floorspace provided in Batemans Bay town centre. Our analysis suggests there is demand for around 2,530sqm. As such, the area is currently considered in equilibrium with demand. However, without any additional supply, the neighbourhood is forecast to have a deficit in supply of around 1,225sqm by 2046. Most of this net demand (68%), would likely be in speciality food space and food services.

Table 34: Batehaven neighbourhood centre retail gap assessment (sqm)

Retail category	Supply (sqm)	GAP (supply minus demand (sqm)			
		2023	2036	2036	2046
Supermarkets & grocery stores	704	141	97	-5	-134
Specialised food stores	327	-48	-84	-155	-245
Bulky goods stores	104	104	104	104	104
Department stores	0	0	0	0	0
Apparel stores	0	-67	-76	-92	-114
Other non-food stores	461	152	130	78	13
Restaurants & fast food services	689	60	-46	-227	-461
Personal services	429	-161	-195	-282	-389
Total	**2,714**	**182**	**-69**	**-580**	**-1,226**

Source: HillPDA

5.9 Visitor spend patterns impacts on Batemans Bay town centre

Across its extent Batemans Bay town centre supports around 42,000sqm of active retail floorspace. Anecdotally, during seasonal peaks, the floorspace is barely adequate while in the off-season it is more than sufficient. The importance of visitor spend to the demand for retail space in the town centre is evident in the fact at around a quarter of its total potential capture of spend is sourced from visitors. This is forecast to increase to just over a third by 2046.

To ascertain the impact that visitors have on the demand for retail space in Batemans Bay town centre, we have undertaken a sensitivity analysis. This removes expenditure sourced from visitors to show much space could be supported in the centre.

As seen in the table below, with the removal of visitor expenditure the town centre could support around 32,000 of retail space. This is around 10,000sqm less than what is currently provided. The highest level of oversupply is in cafés, restaurants and fast foods with 8,180sqm – some 3,875sqm more than what is needed.

Over time, the demand for retail services will increase, driven by population growth. However, the town centre will only become in equilibrium with demand by 2043. That is, without expenditure from visitors, the current supply of retail space within the town centre is only supportable by 2043.

This impact can somewhat be mitigated by increasing the density of residents within and surrounding Batemans Bay town centre and Eurobodalla. Creating a living town centre with more mixed development opportunities would also facilitate a 24-hour or seven-day-a-week business cycle, creating a more vibrant and viable centre.

Even with an increased resident population the importance of visitor spend is unlikely to dissipate. For example, it is estimated that the current capture of visitor spend in the town centre is equivalent to over 14,000 residents, increasing to 30,000 by 2046. As such, a balanced approach should be sought where increased resident densities should be pursued while also attracting and catering for visitor's needs. This will ensure that a more resilient and balanced town centre is developed.

Table 35: Impact from removing visitor spend on the demand for retail space in Batemans Bay town centre

Broad retail category	Supply (sqm)	Demand (sqm)				GAP (supply minus demand (sqm)			
		2023	2026	2036	2046	2023	2026	2036	2046
Supermarkets and grocery stores	9,254	7,931	8,338	9,688	11,323	1,323	916	-434	-2,069
Specialised food stores	2,157	1,527	1,594	1,807	2,060	630	563	350	97
Bulky goods stores	5,262	4,655	4,872	5,580	6,427	607	390	-318	-1,165
Department stores	4,570	3,350	3,418	3,595	3,803	1,220	1,152	975	767
Apparel stores	2,926	3,282	3,424	3,883	4,429	-356	-498	-957	-1,503
Other non-food stores	5,478	4,091	4,281	4,903	5,648	1,387	1,197	575	-170
Restaurants and fast food services	8,180	4,307	4,535	5,296	6,221	3,873	3,645	2,884	1,959
Personal services	4,302	3,024	3,156	3,578	4,080	1,278	1,146	724	222
Total retail	**42,129**	**32,168**	**33,618**	**38,329**	**43,991**	**9,961**	**8,511**	**3,800**	**-1,862**

Source: HillPDA

5.10 Batemans Bay masterplan retail impact scenario

As instructed by Council, this section estimates the impact that the masterplan's aspirational population yield would have on the demand for retail space within Batemans Bay town centre.

The masterplan estimates that its proposed changes to height and density in the Batemans Bay study area could house an additional 8,000 people. For this section, the following was assumed:

- Batemans Bay's population increases by an additional 8,000 between 2023-2046.
- Of the 8,000 new people in Batemans Bay, 50% (4,000 people) is a redirection from elsewhere in the LGA under current projections (refer to Table 23).
- Of the 8,000 new people in Batemans Bay, 50% (4,000 people) are a net increase to the LGA over and above that currently projected (refer to Table 23).
- Additional population is from around 2031 onwards.
- Expenditure patterns and trade capture are detailed earlier in Chapter 5.

Applying this methodology, the implications are:

1. By 2046, the town centre would capture a total of $478 million in retail spend. This is around $45 million or 10% higher than the previous scenario.
2. By 2046, the town centre would demand around 69,545sqm of retail space, this is around 5,560sqm more than under the previous scenario. This additional space is equivalent to around 1.37sqm of additional retail space per new resident.
3. If no additional supply is provided by 2046, the town centre would have a deficit of around 27,415sqm, 5,560sqm more than under the previous scenario.

Table 36: Batemans Bay town centre masterplan retail gap assessment (sqm)

Retail category	Supply (sqm)	Demand (supply minus demand (sqm)			
		2023	2026	2036	2036
Supermarkets & grocery stores	9,254	9,187	9,990	12,825	16,406
Specialised food stores	2,157	2,199	2,478	3,103	3,900
Bulky goods stores	5,262	5,263	5,674	6,884	8,415
Department stores	4,570	4,368	4,778	5,721	6,940
Apparel stores	2,926	3,371	3,543	4,171	4,951
Other non-food stores	5,478	5,034	5,527	6,719	8,250
Restaurants & fast food services	8,180	7,848	9,193	11,913	15,455
Personal services	4,302	3,290	3,506	4,273	5,227
Total	**42,129**	**40,559**	**44,689**	**55,608**	**69,544**
Retail category	**Supply (sqm)**	**GAP (supply minus demand (sqm)**			
		2023	**2026**	**2036**	**2036**
Supermarkets & grocery stores	9,254	67	-736	-3,571	-7,152
Specialised food stores	2,157	-42	-321	-946	-1,743
Bulky goods stores	5,262	-1	-412	-1,622	-3,153
Department stores	4,570	202	-208	-1,151	-2,370
Apparel stores	2,926	-445	-617	-1,245	-2,025
Other non-food stores	5,478	444	-49	-1,241	-2,772
Restaurants & fast food services	8,180	332	-1,013	-3,733	-7,275
Personal services	4,302	1,012	796	29	-925
Total	**42,129**	**1,570**	**-2,560**	**-13,479**	**-27,415**

Source: HillPDA

6.0 COMMERICAL AND INDUSTRIAL LANDS FLOORSPACE MODELLING

This section forecasts the demand for additional non-retail commercial floorspace within the study area over the period to 2046.

6.1 Methodology

The methodology for projecting the demand for employment land is as follows:

1. Analyse State Government employment projections (released in November 2022) at the study area level.
2. Pro rata employment forecasts to revised population projections.
3. Estimate the type and proportion of employment directed towards the study area's commercial centres and employment (industrial) precincts based on the type of employment, floorspace audit, ABS POW data at the ANZSIC 4-digit level and land zones present.
4. Remove persons working from home within the study area using ABS 2021 Census proportions at the ANZSIC 1-digit level.
5. Convert net growth in employment directed towards the study area's commercial and employment precincts to floorspace by applying industry standard employment densities (the amount of floorspace required per worker) to the net growth/decline by industry type.

6.2 Revised employment projections

Employment projections are based on forecasts provided by Transport, Performance and Analytics (TPA), a branch of Transport for NSW. Projections are provided for each industry sector, at the ANZSIC 1-digit level, in 5-year increments between 2016-66. Employment projections are based on based on NSW DPE population projections.

However, as seen in Table 37, population estimates underpinning the TPA forecasts are around 2,000 persons lower in 2021 when compared to Profile.id. This is forecast to increase to 2,665 persons by 2046.

It is reasonable that a lower population would have a lower demand for services and employment opportunities. This would result in an underestimate in the demand for additional floorspace within the study area.

For this reason, we have revised TPA projections to a Profile.id revised population forecast.

Table 37: Population projections TPA and Profile .id 2021-46

Population set	2021	2024	2026	2031	2036	2041	2046
TPA	7,993	8,161	8,274	8,487	8,648	8,784	8,903
Profile.id	10,003	10,258	10,428	10,703	10,914	11,235*	11,567*
Difference	2,010	2,097	2,154	2,217	2,266	2,452	2,664

Source: Profile.id, TPW employment projections 2022, *HillPDA estimate applying compounded growth rate between 2021-36

By pro-rating revised population projections to State employment forecasts it is estimated that between 2024 and 2046 employment within the study area would increase by 545 jobs or 9%, reaching 6,425 jobs. The following table provides a breakdown of employment growth across each industry type.

Table 38: Revised employment projections 2024-46

Industry	2024	2046	Net change
Agriculture, Forestry and Fishing	103	105	2
Mining	0	0	0
Manufacturing	225	278	53
Electricity, Gas, Water and Waste Services	23	26	4
Construction	508	558	50
Wholesale Trade	109	124	15
Retail Trade	1,185	1,224	39
Accommodation and Food Services	668	794	126
Transport, Postal and Warehousing	272	295	23
Information Media and Telecommunications	30	38	8
Financial and Insurance Services	128	164	37
Rental, Hiring and Real Estate Services	126	149	23
Professional, Scientific and Technical Services	221	226	5
Administrative and Support Services	206	247	41
Public Administration and Safety	586	591	5
Education and Training	285	301	16
Health Care and Social Assistance	778	798	21
Arts and Recreation Services	49	59	10
Other Services	378	445	67
Total	**5,879**	**6,423**	**544**

Source: HillPDA

6.3 Employment land floorspace projections

Using the methodology described in Section 6.1, it is estimated that the study area's employment land will accommodate just over 185 additional jobs between 2024-46. Applying industry-standard employment densities across each industry type, it is estimated that these jobs would demand an additional 14,420sqm of occupied employment space.

Table 39: Employment land floorspace projections

Industry	2024	2046	Net change	Net jobs directed towards EP	Floorspace demand
Agriculture, Forestry and Fishing	103	105	2	1	37
Mining	0	0	0	0	-
Manufacturing	225	278	53	49	4,916
Electricity, Gas, Water & Waste Ser.	23	26	4	0	-
Construction	508	558	50	9	342
Wholesale Trade	109	124	15	11	918
Retail Trade	1,185	1,224	39	12	495
Accommodation & Food Serv.	668	794	126	19	583
Transport, Postal & Warehousing	272	295	23	12	2,327
Information Media & Telecomm.	30	38	8	2	75
Financial and Insurance Services	128	164	37	13	384
Rental, Hiring and Real Estate Ser.	126	149	23	2	61
Professional, Scientific & Tech Ser.	221	226	5	2	45
Admin & Support Serv.	206	247	41	13	404
Public Administration and Safety	586	591	5	0	-
Education and Training	285	301	16	1	27
Health Care and Social Assistance	778	798	21	1	59
Arts and Recreation Services	49	59	10	0	-
Other Services	378	445	67	38	3,755
Total	**5,879**	**6,423**	**544**	**186**	**14,429**

6.4 Commercial centres non-retail floorspace projections

Using the methodology described in Section 6.1, it is estimated that the study area's commercial centres will accommodate just over 120 additional jobs between 2024-46. Applying industry-standard employment densities, across each industry type, it is estimated that these jobs would demand an additional 4,180sqm of occupied employment space.

Table 40: Commercial centres non-retail floorspace

Industry	2024	2046	Net change	Net jobs directed towards EP	Floorspace demand
Agriculture, Forestry and Fishing	103	105	2	0	0
Mining	0	0	0	0	0
Manufacturing	225	278	53	0	0
Electricity, Gas, Water & Waste Ser.	23	26	4	0	0
Construction	508	558	50	29	1,140
Wholesale Trade	109	124	15	2	162
Retail Trade	1,185	1,224	39	0	0
Accommodation & Food Serv.	668	794	126	0	0
Transport, Postal & Warehousing	272	295	23	1	116
Information Media & Telecomm.	30	38	8	7	169
Financial and Insurance Services	128	164	37	33	824
Rental, Hiring and Real Estate Ser.	126	149	23	2	82
Professional, Scientific & Tech Ser.	221	226	5	3	64
Admin & Support Serv.	206	247	41	23	575
Public Administration and Safety	586	591	5	4	167
Education and Training	285	301	16	3	135
Health Care and Social Assistance	778	798	21	6	265
Arts and Recreation Services	49	59	10	8	479
Other Services	378	445	67	0	0
Total	**5,879**	**6,423**	**544**	**120**	**4,180**

6.5 Non-retail commercial and employment lands floorspace demand summary

The following table summarises the net growth in floorspace within the study area's commercial centres and employment precincts. Based on the current allocation of floorspace, the table distributes demand across the study areas' various employment zone types.

Table 41: Non-retail commercial & employment lands floorspace demand summary

Broad zone type	Zone	Floorspace		Net increase
		2024 (audit)	2046	
Commercial centre	Local centre	1,393	1,562	169*
Commercial centre	Mixed use	32,974	36,984	4,010*
Employment land	Productivity support	2,680	3,176	496
Employment land	General Industrial	75,217	89,150	13,933
	Total	**112,264**	**130,872**	**18,608**

*Excludes accommodation and retail space, which are assessed separately in Chapters 5 and 6, respectively.

6.6 Masterplan scenario - non-retail commercial and employment lands demand

As instructed by the Council, this section estimates the impact that the master plan's aspirational population yield would have on the demand for non-retail commercial and industrial space within the study area.

The masterplan estimates that its proposed changes to height and density in the Batemans Bay study area could house an additional 8,000 people. For this section, the following was assumed:

- Batemans Bay's population increases by an additional 8,000 between 2023-2046.
- Of the 8,000 new people in Batemans Bay, 50% (4,000 people) is a redirection from elsewhere in the LGA under current projections (refer to Table 23).
- Of the 8,000 new people in Batemans Bay, 50% (4,000 people) are a net increase to the LGA over and above that currently projected (refer to Table 23).
- Additional population is from around 2031 onwards.

Applying this methodology, the implications are:

1. By 2046, an additional 5,625sqm of non-retail commercial floorspace would be demanded in the study area. This is an additional 1,445sqm over that previously forecasted.
2. By 2046, an additional 19,420 sqm of employment floorspace would be demanded and accommodated in the study area's employment lands. This is an additional 4,990sqm over that previously forecasted.

Table 42: Non-retail Commercial and employment lands demand – masterplan scenario

Broad zone type	Zone	Floorspace		Net increase
		2024 (audit)	2046	
Commercial centre	Local centre	1,393	1,621	228*
Commercial centre	Mixed use	32,974	38,370	5,396*
Employment land	Productivity support	2,680	3,348	668
Employment land	General Industrial	75,217	93,968	18,751
	Total	112,264	137,307	25,043

*Excludes accommodation and retail space, which are assessed separately in Chapters 5 and 6, respectively.

7.0 ACCOMMODATION DEMAND ASSESSMENT

The following section forecasts the demand for short-term accommodation (hotel and motel) within the study area.

7.1 Tourist and visitor projections

As detailed in Section 5.2, it was estimated that between 2024-46 international and domestic overnight visitors to Eurobodalla LGA could increase by 584,915 visitors. By applying an average of 4.3 nights for international visitors and 3.4 nights for domestic overnight visitors, total visitor nights in the LGA are forecasted to increase by around 2 million.

Table 43: Tourist and visitor projections 2024-46 (visitors & nights)

Visitors	International visitors	Domestic overnight visitors	Total
2024	36,954	902,530	939,484
2046	68,878	1,455,520	1,524,398
Change	31,924	552,991	584,915
Nights	**International visitors**	**Domestic overnight visitors**	**Total**
2024	158,903	3,068,601	3,227,504
2046	296,176	4,948,769	5,244,945
Change	137,273	1,880,168	2,017,441

Source: Profile.id and HillPDA

7.2 Demand for hotel and motel rooms 2024-46

Demand for hotel and motel rooms within the study area was estimated assuming the following:

- 20% of visitor nights are spent within a hotel or motel room.[2]
- An average of 2.2 persons per room.[3]
- An average occupancy rate of 65%.[4]
- 46% of hotel and motel accommodation is accommodated within the study area.[5]

Based on the above assumptions, it is estimated that by 2046 a total of 918 hotel and motel rooms would be accommodated in the study area. This represents an increase of 353 rooms or 63% over the current supply of 565 rooms.

Table 44: Study area demand for hotel and motel rooms

	2024	2046	Change
Total visitor nights	3,227,504	5,244,945	2,017,441
% of nights in hotels and motels	645,501	1,048,989	403,488
Total LGA hotel/motel demand	1,237	2,010	773
Study area hotel/motel demand	565	918	353

Source: HillPDA

[2] Based on Tourism Research Australia: National Visitor Survey 2019-2023 and Destination NSW Travel to Regional NSW Year time series years ending June 2014-2023

[3] Destination NSW Travel to Regional NSW Year time series years ending June 2014-2023

[4] NSW Tourist Accommodation Snapshot 2023 – South Coast and ABS 2015-16 Tourist Accommodation

[5] HillPDA 2024 audit

8.0 INITIATIVES TO ENCOURAGE/SUPPORT ECONOMIC GROWTH

This section provides initiatives to incentivise, and support increased economic growth within the study area. These initiatives are only intended for consideration by Council. The initiatives are provided in the short term (by 2050) and longer-term (by 2075) to align with the master plan's overall timeframes.

8.1 Short term initiatives (2050)

8.1.1 Increased amenity and active street frontages

Improving retail shopfronts creates active frontages and enhances a centres vibrancy and presentation, which benefits the economic viability of existing retailers while also attracting new tenants.

Research from the USA found that:

- 70% of first-time sales at cafés, restaurants, retail shops and attractions can come from street appeal.
- 70% of businesses reported an increase in sales after making façade improvements.
- 100% of businesses experienced favourable customer response and considered the improvements worth the investment[6].

Active street frontages can increase the perceived vibrancy of a centre and optimise surveillance. Where commercial floorspace is over-delivered, however, tenancies can be left vacant, having the opposite effect.

An active and vibrant centre is also a key consideration for retailers looking to locate in an area. It attracts other potential customers, increasing passing trade opportunities for existing retailers. Outdoor dining, wide footpaths, street furniture, the creation of "eat streets", and public art can create street appeal, increasing activation and vibrancy.

8.1.2 Face the water

Apart from street frontage, waterfront businesses offer plenty of amenity and attraction. Most likely this would be in form of food services. Some recent developments unfortunately have turned their back to the water at street level. Any further development between Orient Street and Murra Murra Mia Walkway should be dual facing – that is facing both Orient Street and the water.

[6] University of Wisconsin-Extension (USA), West Virginia Department of Commerce (USA) and researcher Brenda Spencer

8.1.3 Expansion of the marina and increased tourism accommodation

There is an opportunity to expand the d'Albora Batemans Bay Marina. In addition to providing increased birthing, the locality contains some underutilised land. This provides an opportunity to integrate the expansion with high-quality tourism accommodation, like the anchorage in Port Stephens.

Figure 19: Anchorage Port Stephens Hotel & Spa

Source: Google images

Redevelopment of the NRMA Batemans Bay Holiday Resort site may provide another opportunity for increased tourism accommodation in a location with high natural amenities. Note that providing a mix of accommodation within varying price points is important.

These potential developments could contribute to raising the profile of Batemans Bay to investors and visitors.

8.1.4 Branding or creating an identity for Batemans Bay

Creating a unique branding or identity of a centre can give customers confidence that they will have a good experience each time they visit. An identity can be formed from a historical standpoint, unique local produce or through the collection/clustering of particular shops/bands such as a premier clothing destination or the café/fine dining culture. A centre's brand or identity should be uniformly used and promoted in its marketing, signage, and during events.

Batemans Bay's branding would likely continue to capitalise on its surrounding natural assets. This could be embellished with the development of the adventure tourism sector and partnering with local food producers to create a food branding/culture similar to the "farm to plate" trend.

Local producers

A review of selected primary industries across Eurobodalla Shire shows a relatively higher number of jobs in offshore longline and rack aquaculture (including oyster farming), beef and dairy farming and fishing. These industries could provide the base for a local food identity, which could promote the region and businesses in the locality.

Table 45: Selected primary industries Eurobodalla LGA 2021

Industry	Jobs
Offshore Longline and Rack Aquaculture	91
Beef Cattle Farming (Specialised)	66
Dairy Cattle Farming	44
Fishing, nfd	24
Agriculture, nfd	23
Nursery Production (Outdoors)	21

Source: ABS 2021 Census

8.1.5 Culinary experiences

Culinary experiences is a growing trend in the Post COVID period. Opportunities for Batemans Bay include local cheese/ oyster and wine pairing experiences and master classes (leveraging from local produce e.g. Tilba Dairy, Bodalla Dairy Shed, Tilba Winery etc or targeting new producers. Examples include:

- Hunter Valley Cheese and Wine Tour by Two Fat Blokes
- South Coast Wine Tour & Oyster Shucking Experience
- Bay of Shoals fresh oyster and wine experience Kangaroo Island
- Sydney Oyster farm tours at Mooney Mooney

8.1.6 Micro-breweries

Australian distillers / microbreweries are approaching the craft as artisans, producing thoughtfully created spirits that hero native ingredients. This includes spirits such as gin, rum, vodka and whisky infused with fruit, botanicals and even seaweed. To make the experience even more enjoyable, these distilleries are beginning to pop up in urban areas with many of them offering unique experiences in beautifully designed spaces. Examples include:

- Archie Rose
- Brix Distillers
- Manly Spirits
- Poor Toms Gin Hall
- Four Pillars Laboratory
- Robe Town Brewery
- Urban Alley Brewery

8.1.7 Adventure tourism

In 2022/23, the tourism sector in Eurobodalla Shire directly employed 1,165 people; total sales were $381.5 million and continued $180.5 million to the local gross value product.

This highlights the key role tourism provides in Eurobodalla and Batemans Bay. Its promotion and development will ensure continued economic growth and sustainability. In addition to increased accommodation in the town centre and key opportunity sites, there is an opportunity for Batemans Bay to capitalise on its surrounding natural assets to create a “adventure tourism” branding/sector. Adventure tourism is a type of tourism in which tourists engage in adventure activities such as trekking, climbing, rafting, scuba diving, sky diving or the like.

For example, it is understood that there is currently an opportunity to create and promote a mountain bike track in the national park. This, coupled with the OZ skydive, and existing scuba diving business, could provide a base for the promotion/development of an adventure tourism branding/sector.

Treetop adventure is a growing popular activity with numerous venues opening up over the past decade or two.

An Aquapark is a further venue, although these tend to be seasonal. Central Coast provides a successful example.

8.1.8 Public Art

Public art can be both permanent or temporary (eg Sculptures by the Sea). Research has demonstrated significant social and economic benefits relating to public art (Refer to Working with Griffith University, UAP co-authored an article for The Journal of Arts

Management, Law, and Society on *'The Impacts of Public Art on Cities, Places and People's Lives*)

8.2 Longer term initiatives (2075)

8.2.1 Increased densities within a walkable catchment

Centre performance is intrinsically linked to density within a trade catchment. Increasing the residential and commercial density of the walkable catchment can enhance the vitality of services, reduce the reliance on private vehicle trips and protect against seasonal fluctuations in trade. An appropriate retail/commercial and residential balance within the Batemans Bay study area can extend centre activation during the day and evening.

Residents are also the predominant source of expenditure for centres and demand for additional services. A strong residential catchment also insulates centres that experience seasonal fluctuations in trade.

For example, an industry-standard provisional benchmark for retail space is 2.2sqm per person. That is, every new resident would generate demand for an additional 2.2sqm of retail space. Not all this space would be provided in the centre. However, a notable proportion (say 50-60%) would likely be accommodated in the centre given its status in the hierarchy. Increased resident population would also insulate the centre against seasonal fluctuations in trade and provide a more permanent potential workforce for business. As such, increased densities in and surrounding the study area would drive economic growth and sustainability of the Batemans Bay town centre.

8.2.2 Mixed use development

The shopping centres in Batemans Bay play a significant anchor role. However, they could be better integrated, allowing better flow and connection to other services in the centre. Redeveloping the shopping centres with parking below ground and residential accommodation above could create the opportunity for better integration, provision of outdoor dining, open space and increased density.

Through the redevelopment of Bridge Plaza, there is an opportunity to replace the carpark with open space. This space could be surrounded by outdoor dining and create the opportunity for events such as markets or an open-air cinema to be held. This would increase foot traffic, vibrancy, vitality and viability of the centre.

Redevelopment of the Village centre could create the opportunity for the development of an “eat street” along Perry Street. It would be envisioned that development would occur on the opposite side, creating an eat street with open space/pedestrian-friendly environment in between.

8.2.3 Tourism infrastructure

Partner with tourist operators to grow and expand day trip tours from Canberra to Batemans Bay and Ulladulla (which recently won silver for tourism towns in NSW Top Tourism Town Awards 2023)

Transform Batemans Bay into a desirable cruise ship destination to boost tourism and the local economy.

- Upgrade Port Facilities: Develop and modernise port infrastructure to accommodate large cruise ships.
- Promote Unique Attractions: Market Batemans Bay’s natural beauty, pearl farming tours, and cultural experiences to cruise operators.
- Develop Shore Excursions: Create a range of attractive shore excursions and day trips for cruise passengers.
- Engage with Cruise Lines: Build relationships with major cruise lines to include Batemans Bay in their itineraries.
- Enhance Local Services: Improve local amenities and services to ensure a positive experience for cruise passengers.
- Sustainable Tourism: Implement sustainable tourism practices to preserve the natural environment and ensure long-term benefits.

8.2.4 Tertiary education

Foster partnerships between local industries in Batemans Bay and universities to drive innovation and economic growth. A good example of a successful Industry-University partnership was the research from University of Western Australia which created bone substitutes from silver-lipped pearl oysters found in Broome. This discovery has led to the formation of Marine Biomedical, a new biotech company which established itself in Broome and focused on developing medical products and devices from marine resources such as nacre, commonly known as mother of pearl. PearlBone, one of their innovative products, exemplifies how sustainable marine resources can be transformed into valuable medical solutions, highlighting the success of industry-university collaborations in driving both scientific advancements and economic growth in a small coastal town of 15,000 people.

8.2.5 Wellness tourism

Wellness centres and programs are diversifying towards multiple forms, some of which include:

- Wellness holidays with kids which is all about child enrichment
- Recovery retreats which shift their focus from Sport to Burnout
- Art and wellness which combines art classes and wellness programs
- Cultural and ethical based wellness centres including indigenous, Buddhist and vegan retreats

There are other themes of wellness centres such as those relating to men's health, women's health, sleep improvement, etc. Most of these centres are located outside town centres and in more remote areas. The purpose of these centres is often to escape the stresses of urban living. Nevertheless such centres located in the vicinity of the town centre would encourage dual purpose experiences.

9.0 ECONOMIC IMPACTS OF THE MGS DRAFT MASTERPLAN

9.1 Introduction

This chapter summarises the economic impacts of the draft masterplan titled “Batemans Bay Masterplan Height and Density” prepared by MGS Architects July 2024. By definition we are referring to hypothetical redevelopment of the six key sites identified in the Masterplan generally in accordance with the height and densities as proposed.

There are a couple of departures that we assumed in the modelling. While we respected the proposed heights and densities on the key sites, we significantly reduced the amount of above ground floor commercial space to align better with market demand. Much of this space could be converted to car parking which is required to meet the DCP standards. That said we reduced the car parking standards of the DCP to improve feasibility. The DCP standards are onerous requiring two car spaces for 2-bedroom apartments and one car space per 30sqm of non-retail commercial space. In our view these standards are high and should be reviewed. If the standards were reduced to say 1.5 car spaces per apartment and 1 car space per 35sqm of commercial GFA then around 4,500 car spaces can be accommodated on the key sites. This would be around 1,300 spaces fewer than required under the current DCP. Average apartment size is large at 120sqm. If this was reduced to 110sqm it could free up space for a further 400 to 500 car spaces.

9.2 Economic impacts from design and construction

For the purpose of the impact assessment we assumed the following land use mix:

- Residential 210,000sqm GFA (1,810 apartments)
- Retail and commercial 65,000sqm GFA
- Car parking 4,900 spaces

Estimated design and construction cost in current 2024 dollars is $1.70 billion. This was calculated based on the following table

Table 46: Estimated design and construction cost

Component	Quantity	Units	$/unit		$m
Residential GFA	210,000	sqm	4,500	/sqm	945
Non-residential GFA	65,000	sqm	4,000	/sqm	260
Car Parking	4,900	spaces	40,000	/space	196
Add infrastructure and site costs	4.5%				63
Add contingencies @	7.5%				110
Add professional & application fees @	8.0%				126
TOTAL					1,700

Sources: Various including Rawlinsons Construction Handbook, RLB Digest and Napier & Blakeley

Total job years directly generated in design and construction would amount to 3,500[7]. Note that one job year is one full-time-equivalent job over one year. Hence if development spanned over say 25 years then it would equate to an average of 140 FTE over 25 years. These are the jobs directly generated.

There are also jobs indirectly generated and/or supported through multiplier impacts. Indirect impacts (or economic multipliers) refer to the level of additional economic activity generated and/or supported by a source industry. The economic modelling in this analysis captures two types of indirect impacts:

- Production induced effects: which is made up of:
  - First round effects: which are all outputs and employment required to produce the inputs for the source industry, and
  - Industrial support effects: which is the induced extra output and employment from all industries to support the increased production by suppliers in response to increased sales.
- Consumption induced effects: which relates to the demand for additional goods and services due to increased spending by the wage and salary earners across all industries arising from employment.

[7] HillPDA estimate from ABS Input Output Tables 2021-22

In addition to direct jobs generated there would be a further 5,414 job years in NSW generated and/or supported through production induced impacts – say an average of 217 FTE over 25 years. A further 4,259 job years would be generated and/or supported through consumption induced impacts – say 170 average over 25 years.

Total job years in NSW directly generated and indirectly generated and supported would be 13,174 – say 660 FTE per annum over 20 years

Design and construction would directly generate $490m in added value (contribution to NSW GDP). A further $1.51b would be generated and supported by the additional 9,673 job years generated and/or supported through multiplier impacts.

Please note that both the ABS and the NSW Treasury Employment Calculator describe several limitations with input-output multipliers, or at least shortcomings with typical interpretations of the multipliers, which generally result in an over-estimation of impacts. The main shortcomings or limitations are as follows:

- Production induced impacts can leave the impression that extra output can be produced without taking resources away from other activities.
- Multipliers assumed fixed input ratios and hence measure impacts based on average effects rather than marginal effects.
- The impacts are nationwide and are not regional or local impacts which would be smaller.

Other limitations are described in both the NSW Treasury Guide and on the ABS website.[8]

9.3 Economic impacts from operations

Around 1,860 FTE jobs are expected to fill the employment (retail and commercial) spaces on the six key sites[9]. However given that redevelopment is likely to replace around 30,000sqm of existing employment space then we estimate the net increase in jobs to be around 980 FTE.

A further 80 residents are expected to undertake the majority of their paid work at home (4% of total new apartments)[10]

This means a net increase in FTE jobs of 1,060.

These workers would directly be generating $140m in gross value added (contribution to gross domestic product) every year.

[8] https://www.abs.gov.au/statistics/economy/national-accounts/australian-national-accounts-input-output-tables/latest-release
https://www.treasury.nsw.gov.au/information-public-entities/nsw-treasury-employment-calculator

[9] Assuming 1 FTE / 35sqm GFA (Source: NSW Common Planning Assumptions)

[10] Journey to Work data from ABS Census 2016. The proportion of people working from home was much higher in 2021 but this was due to the COVID lockdown.

Disclaimer

1. This report is for the confidential use only of the party to whom it is addressed ("Client") for the specific purposes to which it refers and has been based on, and takes into account, the Client's specific instructions. It is not intended to be relied on by any third party who, subject to paragraph 3, must make their own enquiries in relation to the issues with which this report deals.
2. HillPDA makes no representations as to the appropriateness, accuracy or completeness of this report for the purpose of any party other than the Client ("Recipient"). HillPDA disclaims all liability to any Recipient for any loss, error or other consequence which may arise as a result of the Recipient acting, relying upon or using the whole or part of this report's contents.
3. This report must not be disclosed to any Recipient or reproduced in whole or in part, for any purpose not directly connected to the project for which HillPDA was engaged to prepare the report, without the prior written approval of HillPDA. In the event that a Recipient wishes to rely upon this report, the Recipient must inform HillPDA who may, in its sole discretion and on specified terms, provide its consent.
4. This report and its attached appendices are based on estimates, assumptions and information provided by the Client or sourced and referenced from external sources by HillPDA. While we endeavour to check these estimates, assumptions and information, no warranty is given in relation to their reliability, feasibility, accuracy or reasonableness. HillPDA presents these estimates and assumptions as a basis for the Client's interpretation and analysis. With respect to forecasts, HillPDA does not present them as results that will actually be achieved. HillPDA relies upon the interpretation of the Client to judge for itself the likelihood of whether these projections can be achieved or not.
5. Due care has been taken to prepare the attached financial models from available information at the time of writing, however no responsibility can be or is accepted for errors or inaccuracies that may have occurred either with the programming or the resultant financial projections and their assumptions.
6. This report does not constitute a valuation of any property or interest in property. In preparing this report HillPDA has relied upon information concerning the subject property and/or proposed development provided by the Client and HillPDA has not independently verified this information except where noted in this report.
7. This report is expressly excluded from any reliance for mortgage finance purpose or any lending decisions. Furthermore, this report is not intended to be relied upon for any joint venture or acquisition / disposal decision unless specifically referred to in our written instructions.
8. HillPDA makes no representations or warranties of any kind, about the accuracy, reliability, completeness, suitability or fitness in relation to maps generated by HillPDA or contained within this report.

Liability limited by a scheme approved under the Professional Standards Legislation