

Memorandum

To: Ross Closter, Urban Land Developments
From: Yvette Burton, Macroplan
Date: 24 Apr. 23
Subject: Hopetoun Park North – Retail need (peer review) revision

The purpose of this update is to provide a revised update to the previous peer review (undertaken in December 2020) of a retail need assessment used to determine the provision and timing of supportable retail floorspace within the Hopetoun Park North Urban Growth Framework (UGF).

The update is needed as there is uncertainty with regard to the timing and extent of any potential rezoning for the land on the eastern side of Hopetoun Park Road. This land is now not part of the current rezoning due to a host of factors including significant ecological considerations, land fragmentation and issues associated with infrastructure delivery.

Whilst it is uncertain as to whether there will be any development on this land, the applicant and Council have agreed that an allowance of 200 lots should be made for the eastern parcels, resulting in the reduction in the maximum number of lots within the Hopetoun Park North UGF to 600, down from 850 previously modelled

Scope of works

As requested, this memorandum will provide an update to the previous population projections solely on the basis of this reduction in dwelling capacity (i.e. not a full revision of population estimates and projections) and the resulting impact this has on the amount of supportable retail floorspace within the defined catchment.

Macroplan note that the latest population estimates from the ABS (i.e. ABS census 2021 and estimated resident population series) has not been included in this update.

It should also be noted that the methodology and assumptions made to undertake the retail floorspace analysis has remained unchanged from the previous assessment in December 2020 and should be read in conjunction with this memorandum.

1_Trade area definition

The defined main trade area (MTA) expected to be served by a proposed local retail facility (which has remained unchanged since the previous assessment was undertaken in December 2020), comprises the one primary sector and encompasses the established area of Hopetoun Park and the Hopetoun Park North growth area.

2_Population update

Table 1.1 details the current and projected population levels within the MTA, taking into consideration the lower dwelling capacity of the Hopetoun Park North UGF. Residential development is also yet to occur within the UGF and is now anticipated to occur from 2025 (previously estimated from 2023).

The MTA population is estimated to grow to 2,695 residents by 2041. This is to consist of an estimated 895 residents within the established Hopetoun Park area and 1,800 residents within Hopetoun Park North UGF at capacity, which is anticipated to occur around 2036.

Table 2.1 Hopetoun Park trade area population, 2011-2041*								
Trade area sector	Estimated population			Forecast population				
	2011	2016	2020	2021	2026	2031	2036	2041
Main trade area	580	820	860	870	1,070	1,870	2,670	2,695
Trade area sector	Average annual growth (no.)							
	2011-16	2016-20	2020-21	2021-26	2026-31	2031-36	2036-41	
Main trade area	48	10	10	40	160	160	10	
Trade area sector	Average annual growth (%)							
	2011-16	2016-20	2020-21	2021-26	2026-31	2031-36	2036-41	
Main trade area	7.2%	1.2%	1.2%	4.2%	11.8%	7.4%	0.2%	

*As at June
Source: ABS Census 2016; Victoria In Future 2019; Forecast.id; Macroplan

3_Retail floorspace analysis update

Table 3.1 details the total estimated amount of retail floorspace demand by residents in the MTA. This demand would be served by retail facilities located within and beyond the trade area. The floorspace figures are calculated by applying an average Retail Turnover Density (RTD) to the estimated available retail sales volume by category.

The RTD is the level of sales per sq.m which retailers in each category typically achieve. Adopted RTD levels are the highest for retailers in FLG (including supermarkets), at \$9,500 per sq.m, and average around \$6,700 per sq.m.

This analysis shows that the estimated retail floorspace demand by trade area residents is to increase to 5,610 sq.m by 2036 and to 5,850 sq.m by 2041. However, it is important to note that the majority of this demand would continue to be directed to the larger retail precincts in the region. The following analysis provides an assessment of the potential proportion of retail floorspace that can be reasonable retained in the local area reflecting its unique circumstances.

Year ending June	FLG	Food catering	Total food	Apparel	H'hold goods	Leisure	General retail	Retail services	Total non-food	Total retail
2020	587	188	780	237	578	76	122	54	1,070	1,850
2021	595	192	790	239	584	77	124	55	1,080	1,870
2022	613	198	810	245	600	79	127	57	1,110	1,920
2023	642	208	850	255	626	83	133	59	1,160	2,010
2024	671	218	890	266	653	86	138	62	1,200	2,090
2025	700	228	930	276	679	89	144	64	1,250	2,180
2026	729	238	970	286	705	93	149	67	1,300	2,270
2027	800	262	1,060	312	772	101	164	73	1,420	2,480
2028	913	300	1,210	354	878	115	186	84	1,620	2,830
2029	1,027	339	1,370	397	984	129	209	94	1,810	3,180
2030	1,141	378	1,520	438	1,090	143	231	104	2,010	3,530
2031	1,256	417	1,670	480	1,196	157	254	115	2,200	3,870
2032	1,371	456	1,830	521	1,302	170	276	125	2,390	4,220
2033	1,486	496	1,980	562	1,407	184	298	135	2,590	4,570
2034	1,602	536	2,140	603	1,513	197	321	146	2,780	4,920
2035	1,718	577	2,300	644	1,618	211	343	156	2,970	5,270
2036	1,835	618	2,450	684	1,722	224	365	167	3,160	5,610
2037	1,897	641	2,538	704	1,775	231	376	172	3,259	5,797
2038	1,905	645	2,550	703	1,777	231	377	173	3,260	5,810
2039	1,912	650	2,562	702	1,779	231	377	173	3,262	5,824
2040	1,919	654	2,574	702	1,780	231	377	174	3,263	5,837
2041	1,927	659	2,585	701	1,782	231	378	174	3,265	5,850
RTD*	9,500	7,500	9,000	5,000	4,350	6,500	7,500	6,000	5,100	6,700

**Retail Turnover Density - Turnover (\$) per sq.m in 2019, growth assumed at 0.6% p.a
Source: MarketInfo; Macroplan*

Table 3.2 outlines the indicative amount of retail floorspace estimated to be supportable at the Hopetoun Park retail facility over the forecast period. As noted earlier, the methodology and assumptions made to undertake this analysis has remained unchanged from the previous assessment and should be read in conjunction with this memorandum.

This analysis indicates that at around the mid-2030s (or when the MTA population reaches around 2,500 residents) up to around 540 sq.m of retail floorspace is supportable at the locality, including up to 380 sq.m of FLG floorspace (such as a small grocery store), 130 sq.m of food catering floorspace (e.g. café/take away food) and 35 sq.m of non-food floorspace (e.g. hair/beauty salon).

The amount of retail floorspace potentially supportable at the locality will continue to increase over the forecast period, reflecting the population growth occurring in the area and reach close to 570 sq.m by 2041. However, although the amount of floorspace potentially supportable within the trade area will increase as the resident population reaches capacity, Macroplan notes that there is a balancing act between providing a retail facility early enough to support an establishing community and one that is of a size that is supportable once the population reaches capacity.

Table 3.2 Hopetoun Park - indicative supportable floorspace by category (sq.m), 2020 -2041										
Year ending June	FLG	Food catering	Total food	Apparel	H'hold goods	Leisure	General retail	Retail services	Total non-food	Total retail
<u>% retail expenditure retained</u>										
Main TA	20.0%	20.0%	20.0%	0.0%	0.0%	0.0%	0.0%	20.0%	1.0%	9.1%
2020	123	40	160	0	0	0	0	11	10	170
2021	125	40	170	0	0	0	0	12	10	180
2022	129	42	170	0	0	0	0	12	10	180
2023	134	44	180	0	0	0	0	12	10	190
2024	140	46	190	0	0	0	0	13	10	200
2025	146	48	190	0	0	0	0	13	10	200
2026	152	50	200	0	0	0	0	14	10	210
2027	167	55	220	0	0	0	0	15	20	240
2028	190	63	250	0	0	0	0	17	20	270
2029	214	71	280	0	0	0	0	20	20	300
2030	237	79	320	0	0	0	0	22	20	340
2031	261	87	350	0	0	0	0	24	20	370
2032	284	95	380	0	0	0	0	26	30	410
2033	308	103	410	0	0	0	0	28	30	440
2034	332	111	440	0	0	0	0	30	30	470
2035	355	119	475	0	0	0	0	32	32	507
2036	379	128	507	0	0	0	0	34	34	541
2037	392	132	524	0	0	0	0	36	36	560
2038	393	133	526	0	0	0	0	36	36	562
2039	394	134	528	0	0	0	0	36	36	564
2040	395	135	530	0	0	0	0	36	36	566
2041	396	135	532	0	0	0	0	36	36	568
RTD*	9,500	7,500	9,200	5,000	4,350	6,500	7,500	6,000	6,800	9,000

*Retail Turnover Density - Turnover (\$) per sq.m in 2020, growth assumed at 0.7% p.a
Source: MarketInfo; Macroplan