Ocean Reef Marina Design & Capability Update

October 2018

By Urbacity

Prepared for LandCorp

Image by Lachie King

Executive Summary

This report compares the likely economic performance characteristics of a new Concept Plan for Ocean Reef Marina. This Concept Plan is referred to in this report as the "Preferred Concept Plan" (PCP). The report compares the PCP a previous Plan referred to as Concept Plan 7, which was a prior Plan on which an employment assessment was based.

Plan Principles & Comparisons
The PCP has a much simpler and more direct movement network, which will benefit the commercial, retail and food and beverage services elements of the project. The marina, service areas and boat launching facilities have an improved relationship with each other. The retail has been pulled back from the water to form a village centre and the dominant water relationships are given over (appropriately) to cafes, bars and restaurants.

The housing mix is more diverse in the PCP, which offers improved flexibility in its typologies and development responsiveness. Housing yields are higher in the PCP.

There are improved relationships between car parking and major destinations within the project and greater overall use of street parking. Overall the PCP has more parking than the previous schemes.

The marina servicing area is larger in the PCP and the employment yield will be slightly higher for this component of the project.

Populations/Catchments
With signature resort-style projects such as this, the challenge is to get a high daily resident population that provides enough movement and energy for the core retail component. The PCP has a greater percentage of homes versus apartments, and a higher likely level of permanent residents. On site populations should support a mini supermarket of around 1,000 square metres as a meaningful resource for this population.

There are also around 11,000 residents within a 2 kilometre radius of the project and around half of these residents are within walking distance.

Nevertheless the project would be primarily a leisure destination for these residents, as it will be for residents in the wider catchments.

Within a 5 minute drive there were around 75,000 people in 2016 and a 10 minute drive gives access to around 97,000 people.

Catchment Spend Capacity
The overall catchment has available expenditure of $500 million in food and beverage services, plus $3.3 billion in retail expenditure. Of this total approximately $860 million is available from residents within a 5 minute drive of the facility.

An additional $36 million will be available from future on-site residents for Ocean

Reef Marina retail and food and beverage services.

Merchandise Mix
The mix of the retail village will be focused around a small supermarket and minor convenience and personal services stores suited to a resort style project. The village will also likely offer a cafe or two, and all of these facilities will be supplemented by revenue from visitation from the wider regional catchment. Given that much of the design offers flexible typologies on ground floor, there is also capacity for a resonable sized office or business services component within and proximate to the village centre.

Overall the total commercial and retail space is likely to sit somewhere between 4,500 square metres and 7,000 square metres, of which around half would be retail.

Food and beverage services should sit somewhere between 3,500 and 4,500 square metres, which should be sufficient to deliver enough diversity of offer to be a premier dining-out destination for the region.

Employment
Overall, employment in Ocean Reef Marina is expected to be similar to the employment assessments for the previous design schemes. Employment (post construction) is expected to deliver between 575-585 direct jobs and 400 indirect jobs.

However, in our view, the improvements in design and relationships contained within the new PCP offer a greater potential for the project to perform at a higher level. This benefit gives greater certainty to the economic capacity and integrity of Ocean Reef Marina, which should include improved saleability for the housing/apartment component.

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1 Introduction

The purpose of this document is to update previous analysis with respect to the proposed development of Ocean Reef Marina. Previous analysis was undertaken in October 2014 and June 2016 and this work builds on the analysis and method outlined in previous reports but reflects the design changes in the Preferred Concept Plan dated June 2018. This report is an addendum to the previous reports of 2014 and 2016, and so should be read in conjunction with those reports. The analysis uses data common to the previous reports, and updates those assessments to current values, whilst recognizing the effects of the new design proposition contained within the Preferred Concept Plan. This section outlines these differences and makes observations about their likely effect relative to the previous two schemes.

The latest plan for Ocean Reef Marina (ORM) in comparison with Concept 7.2A is shown opposite in Figures 1 & 2. For ease of reference, these plans will be referred to as Concept 7 (the previous plan) and Preferred Concept Plan (the current plan).

1.1 Plan Principles & Comparisons

Both Plans achieve similar development and marina associated yields but have differences in the following areas:

- Mooring layout
- Open space layout and distribution
- Landside accessibility to the project from the wider network
- Layout of the commercial and retail components of the project
- Marine services location
- Position and scale of the boat trailer and off street parking facility, which has also resulted in a change in the position and contiguity of the project's residential areas and consequently some savings in non-developable land.
- Dwelling yield and mix
- Car parking

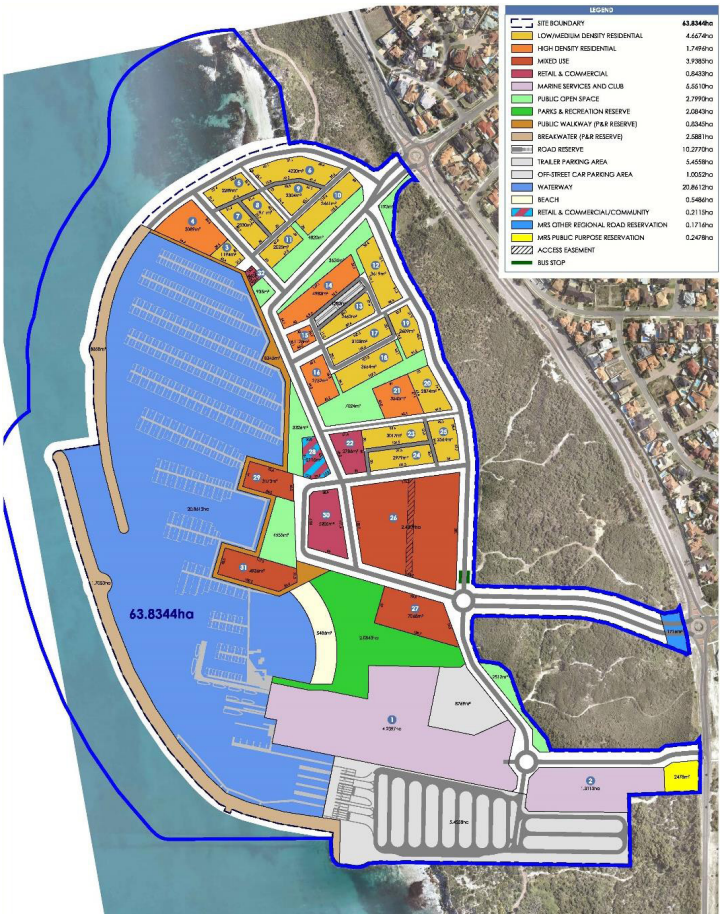


Figure 1: Preferred Concept Plan

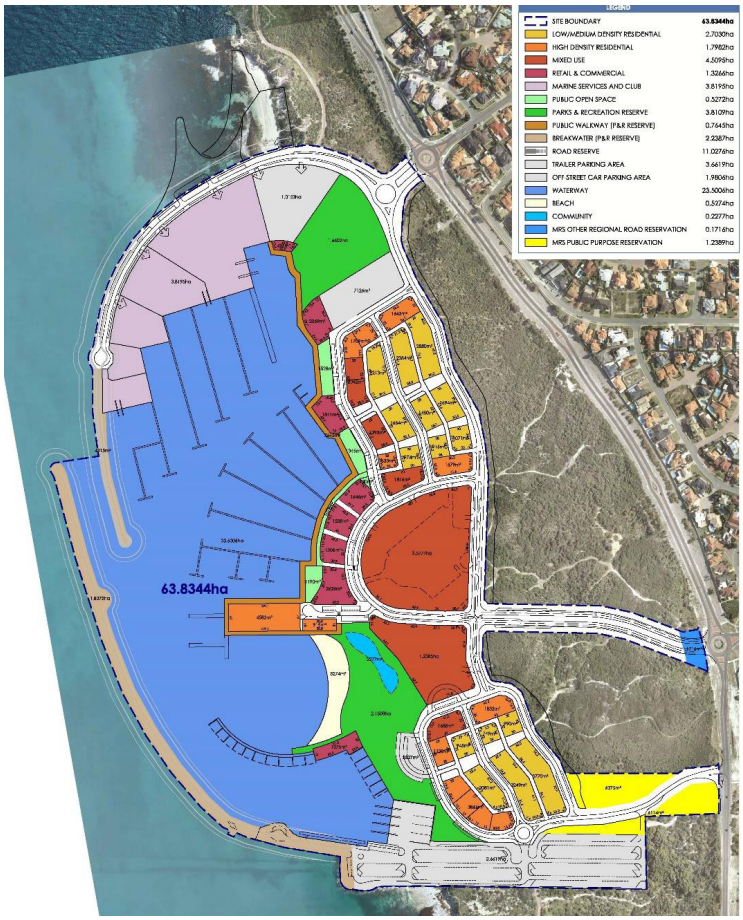


Figure 2: Concept Plan 7

Concept Option	Retail / Commercial NLA m²	Hotel Rooms	Apartments	Single-lot Dwellings	Public Open Space (%)	Car Parking	Boat Pens
Preferred Concept	18,689m² incl. 6,689m² Marine Services NLA	220 rooms	792-1,238 apartments*	140-331 dwellings^	POS 2.64ha (12.39%) + 2.08 ha regional open space	880 on-street 330 off-street 422 trailer parking 2,693-3,675 on-site# **4,325 - 5,307 total**	565
Concept Plan 7.2A	18,689m² incl. 6,689m² Marine Services NLA	220 rooms	844-1,351 apartments*	91-191 dwellings^	POS 2.03ha (10.24%) + 2.15 ha regional open space	580 on-street 532 off-street 382 trailer parking 2,041+ on-site **3,535 total**	684 (approx.)

* Apartment yield range is based on a plot ratio of 1.25:0 and 2:0.
^ Dwelling yield range is based on 10m lot frontage and R80 average lot size.
\# Parking range is dependent upon apartment and dwelling yield range

Note: We are advised that the boat pen assumptions in Figure 3 above use different size/mix variations for Concept Plan 7 than those of the Preferred Concept. If the same assumptions are used for Concept Plan 7 its boat pens would total 550 (not 684).

Figure 3: ORM Yield Comparison between Concept 7.2 and Preferred Concept Plan - Supplied by TBB (see commentary following)

In terms of design approach, there has been a slight change in product emphasis (mix) and consolidation of the major project elements.

Both concepts offer the same amount of retail and retail-capable and commercial floorspace. So in terms of the commercial and retail story, the differences are a function of quality and performance characteristics of the alternate designs, not quantity of space.

The marina and marine services areas are now quite distinct in terms of water access and potential conflict, which in our opinion is a better project and water-side outcome.

The Preferred Concept Plan has more space dedicated to marine services, which will increase servicing capacity and jobs. The marina capacity assessment (last column of Figure 3 suggests more boat pens, however we are informed that the methodology for assessing the two schemes' pen yield was different. We are informed that the method for assessing the Preferred Concept Plan pen yield assumed larger boats and if the same assessment was used for Concept Plan 7, then its yield would drop to 550 (compared to 565 in the Preferred Concept Plan).

1.2 Open Space & Accessibility

Open space in the north now frames the northern access street, whereas in Concept 7.2 it was wedged between two major public parking areas. Whilst Concept 7.2 provided some retail elements to bookend the park, generally the park was isolated from the core public elements of the project, which were located some considerable distance to the south. The park had a short boardwalk edge, but its strongest functional relationship was with the marine services area. The consequence of that relationship is that the park would likely be well used by workers, but being contained by parking and offline in terms of wider resort and marina access, was unlikely to materially involve itself in the wider amenity story of the project for residents and visitors. The location of the park at the extension of the access point from Ocean Reef Road allowed for a direct view to the marina and ocean, across the park but not access through it. The Preferred Concept Plan frames that view with a linear park and takes the access street directly to the marina edge (see Figures 4 & 5).

The direct access approach in our opinion offers a more logical connection to the centralised commercial elements of the project, to the benefit of those elements. The connection also benefits from the removal of an additonal roundabout and appropriately subjugates the edge street around the eastern side, which in Concept 7.2 was a part of the journey to the project. This simplifies access to ORM generally, prioritises direct access from the northern gateway and will offer an improved sense of arrival.

As with the northern access, the southern access also provides a direct link to the water as shown in Figure 6, whereas Concept Plan 7 connects to an urban environment (Figure 7). General access to residential areas is the same in principle as Concept Plan 7.2.

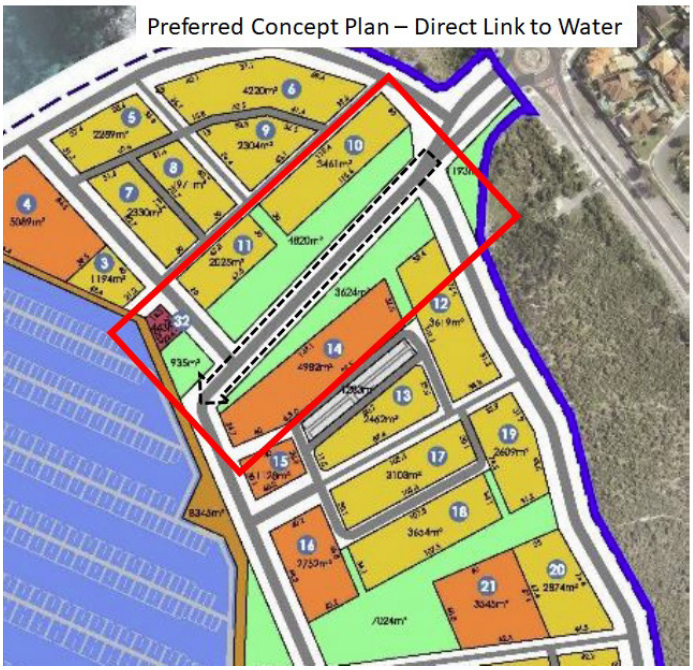


Figure 4: Preferred Concept Plan - Link to Water, North Entry

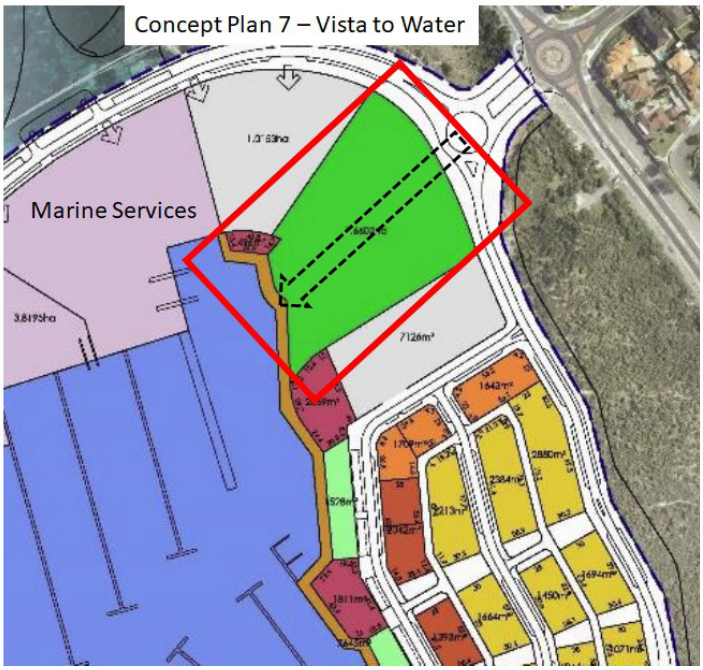


Figure 5: Concept Plan 7 - Water Vista on Arrival, North Entry

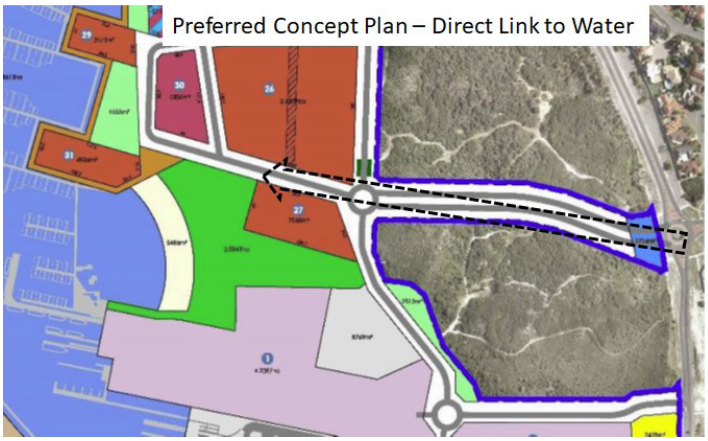


Figure 6: Preferred Concept Plan - Link to Water, South Entry

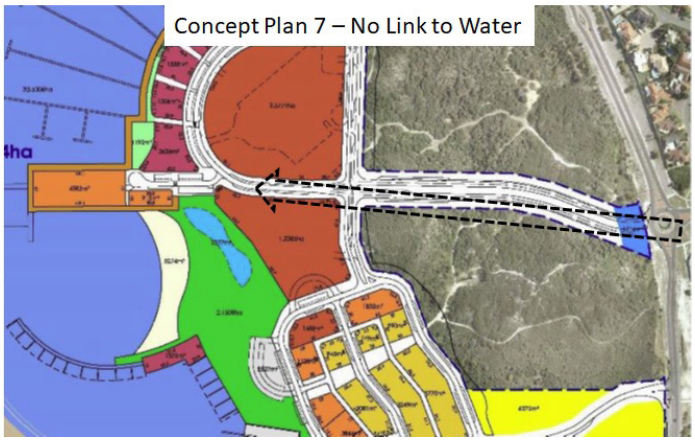


Figure 7: Concept Plan 7 - No Water Vista, South Entry

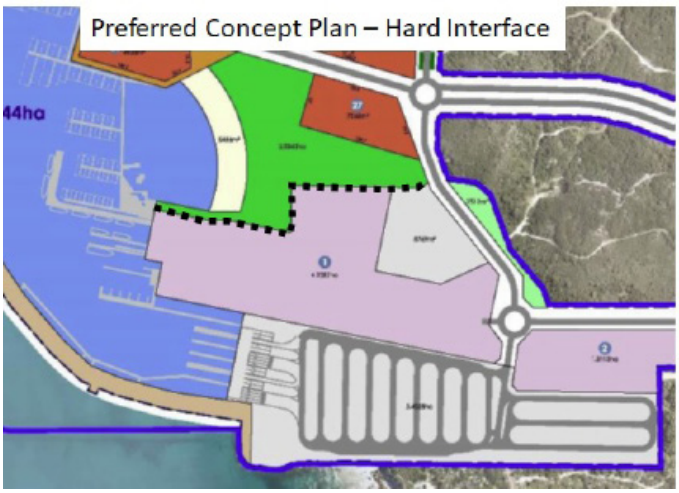


Figure 8: Preferred Concept Plan - Beach Park

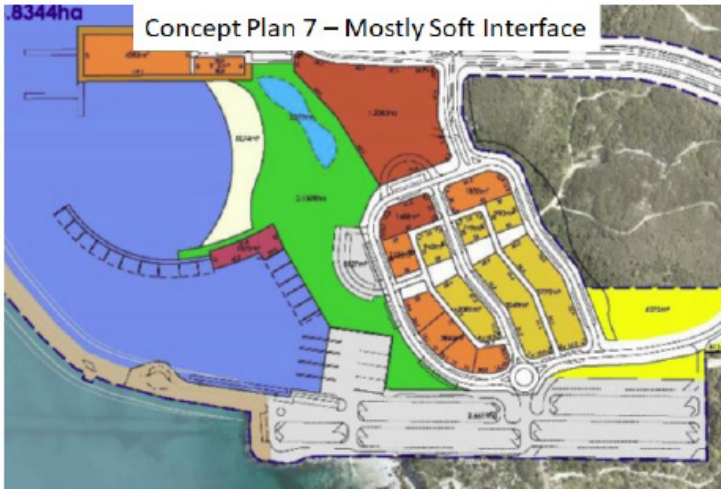


Figure 9: Concept Plan 7 - Beach Park

The beach park at the southern end of the project was framed mostly by commercial activity and housing in the previous plan. With the relocation of the marine services area to the south, and the loss of the housing the beach park will need an appropriate screening regime to the marine services precinct.

The Preferred Concept Plan has narrowed the park generally to the beach dimensions, and terraced it to the beach car park and edge street to the east (Figure 8). The Plan provides a dedicated beach car park, which appears to be at least twice the size of the car park in Concept Plan 7.2, and this should have a major positive effect on beach visitation levels, which will improve retail and commercial potential in the core commercial area. In the previous design around one third of the beach park was isolated from the beach. In summary the Preferred Concept Plan promotes a better relationship with the beach and improves beach carparking. However, the Plan shows that the park is edged by the marine services area, which will need to be heavily screened so as not to dominate the beach and park environment to its detriment.

In the more detailed version of the Preferred Concept Plan (Figure 10), the marine services area has the boating clubhouse and a linear car park at the interface with the beach and beach park, with boat stacking further south. The clubhouse is ideal (and would not need screening), but some of the western edge beyond the clubhouse might need some additional treatment to deal with the interface with the beach.

1.3 Mooring, Marina Layout & Servicing Capacity

The Preferred Concept Plan consolidates marina access to a one-way turn option only to berth entry, which has generally increased the length of the marina pontoons.

As the core issue for revenue is berth numbers, vessel mix and demand, and as we are not experts in assessing marina viability or comparative viability between schemes, we accept the new design as an input around which we will assess employment and flow-on effects based on industry benchmarks and norms.

However, land yields show increases for the Preferred Concept Plan in marine services and club area, from 3.8 ha to 5.6 ha. As marine-based employment is also a function of servicing area capacity, this should at least maintain of not increase marina-based employment.

1.4 Commercial and Retail Capacity

The commercial and retail layout is now more concentrated in the Preferred Concept Plan. Typically, retail works best when it is tight and compact. The detailed Plans (Preferred and Plan 7.2) shows the comparative networks feeding the commercial and retail areas and the general extent of those areas. The Preferred Concept Plan is a more refined version of Concept Plan 7.2b, which was an improvement on Concept Plan 7.2 insofar as the retail and commercial offer become more consolidated.

In Concept Plan 7.2 the retail and food and beverage services offer was not contiguous and proposed a series of pavilion buildings along the waterfront promenade. The Preferred Concept Plan consolidates the retail and food and

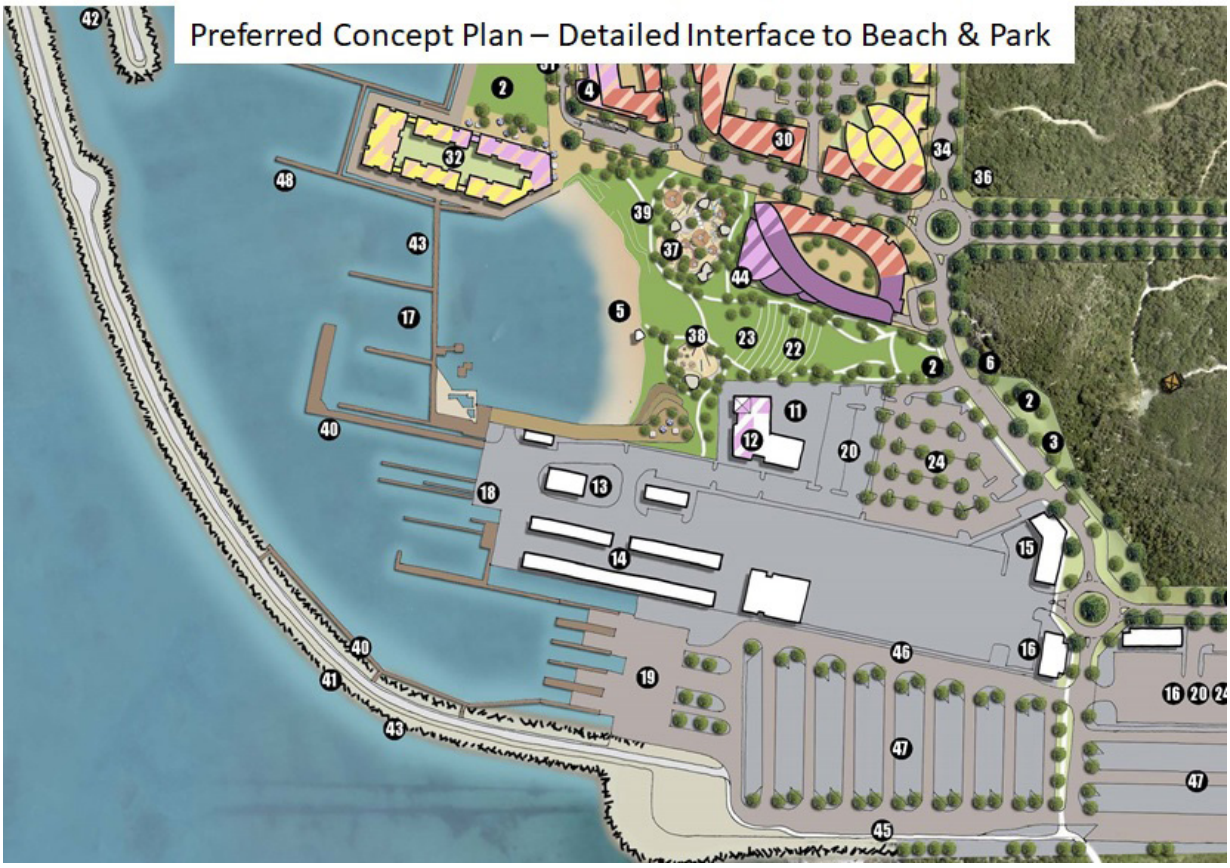
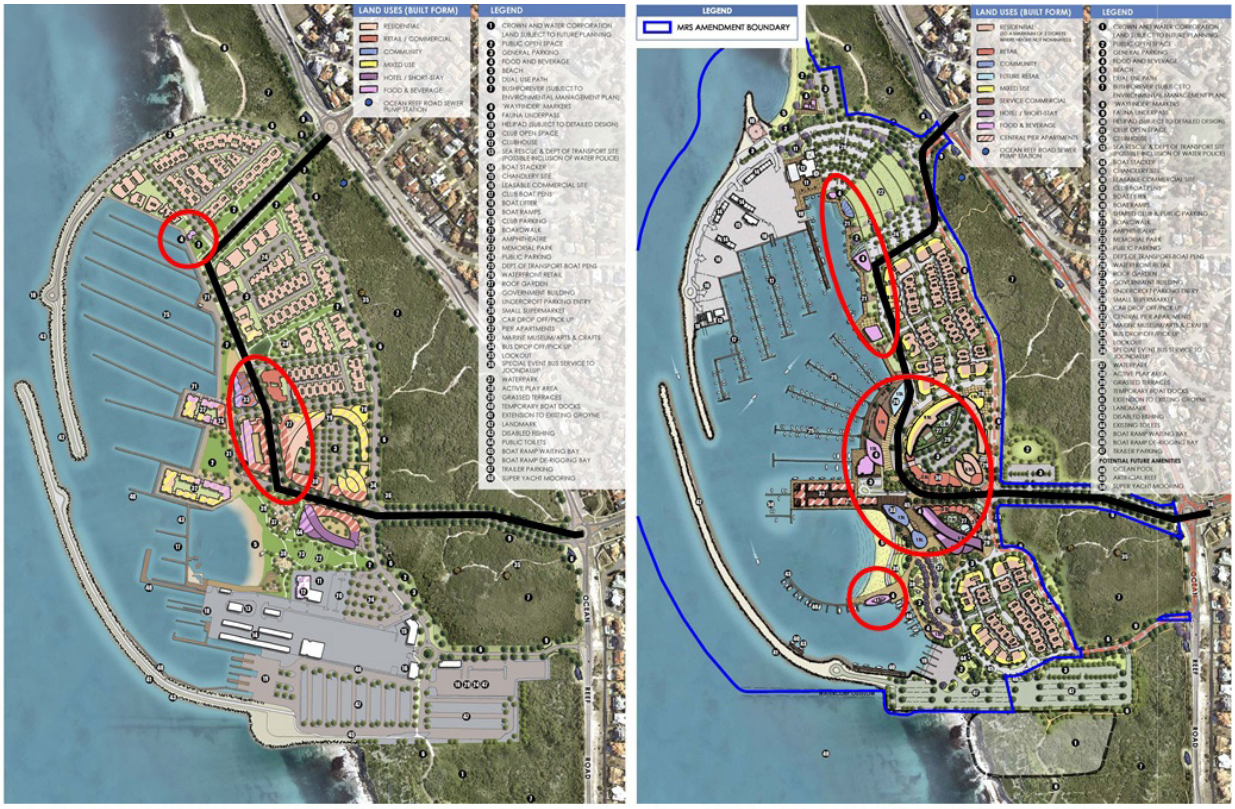


Figure 10: Detail of Edge Interface with Beach & Park



Preferred Concept Plan – Simple Network Switching on Commerce

Concept Plan 7.2 – More Complex Network to Commerce

Figure 11: Comparative Commercial Patterns

beverage tenants to a compressed node around a main street, a waterfront street and central waterfront park, and also offers a single site destination site in the north (also seen in Concept Plan 7.2). This isolated site shown in Figure 11 is ideal for a signature cafe/restaurant, but would have little mainstream retail capability. Concept Plan 7.2's primary retail design approach could be described as an activated waterfront promenade, whereas the Preferred Concept Plan is more of a village where all retail assets contribute to a node or place.

In terms of what each design does for retail merchandising capacity, the central village offers a wider mainstream menu of retail tenants, whereas the promenade approach offers a stronger food and beverage focus and reduced mainstream retail focus.

Concept Plan 7.2's offer would likely be more seasonal, with the amenity of the water and pavilions working together to promote movement, but would also be more fragile due to the limited mix of tenants that work best in such environments. Typically, conventional retail design philosophy is tied to programming people along contiguous active edges and where relationships between stores is seamless. At the point at which this relationship is broken a decision is required from the customer as to whether they continue to the next store. A requirement for a decision results in a reduction in movement. Retail design typically seeks to take such decisions away. The promotion of movement along the water's edge is also a function of the amenity of the water's edge and the marina. This also is a mixed blessing for retail as mainstream retail typically works best when it is the primary focus of pedestrian attention (not the water).

The Preferred Concept Plan's retail proposition as a consequence of the design with a limited access lane along the central waterfront park edge and almost a main street condition splitting the retail in the village delivers a wider range of settings for retail and inherently improves much of the conditions under which retail can flourish. In detail, these conditions and settings are described in the following Figures.

Figure 12 shows the central movement street that leverages off the major movement network that runs between the project's two major access points. Retail is possible on both sides of this street, with the movement network contributing to the economic capacity of the village core that sits on each side of it.

Toward the water's edge sits a central park that is framed on three sides by active ground floor uses with apartments above. The water and boardwalk define the fourth and western edge of the park. This designed configuration (Figure 13) offers a number of environmental and functional benefits for food and beverage services and lifestyle retail operators:

- Delivers a contained space with three walls and a water vista to the west (which is a most popular condition for food and beverage services in the West)
- Delivers a micro-climate and protection from wind from three of the four compass points
- Allows for cars to "walk through" the eastern park edge, which will assist to make the edge more interesting, secure and dynamic for operators and visitors
- Allows for informal colonisation of the park and a meaningful relationship with it
- Allows for some dining opportunities to operate across the laneway at the park edge (this may not be allowed depending on regulation, but the point is that if it is allowed, then the design has created the opportunity for waiters to cross the lane with dishes and beverages to tables at the park edge)

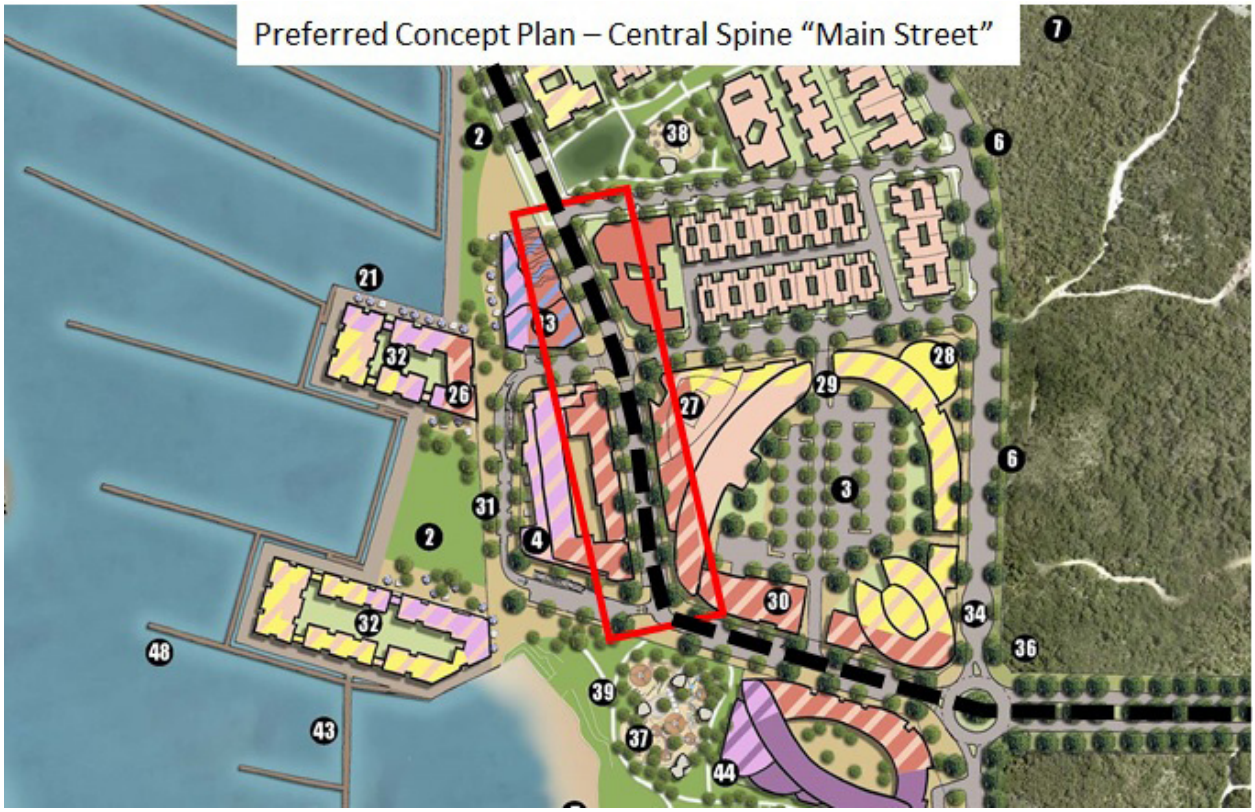


Figure 12: The Retail Village

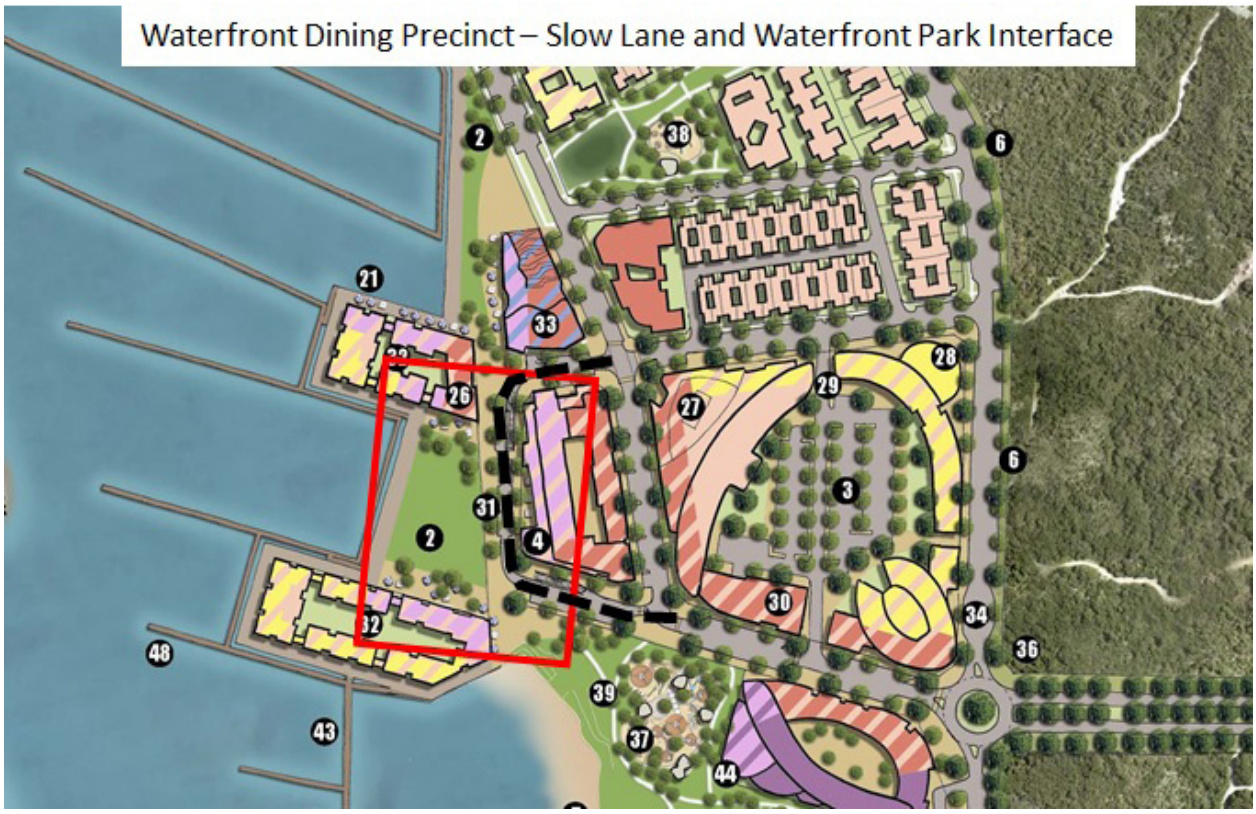


Figure 13: Waterfront Dining Precinct

Like Concept Plan 7.2, the Preferred Concept Plan proposes a small supermarket in the same general location as 7.2. For the commercial component, the Preferred Plan is similar in terms of capability to Concept Plan 7.2, with most of the opportunity existing on the edges of the now concentrated and centralised village centre.

1.5 Housing Mix

The two plans do not change the development as a whole in terms of its basic premise as a signature marina, residential, visitor and recreation precinct. The new layout however, consolidates the lower density housing to the northern part of the site and centralises the high density zone around the Village Centre and the two wharfs.

The Preferred Plan's high-density zone leverages off the Village Centre and Waterfront Dining Precinct with a density for amenity trade off, with apartment dwellers and hotel guests offered immediate and proximate access to retail and food and beverage services. Whilst this approach was also adopted in principle in Concept Plan 7.2, the more concentrated retail offer and Plan design has the ability for the village to become a place, whereas the previous Plan relied more on the amenity of the water and marina.

In terms of the two designs, the Preferred Concept Plan could be described more as an urban village, whereas Concept Plan 7.2 could be described more as a resort.

The combination of a change in the movement network and the consolidation of the two former lower density housing areas has resulted in some obvious land use efficiencies and savings in road reserve that was needed to service two separate housing precincts rather than one.

In terms of land allocation, the following table outlines land areas and estimated dwelling yield . for the residential components of the two design schemes.

Table 1 - **Land Area and Yield Comparisons**

Development Type	Concept Plan 7.2		Preferred Concept	
	Land Area (ha)	Yield	Land Area (ha)	Yield
Low/Medium Density Residential	2.7	91-191	4.7	140-331
High Density Residential	1.8	844-1,351	1.7	792-1,238
Hotel Rooms		220		220
Total Capacity/Yield	**4.5**	**1,155-1,762**	**6.4**	**1,152-1,789**

Source: Taylor Burrell Barnett Development Yield Calculations and Comparison July 2018

In terms of a mix, the Preferred Plan provides the opportunity for more medium and low density residential at a cost of more land area. However, this is the only likely cost as apartment capacity remains similar between the two schemes, as does the overall final population. With more medium and low-density populations, it is likely that household occupancy levels will increase slightly, reflecting the potential for the Preferred Concept Plan to attract more families. Also depending on pricing, it is likely that take up rates will be faster for the residential in the Preferred Concept Plan, given that housing mix will be more diverse.

In summary, there appear to be no reasons why the assumptions that underlie the previous

Figure 14: Consolidated Public Parking Areas

analysis should be made more conservative with respect to housing and on-site populations. Indeed the population yield in the Preferred Plan would be well in excess of that of the previous Plan. This is positive news for the retail and food and beverage services component of the Plan.

1.6 Car Parking

There are major differences between the two plans in car parking location and allocation. The first difference is that the total car parks in the Preferred Concept Plan are much higher than that in Concept Plan 7. Both plans provided for extensive street parking around the project, which materially aids in overall street life and perceptions of vitality. The Preferred Plan appears to provide more public parking around the beach and village centre, which is more parking sensitive than other zones of activity.

The following table shows car parking numbers in the two Plans and the major clusters are shown in Figure 14.

Table 2 - **Car Parking Yield Comparisons**

Concept Option	Public On Street	Public Off Street	On site	Boat Trailers	Totals
Preferred Concept Plan	880	330	2,693-3,675	422	4,325-5,307
Concept Plan 7	580	532	2,041	382	3,535

Source: Taylor Burrell Barnett Development Yield Calculations and Comparison July 2018

In terms of overall parking provision, the Preferred Concept Plan is substantially ahead of Concept Plan 7. It is assumed that the “On Site” provision would be dedicated to owners and tenants. The Preferred Concept Plan offers a greater level of private parking than Concept Plan 7, which should assist markedly with sales, sale values and marketing of the residential component of the project.

Car Parking Location/s & Pedestrian Movement
As discussed earlier, for the commercial and retail component, the location, scale and proximity of parking is a factor in its performance. In terms of sensitivity to parking provision there is a “needs-based” scale of activity relative to parking proximity.

Public parking is distributed widely across the project and sets up the notion of a universally walkable project. This will add street life and security to the project overall.

A factor in parking availability and proximity is the quality of the designed environment relative to pedestrian movement from remote parking locations to retail and food and beverage services. People will walk further if the built form is pedestrian-friendly, which means few if any blank walls, buildings brought forward toward the footpath to establish a visual relationship, between pedestrians and residents, and buildings that are visually interesting. For pedestrians this means dominant vertical proportions and detail in the building facade.

More sensitive to parking proximity is the village retail core, which would include the proposed small supermarket. Less sensitive are destination restaurants/ cafes, bars and dining-out precincts.

In terms of specific locations of concentrated car parking, the project appears to be better resourced and its parking better located than that captured by Concept Plan 7.

2 Update of Catchment Populations

This section provides a summary of the market in and around ORM and updates populations on site and in the wider catchment to account for changes to the yields in the Preferred Concept Plan and populations and households counted in the catchments during the 2016 Census.

2.1 On Site Population

The on-site population is much higher than that assumed in the previous work, which assumed 100 single family dwelling sites and 600 apartments. The new plan delivers a minimum of 140 low / medium density dwellings and a maximum of 331. The apartment yield is a minimum 792 and a maximum 1,238.

Using the same assumptions for occupancy levels, Table 3 assesses effective daily population levels.

Table 3 - **On Site Population Yield**

Accommodation Type	Units/Low	Units/High	Occupancy Ratio	Low Yield Pop	High Yield Pop
Low Medium Density	140	331	2.4	336	795
Apartments	792	1,238	1.7	1,346	2,105
Hotel	220	220	70%	160	160
Totals	1,152	1,789		1,842	3,060

Note: Hotel Occupancy is based on bed nights using the Perth average for 2013 (latest data year)

The effective daily residential population is likely between 1,840 and 3,060 people. This figure assumes 1.7 persons per apartment household (the average household occupancy ratio for apartments in Perth) and 2.4 for the dwelling sites. This also assumes that all dwellings will be occupied (no holiday-only dwellings). This may or may not be a reasonable assumption. The previous analysis assumed only 1,250 as the average daily population, which is 67% of the Low Yield and 40% of the High Yield figures.

Typically, this higher population would enable a small supermarket of around 1,000 square metres in the project.

2.2 Neighbourhood Catchment

The contributing and proximate neighbourhood is a key market for all retail and food and beverage services in the project. That neighbourhood dwellings and population is shown in Table 4 and comprises the two adjoining suburbs. These people are also highly likely walk-in customers for the retail and food and beverage facilities of the project.

Table 4 - **ORM Neighbourhood Population Yield**

State Suburb	People	Households
Ocean Reef	7,840	2,867
Connolly - Pt	3,640	1,405
Totals	**11,480**	**4,272**

Source: Australian Bureau of Statistics 2016 Census

2.3 District Catchment

The District Catchment comprises areas within a 5 kilometre radius of Ocean Reef Marina (a 5 minute drive). The residents in this catchment are likely to be regular visitors to lifestyle retail, the beach and food and beverage services (cafes, bars, restaurants).

Table 5 - **ORM 5 Minute Drive Population**

Suburb	People 2011	Households 2011	People 2016	Households 2016
Joondalup Edgewater	13,727	5,594	13,602	5,746
Illuka Burns Beach	6,165	2,065	8,644	2,884
Ocean Reef	8,108	2,836	7,840	2,867
Mullaloo Kallaroo	11,006	4,292	11,166	4,333
Craigie Beldon	9,592	4,148	9,801	4,278
Heathridge Connolly	10,419	4,211	10,306	4,271
Currambine Kinross	13,947	4,895	13,798	5,031
Totals	**72,964**	**28,041**	**75,157**	**29,410**

Source: Australian Bureau of Statistics 2016 Census

2.4 Regional Catchment

The regional catchment for the project is defined in previous studies. It is the catchment for which this resource would be its most accessible and attractive leisure/dining precinct. The project is shown to be most attractive to this catchment for lifestyle retail, beach visitation and food and beverage services facilities. This catchment is linear and reaches some 20 kilometres north of the project. However, most of this catchment population (74%) is within a 10 minute drive of the site.

The regional catchment largely covers the Joondalup and Wanneroo LGAs and has grown fast between 2011 and 2016.

Table 6 - **ORM Regional Population Yield & Growth**

LGA	People 2011	Households 2011	People 2016	Households 2016
Joondalup	152,500	58,524	154,500	60,313
Wanneroo	152,100	56,334	188,200	70,324
Totals	**304,600**	**114,858**	**342,700**	**130,537**

Source: Australian Bureau of Statistics 2016, 2011 Census

3 Update of Expenditure Estimates

This section provides a summary of the rationale and updates the performance figures in the previous reports to account for project yield differences, the figures in the latest census and current (2018) values.

3.1 On-Site Resident Catchment

We have taken a mid point assessment of on site residents, and have assumed the project will generate 1,250 households. Table 7 summarises household expenditure by main category.

Table 7- **On-Site Household Expenditure Estimates ($2018)**

Expenditure Category	On-Site Households
All Food and Beverage Services	$5.0 m
Retail	$31.4 m
Total	**$36.4 m**

Source: Australian Bureau of Statistics 2015-2016 Household Expenditure Survey, Urbacity

3.2 District Resident Catchment

The district or 5 minute drive catchment would likely regard Ocean reef Marina as their most proximate lifestyle and dining out destination and should be major supporters of the retail and food and beverage facilities in the project.

Table 8 - **5 Minute Drive Household Expenditure Estimates ($2018)**

Expenditure Category	District Households
All Food and Beverage Services	$118.6 m
Retail	$739.4 m
Total	**$858.0 m**

Source: Australian Bureau of Statistics 2015-2016 Household Expenditure Survey, Urbacity

3.3 Regional Resident Catchment

The regional catchment is comprised largely of Joondalup and Wanneroo local government areas, which is a linear catchment that extends 20 kilometres to the north, however 74% of this catchment is only a 10 minute drive away.

Table 9 - **Mostly 10 Minute Drive Household Expenditure Estimates ($2018)**

Expenditure Category	Regional Households
All Food and Beverage Services	$526.5 m
Retail	$3,281.0 m
Total	**$3,807.5 m**

Source: Australian Bureau of Statistics 2015-2016 Household Expenditure Survey, Urbacity

4 Merchandising Strategy

This section considers the effects of the Preferred Concept Plan on activity, market appeal and proximity and assesses the likely types of retailers and food and beverage services businesses suited to the project.

4.1 Typology

As covered in the previous studies, the merchandise strategy seeks to provide flexibility of use through an adaptable built form in and around what is now a concentrated core village area. This allows for various retailers and food and beverage services operators to have input into the fitout process, but also allows the project to adapt to changes in market preferences over time. There is a stand alone site to the north of the north entrance road and this can be bespoke designed as it is most likely that it can only be a cafe/restaurant.

The Preferred Concept Plan also suggests a dining out precinct at the western edge of the village facing the one way lane.

4.2 Potential Retail Mix

The following is a list of tenant types and general size estimates for the retail component of the project.

Table 10 - **PRO FORMA Retail Merchandise Mix**

Category/Retailer	Floorspace Range Sqm
Small Supermarket	900-1,200
Chemist Hybrid#	150-250
Bakery/Deli/Cafe	100-200
Newsagent	60-100
Bottle Shop	100
Hairdresser	60
Beauty/Day Spa	100-120
Beach/Resort Fashion, Accessories*	100
Commercial Tenancies Estimate^	3,000 - 5,000
Totals	**4,410 - 7,130**

Chemist Plus Limited Beach Merchandise

* There is a possibility that there could be a number of these types of tenant. Sanctuary Cove QLD is an example, with a number of resort fashion stores

^ This includes boating sales and brokerage

4.3 Potential Food & Beverage Mix

Table 11 - **Estimate of F&B Mix & Sizes**

Tenant Type	Floorspace Range Sqm
Theme Restaurants (3-5)	650-1,000
Theme Bar/Clubs (3-4)	2,000-3000
Cafe/Restaurants 3-4	500-600
Totals	**3,150 - 4,600**

4.4 Commentary on Mix

The above tables are generally based at the upper end of “normal” tenancy sizes due to the destination (as opposed to urban) nature of the project, but it is important to state that these numbers do not reflect the benefit of discussions with potential operators and are a guide only. The numbers and estimates are based only on the consultants’ market knowledge from other projects.

It is expected that LandCorp and others should undertake their own detailed assessment of tenants based on interviews, expressions of interest and discussions with leasing agents skilled in these fields.

In terms of the food and beverage offer, the provision of a critical mass of outlets will be a factor in the appeal of the project as a dining and leisure destination. This generally means more is better. The mix and tenant numbers of Table 10 would likely satisfy this objective, but again it is only a guide.

In previous schemes, the supermarket was proposed as much smaller than it is assessed in this study. The change reflects a better overall design scheme, a substantial increase in on-site populations and the consultant’s further knowledge after dealing with a number of retailers (since the previous work) who can occupy this kind of space.

5 Employment Assessment

This section evaluates the on-site and off-site employment yields for the project under the Preferred Concept Plan.

5.1 Introduction

Previous studies provided the basis for the employment yield assessment and sources used in that assessment.

The commercial and retail floorspace is largely the same as that considered in the analysis in 2014 and 2016. This floorspace, along with the size and specifications of the marina and marine services area largely define the employment yield.

5.2 Marina and Marine Services Area

The Preferred Concept Plan and Concept Plan 7 delivered different configurations of pens and numbers of berths. The marine service area in the Preferred Concept Plan is aligned with the sea-side service areas and not with the berths (as was the case with Concept Plan 7). It is also consolidated with the boat launching area and boat trailer area. This means that arrival points for all berthing boats is not mixed with boat servicing areas and thereby offers a more universally attractive departure and set down point for boat operators, guests and staff.

The new marine area is larger in overall size than that of Concept Plan 7 (5.5ha versus 3.8ha), and so has greater servicing capacity and its layout is likely more efficient. Boat servicing capacity (ground-side), is fundamental to employment capacity. In other marina projects we have assessed, the general ratio of pens/berths area (or water-side) to ground-side services area is 1:1. Our visual assessment in the Preferred Concept Plan would indicate that the project is closer to this ratio.

The previous analysis using standard employment yields for marinas and marina service areas under Concept Plan 7 estimated marina and marine service employment at 80 -100 jobs. However, the quantum of these jobs is not linear with marina size. Given that the marina and marine services area will serve a similar role in order of magnitude to that of the same marina in Concept Plan 7, we would expect employment yield to be slightly higher in this Plan.

5.3 Retail, Commercial & Food and Beverage Services

The retail, commercial and food and beverage service areas are identical between the two concept plans. Therefore we do not expect any major variation in jobs. However, in the Preferred Concept Plan, retail capacity is enhanced and we believe that the retail component will be bigger, especially that of the supermarket, which will create a greater flow-on demand for other retail. Given that it is now composed as a village, its enhanced retail capacity is shown in the improved jobs yield.

The new yield responds to a more retail-dominant outcome as a consequence of this Plan, which includes what could loosely be described as a consolidated retail village, as opposed to

dispersed shops, many of which were leveraging off the attraction of the waterfront.

5.4 Employment Estimate by Sector

Table 12 - **Employment Yield Assessment**

Employment Category	Jobs Yield Est Direct	Jobs Yield Est Indirect	Jobs Yield Est Direct	Jobs Yield Est Indirect
Retail Employment	60-70	25		
Food & Beverage Services	160	70		
Marina	105	145		
Commercial	250	160		
Construction Jobs^			**9,000**	**24,000**
Totals	**575-585**	**400**	**9,000**	**24,000**

^ Note: Assumes private sector construction cost of $900 million (including all housing, hotel, retail and commercial facilities, 265 boat pens and 200 boat stacker) and government investment of $252 million.

Construction Cost Assumptions:

1,238 Apartments	$580 million
331 Homes	$124 million
265 boat pens and 200 boat stacker	$120 million.
220 Room Hotel	$ 50 million
Retail & Commercial	$ 25 million
Marina Services	$ 2 million
Total	**$901 million**