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S T R A T E G I S T S



South Brighton Market Assessment

August 2021

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Version Control

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Executive Summary

Choice Location Strategists has been instructed by GHD to prepare a market assessment of land use alternatives to inform a Master Plan for the South Brighton Development Precinct. This entails an appreciation of the socio-economic and demographic character of the area, together with its competitive environment, in order to ensure that the Master Plan best fits local circumstances.

The release of residential land within the 75.9-hectare Precinct is supported as a means to improve residential land supply to ease Hobart's housing affordability crisis.

Dwelling lots and large format retail premises within the Development Precinct are anticipated to draw prospective custom from a Market Area generally within a 30-minute drive. This area is anticipated to gain an additional 15 639 households through to 2036. Approximately 1117 to 1422 hectares of land (depending on subdivision density) is required to accommodate these. Additional households.

The area of the greenfield precincts nominated in the *Southern Tasmania Regional Land Use Strategy 2010-2035* is inadequate, equivalent to only 47 and 60% of the Main Market Area's forecast land needs for the 15 years to 2036.

Rezoning of the expanded Development Precinct to enable its market release is consistent with strategic planning objectives as set out in the STRLUS and is supported.

The Development precinct is advantageous for development. The land is gently undulating and sufficient size to accommodate a master-planned community.

The creation L-shape section of Commercial zoned land around the intersection of Brighton Road and Hove Way proposed as a buffer between the highly trafficked routes and proposed residential development is supported. The proposed commercial sites are exposed to a high volume of passing traffic in a location that represents an intervening opportunity for Hobart-bound motorists.

Up to 24 000 square metres of large format retail development on this land is anticipated to attract approximately 10.2 per cent of Main Market Area contestable trade, which would be sufficient to justify development. Rising turnover would be supported by projected 28 per cent increase in Market Area resident expenditure on household goods over the decade to 2030.

Upon occupancy the commercial development is expected to provide accommodation for between 96 and 120 staff. Creation of local jobs is desirable to address a shortfall in local job opportunities relative to workforce size.

1. Introduction.

1.1. Instructions

Choice Location Strategists has been instructed by GHD ('the instructing party') to prepare a market assessment to inform a Master Plan for the South Brighton Development Precinct. The work is required to assess the need and justification for the additional residential land and to appreciate the socio-economic and demographic character of the area, together with its competitive environment, in order to ensure that the Master Plan best fits local circumstances. Council intends that the development precinct develop as an attractive gateway neighbourhood which seamlessly integrates the new Brighton High school.

While the Development Precinct is to be predominantly developed for residential purposes it may include some large format retail adjacent to the new service station complex on the southern part of the Dylan Street parcel. The brief includes an assessment of the market potential for this potential use as well as the general retail needs of the Brighton municipality.

The assessment has regard to a 2018 report prepared by Essential Economics (Brighton Council Structure Plan 2018 Economic Assessment). The assessment will also have regard to the high level strategic and economic land use advice provided in June 2020 by Ethos Urban and to the current and emerging retail hierarchy in Brighton municipality.

1.2. The Development Precinct

In 2020 the Department of Education announced plans to develop a new \$30 million high school on a 9.9-hectare parcel of land located on the corner of Elderslie and Brighton Road, in Brighton. Construction of the High school is intended to commence in 2022. Construction of the proposed high school falls within the designated Development Precinct (depicted in figure 1.1).

Figure 1.1: The South Brighton Development Precinct with zoning



The Development Precinct encompasses an area of approximately 75.9 hectares. It comprises two large greenfield sites to the west of Brighton Road and two infill development site areas to the east. Specifically:

33 Elders Lee Road comprises 20.73 hectares of General Residential zoned land, (10 hectares of which is earmarked for Brighton High School development).

69 Brighton Road, approximately 26 hectares of Rural Resource zoned land including 11 hectares within the development precinct. The remaining area is affected by an attenuation buffer for the Bridgewater Quarry operated by Boral. The parcel is presently outside the Greater Hobart Urban Growth Boundary. Council is preparing an amendment to the STRLUS to realign the UGB to encompass the site.

The Dylan Street area comprises 24.5 hectares and 22 individual parcels, 10 of which are vacant lots. Except for two lots fronting William Street which are zoned General Residential, the land is zoned Rural Living. The land is controlled by the Dylan Street landowners' group under the guidance of Gerard Coutts and Associates.

The Melinda Court area comprises 15 individual properties with an aggregate area of approximately 16.2 hectares, zoned *Rural Living*.

Table 1.1: Development Precinct Land Budget

Development Precinct Land Budget	Area (ha)	
Department of Education	9.99	13.2%
Roads	4.78	6.3%
Local Government	1.24	1.6%
Outside Urban Growth Boundary	11.24	14.8%
Balance	48.65	64.1%
Total	75.90	
Net developable Area (Inc. land outside UGB)	59.89	78.9%
Current Zoning		
Rural Living	38.11	50.2%
General Residential	25.68	33.8%
Rural Resource	11.78	15.5%
Utilities	0.33	0.4%

1.3. Site Advantages and Disadvantages

Following are the key advantages and disadvantages of the Development Precinct:

- It enjoys a prominent, highly exposed location immediately north of the intersection of Highway One and route C195 (Brighton Main Road) on the southern approaches to Brighton Township and to the immediate north of the Brighton Transport Hub.
- It is an accessible location at a key intersection with very high visibility for vehicles travelling in a northerly direction and good visibility to south-bound traffic.
- Located adjacent to Highway 1, the principal freight route connecting Hobart with Launceston and Tasmania's north it is proximate to high traffic volumes, estimated by the Tasmanian government at between 10 000 to 20 000 vehicle movements per day (Source: *State of Our Roads*, 2015).
- Located on Hobart's northern outskirts, the site represents a prominent intervening opportunity for traffic destined towards Hobart and the last significant urban precinct before Launceston, 175 kilometres to its north.
- The Precinct is close to the geographic centre of the Brighton municipality.
- The precinct is a short distance north of the Brighton industrial estate and Brighton Transport Hub, a regionally significant employment and logistics precinct and Hobart's leading industrial cluster.
- The western half of the precinct south of William Street and west of route C195 is lightly settled. East of C195 is a mix of low density residential.
- The topography of the land is suitable for development with slope ranging from 9-11 per cent west of route C195 to comparatively flat land (slope less than 3 per cent) east of route C195.
- Reticulated water is available to the entirety of the precinct and sewers are available to 22.6 hectares of the land (northwest and northeast corners).
- Its immediate proximity to the proposed high school would appeal to families with children in or approaching high school age.
- The Development Precinct includes approximately 11.24 hectares outside the current alignment of the Urban Growth Boundary. Activation of this land would require a realignment of the UGB as is currently proposed by Brighton Council.

1.4. Geographic Context

The development precinct is situated on the southern edge of the Brighton township, located within the Brighton municipality on the north-western edge of the Hobart metropolitan area, approximately 17 km from Hobart CBD.

Situated on the northern banks of the Derwent River, Brighton municipality is connected to Hobart by the Brooker Highway which crosses the Derwent River at Bridgewater. A new river crossing is planned for Bridgewater for anticipated completion in 2024 which will improve traffic capacity and travel times. The Midland Highway, Tasmania's key North-South Road connection passes through the centre of the municipality.

The municipality incorporates a large industrial area known as the Brighton industrial estate located between the towns of Bridgewater and Brighton. This precinct includes the Brighton transport hub, an intermodal hub which connects road, rail, and freight distribution. STRLUS recognises Brighton Transport Hub as being regionally significant. The area competes for industry with industrial areas at Derwent Park/Glenorchy approximately 11 kilometres south and the Cambridge industrial area located adjacent to Hobart International airport (approximately 20 km southeast). To a lesser extent, the site also poses competition to an industrial cluster on the southern outskirts of Launceston, approximately 135 km to the north.

Figure 1.2: Aerial view of Brighton showing Development Precinct outlined in Red.



Source: Choice Location Strategists

1.5. Report Structure

This report is structured as follows:

Section 1 provides an introduction and scope of the study.

Section 2 outlines the strategic context

Section 3 profiles the demography of the Main Market Area and of Brighton municipality.

Section 4 provides a competitive assessment for housing

Section 5 assesses demand and need for conventional retail in the Brighton municipality.

Section 6 assessed demand and need for large format retail in the wider Main Market Area

Section 7 draws together report findings in conclusions and recommendations.

1.6. Glossary of Terminology and Abbreviations used in this report

ABS	Australian Bureau of Statistics
Brighton	Brighton Municipality. (Brighton township would include the township in the reference).
Bulky Goods	See Large Format Retail
Catchment	For the purposes of this report, Catchment is used in reference to the market area for Brighton's food and grocery-based retail provision.
Conventional Retail	Retail other than Large Format Retail.
Development Precinct ('DP')	The 75.9-hectare section of land outlined in red in figures 1.2 and 1.3.
Household Goods	The ABS includes furniture, floor coverings, houseware and textile goods retailing, Electrical and electronic goods retailing and Hardware, building and garden supplies retailing within Household Goods retailing.
Large Format Retail	Large Format Retail (Bulky Goods) refer to that category of retailers characterised by larger retail premises selling bulky or 'big box' merchandise. The sector typically includes furniture, bedding, homewares, electrical and electronic appliances, auto accessories, floor-coverings, hardware, building and Garden supply retailers. Selling discretionary, big ticket merchandise, Large Format retailers typically draw patronage from a larger, regional catchment than every day needs retailers.
Local Areas	Statistical Areas Level 2 (SA2) - are medium-sized general-purpose areas defined by the Australian Bureau of Statistics to represent a community that interacts together socially and economically. Within cities, the SA2s represent gazetted suburbs. SA2s generally have a population range of 3 000 to 25 000 persons (average 10 000).SA2s are designed as the primary

	output region for the release of non-Census and Intercensal data.
Main Market Area	Main Market Area: the geographic territory from which the precinct is expected to draw most of its prospective buyer interest and patronage for housing and large format retail.
Net Developable Area	Land within a precinct available for development. This excludes encumbered land, arterial roads, railway corridors, significant heritage, schools and community facilities and public open space.
Secondary Market Area (SMA)	Secondary Market Area
Primary Market Area ('PMA')	For the purposes of this assessment, it generally coincides with the Brighton municipality.
STRLUS	Southern Tasmania Regional Land Use Strategy
Urban Growth Boundary ('UGB')	The intended geographic extent of the metropolitan area as defined in the STRLUS.

2. Strategic Context

2.1. Section Overview

This section provides the strategic context pertinent to the Market Assessment. This includes the Southern Tasmania Regional Land Use Strategy, Tasmanian Planning Scheme and Local policy framework and an economic assessment in support of the Brighton council or structure plan 2018 prepared by Essential Economics.

2.2. Planning Framework

Introduced in 1994 with broad sustainable development objectives, the Resource Management and Planning System provides the overarching planning framework for Tasmania. Beneath it in descending order of precedence are state policies, regional land use frameworks, sub-regional strategies, municipal strategic plans, local area/structure or master plans and site development plans.

2.3. Tasmanian Planning Scheme

The Tasmanian Planning Scheme ('TPS', 'Scheme') sets out the requirements for use or development of land in accordance with the Land Use Planning and Approvals Act 1993 (the Act). The Scheme comprises two parts:

State Planning Provisions (SPPs). These identify the purpose, administrative requirements, and processes, including exemptions from the planning scheme and general provisions that apply to all use and development irrespective of the zone, the zones with standard use and development provisions, and the codes with standard provisions; and

The Local Provisions Schedules (LPSs) that apply to each municipal area and include zone and overlay maps, local area objectives, code lists, particular purpose zones, specific area plans, and any site-specific qualifications.

2.4. Southern Tasmania Regional Land Use Strategy 2010-35

Brighton municipality is one of twelve municipalities forming part of the Southern Tasmania region, a regional planning unit for the purposes of the *Land Use Planning and Approvals Act 1993* (the **Act**). The development and planning of the region is guided by the *Southern Tasmania Regional Land Use Strategy 2010-2035* ('STRLUS') which came into effect in October 2011. Prepared by the Southern Tasmanian Councils Authority STRLUS is intended to *facilitate and manage change, growth, and development within Southern Tasmania* over the 25-year period 2010-2035. It provides comprehensive land use policies, strategies, and strategic directions to realise the vision. Where there is inconsistency between local strategic planning and the regional strategy, STRLUS prevails.

Background Report No. 14 Providing for Housing Needs (April 2011) projects the **Southern Tasmania** region: 36 000 new dwellings including 26 500 new dwellings within Greater Hobart over the 25 years to 2032. STRLUS envisages a 50/50 split of greenfield and infill development

with a minimum net residential density of **15 dwellings per hectare**. Brighton municipality is to account for approximately 15 per cent of Greater Hobart's residential infill (1 987 dwellings).

STRLUS intends that there be a less dispersed settlement pattern with greater diversity of housing types and densities. An **Urban Growth Boundary** ('UGB', 'boundary') is introduced defining the intended geographic extent of the metropolitan area. The alignment of the boundary reflects known constraints, values and opportunities including infrastructure capacity, environmental, landscape and heritage values and land hazards. Included within the boundary is vacant land suitable for land release as greenfield development through residential rezoning as well as land suitable for other urban purposes. It is intended that this included residential land be sufficient to accommodate 20-years' demand or 10 to 15-year supply of greenfield residential land when calculated on a whole of settlement basis for Greater Hobart. The Development Precinct is almost entirely located within the UGB. In its own words the document is intended as the first iteration of an ongoing process of regional land use planning rather than constituting the final word. The document was most recently amended in February 2020. Brighton Council intends that that portion of the development precinct presently outside the UGB be included.

STRLUS sets out the Regional Settlement Strategy which defines the future role and function of each of the region's settlements. Settlements are considered either a suburb of Greater Hobart (and therefore subject to the Greater Hobart Settlement Strategy) or categorized as Major District Centre, District Town, Township, Village, Other Small Settlements or Locality. Brighton's settlements include Bridgewater, Brighton township and Pontville. Bridgewater is considered part of Greater Hobart.

Brighton township is alternately classified as a major satellite/major district centre of Greater Hobart. It is considered to be a significant settlement physically separated from Greater Hobart where residents of and visitors to the sub-region can access a wide range of services, education, and employment opportunities, although employment is strongly related to surrounding productive resources. Important centres to surrounding sub-region.

Pontville is classified as a village, defined as a predominantly residential settlement with a population of between 200 and 600 containing a small mixed-use centre that provides for basic services and daily needs. The growth strategy envisages low growth.

Greater Hobart is treated as a single settlement. The Strategy forecasts demand for an additional 26 500 dwellings over its forecast horizon. At time of STRLUS' initial publication (2010) 85 per cent of new dwellings were within greenfield development at net densities of between 7 to 10 dwellings per hectare. STRLUS advocates greater efficiencies in land use (i.e., intensification of development). It contended that there were sufficient infill opportunities within existing residential land to accommodate this forecast demand for additional dwellings. Nevertheless, it proceeds based on a 50/50 ratio of greenfield to infill development targeting a minimum net residential density of 15 dwellings per hectare. On this basis it estimates approximately 710 hectares of further residential land is required.

STRLUS sets out a program of land release that follows a conceptual sequencing plan and managed through individual **Precinct Structure Plans ('PSPs')**. PSP will detail the spatial arrangement of the future use and development in the defined Greenfield Development

Precincts, including road configuration, infrastructure provision and the location of retail and community facilities. They will also show desired housing density and land use classification. STRLUS advocates for a greater mix of residential dwelling types to accommodate demographic change. No structured program of land release has as yet been articulated or implemented.

THE STRLUS identifies nine **greenfield development precincts** across the Greater Hobart area including three in Brighton municipality: Bridgewater North, Brighton South, and Gagebrook/Old Beach.

Implementation of the Strategy is by means of statutory land use planning and related processes including infrastructure provision and site assembly.

The growth management strategies are categorized into **high growth** (20 to 30 per cent increase in potential dwelling numbers), **moderate growth** (10 to 20 per cent increase), **low growth** (less than 10 per cent) and **very low growth** (practically no new potential dwellings). STRLUS policy SRD 2.7 intends that the municipality accommodate 15 per cent of residential infill growth for the 25-year planning period covered by STRLUS (i.e., **1 987** dwellings).

STRLUS outlines a regional network of activity centres. Two Brighton area localities, Bridgewater and Brighton are recognized in the Strategy respectively as major and rural services activity centres. Bridgewater's role is *to serve the surrounding district and provide a range of convenience goods and services as well as some community services and facilities*. As a rural service centre, Brighton is intended to provide its predominantly non-urban communities with a range of goods and services to meet their daily and weekly needs. Its other regional peers include Huonville, New Norfolk and Sorell.

STRLUS recognizes that the Brighton Hub provides a modern road-rail transport facility supporting freight movement to and from the region. It recognizes the Midland Highway which passes through the municipality as a significant inter-regional freight route.

Brighton quarry is listed as being of regional significance and of particular importance to the construction industry.

STRLUS introduces an Urban Growth Boundary ('UGB') as a means of managing the areal spread of development. It sets the physical extent for a 20-year supply of residential land for the metropolitan area as well as land for other urban purposes such as commercial and industrial development, open space, and recreation land. Brighton township is an enclave within the UGB. All but 11.5 hectares of the Development precinct presently falls within the UGB as of its September 2019 iteration. The realignment of the UGB to incorporate this outlying parcel is proposed.

2.5. Housing Affordability

Hobart is presently facing a housing affordability crisis. The ratio of median house prices in Greater Hobart to median income has risen sharply over the last six years, as is evident from figure 2.1 (below). At the commencement of the series in mid 2002 a median house in Greater Hobart could be purchased for approximately two years' median gross household income. By

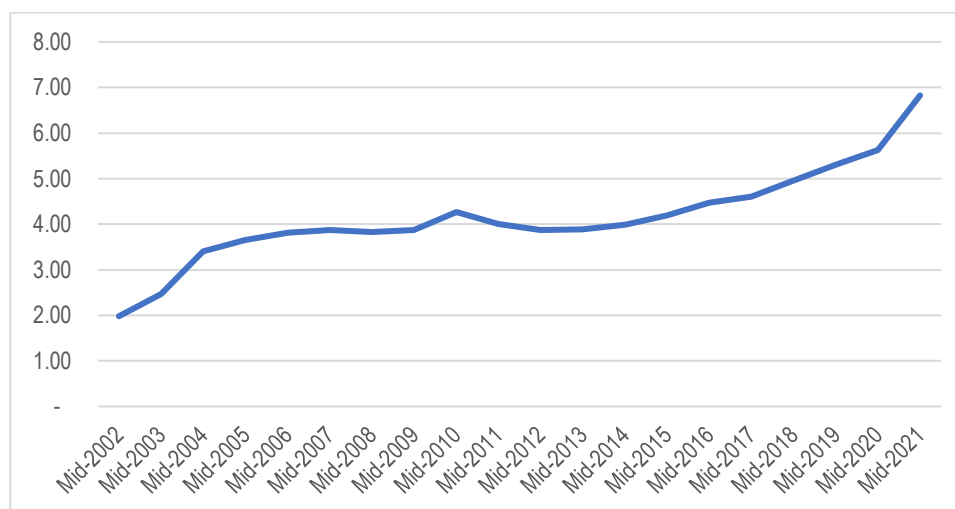
mid-2021 the years' income required had blown out to nearly seven, a three-and-a-half-fold increase.

"There are few issues more important to ensuring the welfare of Australians than housing. Housing provides the stability and certainty needed for individuals and families to deal with the many challenges they face ..." - The Hon Scott Morrison MP, then Minister for Social Services, Sydney Morning Herald, 22 July 2015.

Access to adequate housing is considered a basic human right. STRLUS contends that ensuring housing affordability, adequacy and appropriateness is fundamental to supporting the quality of life of a population. Housing needs are met when the housing supply aligns with a region's actual household requirements.

CoreLogic's latest home value index reveals Hobart's houses prices increased by 8.7 per cent in the year to February 2021. Hobart's median home value now sits at \$535 994 — higher than Adelaide, Perth, and Darwin, and about on par with Brisbane. Tim Lawless from CoreLogic noted that in the context of rising house prices across the country, Hobart was a particular stand-out. Hobart housing values have risen about 52 per cent over five years.

Figure 2.1: Ratio of Median House Prices to Median Household Income, Greater Hobart



Source: ABS, Choice Location Strategists

STRLUS defines affordable housing as housing that is affordable for households on low to moderate incomes, when housing costs are low enough to enable the households to meet other basic long-term living costs. For example, housing costs should be less than 30 per cent of household income for occupants in the bottom 40 per cent of household income. Housing costs in excess of 30 per cent are considered to place households under housing stress.

By this measure census data indicates widespread and worsening housing stress in Hobart. It indicates that the average proportion of income paid in rent by Hobart households in the bottom 40 per cent of household income increased from 42.5 per cent in 2006 to 53.4 per cent in 2016.

A shortfall in housing supply relative to demand is considered to be a key contributor to declining affordability and associated housing stress. In 2012, the National Housing Supply Council (NHSC) estimated that as of 30 June 2011, the gap between overall housing supply and demand across the country was 228,000 dwellings.

2.6. Ethos Urban Strategic Advice

Gerard Coutts commissioned urban development consultants Ethos Urban to provide high-level strategic and economic land use advice concerning his client's land holdings at 69 Brighton Road, Brighton. With an aggregate area of 45 ha, these holdings overlap the development precinct and expand it southwards to incorporate the balance of 69 Brighton Road south of the development precinct boundary (shown as parcel 4 in figure 2.2 below).

Figure 2.2: Ethos Urban Subdivision Concept Plan



Source: Gerard Coutts & Associates Pty Ltd

Dated 11 June 2020, Ethos Urban advice primarily addressed the strategic and economic merits of delivering the commercial component envisaged for the Dylan Street land. It looked at the market opportunities for delivering a restricted retail and associated uses at this location as well as economic considerations from an activity-centres planning perspective.

The Dylan Street commercial site comprises an L-shaped parcel of approximately 2 hectares which interfaces with the land identified for highway services immediately south (item 7 on figure 2.2), Brighton Road to the west and the proposed Dylan Street residential subdivision to the north and east.

69 Brighton Road commercial site comprises 1.2-hectare parcel fronting Brighton Road (item 3 on figure 2.2)

The client envisaged that the Dylan Street commercial site would accommodate restricted retail (such as bulky goods), trade show rooms and some agricultural sales activities. The proposed uses would leverage trade from passing highway traffic, activity at recently completed highway service centre located near the intersection of Highway 1 and route C195, as well as residents and businesses in the Brighton municipal area.

The client is considering the potential for the commercial site known as 69 Brighton Road to accommodate health or medical facilities.

Ethos Urban's report acknowledged the proposed business activation of the land presented an opportunity to garner income from the Midland Highway traffic not otherwise captured within Brighton municipal area.

The proposed Dylan Street residential subdivision comprises the delivery of 150+ conventional residential lots across an area of approximately 21 hectares including lot seven, eight, nine and 10. Rezoning of the land from Rural Resource to some appropriate residential zone is required to facilitate the development.

A highway service centre was recently erected on a 5-hectare parcel immediately south of the Dylan Street commercial site and residential subdivision (8 on figure 2.2).

The Dylan Street commercial site has an area of 2 ha. Assuming 40% site coverage approximately 8000 m² of commercial floor space could be accommodated.

Citing Essential Economics previous analysis, Ethos Urban forecast non-food spending by Brighton residence to be approximately \$50.4 million by 2033 and increase of \$25.8 million on the 2019 level. Only 9% of non-food resident spending is currently being captured locally.

Ethos Urban notes the natural fit for the site with agricultural sales having regard to the agricultural areas located in North of Brighton.

Ethos Urban recognises potential opportunities for childcare, a retirement village, aged care (assisted living – nursing home accommodation) and a medical centre.

2.7. Section Summary

The *Southern Tasmania Regional Land Use Strategy 2010-2035* sets the strategic planning framework guiding and managing the growth and development of the Southern Tasmanian region, including Brighton municipality over the 25-year period 2010-2035.

STRLUS intends that Brighton municipality accommodate 15 per cent of Greater Hobart's residential infill growth for the 25-year planning period covered by STRLUS (i.e., **1 987** dwellings). For this purpose, it identifies three greenfield development precincts within the municipality: Bridgewater North, Brighton South, and Gagebrook/Old Beach.

The Development Precinct is almost entirely within the UGB delineating the intended geographic extent of Greater Hobart's development. Council supports a proposed realignment of the boundary incorporate the balance of the precinct presently outside.

STRLUS contends that ensuring housing affordability, adequacy and appropriateness is fundamental to supporting the quality of life of a population. However, Hobart is presently facing a housing affordability crisis partially arising from the constrained supply introduced by STRLUS measures. STRLUS defines affordable housing as housing costs less than 30 per cent of household income for occupants in the bottom 40 per cent of household income. Households paying in excess of 30 per cent of income in housing costs are considered to be under housing stress. Census data indicates Hobart's bottom 40 per cent of households have been under housing stress by this measure since 2006 and the proportion is increasing over time. CoreLogic's house price index indicates Hobart housing values have risen about 52 per cent over five years since the latest census. Hobart's median home value at \$535,994 exceeds that of Adelaide, Perth, and Darwin, and is on par with Brisbane. The ratio of median Hobart house prices to median income has risen three and a half fold from a ratio of two to nearly seven since mid 2002.

High-level advice provided by urban development consultants Ethos Urban proposes a residential subdivision within the Development Precinct delivering 150+ conventional residential lots across an area of approximately 21 hectares and 8 000 square metres of large format retail on a two-hectare site in the immediate vicinity of the recently developed United petrol station.

3. Demographic Profile

3.1. Overview Market Area Definition

This section provides a demographic profile of Brighton municipality, defines a Main Market Area for the Development Precinct and profiles it and its Component Areas.

The Main Market Area is the geographic territory from which the Precinct is expected to draw most of its prospective buyer interest and patronage. The extent of the Market Area is determined by several factors which include (among other things): distance and travel times, real or perceived barriers, the drawing power of the proposition and the location and size of intervening or competitive opportunities.

As merchandise sold in large format retailers are typically big ticket, occasional purchases involving deliberation and comparison they typically draw patronage from an extensive regional catchment. For this Market Assessment a Main Market Area has been defined encompassing those Local Areas within a 30-minute drive of the Development Precinct. This encompasses an area of 3 728 square kilometres extending northward to Oatlands, east to beyond Sorell, south to Mount Nelson, and west to New Norfolk and the Derwent Valley.

The steep and densely wooded Wellington Range forms a hard boundary to the east. The Derwent River splits the Main Trade Area down its middle and cross-river movement is constricted to three river crossings located respectively at Bridgewater, Dowsings (Bowen Bridge) and Pavilion Points (Tasman Bridge).

Figure 3.1: Main Market Area

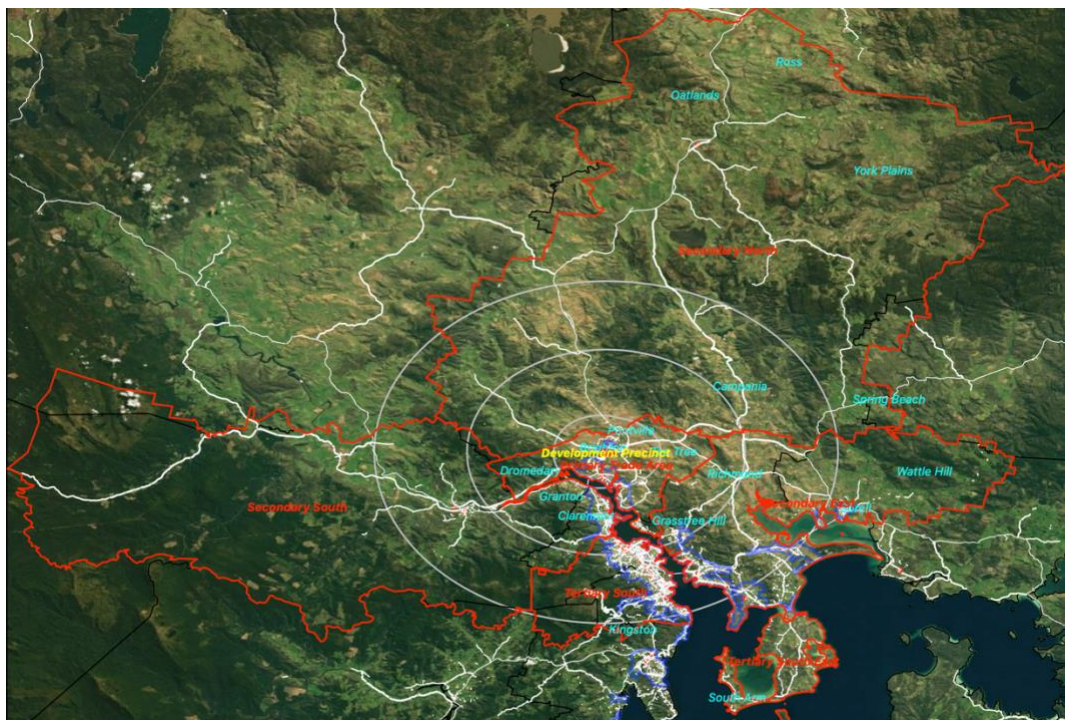
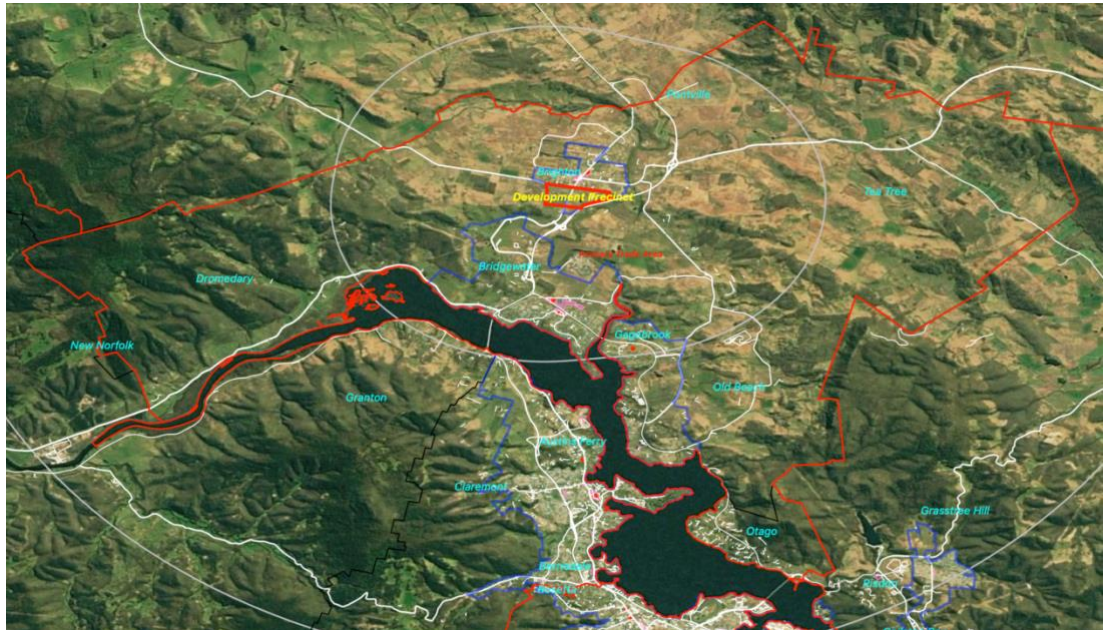


Figure 3.3: Primary Market Area.



3.3. Secondary and Tertiary Market Areas

Secondary North

The Secondary North Area encompasses a sparsely populated rural area extending northwards along the Midland Highway from Mangalore to Oatlands. Other towns include Campania, Kempton, and Melton Mowbray. It has an estimated resident population of 6 500 projected to gain 866 additional residents over the next 15 years growing to 7 386 by 2036.

Secondary East

The Secondary East Area takes in Hobart's eastern shore suburbs extending eastward from Risdon Vale, Geilston Bay, north to Richmond to Wattle Hill, south to Lauderdale and takes in Sorell and Midway Point. It is a populous area home to 62 071 in mid-2021, anticipated to increase by 10 011 (16.1 per cent) to 72 082 by 2036.

Secondary South

The Secondary South Area extends along the Derwent Valley taking in Granton and Claremont on the southwest banks of the Derwent extending south to Chigwell and inland to include New Norfolk. It is home to an estimated 28 309, anticipated to grow by 2 430 (8.6 per cent) to 30 739.

Tertiary South

The Tertiary South extends from Rosetta south to Mount Nelson and Lower Sandy Bay and eastwards to the Mount Wellington bushland. It encompasses the retail precincts of Moonah, Glenorchy and Hobart CBD and the more central parts of Hobart urban area. It is home to 85 461, anticipated to increase to 91 818 by 2036.

Tertiary South-East

The Tertiary South-East is a lightly populated area encompassing the South Arm peninsula. It is home to an estimated 4 619 residents, anticipated to increase to 5 290 by 2036.

3.4. Main Market Area Population over Time

Population growth supports demand for retail and associated services. This subsection surveys population growth across the Main Market Area and its sub-regions since 2001 from ABS estimates of resident population and projects forward to through to 2036 (15 years from present) informed by Department of Treasury and Finance and Australian Bureau of Statistics projections and local trend data (refer Table 3.1). It examines the component drivers of recent population growth for insights into near- and longer-term trends noting the disruptive impact of COVID-19 pandemic containment measures.

Table 3.1: Main Market Area Population 2001-2036

Trade Area Sector	Actual				Estimate	Forecasts		
	2001	2010	2015	2020	2021	2026	2031	2036
Primary Market Area	13 392	16 135	16 993	18 731	19 088	19 878	21 130	23 465
Secondary Market Area								
Secondary North	5 830	6 274	6 112	6 422	6 500	6 665	6 922	7 386
Secondary East	50 444	53 770	56 753	61 351	62 071	63 624	66 212	72 082
Secondary South	24 576	26 518	27 019	28 145	28 309	28 652	29 244	30 739
Total Secondary	80 850	86 562	89 884	95 918	96 880	98 941	102 378	110 208
Tertiary Market Area								
Tertiary South	75 940	79 033	81 031	85 696	85 461	84 971	85 180	91 818
Tertiary Southeast	3 630	4 128	4 279	4 570	4 619	4 724	4 898	5 290
Total Tertiary	79 570	83 161	85 310	90 266	90 080	89 695	90 078	97 108
Main Market Area	173 812	185 858	192 187	204 915	206 048	208 514	213 587	230 782

Source: Australian Bureau of Statistics, Choice Location Strategists

Table 3.2: Average Annual Population change in the Main Market Area

	Average Annual Change (No.)						
	2001-10	2010-15	2015-20	2020-21	2021-26	2026-31	2031-36
Primary Market Area	305	172	348	357	158	250	467
Secondary Market Area							
Secondary North	49	- 32	62	78	33	51	93
Secondary East	370	597	920	720	311	518	1 174
Secondary South	216	100	225	164	69	118	299
Total Secondary	635	664	1 207	962	412	687	1 566
Tertiary Market Area							
Tertiary South	344	400	933	- 235	- 98	42	1 328
Tertiary Southeast	55	30	58	49	21	35	78
Total Tertiary	399	430	991	- 186	- 77	77	1 406
Main Market Area	1 338	1 266	2 546	1 133	493	1 014	3 439

Average Annual Change (%)							
2001-10	2010-15	2015-20	2020-21	2021-26	2026-31	2031-36	

	Average Annual Change (No.)						
	2001-10	2010-15	2015-20	2020-21	2021-26	2026-31	2031-36
Primary Market Area	2.1%	1.0%	2.0%	1.9%	0.8%	1.2%	2.1%
Secondary Market Area							
Secondary North	0.8%	-0.5%	1.0%	1.2%	0.5%	0.8%	1.3%
Secondary East	0.7%	1.1%	1.6%	1.2%	0.5%	0.8%	1.7%
Secondary South	0.8%	0.4%	0.8%	0.6%	0.2%	0.4%	1.0%
Total Secondary	0.8%	0.8%	1.3%	1.0%	0.4%	0.7%	1.5%
Tertiary Market Area							
Tertiary South	0.4%	0.5%	1.1%	-0.3%	-0.1%	0.0%	1.5%
Tertiary Southeast	1.4%	0.7%	1.3%	1.1%	0.5%	0.7%	1.6%
Total Tertiary	0.5%	0.5%	1.1%	-0.2%	-0.1%	0.1%	1.5%
Main Market Area	0.7%	0.7%	1.3%	0.6%	0.2%	0.5%	1.6%

Table 3.3: Components of Main Market Area Population Growth 2017-2020

	Natural Increase	Net Internal Migration	Net Overseas Migration	Total Change	Natural Increase	Net Internal Migration	Net Overseas Migration
Primary Market Area	685	742	77	1 504	45.5%	49.3%	5.1%
Secondary North	76	234	14	324	23.5%	72.2%	4.3%
Secondary East	511	2 368	960	3 839	13.3%	61.7%	25.0%
Secondary South	309	348	362	1 019	30.3%	34.2%	35.5%
Tertiary South	527	-1 466	4 831	3 892	13.5%	-37.7%	124.1%
Tertiary Southeast	123	73	64	260	47.3%	28.1%	24.6%
Main Market Area	2 231	2 299	6 308	10 838	20.6%	21.2%	58.2%
Tasmania	4131	7125	12010	23 266	17.8%	30.6%	51.6%

3.5. Population Growth Drivers in the Main Market Area

As at mid-2020 the Main Market Area had an estimated resident population of 204 915 including 18 731 residing within the Primary Market Area, 95 918 in the Secondary Market Area and 90 266 in the Tertiary Market Area.

The Main Market Area gained 12 728 additional residents in the five years to mid 2020 including 1738 additional residents in the Primary Market Area (an average 348 per annum).

The rate of population growth in the Main Market Area has accelerated in recent years almost doubling from 0.7% per annum to 1.3 per cent per annum between the first and second halves of the decade to June30, 2020.

In the Primary Market Area, the average annual growth rate jumped from 1 per cent in the period 2010-15 to 2 per cent in the period 2015-20.

This recent growth has been driven by a recent surge in net overseas migration: over the four years to mid 2020 excess of overseas arrivals over overseas departures accounted for 58.2 per

cent of population increase in the Main Market Area. Natural increase and net internal migration respectively accounted for 20.6 and 21.2 per cent of population increase.

Net overseas migration's contribution to population growth within the Primary Market Area was comparatively modest (a net gain of 77 over the four years to mid 2020) and barely one-tenth of the contribution of net internal migration.

The closure of Australia's border to international travel in March 2020 as a COVID-19 pandemic containment measure effectively removes international migration as a growth driver until the anticipated reopening sometime in 2023. The Commonwealth Budget forecasts negative net overseas migration in 2020-21 and 2021-22. However internal migration is anticipated to remain robust with Tasmania favoured by Australians wary of major Metropolitan centres and their recurrent propensity for lockdowns. A modest 0.2 per cent annual growth rate has been forecast for the period 2021- 2026. This is anticipated to accelerate 2.5 per cent in a period 2026–31 at 1.6 per cent to the period 2026–31.

Within the Primary Market Area population an average annual population growth rate of 0.8 per cent has been forecast for the five years to 2026 increasing to 1.2 per cent for the five years to 2031 and 2.1 per cent for five years to 2036. This equates to an estimated average gain of 158 new residents each year from 2021 to 2026, rising to an average 250 for 2026-31 and 467 for 2031-36.

The Main Market Area is anticipated to gain an additional 2467 residents over the five years to 2026 including 791 additional residents in the Primary Market Area.

The Main Market Area population is forecast to expand by 24 734 (12 per cent, or an average 0.8 per cent per annum) over the 15 years to 2036. This is comparable to the rate of expansion over the 20 years to 2021 (18.5 per cent total/0.9 per cent per annum).

3.6. Socio-economic profile of the Main Market Area

Table 3.4 profiles the demographic characteristics of the Main Market Area from 2016 census data, benchmarked against the wider Tasmania community for comparative purposes.

Per capita income averaged \$33 178 per annum across the Main Market Area, some 11 per cent higher than the Tasmanian average (\$29 878). The Primary Market Area had an average per capita income of \$30 850, some 3.3 per cent above the Tasmanian mean.

The Main Market Areas population is marginally younger: the median age of 40 years is two years lower than the Tasmanian average (42 years). The median age of the Primary Market Area is lower still: 35 years, seven years younger than the average Tasmanian. The Main Market Area population is skewed younger by higher representations in the 15 to 24 and 25 to 44 years cohorts.

The housing tenure of Main Market Area households is generally in line with the broader Tasmania community. 31.9 per cent of Main Market Area households own their dwellings

outright, 33.8 per cent are purchasing and 28.8 per cent rent including 5.5 per cent renting from the state housing authority.

Renters of public housing are comparatively over-represented in the Primary Market Area where they account for 11.9 per cent of households.

Separate houses are the dominant dwelling form across the Main Market Area accounting for 83.6 per cent of occupied dwelling stock. Flats, units, or apartments accounted for 9.6 per cent and semi-detached or row houses 6.1 per cent of dwelling stock.

Motor vehicle possession is a determinant of mobility particularly in outlying areas where public transport operates comparatively infrequently. Over half (52.9 per cent) of Main Market Area households have two or more cars. This is slightly lower than the Tasmanian mean (56.4 per cent).

In the Primary Market Area 60.4 per cent of households have two or more cars. 7.7 per cent of households had no car, somewhat higher than the Tasmanian mean (7.2 per cent).

The Main Market Area household on average 2.37 people, marginally higher than the Tasmanian mean (2.3 persons). Learn person household the counter for 29.8 per cent of all households, couple families without children 26.5 per cent and couple families with children 26.1 per cent. Single-parent families account for 12.4 per cent.

In the Primary Market Area couple of families with children with the Best represent household type accounting for 31.3 per cent of all households, followed by couple families with no children (24.5 per cent) and loan person households (21.8 per cent). The higher proportion of families with children push the average household size at a Primary Market Area up to 2.63 persons.

The occupational profile of the Main Market Area is skewed white-collar: 71.6 per cent with the remaining 28.4 per cent in blue-collar occupations. White collar workers are comparatively over-represented and blue-collar Workers comparatively underrepresented relative to Tasmania.

In the Main Market Area white collar workers are proportionally under-represented relative to the Tasmanian mean accounting for 59.5 per cent of the workforce relative to 67.5 per cent for the State.

The Main Market Area had a high proportion of Australian born: 85.8 per cent of residents. The proportion was even higher in the Primary Market Area (94.7 per cent).

Table 3.4: Main Market Area Key Socio-economic Characteristics (Usual Residents), 2016

Usual Residents' Characteristics	Primary Market Area	Secondary Market Area	Tertiary Market Area	Main Market Area	Tasmanian Average
Average Per Capita Income	\$30 850	\$32 549	\$34 307	\$33 178	\$29 878
Per Capita Income variation	3.3%	8.9%	14.8%	11.0%	
Household Income					
Average household income	\$60 680	\$63 163	\$67 130	\$64 744	\$57 357
Household income variation	5.8%	10.1%	17.0%	12.9%	
Age Distribution (%)					
Median Age (years)	35	42	39	40	42
Aged 0-14 years	23.3%	18.3%	15.7%	17.6%	17.7%
Aged 15-24 years	13.6%	11.3%	13.9%	12.7%	12.0%
Aged 25-44 years	25.9%	23.9%	27.1%	25.5%	23.1%
Aged 45-64 years	25.0%	26.7%	26.2%	26.3%	27.9%
Aged 65+	12.2%	19.7%	17.1%	17.9%	19.4%
Dependency Ratio	35.5%	38.0%	32.8%	35.5%	37.1%
Age Distribution variance from Tasmania					
Median Age (years)	-7		-3	-2	
Aged 0-14 years	31.9%	3.6%	-11.3%	-0.5%	
Aged 15-24 years	13.5%	-5.2%	16.1%	6.2%	
Aged 25-44 years	12.2%	3.4%	17.2%	10.5%	
Aged 45-64 years	-10.4%	-4.2%	-6.0%	-5.6%	
Aged 65+	-37.1%	1.8%	-11.4%	-7.8%	
Dependency ratio variance	-4.1%	2.7%	-11.4%	-4.3%	
Housing Status					
Owner	21.9%	34.1%	31.5%	31.9%	36.9%
Purchaser	37.2%	37.2%	29.6%	33.8%	34.7%
Renter	29.0%	23.8%	34.1%	28.8%	28.3%
Renter (housing authority)	11.9%	5.0%	4.8%	5.5%	4.9%
Variance in Housing Status					
Owners	-40.8%	-7.8%	-14.7%	-13.8%	
Purchaser	7.3%	7.1%	-14.7%	-2.6%	
Renters	2.3%	-16.1%	20.3%	1.8%	
Renter (housing authority)	143.8%	2.6%	-2.0%	12.9%	
Dwelling type					
Separate house	89.4%	91.3%	74.6%	83.6%	87.9%
Semi-detached or row houses total	1.5%	4.4%	8.6%	6.1%	5.8%
Flat or apartments total	8.6%	3.6%	15.9%	9.6%	5.7%
Other dwelling	0.2%	0.4%	0.5%	0.5%	0.6%
Dwelling type variance					
Separate house	1.7%	3.9%	-15.1%	-4.8%	
Semi-detached or row houses total	-73.3%	-24.1%	49.2%	4.8%	
Flat or apartments total	50.2%	-37.2%	178.7%	67.0%	

Usual Residents' Characteristics	Primary Market Area	Secondary Market Area	Tertiary Market Area	Main Market Area	Tasmanian Average
Car Ownership					
% 0 cars	7.7%	6.7%	11.5%	8.9%	7.2%
% 1 car	31.6%	35.0%	42.5%	38.1%	36.4%
% 2 cars	34.7%	37.3%	32.0%	34.7%	36.3%
% 3 cars	15.8%	13.4%	9.5%	11.9%	13.1%
% 4 + cars	9.9%	7.5%	4.4%	6.3%	7.1%
% 2 or more cars	60.4%	58.2%	45.9%	52.9%	56.4%
Variance % 0 cars	6.8%	-6.7%	59.3%	24.1%	
Variance, 2 or more cars	7.1%	3.2%	-18.6%	-6.3%	
Household Composition					
Average household size	2.63	2.40	2.29	2.37	2.30
Couple family no children	24.5%	28.0%	25.4%	26.5%	28.8%
Couple family with children	31.3%	27.4%	23.7%	26.1%	25.9%
One Parent families	18.6%	13.1%	10.5%	12.4%	11.6%
Lone Person households	21.8%	28.2%	32.9%	29.8%	29.6%
Other households	3.7%	3.4%	7.5%	5.3%	4.2%
Household composition & size variance					
Average household size	14.4%	4.5%	-0.5%	3.1%	
Couple family no children	-14.8%	-2.8%	-11.9%	-7.9%	
Couple family with children	21.2%	5.8%	-8.2%	0.8%	
One Parent families	60.7%	13.0%	-8.7%	7.1%	
Lone Person households	-26.3%	-4.9%	11.0%	0.5%	
Labour Force					
White Collar (%)	59.5%	68.2%	77.3%	71.6%	67.5%
Blue Collar (%)	40.5%	31.8%	22.7%	28.4%	32.5%
Labour Force variance					
White Collar	-11.8%	1.0%	14.6%	6.2%	
Blue Collar	24.4%	-2.2%	-30.3%	-12.8%	
Birthplace					
Australian born	94.7%	90.4%	79.1%	85.8%	87.0%
Overseas born	5.3%	9.6%	20.9%	14.2%	13.0%
Overseas born variance	-58.8%	-25.9%	61.2%	9.5%	

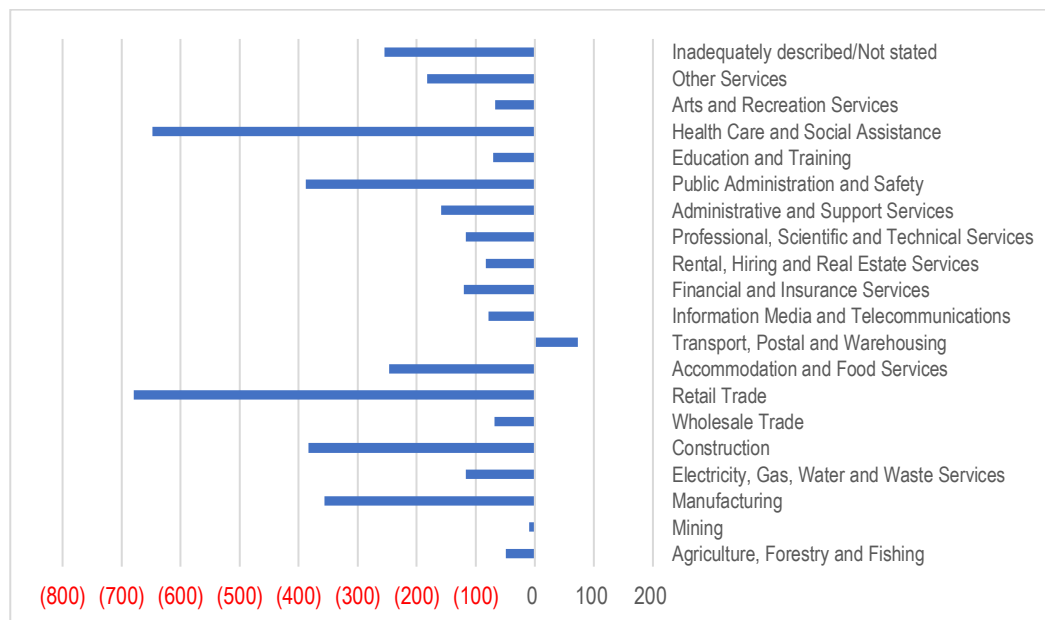
3.7. Employment Profile

The 2016 census highlighted the degree to which Brighton functions as a dormitory suburb to the wider region by illustrating a significant shortfall in local employment opportunities. Home to 6636 workers, there was local employment for only 2806 (42.3 per cent of the local workforce), a shortfall of 3830. Consequently, a substantial majority of residents' journey to work outside the municipality, predominantly south towards Hobart.

The jobs shortfall was consistent across practically all industries (refer figure 3.4) but was most pronounced in the Electricity, Gas, Water and Waste Services, Financial and Insurance Services, Rental, Hiring and Real Estate Services sectors. The exception was Transport, Postal and

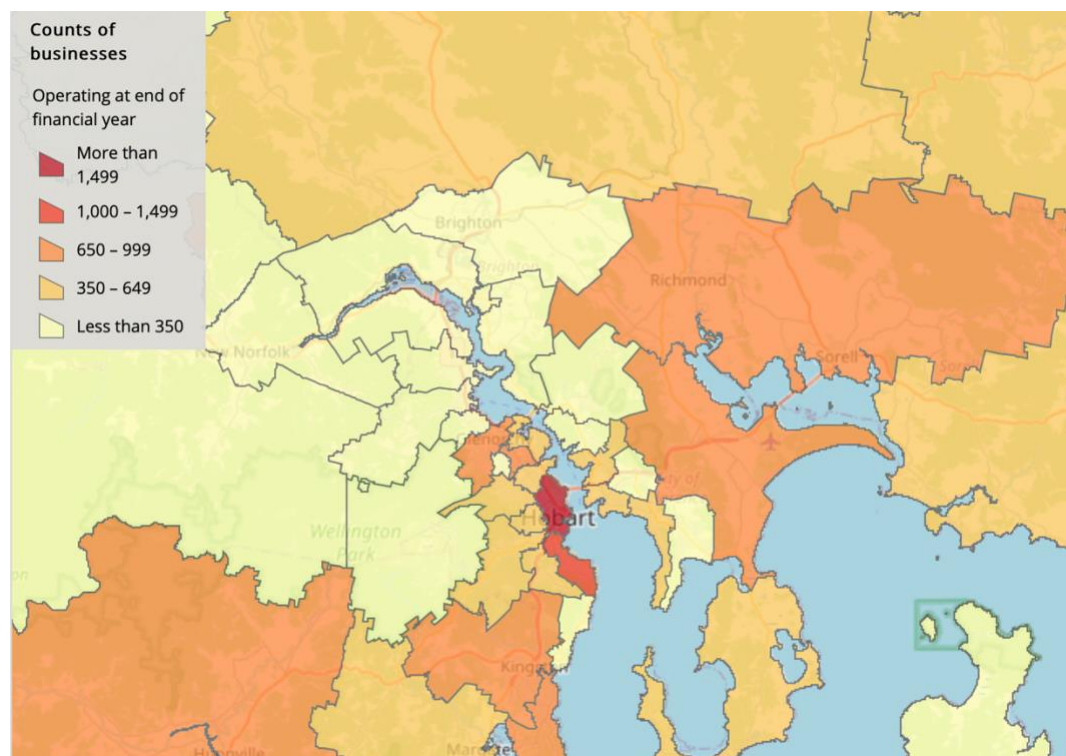
Warehousing sector where the 437 locally based jobs exceeded locally resident sector workers by 73. This reflects the important local employment contribution of the Brighton Transport Hub.

Figure 3.4: Shortfall in Local Employment by Industry



Source: 2016 Census

Figure 3.5: Spatial Distribution of Businesses



Source: ABS Counts of Australian Businesses, Entries and Exits, 2019-20.

3.8. Section Summary

The Main Market Area is a geographically extensive area taking in the northern half of Greater Hobart and extending north into the lightly populated Tasmanian Midlands. The Primary Market Area coincides with Brighton municipality.

As at mid-2020 the Main Market Area had an estimated resident population of 204 915 including 18 731 residing within the Primary Market Area, 95 918 in the Secondary Market Area and 90 266 in the Tertiary Market Area.

The Main Market Area gained 12 728 additional residents in the five years to mid 2020 including 1738 additional residents in the Primary Market Area (an average 348 per annum).

The rate of population growth in the Main Market Area has accelerated in recent years but near-term growth is anticipated to be more modest on account of the absence of migrants on account of pandemic-containment measures.

The Main Market Area is anticipated to gain an additional 2467 residents over the five years to 2026 including 791 additional residents in the Primary Market Area.

The Main Market Area population is forecast to expand by 24 734 (12 per cent, or an average 0.8 per cent per annum) over the 15 years to 2036. This is comparable to the rate of expansion over the 20 years to 2021 (18.5 per cent total/0.9 per cent per annum).

Brighton functions as a dormitory suburb to the wider Hobart with a marked significant shortfall between resident workers and local jobs. Consequently, a substantial majority of residents are compelled to journey to work outside the municipality, predominantly south towards Hobart. Inclusion of some employment land within the development precinct addressing a market niche would be advantageous to increase locally based employment options.

4. Housing Assessment

4.1. Section Introduction

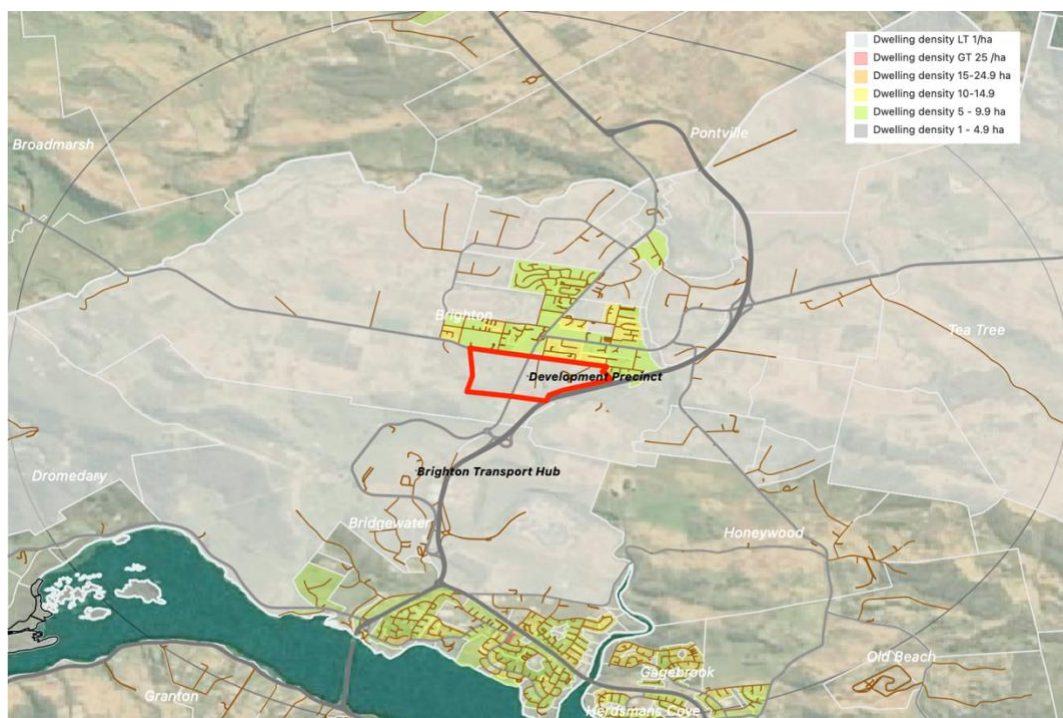
The Development Precinct is proposed to include residential development. Ethos Urban has nominated approximately 150+ conventional-size residential lots. This section will explore the residential demand and supply context to determine whether this supply is justified and what form it should take.

Demand for housing is driven by household formation which is in turn underpinned by population increase and social trends. This section projects increase in household numbers across the Main Market Area and translates this into demand for residential land. It examines the supply of residential land suitable for development against which the Development Precinct would compete to assess likely market share. It examines and describes competitive residential estates within the Market Area.

Population density is an indicator of intensity of existing development and potential for new development. STRLUS targets new net residential density of 15 dwellings per hectare in greenfield general residential zoned areas and 25 dwellings per hectare in inner residential.

Figures 4.1 and 4.2 respectively provide an aerial view of Brighton township's existing settlement pattern and dwelling density as at the 2016 census. Brighton township and neighbouring settlements of Bridgewater, Gagebrook and Herdsman Cove are areas of comparatively modest dwelling density; the prevailing density ranges 5-9.9 dwellings per hectare. Within the Development Precinct the existing density is less than one dwelling per hectare.

Figure 4.1: Residential density of existing development in the Brighton area



Source: ABS 2016 Census, Choice Location Strategists

Figure 4.2: Aerial view of Brighton township with the development precinct outlined in red.



4.2. Zoned Residential Land

While residential use and development may occur in selected other zones subject to conditions, the five main residential zones in the Tasmanian Planning Scheme are the *General Residential Zone*, *Inner Residential Zone*, *Low Density Residential Zone*, *Rural Living Zone* and *Village zone*.

STRLUS intends that the residential zones in planning schemes include a 10 to 15-year supply of greenfield residential land when calculated on a whole of settlement basis for Greater Hobart. A greater mix of residential dwelling types is to be encouraged to provide for demographic change.

The **General Residential Zone** is intended to provide for residential use or development that accommodates a range of dwelling types where infrastructure services are available or can be provided. It is also intended to provide for non-residential uses which serve the local community, and which would not cause unreasonable loss of amenity. No permit is required for a single dwelling. Other residential may be permitted. Food services and local shops are allowed at the discretion of the planning authority. The zone development standards stipulate the site orientation, among other things. The minimum lot area is 450 square metres and minimum dimensions are 10 metres by 15 metres with a gradient not steeper than 1 in 5 (Development Standard A1).

The **Inner Residential Zone** provides for a variety of residential use or development that accommodates a range of dwelling types at higher densities. The minimum lot area is 200 square metres.

The **Low-Density Residential Zone** provides for residential use and development in residential areas where there are infrastructure or environmental constraints that limit density, location, or form of development. Multiple dwellings must have a site area per dwelling of not less than

The **Village zone** provides for small rural centres with a mix of residential, community services and commercial activities. Single dwellings and home-based businesses are permit exempt. The minimum lot size is 600 square metres with minimum dimensions of 10 metres x 15 metres.

4.3. Dwelling Approval Activity

Table 4.1 itemises dwelling approval activity across the Main Market Area and its subregions between July 2019 and February 2021. Some 2237 dwellings were approved over the 19-month period equivalent to an average 112 dwellings per month. 375 of these (17 per cent) were within the Primary Market Area (Brighton municipality). Detached dwellings prevailed accounting for 89.9 per cent of Main Market Area total dwellings approved; the percentage was higher still (93.6 per cent) in the PMA.

Table 4.1: Dwelling Approvals July 2019 - February 2021

	Total			Avg per month		
	New houses	Other residential	Total dwellings	New houses	Other residential	Total dwellings
Primary Market Area	351	24	375	18	1	19
Secondary North	57	0	57	3		3
Secondary East	989	10	999	49	1	50
Secondary South	220	79	299	11	4	15
Tertiary South	353	112	465	18	6	23
Tertiary Southeast	42	0	42	2		2
Main Market Area	2012	225	2237	101	11	112

Source: ABS

4.4. Projected Demand for Housing

Demand for housing is driven by increase in household numbers which is in turn underpinned by population growth and trends in average household size.

Table 4.2: Main Market Area Population 2001-2036

Market Area Sector	Actual				Estimate	Forecasts		
	2001	2010	2015	2020	2021	2026	2031	2036
Primary Market Area	13 392	16 135	16 993	18 731	19 088	19 878	21 130	23 465
Secondary Market Area								
Secondary North	5 830	6 274	6 112	6 422	6 500	6 665	6 922	7 386
Secondary East	50 444	53 770	56 753	61 351	62 071	63 624	66 212	72 082
Secondary South	24 576	26 518	27 019	28 145	28 309	28 652	29 244	30 739
Total Secondary	80 850	86 562	89 884	95 918	96 880	98 941	102 378	110 208
Tertiary Market Area								
Tertiary South	75 940	79 033	81 031	85 696	85 461	84 971	85 180	91 818
Tertiary Southeast	3 630	4 128	4 279	4 570	4 619	4 724	4 898	5 290
Total Tertiary	79 570	83 161	85 310	90 266	90 080	89 695	90 078	97 108
Main Market Area	173 812	185 858	192 187	204 915	206 048	208 514	213 587	230 782

The Main Market Area population increased by an average 2546 per annum over the five years to 2020 (table 4.3). Net overseas migration was a major driver, accounting for 58.2 per cent of population gain in the four years to 2020. The absence of this component until the international borders re-open, anticipated for 2023, is anticipated to suppress near term population growth. We have forecast an average increase of 493 for the five years to 2026, bouncing back to 1014 in 2026-31 and exceeding pre-pandemic levels by 2031-36 at 3439 per annum.

Main Market Area population is projected to increase from 206 048 in mid-2021 to 230 782 by mid-2036. Modest near term population growth under the influenced of suppressed migration is anticipated to accelerate towards 2031 as overseas arrivals return. The population growth rate for the five years to 2036 (8.1 per cent) is anticipated to be above that witnessed over the five years to 2020 (6.6 per cent).

Table 4.3: Change in Main Market Area Population 2001-2036

	Total Change (%)						
	2001-10	2010-15	2015-20	2020-21	2021-26	2026-31	2031-36
Primary Market Area	20.5%	5.3%	10.2%	1.9%	4.1%	6.3%	11.1%
Secondary Market Area							
Secondary North	7.6%	-2.6%	5.1%	1.2%	2.5%	3.9%	6.7%
Secondary East	6.6%	5.5%	8.1%	1.2%	2.5%	4.1%	8.9%
Secondary South	7.9%	1.9%	4.2%	0.6%	1.2%	2.1%	5.1%
Total Secondary	7.1%	3.8%	6.7%	1.0%	2.1%	3.5%	7.6%
Tertiary Market Area							
Tertiary South	4.1%	2.5%	5.8%	-0.3%	-0.6%	0.2%	7.8%
Tertiary Southeast	13.7%	3.7%	6.8%	1.1%	2.3%	3.7%	8.0%
Total Tertiary	4.5%	2.6%	5.8%	-0.2%	-0.4%	0.4%	7.8%
Main Market Area	6.9%	3.4%	6.6%	0.6%	1.2%	2.4%	8.1%
	Total Change (Nos)						
	2001-10	2010-15	2015-20	2020-21	2021-26	2026-31	2031-36
Primary Market Area	2 743	858	1 738	357	791	1 252	2 335
Secondary Market Area							
Secondary North	444	- 162	310	78	165	257	465
Secondary East	3 326	2 983	4 598	720	1 554	2 588	5 870
Secondary South	1 942	501	1 126	164	343	592	1 495
Total Secondary	5 712	3 322	6 034	962	2 062	3 437	7 830
Tertiary Market Area							
Tertiary South	3 093	1 998	4 665	- 235	- 490	209	6 638
Tertiary Southeast	498	151	291	49	105	174	392
Total Tertiary	3 591	2 149	4 956	- 186	- 385	384	7 030
Main Market Area	12 046	6 329	12 728	1 133	2 467	5 072	17 195
	Average Annual Change (No.)						
	2001-10	2010-15	2015-20	2020-21	2021-26	2026-31	2031-36
Primary Market Area	305	172	348	357	158	250	467
Secondary Market Area							
Secondary North	49	- 32	62	78	33	51	93
Secondary East	370	597	920	720	311	518	1 174
Secondary South	216	100	225	164	69	118	299

	Total Change (%)						
	2001-10	2010-15	2015-20	2020-21	2021-26	2026-31	2031-36
Total Secondary	635	664	1 207	962	412	687	1 566
Tertiary Market Area							
Tertiary South	344	400	933	- 235	- 98	42	1 328
Tertiary Southeast	55	30	58	49	21	35	78
Total Tertiary	399	430	991	- 186	- 77	77	1 406
Main Market Area	1 338	1 266	2 546	1 133	493	1 014	3 439

Sources: Australian Bureau of Statistics, Choice Location Strategists

Table 4.4: Components of Population Growth 2017-2020

	Natural Increase	Net Internal Migration	Net Overseas Migration	Total Change	Natural Increase	Net Internal Migration	Net Overseas Migration
Primary Market Area	685	742	77	1 504	45.5%	49.3%	5.1%
Secondary North	76	234	14	324	23.5%	72.2%	4.3%
Secondary East	511	2 368	960	3 839	13.3%	61.7%	25.0%
Secondary South	309	348	362	1 019	30.3%	34.2%	35.5%
Tertiary South	527	-1 466	4 831	3 892	13.5%	-37.7%	124.1%
Tertiary Southeast	123	73	64	260	47.3%	28.1%	24.6%
Main Market Area	2 231	2 299	6 308	10 838	20.6%	21.2%	58.2%
Tasmania	4131	7125	12010	23 266	17.8%	30.6%	51.6%

Source: Australian Bureau of Statistics

The average size of Tasmanian and Hobart area households has been declining over time associated with an ageing of the population. The ABS anticipates the declining trend in average household size to continue over the foreseeable future and for the purposes of this Market Assessment we have adopted the ABS 0.33 per cent average annual rate of contraction of household size.

We project that the number of Main Market Area households will increase by 15 639 over the fifteen years to 2036 from 88 369 to 104 008. The Primary Market Area is anticipated to gain 2151 additional households during this period or equivalent 13.75 per cent of the Main Market Area total. The Secondary and Tertiary Market Areas are anticipated to gain 8008 and 5314 households respectively.

The actual as opposed to projected spread of population growth across the Main Market Area and broader region will be strongly influenced by the availability of market-ready land.

Table 4.5: Average household size 2015-2036

Average Household size	2015	2020	2021	2026	2031	2036
Primary Market Area	2.63	2.60	2.59	2.55	2.50	2.46
Secondary	2.40	2.40	2.36	2.33	2.29	2.25
Tertiary	2.29	2.28	2.25	2.21	2.18	2.14
Main Market Area	2.37	2.36	2.33	2.29	2.26	2.22

Sources: Australian Bureau of Statistics, Choice Location Strategists

Table 4.6: Estimated Number of Households in Main Market Area 2015-2036

	2015	2020	2021	2026	2031	2036
Primary Market Area	6 456	7 211	7 373	7 806	8 436	9 524
Secondary Market Area						
Secondary North	2 445	2 577	2 643	2 755	2 909	3 156
Secondary East	23 735	25 743	26 391	27 503	29 098	32 206
Secondary South	11 219	11 725	11 951	12 297	12 760	13 636
Total Secondary	37 398	40 045	40 981	42 550	44 762	48 989
Tertiary Market Area						
Tertiary South	35 631	37 807	38 205	38 619	39 359	43 134
Tertiary Southeast	1 646	1 764	1 806	1 878	1 980	2 174
Total Tertiary	37 273	39 569	40 013	40 505	41 357	45 327
Main Market Area	81 074	86 729	88 369	90 917	94 681	104 008

Sources: Australian Bureau of Statistics, Choice Location Strategists

Table 4.7: Change in Number of Main Market Area Households 2015-2036

	2015-20	2020-21	2021-26	2026-31	2031-36	2021-36
Total Change						
Primary Market Area	755	162	433	630	1 089	2 152
Secondary Market Area						
Secondary North	133	66	112	154	247	513
Secondary East	2 008	649	1 111	1 596	3 108	5 815
Secondary South	506	225	346	463	876	1 685
Total Secondary	2 647	936	1 570	2 212	4 226	8 008
Tertiary Market Area						
Tertiary South	2 176	398	414	740	3 774	4 928
Tertiary Southeast	118	43	72	102	194	368
Total Tertiary	2 296	444	493	851	3 971	5 314
Main Market Area	5 655	1 640	2 548	3 764	9 327	15 639
Average Annual Change						
Primary Market Area	151	162	87	126	218	143
Secondary Market Area						
Secondary North	27	66	22	31	49	34
Secondary East	402	649	222	319	622	388
Secondary South	101	225	69	93	175	112

	2015-20	2020-21	2021-26	2026-31	2031-36	2021-36
Total Secondary	529	936	314	442	845	534
Tertiary Market Area						
Tertiary South	435	398	83	148	755	329
Tertiary Southeast	24	43	14	20	39	25
Total Tertiary	459	444	99	170	794	354
Main Market Area	1 131	1 640	510	753	1 865	1 043

4.5. Forecast Demand for Residential Land across the Main Market Area

Table 4.7 translates forecast growth in household numbers across the Main Market Area into demand for residential land under alternative lot yield densities. Scenario 1 assumes an effective density of 11 lots per hectare while scenario 2 adopts 14 lots per hectare. An average density of 11 lots per hectare reflects conventional density after allowing for circulation space whereas 14 lots per hectare reflects a component of medium density or smaller lots.

Scenario 1 reflects, and projects forward the established prevailing residential development density. Under this scenario some 1421.7 hectares of residential land would be required consumed to accommodate the Main Market Area's additional households, including 195.6 hectares in Brighton municipality.

The annual take up of land across the Main Market Area is projected to average 46.3 hectares over the five years to 2026, rising to 68.4 hectares in 2026-31 and 169.6 hectares in 2031-36.

Under Scenario 2 some 1 117 hectares of residential land is needed including 154 hectares within Brighton municipality.

The projected dispersal of take up is speculative: as earlier observed, where take-up actually occurs will be largely determined by where land is released and made available for residential development.

Table 4.8: Forecast Demand for Residential Land across the Main Market Area 2021-2036

	hectares per annum					Total
	2020-21	2021-26	2026-31	2031-36	2021-36	2021-36
Effective lot yield	11.0					
Primary Market Area	14.7	7.9	11.5	19.8	13.04	195.6
Secondary Market Area						
Secondary North	6.0	2.0	2.8	4.5	3.11	46.7
Secondary East	59.0	20.2	29.0	56.5	35.24	528.6
Secondary South	20.5	6.3	8.4	15.9	10.22	153.2
Total Secondary	85.1	28.5	40.2	76.8	48.53	728.0
Tertiary Market Area					-	-
Tertiary South	36.2	7.5	13.5	68.6	29.87	448.0
Tertiary Southeast	3.9	1.3	1.8	3.5	2.23	33.4
Total Tertiary	40.4	9.0	15.5	72.2	32.21	483.1
Main Market Area	149.1	46.3	68.4	169.6	94.78	1421.7
					-	-
Effective lot yield	14.0				-	-
Primary Market Area	11.5	6.2	9.0	15.6	10.2	153.7
Secondary Market Area						-
Secondary North	4.7	1.6	2.2	3.5	2.4	36.7

	hectares per annum					Total
	2020-21	2021-26	2026-31	2031-36	2021-36	2021-36
Secondary East	46.3	15.9	22.8	44.4	27.7	415.3
Secondary South	16.1	4.9	6.6	12.5	8.0	120.4
Total Secondary	66.8	22.4	31.6	60.4	38.1	572.0
Tertiary Market Area						-
Tertiary South	28.4	5.9	10.6	53.9	23.5	352.0
Tertiary Southeast	3.0	1.0	1.5	2.8	1.8	26.3
Total Tertiary	31.7	7.0	12.2	56.7	25.3	379.6
Main Market Area	117.1	36.4	53.8	133.2	74.5	1117.1

Source: Choice Location Strategists

4.6. Supply of Greenfield Residential Land

We turn now to the current stock of residential zoned land examine its market readiness, suitability, and comparative appeal relative to the Subject Land having regard to availability of mains water and sewers, parcel size, topography, and comparative remoteness (from Hobart CBD, relative to the Subject Land).

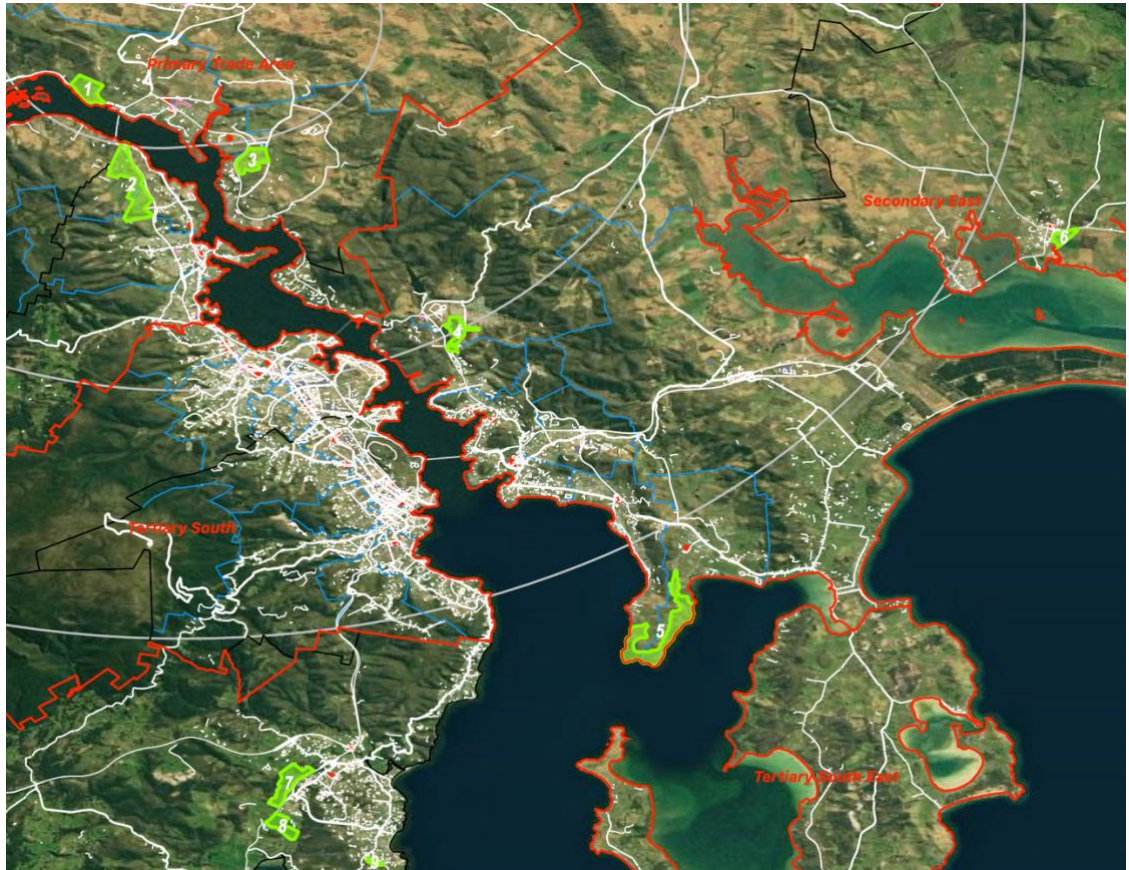
Slope markedly influences development costs with steeper slopes generally more costly to develop on account of needing greater site works and engineering impinging upon their development appeal.

STRLUS identifies nine greenfield development precincts with an aggregate area of 672.8 hectares across the Greater Hobart area. These are listed below in table 4.8 and mapped in figure 4.4.

Table 4.9: Greenfield development precincts of Greater Hobart

Map ID	Greenfield Precinct	Area ha
1	Bridgewater	63.5
2	Granton	156.6
3	Old Beach	61.9
4	Risdon Vale	46.6
5	Droughty Point	193.4
6	Sorell	25.4
7	Kingston	75.9
8	Huntingfield	42
9	Blackmans Bay	7.5
		672.8

Figure 4.4: Greenfield Development Precincts of Greater Hobart



4.7. Development Precinct's Anticipated Market Share

Choice Location Strategists used a Gravity Model to allocate housing demand from across the Main Market Area over the fifteen years through 2036 across the nine designated Greenfield Development Precincts and the Brighton Development Precinct. If it had the capacity, the Development Precinct could be expected to capture 9.4% of the Main Market Area's additional households equivalent to an average take up of 96 lots per annum. Assuming competitive asking prices and lot sizes, this indicates the 150 lots proposed for the Development Precinct are equivalent to 18 months' local market demand.

4.8. Competitive Estates in the Main Market Area

There has been limited new subdivision activity in the Main Market Area in recent years and Brighton has been a focus of residential subdivision in northern Hobart.

The **Brighton Estate** is a 39.7-hectare residential estate on the northern outskirts of Brighton township. The former army camp is located 2.8 kilometres due north of the Development Precinct. It was acquired by a private developer in 2003 and the 300-lot subdivision approved in 2007. The land is zoned General Residential. House and land packages in the recent stage 7 sold for between \$320 000 and \$380 000. Lots ranged from 665 to 811 square metres.

On Brighton's southern outskirts on the **corner of Dylan and Williams Streets** (immediately north of the Development Precinct) six standard-size residential lots (five 656 square metres and one 701 square metres) were recently on the market at asking prices of \$155 000 (\$236 per square metre). House and land packages started from \$390 000.

The **Tivoli Green Estate** in Old Beach 8.1 kilometres southeast of the Precinct has an area of 31.5 hectares which will ultimately yield 137 parcels of which 69 lots have been released to date. Stage 8 offered lots of 607 square metres from \$130 000 (\$214 per square metre).

7.9 kilometres south, the 18 lots released in stage 5 of the **Riverview estate** in Granton on the south side of the Derwent recently sold out. Lots ranged 601 to 730 square metres.

Lots in Stage 3 of **Parkwood Gardens** in Lenah Valley some 23 kilometres south of the Precinct (inland from Moonah) are for sale priced from \$220 000- \$240 000 (\$146 to \$575 per square metre). Lots range widely in area from 400 to 1571 square metres with the smaller lots attracting significantly higher unit prices.

Grange Estate Kempton 23 kilometres north of the Precinct, a 783 square metre lot within the 48-lot subdivision is presently being offered at \$125 000 (\$160 per square metre).

Residential estates active or recently active in the Brighton – Old Beach-Granton area have offered lots ranging from 315 to 800 square metres (median area 640 square metres). Eighty percent of lots sold were sized between 343 and 795 square metres. The General residential zone specifies a minimum lot size of 450 square metres.

4.9. Section Summary

The Development Precinct is proposed to include residential development. Ethos Urban has nominated approximately 150+ conventional-size residential lots.

An average 112 dwellings per month were approved in the Main Market Area over the 19 months to February 2021.

The Main Market Area population increased by an average 2546 per annum over the five years to 2020 largely driven by net overseas migration. The absence of this component until the international borders re-open, anticipated for 2023, is anticipated to suppress population growth in the nearterm. We have forecast an average increase of 493 for the five years to 2026, bouncing back to 1014 in 2026-31 and exceeding pre-pandemic levels by 2031-36 at 3439 per annum.

Main Market Area population is projected to increase from 206 048 in mid-2021 to 230 782 by mid-2036.

Depending on the lot yield, between 1117 and 1421.7 hectares of residential land would be required consumed to accommodate the Main Market Area's additional households through to 2036. Under the more likely scenario, the annual take up of land across the Main Market Area is projected to average 46.3 hectares over the five years to 2026, rising to 68.4 hectares in 2026-31 and 169.6 hectares in 2031-36.

STRLUS identifies nine greenfield development precincts with an aggregate area of 672.8 hectares across the Greater Hobart area. The area of these precincts is equivalent to between 47 and 60 per cent of forecast Market Area demand.

Choice Location Strategists predicts the Development Precinct could be expected to capture 9.4% of the Main Market Area's additional households which equates to average take up of 96 lots per annum. Assuming competitive asking prices and lot sizes, this indicates the 150 lots proposed for the Development Precinct are equivalent to 18 months' local market demand.

Competitive estates in the vicinity generally offer lots ranging from 343 and 795 square metres and priced from \$240 per square metre.

5. Brighton Retail Assessment

5.1. Section Introduction

This section presents an assessment of need and demand for retail within the Brighton municipality. It provides the strategic context placing Brighton's existing and potential retail offer in the activity centre network.

Retail demand is presented in terms of expenditure potential and the amount of supportable retail floor space.

Brighton municipality is served by two supermarket-based (neighbourhood) shopping centres in Bridgewater, a convenience retail strip in Brighton township and scattered isolated convenience retailers. The municipality lacks or has very limited existing higher order retail offer such as discount department stores, apparel, and homewares.

Retail leakage (or inflow) is the difference between potential and actual retail sales in a trade area.

In its economic assessment of April 2018 Essential Economics found Brighton municipality offered a limited retail and commercial services. Consequently, residents are obliged to travel beyond the municipality to the largest centres of Glenorchy approximately 11 km south and Hobart CBD for a wider range of retail and commercial services, as well as employment opportunities. The municipality's retail offer has remained largely unchanged since that assessment.

5.2. Activity Centre Network

The STRLUS intends that retail and ancillary activity be clustered in a network of designated activity centres serving as the focus for services, employment, and social interaction in cities and towns. Hobart CBD (**'Primary Activity Centre'**) is pre-eminent in this network as the centre for public administration, financial services and commerce for the region and the State.

STRLUS recognises Greater Hobart's 'poly-centric' nature. Ranked second in the hierarchy, **Principal Activity Centres** ('PAC's) provide for a wide range of services and facilities (including offices for business and government) to serve the surrounding sub-region, with a strong focus on the retail and commercial sector. Principal Activity Centres provide sub-regional shopping facilities with a range of major supermarkets, department stores and speciality shops. The nearest PACs are Rosny Park and Glenorchy. STRLUS places the Brighton municipality within the catchment of Glenorchy PAC (refer figure 5.1).

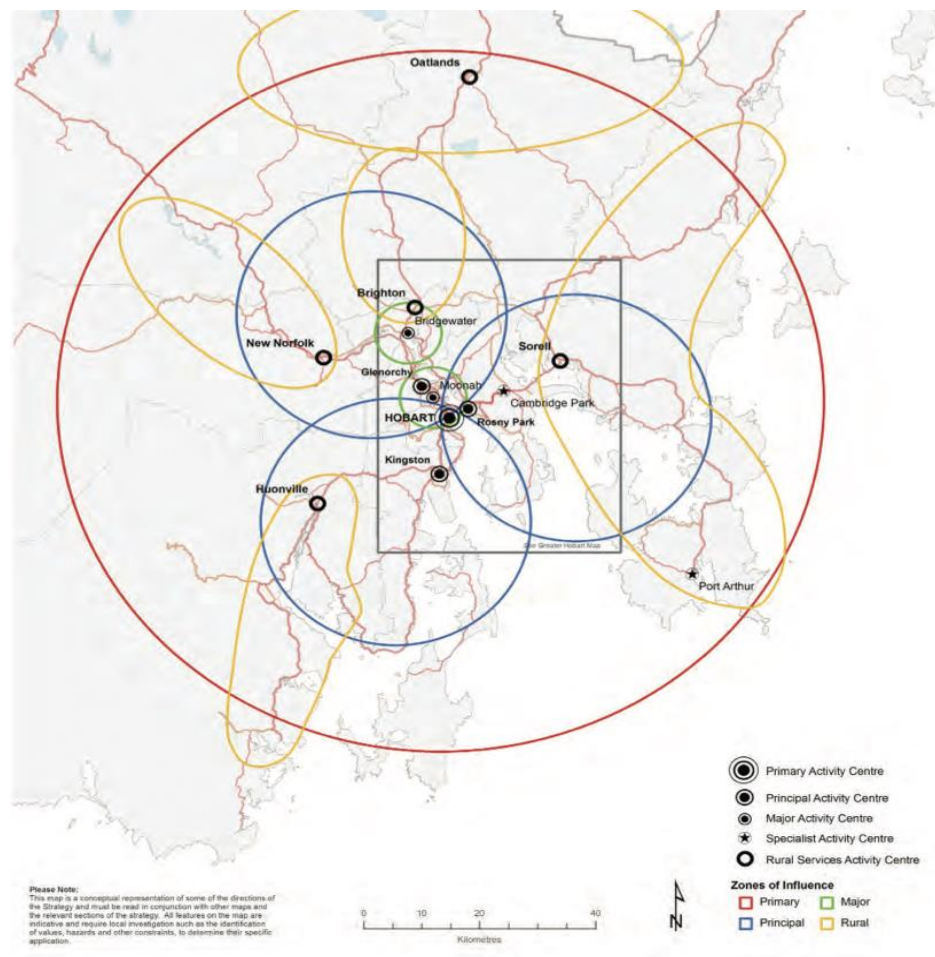
Including at least one major supermarket, a range of speciality shops and secondary retailing and potentially a small discount department store, **Major Activity Centres ('MAC')** serve the surrounding district and provide a range of convenience goods and services as well as some community services and facilities. Major Activity Centres include office spaces for small-scale finance, banking, insurance, property, and professional services. STRLUS categorises Bridgewater

as a 'MAC' and depicts it serving a 'zone of influence' (or catchment) generally coinciding with the Brighton municipality

Anchored by at least one major or a combination of independent supermarkets and a range of speciality shops, **Rural Service Centres** provide predominantly non-urban communities with a range of goods and services to meet their daily and weekly needs. They may include local or district level commercial office space and district offices of government functions. STRLUS classifies Brighton as a Rural Service Centre. Other such centres include New Norfolk, Huonville, Sorell and Oatlands.

Including at least one supermarket, a range of specialty shops and secondary retailing, **Minor or Neighbourhood Centres** serve the daily needs of surrounding communities and provide a focus for day-to-day life within a community.

Figure 5.1: The STRLUS Activity Centre Network



Source: Southern Tasmania Regional Land Use Strategy 2010-35

Anchored by a grocery or convenience store and a range of small specialty shops, **Local centres** provide for day-to-day life within an urban community.

Specialist Centres provide for activity of a specialist nature defined by structure plan serving a regional or local catchment. Cambridge Park is classified as a specialist centre.

5.3. Brighton Food and Grocery Catchment

As observed in section 3, food, and grocery-based retail destinations such as those found within the Brighton municipality typically cater to a more localised catchment. For the purposes of this report a 15-kilometre radius around the Brighton Development Precinct has been adopted as the likely catchment for Brighton's retail offer. The catchment extends northward beyond the fifteen-kilometre radius into the lightly settled Southern Midlands where retail offer is very limited. This 3286.5 square kilometre area is home to a resident population estimated at 57337 (mid-2020) representing 10.6 per cent of Tasmania's overall population.

The population of the trade area by its constituent localities and its projected change in the 20 years through to 2040 is set out below in table 5.1. The population of this area is anticipated to increase 8.8% to 65 464 by 2040.

The Primary Market Area (outlined in red in figures 5.2 below and 5.3 overpage), which takes in the localities of Bridgewater, Gagebrook, Brighton, Pontville, Old Beach and Otago is home to an estimated resident population of 18 731 which is projected to increase by a quarter to 23 458 over the 20 years to 2040.

Figure 5.2: 15-kilometre radius around Brighton



Figure 5.3: Close-up of Market Area: 15-kilometre radius of the Development Precinct.

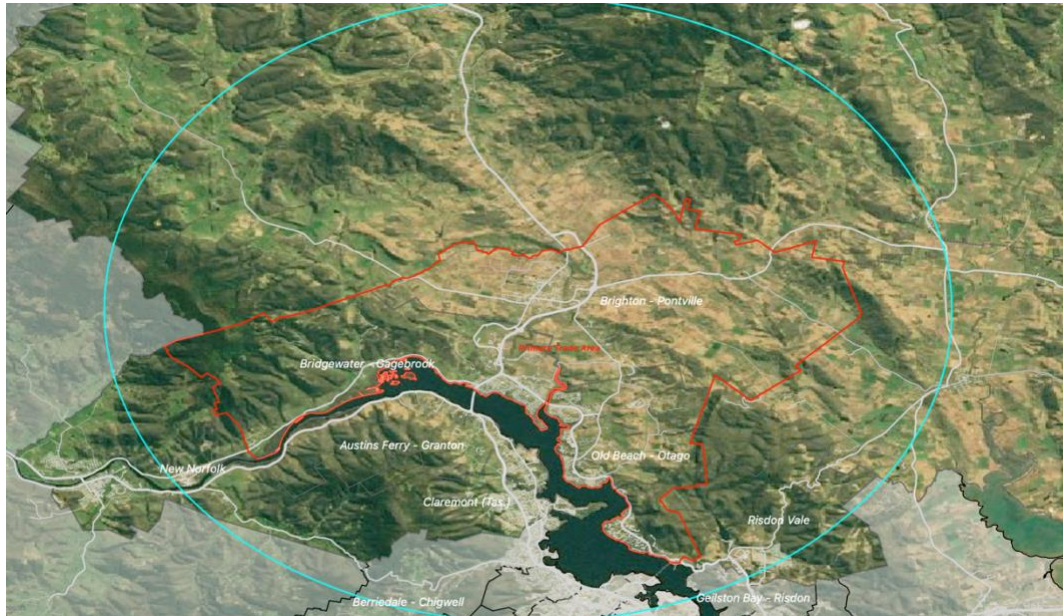


Table 5.1 sets out the estimated resident population of the Brighton retail market area and projects forward to 2040. Both the primary and secondary market areas sections experienced robust growth in the decade to meet 2020. Table 5.2 sets out the components of population increase over the four years to mid 2020. Net internal migration, that is people moving from other parts of Tasmania and beyond has been the key driver of population increase in both the primary and secondary market areas during this period.

A high rate of natural increase (+361) experienced by Bridgewater-Gagebrook was offset by significant negative net internal migration (-188). Net overseas migration was a comparatively minor contributor to population increase in the Primary Market Area which means that the area's growth dynamic will be less susceptible to impacts from Australia's international border closure to contain the COVID-19 pandemic.

Table 5.1: Projected Resident Population of Brighton Retail Market Area

Territory Name	2010	2016	2020	2025	2030	2035	2040
Primary							
Bridgewater - Gagebrook	7627	7362	7 543	8 074	8 570	9 020	9 447
Brighton - Pontville	4764	5492	6 213	6 651	7 059	7 430	7 781
Old Beach - Otago	3744	4373	4 975	5 326	5 652	5 949	6 231
	16,135	17,227	18 731	20 051	21 282	22 400	23 458
Interim change		6.8%	8.7%	7.0%	6.1%	5.3%	4.7%
Secondary							
Risdon Vale	3010	3144	3 432	3 568	3 694	3 804	3 898
Austins Ferry - Granton	3729	3997	4 238	4 293	4 316	4 311	4 285
Claremont (Tas.)	7794	7802	8 046	8 309	8 596	8 879	9 163
New Norfolk	6426	6631	6 949	7 039	7 077	7 068	7 026
Sorell - Richmond	7744	8580	9 519	10 211	10 818	11 329	11 763
Southern Midlands	6274	6098	6 422	6 347	6 235	6 075	5 872
	34977	36252	38 606	39 766	40 735	41 466	42 006
Interim change		3.6%	6.5%	3.0%	2.4%	1.8%	1.3%
Market Area	51 112	53 479	57 337	59 816	62 017	63 866	65 464
Interim change		4.6%	7.2%	4.3%	3.7%	3.0%	2.5%

Table 5.2: Components of Population Increase 2016-2020

	Natural Increase	Net Internal Migration	Net Overseas Migration	Total Change	Natural Increase	Net Internal Migration	Net Overseas Migration
Bridgewater - Gagebrook	361	-188	8	181	199.4%	-104%	4.4%
Brighton - Pontville	232	461	28	721	32.2%	64%	3.9%
Old Beach - Otago	92	469	41	602	15.3%	78%	6.8%
	685	742	77	1504	45.5%	49%	5.1%
Risdon Vale	41	220	27	288	14.2%	76%	9.4%
Austins Ferry - Granton	101	94	46	241	41.9%	39%	19.1%
Claremont (Tas.)	44	109	91	244	18.0%	45%	37.3%
New Norfolk	40	250	28	318	12.6%	79%	8.8%
Sorell - Richmond	95	744	100	939	10.1%	79%	10.6%
Southern Midlands	76	234	14	324	23.5%	72%	4.3%
	397	1651	306	2354	16.9%	70%	13.0%

Source: ABS

Table 5.3: Estimated Brighton Local Catchment Expenditure on Selected Retail Categories, Year ending March 2020

	Primary Market Area	Secondary Market Area	Market Area
Food and non-alcoholic beverages	\$78.3m	\$159.2m	\$237.5m
Alcohol & Tobacco	\$42.9m	\$87.3m	\$130.2m
Hotels, cafes and restaurants	\$78.2m	\$159.1m	\$237.2m
Newspapers books & stationery	\$8.9m	\$18.2m	\$27.1m
Pharmaceuticals	\$17.4m	\$35.0m	\$52.3m
Health Services	\$37.4m	\$76.5m	\$114.0m
Operation of Vehicles	\$37.8m	\$76.2m	\$113.9m
Clothing and footwear	\$19.7m	\$39.7m	\$59.3m
Household furnishings and equipment	\$33.9m	\$68.6m	\$102.5m
Recreation goods	\$36.7m	\$74.7m	\$111.4m
Insurance and other financial services	\$70.0m	\$141.4m	\$211.4m
Other Goods	\$17.3m	\$34.9m	\$52.1m
Other Services	\$43.4m	\$87.9m	\$131.2m
	\$521.8m	\$1,058.5m	\$1,580.3m

Source: ABS National Accounts (State Final Demand), Choice Location Strategists

5.4. Retail Provision in and around the Primary Market Area

Essential Economics' 2018 Assessment noted that Brighton municipality (the Primary Market Area) has a limited range of retail and commercial services. Little has changed in the three years of the since that assessment.

Brighton's principal retail activity is clustered in Bridgewater in two competing supermarket-based centres, Cove Hill Fair and Greenpoint Plaza. These centres, separated by approximately 500 metres, are respectively anchored by Coles and Woolworths supermarkets. The Cove Hill node also includes general merchandise offer in the Reject Shop and discount variety retailer, Shiploads. Table 5.3 itemises retail floorspace provision in and around the Primary Market Area and an estimate of the value retail trade per retail node. The listed centres turned over retail trade estimated at \$269 million.

The Brighton Road shops, anchored by a small format IGA supermarket provide for the convenience needs of township residents. Likewise, minimarts at Old Beach and Gagebrook address everyday top up needs.

At the time of inspection, in April 2021, negligible vacancy was observed in either the Brighton or Bridgewater retail clusters.

Table 5.4: Food and Grocery Retail in and around the Primary Market Area

Name	Distance	Area (sqm)	Anchor Tenants	Est'd Sales \$m	Sales psm
Bridgewater					
Cove Hill Fair	4.8	6 600	Coles, Reject Shop Shiploads, Big	\$49.5m	\$7 500
1-3 Hurst St	5.1	2 700	Bargains	\$17.0m	\$6 300
Green Point Plaza	5.5	5 830	Woolworths	\$42.8m	\$7 300
Other		690	McDonalds	\$3.5m	\$5 000
Sub-total		15 820		\$112.8m	\$7 100
Brighton Road Shops	0.9	2 460	IGA	\$12.3m	\$5 000
Pontville	2.8	220		\$0.8m	\$3 600
Gagebrook		720		\$3.2m	\$4 500
Old Beach		370		\$1.7m	\$4 500
		3 770		\$18.0m	\$4 800
Total, Primary Market Area		19 590		\$130.8m	\$6 700
Claremont Plaza	13	8 044	Woolworths	\$87.9m	\$10 900
Glenorchy Central	19	7 090	Woolworths	\$58.5m	\$8 300

Source: Choice Location Strategists

Figure 5.4 Primary Market Area with Key Retail Destinations



Source: Choice Location Strategists

5.5. Supportable Retail Floorspace in the Brighton Market area.

This subsection addresses potentially supportable retail floorspace in the Brighton Market area. Local retailers presently intercept approximately 25 per cent of expenditure generated by local residents with the balance spent elsewhere in Greater Hobart. At an average 1.05 square metres per capita, retail provision in the Brighton Market area is markedly below averages prevailing in other Australian major urban centres. In other words, the area is 'under-shopped'.

The area is lacking in general merchandise retail floor space such as discount department stores, the nearest of which is Target, Glenorchy, 20 kilometres distant.

It is, however, important to note that these averages reflect the entirety of the respective urban areas, including city centre retail nodes and large regional shopping centres which increases the ratio. Continued leakage of resident purchase activity to the major retail concentrations of Hobart CBD, Glenorchy and Eastlands with their broad selection of retailers is to be expected, particularly for occasional comparison good purchases.

An increase in the local ratio of floorspace provision to the equivalent of 1.5 square metres per capita would entail capturing 35 per cent of local-originating expenditure and is considered a realistic objective. This indicates immediate capacity to accommodate an additional 8 400 square metres of retail space and up to 15 500 square metres by 2040.

Spending by Primary Market Area residents is estimated at \$521.8 million as at March 2020. This is forecast to increase by 26.9 per cent (or an average 4.9 per cent per annum) to \$661.9 million by mid-2025 and to double to around \$1.097 billion by 2035.

Table 5.5: Forecast Spending originating from within Brighton Primary Market Area

Primary Market Area	2020	2025	2030	2035
Food and non-alcoholic beverages	\$78.3m	\$96.9m	\$116.1m	\$138.5m
Alcohol & Tobacco	\$42.9m	\$62.6m	\$91.4m	\$133.1m
Hotels, cafes and restaurants	\$78.2m	\$100.5m	\$126.9m	\$159.8m
Newspapers books & stationery	\$8.9m	\$9.5m	\$9.1m	\$8.8m
Pharmaceuticals	\$17.4m	\$21.6m	\$28.9m	\$38.4m
Health Services	\$37.4m	\$48.2m	\$67.5m	\$94.2m
Operation of Vehicles	\$37.8m	\$46.0m	\$64.4m	\$89.9m
Clothing and footwear	\$19.7m	\$22.3m	\$25.1m	\$28.1m
Household furnishings and equipment	\$33.9m	\$41.9m	\$47.1m	\$52.8m
Recreation goods	\$36.7m	\$49.1m	\$61.5m	\$76.8m
Insurance and other financial services	\$70.0m	\$86.7m	\$108.1m	\$134.4m
Other Goods	\$17.3m	\$20.9m	\$22.6m	\$25.5m
Other Services	\$43.4m	\$55.7m	\$80.8m	\$116.9m
	\$521.8m	\$661.9m	\$849.5m	\$1,097.3m
		26.9%	28.3%	29.2%
		4.9%	5.1%	5.3%

Table 5.6: Supportable Retail Floor space

Supportable Floorspace under alternative market share capture Scenarios

Market Share Captured	Trade Value	Supportable Floor space	Additional Floor space	Floorspace per Capita
Benchmark				
25%	\$130.8m	19 590		1.05 m ²
30%	\$156.5m	23 451	3 861	1.25 m ²
35%	\$182.6m	27 360	7 770	1.46 m ²
40%	\$208.7m	31 268	11 678	1.67 m ²
50%	\$260.9m	39 085	19 495	2.09 m ²
60%	\$313.1m	46 902	27 312	2.50 m ²

Retail Floor space per capita

Sydney	3.00 m ²
Melbourne	2.16 m ²
Perth	2.74 m ²
Adelaide	2.34 m ²
Canberra	2.70 m ²
Hobart	n.a.
Sample mean	2.59 m ²
Sample median	2.70 m ²
Primary Market Area	1.05 m ²

Future Supportable Floorspace in Brighton Primary Market Area

	Resident Population	@ floor space per capita			
		1.05 m²	1.5 m²	2.0 m²	2.6 m²
2020	18 731	19 700	28 100	37 500	48 700
2025	20 051	21 100	30 100	40 100	52 100
2030	21 282	22 300	31 900	42 600	55 300
2035	22 400	23 500	33 600	44 800	58 200
2040	23 458	24 600	35 200	46 900	61 000

Additional Space

2020	0	8 400	17 800	29 000
2025	1 400	10 400	20 400	32 400
2030	2 600	12 200	22 900	35 600
2035	3 800	13 900	25 100	38 500
2040	4 900	15 500	27 200	41 300

Sources: Shopping Centre Council of Australia, Choice Location Strategists

5.6. Section Summary

Brighton's retail provision is largely focused on Bridgewater, which is classed a major activity centre in STRLUS. It includes two full-line supermarkets and some general merchandise and other specialty retailers. Brighton township serves as a rural service centre, anchored by a small format supermarket.

Food and grocery-based retail destinations typically cater to a more localised catchment. For the purposes of this report, we have defined the catchment as those communities within a 15-kilometre radius, home to a resident population of 56330 (mid-2020) which is anticipated to increase by 7144 to 63 474 by 2036.

Centres identified within the Catchment draw annual turnover estimated at \$269 million or \$113.8 million less than the \$382.8 million locally generated convenience retail trade. This difference is lost to centres outside the catchment. Catchment convenience retail trade is projected to increase to \$575.5 million by 2036, fuelled by population growth and continued real per capita growth in spending.

An increase in the local ratio of floorspace provision to the equivalent of 1.5 square metres per capita would entail capturing 35 per cent of local-originating expenditure and is considered a realistic objective. This indicates immediate capacity to accommodate an additional 8 400 square metres of retail space and up to 15 500 square metres by 2040.

6. Large Format Retail Needs Assessment

6.1. Section Overview

Urban Ethos identified the pink parcels marked 7 and 8 in figure 6.1 below as land that could potentially accommodate large format retail. These two parcels have an aggregate area 6.387 hectares (3.02 hectares in parcel 7 and 3.367 hectares in parcel 8). Assuming a site coverage similar to that of Cambridge Park (around 38 per cent), this area could potentially accommodate up to 24 000 square metres of gross leasable large format retail floor area. This section will assess the market need and potential for such development.

Figure 6.1: Location of Potential Large Format Retail under Urban Ethos proposal



6.2. Definition of Large-Format Retail (Bulky Goods Sales)

Otherwise known as Bulky Goods, Large-Format Retail refers to that category of retailers characterised by larger retail premises selling bulky or 'big box' merchandise. The sector typically includes furniture, bedding, homewares, Electrical and electronic appliances, auto accessories, floor-coverings, hardware, building and Garden supply retailers. Selling discretionary, big-ticket merchandise, Large-format retailers typically draw patronage from a larger, regional catchment than every day needs retailers. Given the lower sales density and consequent lower sustainable rent levels, this type of retailer typically gravitates to fringe of shopping areas.

The large format retail sector emerged as a distinct land use category in the 1970s with the development of standalone retail stores selling items such as furniture, floor coverings and other

low margin stock from industrial properties and secondary retail and commercial space. It was not unusual for large format retail operators to retrofit warehouses to reduce development and rental costs to fit in with the low margin low occupancy cost business model. The viability of the large format retail sector relies on low development and occupancy costs to support product margins that are generally much lower than the standard retailers to minimise prices for consumers.

As new forms of retailing involved, the role of town planning is to ensure that they are located appropriate places where they will best meet the needs of net community benefit and sustainable development.

The large format retail sector occupies approximately 30 per cent of all occupied retail floorspace in Australia. Over half of all large for that retail floorspace in Australia is located within homemaker centres or dedicated large format retail precincts.

6.3. Planning Framework

Table 6.2 of the Tasmanian Planning Scheme identifies the land use Bulky Goods Sales defined as the use of land for the sale of heavy or Bulky goods which require a large area for handling, storage, and display. Examples include garden and landscaping materials suppliers, rural suppliers, timber yards, trade suppliers, showrooms for furniture, electrical goods and floor coverings, and motor vehicle, boat, or caravan sales¹.

The Scheme intends that this use occur in the Commercial Zone which is intended to provide for retailing, service industries, storage and warehousing that require: (a) large floor or outdoor areas for the sale of goods or operational requirements; and (b) high levels of vehicle access and parking for customers (17.1.1)

There are only two mentions of bulky goods retailing in STRLUS. It states that the use may be accommodated at the fringe of the Primary Activity Centre (i.e., Hobart CBD). It is also allowed in Cambridge Park which is designated as a Specialist Activity Centre and prescribes that this centre be consolidated by restricting commercial land to all that land bound by Tasman Highway and Kennedy Drive.

6.4. Large Format Retail Provision in the Main Trade Area

Table 6.1 below summarizes existing clusters of large-format retail serving the Main Trade Area noting key occupants. Moonah – Derwent Park, approximately 19 kilometres from the Development Precinct is the closest precinct of note with an estimated 29 970 square metres of large format retail predominantly fronting Main Road. Hobart CBD (26 km south) and Cambridge Park (26 km southeast) represent the other key precincts. The listed centres capture an estimated \$464 million in sales.

¹ The ABS does not include motor vehicle or trailer sales in its published monthly retail trade.

Table 6.1: Regional Network of Competing Clusters of Large-Format Retail

Name	Distance from Site (km)	Floor-space (sqm)	Anchor Tenants	Est'd Sales (\$m)
<u>Moonah/Derwent Park</u>				
62-64 Derwent Park Rd	19	590	Petbarn	4.6
10 Derwent Park Road	19	6 080	Supercheap Auto, Baby Bunting	9.5
141 Main Rd	19	1100	Good Guys	14.0
145 Main Rd	19	880	Burson Auto Parts	1.6
154 Main Rd	19	1 080	Edge Living	4.3
170 Main Rd	19	730	Reece Plumbing	9.1
191-197 Main Rd	19	6 400	Harvey Norman, Jaycar, BCF	45.0
7-9 Derwent Park Rd	20	5 500	Beacon Lighting	27.5
202 Main Rd		410	Bob Jane T Marts	1.8
243 Main Rd		500	Clark Rubber	2.2
54 Gormanston Road		3 100	Fantastic Furniture	14.0
56 Sunderland St		1600	Mitre 10	14.0
		27 970		147.6
Other		2000		8.0
		29 970		155.6
Hobart CBD (est'd)	26	42 300		169.2
Cambridge Park	26	34 800	Harvey Norman, Supercheap Auto	139.2
Main Market Area		107 070		464.0

Source: Choice Location Strategists

6.5. Large Format Retail Market Assessment

Market Area expenditure residents spent an estimated \$623.04 million on household goods during the year ending March 2020. This is projected to increase by 28 per cent to \$795.2 million (nominal) within ten years and by 49 per cent to \$927.9 million by 2040.

Table 6.2: Average per capita expenditure on selected large-format retail items 2015-16

Large Format Retail Expenditure	Hobart	Aust.	Variance	Hobart	Aust.
Furniture and floor coverings	372	451	-17.6%	14%	18%
Blankets, household linen and household furnishings	152	172	-11.5%	6%	7%
Household appliances	315	292	7.8%	12%	12%
Glassware, tableware, cutlery, and household utensils	97	105	-7.9%	4%	4%
Communication equipment (phones, smart watches, modems)	62	64	-1.9%	2%	3%
Electrical gadgets, TVs, hifis, games consoles	1 097	972	13.0%	41%	39%
Tools and other household durables	249	195	27.4%	9%	8%
Large Format Retail items	2 701	2 479	9.0%	2 700	2 478

Source: ABS Household Expenditure Survey 2015-16 Released September 2017

6.6. Competitive assessment

Competitive Clusters of Large Format retail are located at Moonah (approximately 19 km or 18 minutes' drive time away), Cambridge Park (29 km or 25 minutes' drive time) and Hobart CBD fringe (24 km, 26- 31 minutes' drive time).

Cambridge Park, approximately 29 kilometres or 25 minutes' drive from the precinct is anchored by Anaconda and Harvey Norman. Occupants include Minimax, Shiploads, School Locker, Nick Scali, Drummond Golf and Good Price Pharmacy.

Choice Location Strategists undertook a gravity model to predict the distribution of large format retail spending originating within the Main Market Area across the existing large format retail clusters. The exercise was repeated with 13 000 square metres of large format retail space developed within the Development Precinct. The modelling assumed a component of patronage originating from beyond the Main Market Area.

The model predicts that Hobart CBD presently attracts the greatest share of Main Market Area large format retail trade at 32 per cent, followed by Glenorchy/Derwent Park at 22 per cent, Moonah at 21 per cent and North Hobart about 6 per cent. The dedicated homemaker precinct of Cambridge is estimated to currently capture approximately 19 per cent of Main Market Area contestable trade. The model indicated 24 000 square metres of large format retail in the South Brighton Development Precinct would be expected to attract approximately 10.2 per cent of Main Market Area contestable trade which would indicate annual sales of approximately \$63.6 million (\$2 650 per square metre) based on March 2020 turnover patterns. Having regard to indicate sales density figures from a sample of large format retailers and construction costs (refer table 6.3) this is considered sufficient to support development activity.

Table 6.3: Projected Performance of Proposed LFR at Brighton Development Precinct, current situation

Indicative Sales per m ²)	
Greenlit brands (Snooze/Freedom/Fantastic Furniture)	\$1 500
Bunnings	\$3 400
Harvey Norman	\$2 800
Median	\$2 800
25th percentile	\$2 150
Proposed GLA (m ²)	24 000
Target Annual Sales @ \$1500/ m ²	>\$36.0 m
Projected Annual Sales at Brighton Development Precinct LFR	\$63.6m
Surplus/(Shortfall)	\$27.6m
Indicative Sales per m ²	\$2650
Development Approach	
Indicative show room construction cost per m ² ²	\$1300-\$1800
Indicative market rent per m ²	\$150-\$275
Rent as per cent of Sales	4-6%
Target sales per m ²	\$2500-\$5000

6.7. Section Summary

Large-Format Retail refers to that category of retailers characterised by larger retail premises selling bulky or 'big box' merchandise. Selling discretionary, big-ticket merchandise, Large-format retailers typically draw patronage from a larger, regional catchment than every day needs retailers.

Market Area expenditure residents spent an estimated \$623.04 million on household goods during the year ending March 2020. This is projected to increase by 28 per cent to \$795.2 million (nominal) within ten years and by 49 per cent to \$927.9 million by 2040.

An area of 13 000 square metres of large format retail in the South Brighton Development Precinct would be expected to attract approximately 10.2 per cent of Main Market Area contestable trade which would indicate annual sales of approximately \$63.6 million (\$2650 per square metre) based on March 2020 turnover patterns. Having regard to indicate sales density figures from a sample of large format retailers and construction costs (refer table 6.3) this is considered sufficient to support development activity.

² Source: Riders Digest

7. Conclusions and Recommendations

Hobart is facing an acute housing affordability crisis: strong demand for housing and limited supply has in the last few years placed sustained upward pressure on rents and housing prices, which has severely impacted lower income households. CoreLogic's house price index indicates Hobart housing values have risen about 52 per cent over five years since the latest census. Hobart's median home value at \$535 994 exceeds that of Adelaide, Perth, and Darwin, and is on par with Brisbane. Since mid 2002 the ratio of median Hobart house prices to median income has risen three and a half fold from a ratio of two to nearly seven since mid 2002.

Release of appropriately located additional residential land in Greater Hobart is required to ease upward pressure on dwelling prices and improve housing affordability.

The South Brighton Development Precinct on the southern outskirts of the Brighton township presents an opportunity to improve residential land supply. Other elements potentially include large format retail. The Precinct encompasses an area of approximately 75.9 ha which may be expanded to 89.23 hectares if the balance of 69 Brighton Road is included.

Dwelling lots and large format retail premises within the Development Precinct are anticipated to draw prospective custom from a Market Area generally within a 30-minute drive. This encompasses the northern half of Hobart extending up into the Southern Midlands. This area has been experiencing comparatively robust population growth over the last two decades and is anticipated to gain an additional 24 734 residents (a 12 per cent increase on present numbers) over the 15 years to 2036, including an additional 15 639 households.

The accommodation of these additional households is anticipated to require between 1117 and 1422 ha of land, depending on the density of subdivision.

The development and planning of the region is guided by *the Southern Tasmania Regional Land Use Strategy 2010-2035*. The area of the greenfield precincts nominated in the STRLUS is inadequate, equivalent to only 47 and 60% of the Main Market Area's forecast land needs for the 15 years to 2036.

In the ten years since its release, the STRLUS objective that half of new residential development be accommodated on infill land is not being realised as the land is not being released to the market either in sufficient quantity or at an affordable price. Sharply declining residential affordability that locks a substantial proportion of households out of the market is arguably too high a price to pay for dogged adherence to a consolidation objective which is counterbalanced the objective of maintenance of housing affordability.

Competitive estates in the vicinity generally offer lots ranging from 343 and 795 square metres (median area 640 square metres) and priced from \$240 per square metre. Releasing smaller lots closer to the minimum 450 square metres as allowed in General Residential is a means of delivering higher lot yield and greater affordability.

While temporary border closures are anticipated to slow growth in the near term by excluding international migrants, growth and attendant upward dwelling price pressure is anticipated to rebound post 2023.

Rezoning of the expanded Development Precinct to enable its market release is consistent with strategic planning objectives as set out in the STRLUS and is supported:

- STRLUS recognises that housing affordability is fundamental to supporting the quality of life of a population. It defines affordable housing as housing that is affordable for houses households on low to moderate incomes (the lower 40% of households). It contends that housing costs in excess of 30% of household income place households under housing stress. By this measure, census data insert indicates widespread and worsening housing stress in Hobart.
- The strategy nominates Brighton to accommodate 15% of greater Hobart greenfield residential development.
- Most of the Development precinct land is within the Urban Growth Boundary. The realignment of the UGB to incorporate the residual component presently outside it is supported.

In addition to its consistency with strategic objectives, the Development precinct has a number of locational advantages for accommodating development. These include:

- The gently undulating topography of the land is conducive to development.
- Its prominent and highly exposed position immediately north of the intersection of Highway 1 and Brighton Main Road at the southern approaches to Brighton township;
- Its immediate proximity to the Brighton Transport Hub, a strategic regional employment node;
- High volume of passing traffic;
- Ease of access;
- The Development precinct of sufficient scale to accommodate a viable master planned residential community.

The creation L-shape section of Commercial zoned land around the intersection of Brighton Road and Hove Way proposed as a buffer between the highly trafficked routes and proposed residential development is supported.

The commercial area could accommodate approximately 24 000 square metres of large format retail in the South Brighton Development Precinct. Such a development would be expected to attract approximately 10.2 per cent of Main Market Area contestable trade which would indicate initial annual sales of approximately \$63.6 million (\$2650 per square metre) based on March 2020 turnover patterns. Having regard to indicate sales density figures from a sample of large format retailers and construction costs (refer table 6.3) this is considered sufficient to support development activity.

Expenditure by Market Area residents on household goods is projected to increase 28 per cent from \$623.04 million in the year to March 2020 to \$795.2 million by mid-2030 and by 49 per cent to \$927.9 million by 2040. This growth is supportive of rising turnover at this location.

Creation of local jobs is desirable to address a shortfall in local job opportunities relative to workforce size. At an average employment density of 4-5 staff per 1000 square metres of large format retail area, the development could expect to provide employment for between 96 and 120 staff upon occupancy.

