deep end services

Code Amendment
19-29 Glynburn Road, Glynde

Land use & economic investigations

17 August 2021

Deep End Services
Deep End Services is an economic research and property consulting firm based in Melbourne. It provides a range of services to local and international retailers, property owners and developers including due diligence and market scoping studies, store benchmarking and network planning, site analysis and sales forecasting, market assessments for a variety of land uses, and highest and best use studies.

Contact
Deep End Services Pty Ltd
Suite 304
9-11 Claremont Street
South Yarra VIC 3141

T +61 3 8825 5888
F +61 3 9826 5331
deependservices.com.au

Enquiries about this report should be directed to:

Chris Abery
Director
Chris.abery@deependservices.com.au

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Executive Summary

Purpose

01 On 15 February 2021, the Minister for Planning and Local Government approved the initiation of the private proponent funded 19-29 Glynburn Road, Glynde Code Amendment.

02 The approved investigations covered in this report include assessments of the highest and best land use, supermarket supply and demand and impacts, the effects of a reduction in employment land on existing supply levels and potential employment benefits.

Subject site

03 The site is located at the northern end of Glynburn Road, 110 metres south of the Glynde Suburban Activity Centre. Just over half the site in within the Employment Zone situated at the northern end of the 16.5-hectare Glynde Employment Area.

04 The subject site comprises three separate developments on five titles with the following buildings and uses.

Address	P&D Code Zone	Existing development / use	Land area
19-21 Glynburn Road	Housing Diversity Neighbourhood Zone	Former dwelling used as an office	1,643 sqm
23-25 Glynburn Road	Housing Diversity Neighbourhood Zone	Warehouse showroom occupied by L&H Electrical ('Service Trade Premises')	1,650 sqm
27-29 Glynburn Road	Employment Zone	Warehouse building of five tenancies occupied by Asian grocery, fitness club and storage units for florist and wine. One unit vacant.	4,106 sqm

05 The subject site has positive attributes which lend support to a range of land uses not permitted under the Code. These include:

- A large established catchment with 32,900 people within 2km.
- Close proximity to the Glynde Activity Centre.
- High visibility and exposure with a 110-metre frontage to Glynburn Road and 40m to Lewis Road.
- A corner location enabling dual street access and full turning movements at the Glynburn Road and Lewis Road intersection.
- Passing traffic volumes of 22,000 vehicles per day.
- A large employment base in the Glynde Employment Area, Glynde Activity Centre and Glynburn Road commercial strip extending south to Firle.
- Good regional road links via Glynburn Road and cross-suburb local road connections from residential areas.
- An established and growing retail presence on Glynburn Road with national 'Bulky Goods' retailers and local retailing on the east side of Glynburn Road and within the Employment Zone south of the site, a café / deli in the former Glynde Fire Station, a proposed Bunnings Warehouse store and major showrooms.

Are existing uses achieving the objectives of the zone?

06 The existing warehouse development at 27-29 Glynburn Road of small storage spaces and a 'shop'-type use fronting Glynburn Road is an ageing building with uses of limited activity and low employment generation. It is likely to only attract short term uses with little prospect of new investment in its current state. A future

redevelopment of this site in isolation which can meet the desired outcomes of the Employment Zone and accommodate the narrow range of permitted uses seems improbable in the foreseeable future.

07 The two commercial uses at 21-23 and 25-27 Glynburn Road in the Housing Diversity Employment Zone are unlikely to be developed for residential purposes based on amenity considerations. Only the corner site has some prospect of meeting the Desired Outcomes of the zone by the current use continuing or through a future redevelopment. The highest and best use of this site is likely to be a commercial use not envisaged under the zone.

Highest & best use

08 A list of 23 prospective land uses were assessed for their suitability to the site, adopting a simple criteria and scoring system. A 'supermarket' (shop) use emerged as the highest and best use scoring highly on the site suitability criteria of market demand, site area / orientation, adjoining land use sensitivity and main road location.

09 Other uses including 'Consulting Rooms', 'Indoor Recreation Facility', Place of Worship', 'Service Trade Premises' and 'Specialty Shops' have some potential however each attracted a low score on at least one criterion which alone makes the use unsuitable or unlikely to be developed in isolation.

10 There is little to no prospect of a similar sized site for a new supermarket being amalgamated in the Suburban Activity Centre Zone along Payneham Road.

Supermarket supply & demand assessment

11 Assuming a mid-sized supermarket on the site (consistent with the H&B use analysis) a core catchment area extending 2-3 km from the site has 36,144 people. Population growth has been slow but steady over many years however residential building approvals have risen strongly in the last 3 years.

12 The catchment is a slightly ageing middle income area of traditional families including older and more recent migrants. Household income levels fall from west to east through the area however there are no areas of obvious disadvantage.

13 Suburban centres with supermarkets are located at:

- Firle Plaza (Coles) – 1.5 km south
- Marden (Woolworths) – 1.7 km west
- Campbelltown (Romeos) – 1.7 km north-east
- Newton Central (Drakes) – 2.4 km north-east
- Rostrevor (Romeos) – 2.2 km east

14 Based on a 2020 population of 36,144 people and 11,554 sqm of supermarket space, the current rate of supermarket floorspace provision in the catchment area is **0.32 sqm per capita –** a rate 22% below the Adelaide average (0.41 sqm per capita).

15 By 2023, with a slightly higher population (37,119 people) and a 1,900 sqm supermarket on the subject site, the rate of provision rises to **0.36 sqm per capita –** a level still **-12%** below the Adelaide average today. It indicates a mid-sized supermarket can be comfortably supported by the population base.

Generalised impacts

A mid-sized (1,900 sqm) supermarket on the subject site is unlikely to result in significant trading impacts to existing supermarkets or centres for the following reasons:

- A 1,900 sqm supermarket with adequate car parking will leave little or no room for specialty shops. The absence of shops will ensure that catchment residents will continue to use specialty retailers at Firle, Glynde and other centres.
- A 1,900 sqm supermarket is just 11% of all supermarket space in the catchment and less than 8% if other supermarkets just outside the catchment are included at The Avenues (Coles), Walkerville (Woolworths)and Newton (Drakes).
- The provision of supermarket floorspace per capita is below the metropolitan Adelaide average before and after the addition of a 1,900 sqm store by 2023.
- Supermarkets are evenly spread through the region in a range of formats including small freestanding independents (Rostrevor), large external facing stores (Firle) and mall-based stores (Marden). All centres within and just outside the catchment have single supermarkets with no direct competition. This, and the low provision of space, has reinforced some strong performing stores.
- The spatial pattern suggests there are no dominant centres or supermarkets and given the relative ease in crossing the area, trading impacts will be spread wide and low across a range of centres.
- Four of the five supermarkets in the catchment area are operated by well-resourced retailers - Woolworths (1 store), Coles (1) and Romeos (2). These operators are large enough to withstand small, competitive impacts from new competition which they would experience in the normal course of operating their regional or state-wide store networks.

16 In the last 10 years there have been supermarket extensions at Firle and Marden, a new Woolworths at Walkerville, refurbishments at Campbelltown and Rostrevor and new ALDI stores at Kensington Park, Norwood and Newton. Coles Norwood is closed with a larger new store opening in a major mixed-use redevelopment.

17 This activity suggests a strong and vibrant market where operators are capitalising on the large population and low competition. The market is dynamic and increased competition brings improvements to supermarkets to the benefit of consumers. A new supermarket on the subject site will bring greater diversity and choice.

18 In overall terms, impacts on existing supermarkets are likely to be relatively small and almost negligible on overall centre trading levels. The expected small sales re-allocations from supermarkets across and outside the catchment area will be within the tolerance levels of a normal competitive environment, where sales naturally fluctuate with changes in economic and market conditions.

Changing nature of Glynde Employment Area

19 The 2016 Census placed 1,564 people working in the suburb of Glynde - a small 1.1% increase compared to 2011.

20 By occupation type, there was a significant fall in the number of 'Technicians and Trades Workers' between 2011 and 2016 – a decrease of 74 jobs or 21% of the jobs in that occupation in 2011. Most of these lost jobs are likely to have been based in the Glynde Employment Area, signalling a possible change in the nature of traditional industrial uses. Changes since 2016, such as the closure of the large Auto Wrecker's Yard, are likely to have accentuated this trend.

21 A comparison of land use patterns and occupancy levels in the Glynde Employment Area between the SA Generalised (2019) data base and an April 2021 field survey indicates that traditional industrial and manufacturing activities have reduced from 40% to 35% of the zoned area. At the same time, industrial building vacancy levels have risen and a large central site (the former Auto Wrecker's Yard) with Glynburn Road frontage is subject to a proposed a Bunnings Warehouse (bulky goods) outlet.

22 If approved, the proposed Bunnings outlet just south of the subject site will reinforce the growing presence of retail uses and other activities with associated retail functions along both sides of Glynburn Road.

Effect of loss of Employment zoned land

23 A Code Amendment on the subject site will have little or no effect on the supply of Employment zoned land in Glynde or the wider area. The rezoning of approximately 4,000 sqm of Employment land amounts to 2.5% of the Employment Zone in Glynde and just 1.1% of three Employment Zone precincts in the City of Norwood Payneham St Peters.

24 The small loss of employment land at Glynde is even less critical given the current (and potentially rising) vacancy level for older industrial properties, the decline in traditional manufacturing, fabrication and processing industries and the low prospect that the Glynburn Road frontage would be redeveloped for industrial uses.

Employment benefit

25 The subject site generates a low level of employment, estimated at 9 full time equivalent (FTE) jobs. A redevelopment with a mid-sized supermarket of 1,900 sqm would generate a minimum of 25 FTEs with other direct and indirect support roles and ongoing work for contractors.

26 A new active use with regular customers throughout the day (7 days a week) will activate the corner site and could stimulate the development of other sites in the Employment Zone.

1

Introduction

1.1 Background

In February 2021, the Minister for Planning and Local Government approved the initiation of a Code Amendment (**Amendment**) for land known as 19-29 Glynburn Road, Glynde (**subject site**). ALDI Stores is the Designated Entity responsible for undertaking the Code Amendment process.

The Amendment is seeking a more supportive planning policy framework to establish a small to mid-sized supermarket on the subject site.

Under the approved 'Proposal to Initiate a Planning & Design Code Amendment'[1], a range of investigations were set out to inform the proposal to amend the Code, consistent with the requirements of the State Planning Commission and government agencies.

1.2 Instructions

Deep End Services has been instructed to prepare a range of assessments relevant to the following State Planning Policies:

- SPP1: Integrated Planning
- SPP9: Employment Lands

The specific tasks are:

- An assessment of the characteristics of the subject site and whether the existing land uses achieve the objectives of the relevant zones.
- An assessment of the highest and best use of the subject site given the site characteristics and surrounding land use, including the suitability of the site for future retail floorspace.

[1] 'Proposal to Initiate a Planning & Design Code Amendment' (23 November 2020) by Richard Dwyer of Ekistics Planning & Design and approved by the Minister for Planning and Local Government on 15 February 2021.

- A supermarket supply and demand analysis and a general assessment of impacts on the centre hierarchy if a small to mid-sized supermarket was developed on the subject site.
- An assessment of the current utilisation of the surrounding Employment Zone at Glynde and the effects, if any, on the loss of the zoned land covered by the subject site to the stock of industrial (Employment Zone) and residential (Housing Diversity Neighbourhood Zone) zoned land in the locality and wider inner eastern suburbs.
- Economic effects and benefits of developing the highest and best use of the subject site.

2

Site assessment

2.1 Local & regional context

The subject site is situated is Adelaide's established eastern suburbs, approximately 6.3 km north east of the Adelaide CBD (refer Figure 1).

The inner north-eastern suburbs that fall wholly or partly within 1 km of the subject site - Felixstow (pop. 2,420), Campbelltown (8,670), Hectorville (3,970), Glynde (1,980), Payneham (2,410), File (1,520) and Tranmere (4,010) - have a combined population of 24,980 people (2020)[2]. The area has had slow but steady population growth over many years, increasing in the last two years from higher residential dwelling approvals to 1.3 % per annum – well above the long-term average.

The subject site is situated on the west side of Glynburn Road within the City of Norwood Payneham St Peters. It has a Glynburn Road frontage of 100 metres, located 240-350 metres south of the four-way junction of Payneham Road, Lower North East Road, Montacute Road and Glynburn Road.

Under the new Planning and Design Code (**P&D Code**) the Suburban Activity Centre Zone extends along Payneham Road and Lower North East Road and south along the west side of Glynburn Road (refer Figure 1). The broader centre, also known at Glynde Corner, has a modest range of local retailing and main road-based commercial uses. Glynde Plaza on the north side of Payneham Road is the main focus with a mid-sized Foodland supermarket.

The Suburban Activity Centre zone on the west side of Glynburn Road covers the Glynde Hotel, a small office complex and Telstra exchange. It stops short at the Glynde Lutheran Church, just before Lewis Road and the subject site.

Just over half the subject site is contained within the new Employment Zone with the zone also applying to the broader 19-hecatre Glynde employment area - one of

[2] ABS Estimated 2020 population at small area

two light industrial area in the City of Norwood Payneham St Peters. Land use and employment within the Glynde employment area appears to be is gradually transitioning from its traditional light industrial purpose.

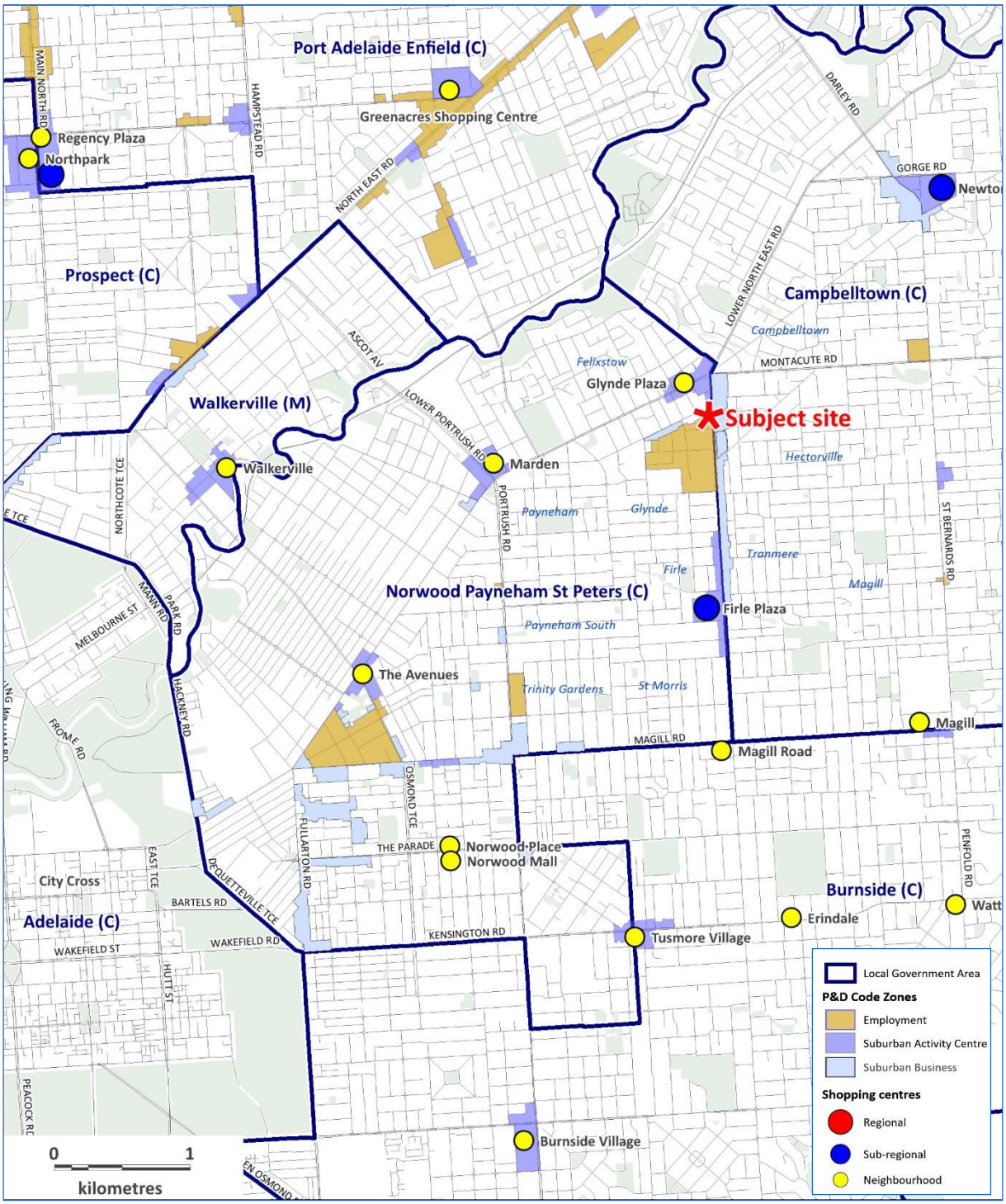
The Suburban Business Zone in the City of Campbelltown extends along the east side of Glynburn Road where it includes a Mitre 10 store at Glynde Corner, a showroom development further south with three national large-format retailers (Freedom Furniture, Super Cheap Auto & The Good Guys) and a pharmacy and other commercial uses south of Hectorville Road. These uses establish a large, visible retail presence along Glynburn Road.

Elsewhere, retail and commercial uses extend south along Glynburn Road from the subject site - within the Employment zone on the west side and within the Suburban Business Zone on the east side. The Suburban Business Zone connects the subject site and Glynde Employment Area to strip shopping and the major Coles and Kmart-based centre at Firle, 1 km south.

Glynburn Road is a secondary arterial road providing an important 5.5 km north-south link between Greenhill Road in the south and North East Road at Glynde. The section between Magill Road and North East Road carries 27,000-29,000 vehicles per day (vpd)[3] in the central and southern part around Firle Plaza and about 22,000 vpd in the northern section, from the Glynde Employment Area through to North East Road.

[3] Department of Infrastructure & Transport (SA Map Viewer)

Figure 1—Regional location



Source: PlanSA, Planning & Design Code (Phase 3); MapInfo

2.2 Subject site & land use

The subject site is an irregular shape comprising three individual developments over five property titles. The site has a total area of 7,399 sqm with frontages to Glynburn Road of approximately 110 metres and to Lewis Road of approximately 40 metres (refer Figure 2).

The existing uses are:

- 19-21 Glynburn Road – a former dwelling converted to an office occupied by Mind Australia, a specialist mental health service provider.
- 23-25 Glynburn Road – a single level showroom, office and warehouse building of 602 sqm with on-site parking. The building is occupied by Lawrence & Hansen (L&H) Electrical Wholesaler. The current use would be classified as 'Service Trade Premises' however like other similar uses, is open to the public.
- 27-29 Glynburn Road – an old warehouse building of five tenancies comprising:
    - A Korean grocer and butcher (SuperKMart) in Unit 6 facing Glynburn Road. This business appears to be open to the general public and would be classified as a 'shop' use.
    - A fitness centre (Hitt) in Units 4 and 5.
    - A wholesale florist in Unit 3.
    - A vacancy in Unit 2.
    - A storage unit for wine and accessories in Unit 1.
- The gross floor area of the warehouse building is approximately 1,874 sqm with the Korean grocer (a shop use open to the general public), approximately 380 sqm.

Figure 2—Subject site (looking west)

Source: Nearmap image (Oct 2020)

Figure 3—Subject site

Source: Deep End Services (16 April 2021)

Where it passes the site, Glynburn Road is a four-lane divided carriageway with a central median strip. There are breaks in the median strip at Penna Avenue and Lewis Road with full turning movements. A narrow parking lane extends on both sides of Glynburn Road which is restricted to a bicycle lane between 7am-9am and 4pm-6pm weekdays.

The subject site falls across two zones. The northern section comprising the former dwelling (office) and adjoining L&H Electrical Wholesaler is within the Housing Diversity Neighbourhood Zone under the P&D Code. The two properties make up 45% of the total site area (refer Table 1).

The warehouse units at 27-29 Glynburn Road are zoned Employment Zone and make up 55% of the combined site area. This is the last property within the Employment Zone on the north side of the Glynde Employment Area. North of 29 Glynburn Road there are just three properties (two forming part of the subject site and the Lutheran Church) between the Employment Zone and the Suburban Activity Centre Zone.

Table 1—Site area by P&D Code Zone

PlanSA, Planning & Design Code

P&D Code Zone	Area (sqm)	%
Employment Zone	4,106	55%
Housing Diversity Neighbourhood Zone	3,293	45%
Total	**7,399**	**100%**

The surrounding area reveals a wide diversity of land uses which are annotated on the aerial image in Figure 4.

Immediately north and east of the site within the Housing Diversity Neighbourhood Zone are single detached dwellings on Lewis Road and the Glynde Lutheran Church, opposite the site on the north-west corner of Glynburn Road and Lewis Road.

North of the Lutheran Church through to Payneham Road, the Suburban Activity Centre Zone has a Telstra Exchange, office building with a NAB branch and wellness centre and the Glynde Hotel.

On the east side of Glynburn Road, the 710-metre section from Montacute Road to the south side of Hectorville Road zoned Suburban Business Zone has a significant presence of retail and commercial uses. These include:

- Mitre 10 on the corner of Glynburn Road and Montacute Road;
- Shops and offices on the corner of North Street just north of the subject site;
- Showroom-warehouses at 46 Glynburn Road, just south of the subject site;
- A large format retail development at 60 Glynburn Road with national retailers Freedom Furniture, Super Cheap Auto and The Good Guys. The complex is approximately 6,200 sqm; and
- A pharmacy and small shop development on the south east corner of Glynburn Road and Hectorville Road.

Therefore, about two-thirds of the Glynburn Road frontage from Montacute Road to the south corner of Hectorville Road (zoned Suburban Business Zone) and close to the subject site has retail, office or showroom uses.

The Glynde Employment Area has approximately 16.5 hectares of land (excluding roads) zoned Employment Zone under the P&D Code. It is characterised by small industrial units with a mix of small processing, fabrication and manufacturing businesses, storage and warehousing, automotive repairs and servicing and other mixed commercial and light industrial enterprises. A detailed analysis of the land uses mix and employment is presented in Section 4.

The west side of Glynburn Road is also evolving to retail and showroom/display uses, similar to the east side. South of the subject site through to Penna Avenue, the former Glynde Fire Station was redeveloped in 2013 to a new café / deli with upper-level offices.

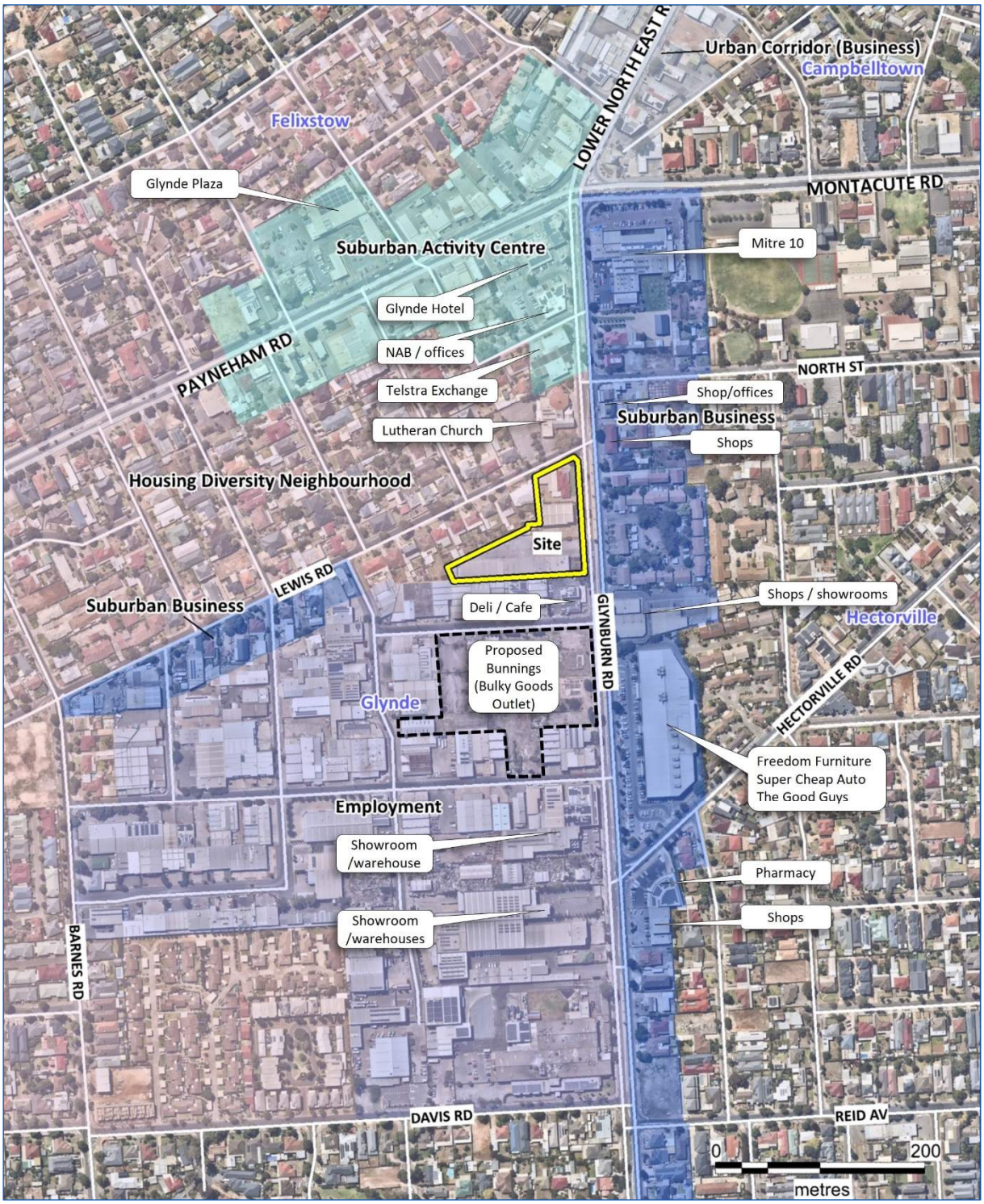
South of Penna Avenue, about 1.6 hectares of the 2.5 hectares bounded by Penna Avenue, Glynburn Road, Provident Avenue and Barnett Avenue is subject to a development application by Bunnings Group Limited made under the P&D Code for a shop (bulky goods outlet) with associated advertising displays and earthworks.

The proposed 'Bunnings Warehouse' comprises three levels including a ground level of parking (292 bays) and entry lobby, a first-floor warehouse of 8,726 sqm and a mezzanine warehouse area of 4,193 sqm. The total retail area across the main warehouse, plant nursery and timber and trade supplies is 13,207 sqm[4]. If approved, Bunnings will be a significant addition to the current retail mix on Glynburn Road.

South of the Bunnings site, between Provident Avenue and Davis Road, there are several large warehouse / showroom uses with Glynburn Road frontage including Italia Ceramics, Tilers Choice and Haymes Paint.

[4] Planning Report Proposed Bulky Goods Outlet for Bunnings Group Limited by Future Urban (7 May 2021)

Figure 4— Site location & P&D Code zones



Source: Nearmap (Feb 2021); PlanSA, Planning & Design Code (Phase 3)

2.3 Suitability of existing site uses & redevelopment under the Code.

2.3.1 Employment Zone

The Desired Outcomes of the new Employment Zone in the P&D Code are:

DO1	A diverse range of low-impact light industrial, commercial and business activities that complement the role of other zones accommodating significant industrial, shopping and business activities.
DO2	Distinctive building, landscape and streetscape design to achieve high visual and environmental amenity particularly along arterial roads, zone boundaries and public open spaces.

The relevant Performance Outcome and Deemed-to-Satisfy Criteria / Performance Criteria in the Employment Zone are as follows:

Performance Outcome	Deemed-to-satisfy Criteria / Designated Performance Criteria
PO 1.1 A range of employment-generating light industrial, service trade, motor repair and other compatible businesses servicing the local community that do not produce emissions that would detrimentally affect local amenity.	DTS/DPF 1.1 Development comprises one or more of the following: • Advertisement • Consulting room • Indoor recreation facility • Light industry • Motor repair station • Office • Place of worship • Research facility • Retail fuel outlet • Service trade premises • Shop • Store • Telecommunications facility • Training facility • Warehouse.
PO 1.2 Shops provide convenient day-to-day services and amenities to local businesses and workers, support the sale of products manufactured on-site and otherwise complement the role of Activity Centres.	DTS/DPF 1.2 Shop where one of the following applies: • with a gross leasable floor area up to 100m2 • is a bulky goods outlet • is a restaurant • is ancillary to and located on the same allotment as an industry and primarily involves the sale by retail of goods manufactured by the industry.
PO 1.4 Bulky good outlets and standalone shops are located to provide convenient access.	DTS/DPF 1.4 Bulky goods outlets and standalone shops are located on sites with a frontage to a State Maintained Road.

An evaluation of the current warehouse building and uses (tenants) at 29 Glynburn Road against the selected provisions of the Employment Zone points to the following conclusions:

- While the individual warehouse units accommodate a range of employment generating uses, the intensity of these uses is low, there is currently one vacancy and employment levels across the site would be very low. The site would appear to provide a very low economic return and benefit to the area, despite its main road visibility.
- There is an existing 'shop' use on the site which is a specialised Asian grocer & butcher. It would appear to be in excess of the 100 sqm limitation for 'shop' uses. The premises also appear to have a low level of customer activity. The business web site displayed on the external signage is inactive.

- The existing building is dated and does not provide a distinctive design or high visual and environmental amenity.
- The existing warehouse-style tenancies are relatively small and in abundance across other parts of the Employment Zone.
- Given the proposed development of a Bunnings Bulky Goods Outlet to the south and the presence of Bulky Goods uses on the east side of Glynburn Road, the highest and best use of the main road site under the existing Employment Zone is likely to be Bulky Goods Outlets or Service Trade Premises however the narrow, deep and irregular shape and orientation of the site makes a redevelopment for these uses difficult. These uses (as shown elsewhere and across the road) prefer a deep set back with a wide frontage, need multiple tenancies for scale and critical mass and a wide and easily accessible car park. 27-29 Glynburn Road is unlikely to achieve this because of the narrow orientation, restricted turning movements to Glynburn Road and the absence of a side street for alternative access.
- Other potential uses under the Employment Zone have limited potential in a redevelopment of the site including:
    - Consulting room – low demand and other uses required to fill the site.
    - Indoor recreation facility – limited number of potential tenants and no unique features of the site.
    - Light industry – office-warehouse uses in low demand and difficult to arrange on the site.
    - Motor repair station – unviable to develop in isolation with ample leasing opportunities in other parts of the zone.
    - Office – little or no demand and other uses required to fill the site.
    - Place of worship – little or no demand and parking limitations.
    - Research facility – little or no demand and no unique site features.
    - Retail fuel outlet – constrained site configuration and access.
    - Service trade premises – as above.
    - Shop – limited to 100 sqm. Other uses required to fill the site.
    - Training facility – see comments for office use.
    - Warehouse – redevelopment would only replace existing uses and leasable areas with little improved return to developer.

In conclusion, the existing development and land uses at 27-29 Glynburn Road is technically serving the basic purposes of the zone however the building is ageing and only ever likely to attract short term uses of low intensity and low employment generation. A future redevelopment of this site in isolation which can meet the desired outcomes of the Employment Zone and accommodate the narrow range of permitted uses seems improbable in the foreseeable future.

2.3.2 Housing Diversity Neighbourhood Zone

19-21 Glynburn Road (Office) and 23-25 Glynburn Road ('Service Trade Premises') are under the new Housing Diversity Neighbourhood Zone. The Desired Outcome of the zone in the P&D Code is:

DO1	Medium density housing supports a range of needs and lifestyles, located within easy reach of a diversity of services and facilities. Employment and community service uses contribute to making the neighbourhood a convenient place to live without compromising residential amenity.

The relevant Performance Outcome and Deemed-to-Satisfy Criteria / Performance Criteria in the Housing Diversity Neighbourhood Zone are as follows:

Performance Outcome	Deemed-to-satisfy Criteria / Designated Performance Criteria
PO 1.1 Diverse range of medium density housing and accommodation complemented by a range of compatible non-residential uses supporting an active, convenient, and walkable neighbourhood.	DTS/DPF 1.1 Development comprises one or more of the following: • Ancillary accommodation • Consulting room • Community facility • Dwelling • Educational establishment • Office • Place of Worship • Pre-school • Recreation area • Residential flat building • Retirement facility • Shop • Supported accommodation.

PO 1.2
Commercial activities improve community access to services are of a scale and type to maintain residential amenity.
	DTS/DPF 1.2
	A shop, consulting room or office (or any combination thereof) satisfies any one of the following:
	• it is located on the same allotment and in conjunction with a dwelling where all the following are satisfied:
	  • does not exceed 50m2 gross leasable floor area
	  • does not involve the display of goods in a window or about the dwelling or its curtilage
	• it reinstates a former shop, consulting room or office in an existing building (or portion of a building) and satisfies one of the following:
	  • the building is a State or Local Heritage Place
	  • is in conjunction with a dwelling and there is no increase in the gross leasable floor area previously used for non-residential purposes
	• is located more than 500m from an Activity Centre and satisfies one of the following:
	  • does not exceed 100m^2 gross leasable floor area (individually or combined, in a single building) where the site does not have a frontage to a State Maintained Road
	  • does not exceed 200m^2 gross leasable floor area (individually or combined, in a single building) where the site has a frontage to a State Maintained Road
	• the development site abuts an Activity Centre and all the following are satisfied:
	  • it does not exceed 200m^2 gross leasable floor area (individually or combined, in a single building)
	  • the proposed development will not result in a combined gross leasable floor area (existing and proposed) of all shops, consulting rooms and offices that abut the Activity Centre in this zone exceeding the lesser of the following:
	  • 50% of the existing gross leasable floor area within the Activity Centre
	  • 1000m^2.

PO 1.3 Non-residential development located and designed to improve community accessibility to services, primarily in the form of: • small-scale commercial uses such as offices, shops and consulting rooms • community services such as educational establishments, community centres, places of worship, pre-schools and other health and welfare services • services and facilities ancillary to the function or operation of supported accommodation or retirement facilities • open space and recreation facilities.	DTS/DPF 1.3 None are applicable

An evaluation of the current uses against the selected provisions of the Housing Diversity Employment Zone points to the following conclusions:

- The existing Laurence & Hansen Electrical Wholesaler ('Service Trade Premises') at 23-25 Glynburn Road does not meet the Desired Outcome of the Zone and is not an envisaged use within the Zone.
- The site has an established commercial use on the 1,632 sqm site with a substantial shop, office and large rear warehouse of approximately 620 sqm. In view of the significant investment on the site, the main road frontage and its existing interface with the adjoining warehouse, it is unlikely to be redeveloped for medium density residential or other envisaged uses under the Zone such as Consulting Room, Community Facility, Educational Establishment, Office, Place of Worship, Pre-school, Recreation area, Retirement facility, Shop (up to 50 sqm) or Supported accommodation.
- The existing Office occupying a former dwelling at 19-21 Glynburn would appear to meet the Desired Outcome of the Zone but also appears to narrowly fail the various Performance Criteria relating to its size and distance from an existing centre. This site has some value being a corner allotment with alternative access from Lewis Road. It could conceivably be redeveloped for some other envisaged uses under the zone.

The Housing Diversity Employment Zone extending through to a narrow frontage on Glynburn Road appears to be anomalous with the adjoining Employment Zone and Suburban Activity Centre Zone. The two sites are unlikely to be developed for residential purposes based on amenity considerations and only the corner site has some prospect to continue to meet the Desired Outcomes of the zone by continuing its current use or, potentially, for some redevelopment in the future. The highest and best use of this site is however likely to be a commercial use.

2.4 Attributes & opportunities

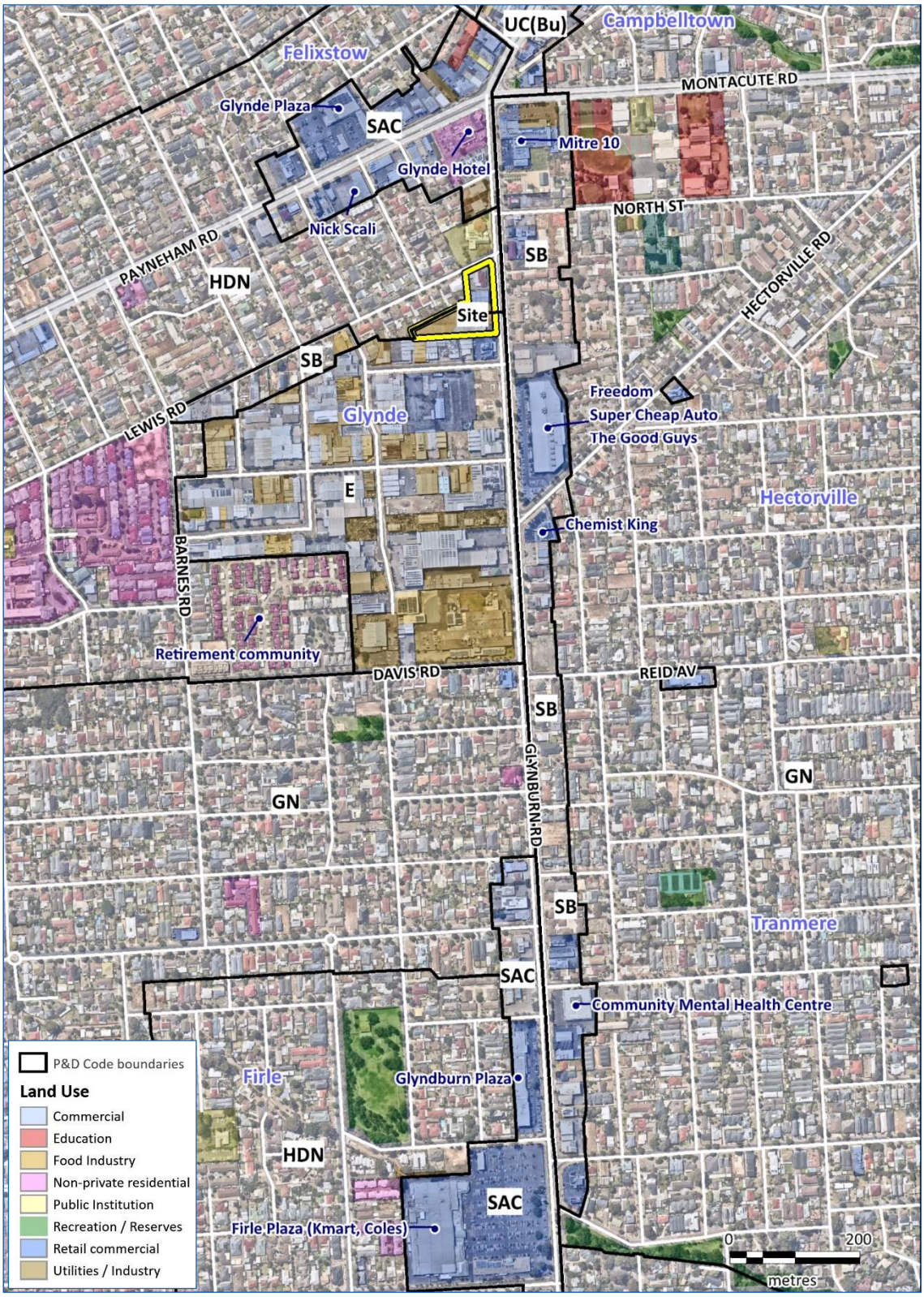
An assessment of the main strengths, weaknesses and opportunities of the subject site within its regional setting and local land use context is set out in Table 2.

The significant regional attributes of the site are its large established population, its proximity to the Glynde Commercial Centre and the developing role of Glynburn Road as an employment corridor. This is reflected in the application of the Employment Zone, Suburban Activity Centre Zone and Suburban Business Zone over a 2km section of Glynburn Road, from Payneham Road in the north to just pass the Firle Centre in the south. The zoning pattern and key uses are shown in Figure 5.

Table 2— Site evaluation

Criteria	Strengths	Weaknesses	Opportunity
Strategic location	• Central to large established residential catchment (32,900 people within 2km). • Broad based demographic profile with higher-than-average income levels west of Glynburn Road and lower to the east. • Within 110 metres of Glynde Activity Centre. • Existing employment base in Glynde Employment Area, Glynde Activity Centre and Glynburn Road commercial strip. • Emerging changes in Employment Zone with proposed Bunnings. • Good community infrastructure in local area (churches, schools, child care, aged care, health practitioners).		• Declining traditional manufacturing / industrial base in Glynde Employment Area. • Large consumer base to provide new goods and services. • Build on the existing Glynde activity centre. • Limited development / change in Glynde or Firle Activity Centres for many years. • Low but positive population growth. • High average income levels in western catchment. • New employment uses reflecting the transition away from traditional industrial / manufacturing uses.
Site characteristics & existing land use	• High visibility and exposure with a 110-metre frontage to Glynburn Road & 40m to Lewis Road. • Strong passing traffic (22,000 vpd) • Corner location enables two street access and full turning movements at Glynburn Road / Lewis Road. • Good regional road links via Glynburn Road and cross-suburb local road connections from adjacent residential areas.	• Low existing employment generating uses. • Irregular L-shaped site not suited to large floor plates (e.g., 3,000+ sqm). • Ageing warehouse building (55% site area) unlikely to be replaced with similar or other industrial use. • 27-29 Glynburn Road difficult to redevelop in isolation due to narrow width and long depth. • Short depth to 19-21 & 23-25 Glynburn Road difficult to arrange some uses (e.g., bulky goods) if developed in isolation.	• Site is large enough to accommodate a new single use reflecting the gradual transition of the area. • Viewed as southern entry point to Glynde Centre and transitional use to Glynburn Road employment corridor.
Surrounding land use	• Strong national 'Bulky Goods' retailers (Freedom Furniture, Supercheap Auto, The Good Guys) 70m south of site. • Conversion of adjoining former Fire Station to new deli / cafe (2013). • Proposed Bunnings Bulky Goods Outlet.	• Residential interface to the east to be managed. • Industrial uses to the south (e.g., Crash repairs) will affect potential residential or other sensitive use.	• Established retail businesses on the site (L&H, Asian Grocer). • Leverage regional business / consumer catchments of Bulky Goods retailers and proposed Bunnings Bulky Goods Outlet. • Minor loss of 'Employment' land for industrial use.
Potential land use	• Consolidated site large enough to accommodate up to 2,000 sqm of building area with at-grade parking.	• Limited development opportunities if sites considered in isolation under current zones.	• Increase employment levels on site. • Retail / commercial use with strong underlying tenant demand.

Figure 5—Zoning and generalised land use from Glynde to Firle along Glynburn Road corridor



Source: Nearmap (Feb 2021); Dept for Infrastructure and Transport (DataSA), Land Use Generalised; PlanSA, P&D Code (Phase 3)

2.5 Highest & best use

The subject site as a consolidated land parcel is assessed for its highest and best use assuming planning controls that would allow a broader range of uses.

Table 3 sets out potential land uses drawn from the P&D Code definitions and applies a rating score from 1 (lowest) to 4 (highest) as to the suitability of each use to the site under the following four criteria:

- Demand level – the likely demand for the land use on the site given the site characteristics and distribution of similar uses in the area.
- Site / area orientation – the suitability of the site dimensions and its shape / configuration for the land use. For example, the site is too small for a cluster of bulky goods outlets and preferred sites are ideally large regular shapes where a rectangular building can be set back on the site with a contiguous parking area.
- Adjoining land use interface / sensitivity – this is evaluated in two ways; the potential impact to adjoining residential uses on the west boundary from the potential land use and vice versa, the potential effect of existing industrial uses on the south boundary to possible future uses on the subject site.
- Main road frontage – rating the suitability of the site to a main road frontage with its high passing traffic and related noise, restricted access & parking characteristics.

The sum of all ratings / scores is tallied for each use to give a total score. The final score and indictive colour rating (green being most favourable) is shown in the last column of Table 3.

Table 3— Highest & best land use analysis

Land use	Suitability criteria				
	Demand level	Site area / orientation	Adjoining land use interface sensitivity	Main road location	**Overall rating**
Bulky goods outlet	🔴	⚫	🟢	🟢	🟡 11
Community facility	🔴	🟡	🟡	🔴	🔴 10
Consulting Room	⚫	🟢	🟢	🟡	🟡 12
Dwelling	⚫	🟡	🔴	⚫	⚫ 7
Educational establishment	⚫	🔴	🔴	🔴	⚫ 7
Hotel	⚫	🔴	⚫	🟢	⚫ 8
Indoor recreation facility	⚫	🟡	🟢	🟢	🟡 12
Industry	⚫	🔴	⚫	🟡	⚫ 7
Light industry	⚫	🟡	🔴	🟡	🔴 9
Motor repair station	⚫	🟡	🔴	🟡	🔴 9
Office	⚫	🟡	🟢	🟢	🟡 12
Place of worship	🔴	🟢	🟡	🟡	🟡 12
Pre school	🟡	🟢	🔴	⚫	🔴 10
Residential care	🔴	🟡	⚫	🔴	⚫ 8
Residential flat building	🟡	🟡	⚫	⚫	⚫ 8
Restaurant	🔴	🟡	🟡	🟢	🟡 12
Retail fuel outlet	🔴	⚫	🔴	🟢	🔴 9
Retirement facility	🔴	⚫	🔴	🔴	⚫ 7
Service trade premises	🔴	🔴	🟢	🟢	🟡 12
Shop (supermarket)	🟢	🟡	🟢	🟢	🟢 15
Shop (specialty shops)	⚫	🟡	🟢	🟢	🟡 12
Store	⚫	🟡	⚫	🔴	⚫ 7
Warehouse	🔴	🔴	🟡	🟡	🔴 10
Evaluation rating	🟢 4 *High*	🟡 3 *Med-High*	🔴 2 *Med-Low*	⚫ 1 *Low*	

Of the 23 land uses, the highest and best use based on the suitability criteria and scoring is a supermarket - scoring 15 out of 16 points. Its respective ratings are:

- High for 'Demand level' based on the expressed strong interest in the site by ALDI Stores. This interest appears to be driven by the relatively low provision of supermarket floorspace in the large established catchment, the particular site characteristics including main road frontage and potential dual entry points and broader store network considerations.
- Medium–High for 'Site area / orientation'. The site is an irregular shape which makes it unsuitable for other retail uses such as Bulky Goods however its configuration is not prohibitive for a mid-sized supermarket of up to 2,000 sqm with adequate parking to be arranged. A supermarket of 2,000 sqm would take up just 27% of the site area (7,399 sqm) should allow for some inefficiency in the layout due to the irregular shape.
- High for 'Adjoining land use interface sensitivity'. This favourable rating reflects the likelihood that a supermarket will not be impacted by existing light industrial uses on the south boundary and can equally manage the residential boundary to the west – which already abuts warehouse uses on the site.
- High for 'Main Road location' where the visibility, exposure and passing traffic are ideal for a mid-sized supermarket looking to service surrounding residents, passing traffic and the local workforce.

A range of other uses scored 12 from a possible 16 points however each has at least one criterion that attracted a low score which alone could make the land use unsuitable or unlikely to proceed. These are:

- 'Consulting Rooms' and 'Office' where there may be demand for a small supply of space but this use alone is unlikely to fill the entire site.
- 'Indoor Recreation facility' which is a highly specialised use. While the site has favourable characteristics, there is no certainty that one or a number of uses that fall within the definition could be developed on the site. A number of uses listed under the definition do not need specially designed buildings and can occupy general commercial space and industrial units while others are highly specialised and are rarely developed in isolation.
- 'Place of Worship' which is a another highly specialised and infrequently developed land use. These tend to be established in either greenfield settings or by the adaption of existing buildings.
- 'Service Trade Premises' which could be developed replacing the existing warehouse however demand levels are questionable and other properties in the existing Employment Zone would be well-suited to these uses.
- Specialty shops' which rate well on three of the four suitability criteria however on the important measure of demand, are unlikely to be viable without a supermarket and if developed alone, would provide little point of difference to shops in Glynde or Firle. Small shop developments already exist along Glynburn Road where small businesses serving the workforce, surrounding residents or passing trade can locate.

2.6 Existing Suburban Activity Centre Zone

Having concluded that a mid-sized supermarket is the highest and best use for the site, the existing Suburban Activity Centre Zone at Felixstowe and Glynde is now assessed for its capacity to accommodate such a use. A typical land area requirement for a 2,000 sqm supermarket with adequate parking, loading arrangements and landscaping is approximately 6,500 sqm – assuming a regular-shaped site.

Figure 6 shows the extent of the Suburban Activity Centre Zone which covers approximately 6.9 hectares (including roads). It is divided almost equally between Felixstowe (north side of Payneham Road) and Glynde (south side).

It identifies individual sites or potential aggregations of properties with a view to assessing their suitability or potential to accommodate a supermarket and the likelihood of the parcels being purchased and amalgamated.

Generally, across the zone there are few vacant or underutilised sites large enough to begin a potential site amalgamation. The depth of the zone is short and intersecting local streets, small lots, multiple owners and established uses and leases are major constraints.

On the north side, potential site assembly is restricted by the presence of Glynde Plaza comprising a Foodland supermarket and 5 shops, the fully occupied Glynde Central (shop & office) development, the well-known Brunelli restaurant and residential units and an early learning centre. The residual sites between these uses (assuming they could be assembled and multiple leases dealt with) yield insufficient land.

On the south side, the extent of the Suburban Activity Centre Zone between the local streets intersecting with Payneham Road is too small in all cases and would, in any event, be problematic for site assembly with multiple commercial properties and leases to negotiate in each block.

Further east, the Glynde Hotel would carry an underlying value that is prohibitive for the development of a supermarket on the site. This use constrains other amalgamation options on the south side.

In summary, there is little or no likelihood of a land parcel of 6,500 sqm being assembled in the Felixstowe and Glynde Suburban Activity Centre Zone for the purpose of a new supermarket.

Figure 6—Suburban Activity Centre Zone, Glynde & Felixstowe

3

Supermarket supply-demand analysis

3.1 Catchment area

Having concluded that a 'supermarket' is the most likely highest and best use of the subject site, Section 3 tests this finding further with an assessment of supermarket floorspace supply and demand and considerations of possible impacts.

A single core catchment area is defined for a mid-sized supermarket on the subject site (refer Figure 7). This area will account for a high proportion of customers and sales however a significant level of business will still be generated from a wider area due to the main road attributes of the site and the broad residential areas of the north-east suburbs with high car ownership and high personal mobility.

The core catchment area reflects the pattern of small and large competitors across the inner north-east suburbs, the spatial pattern of residential and other land use and the effects of road networks and river corridors.

The site is well-placed, being close to Glynde Plaza (Foodland) but 1.5 km or more from all other supermarket-based centres including:

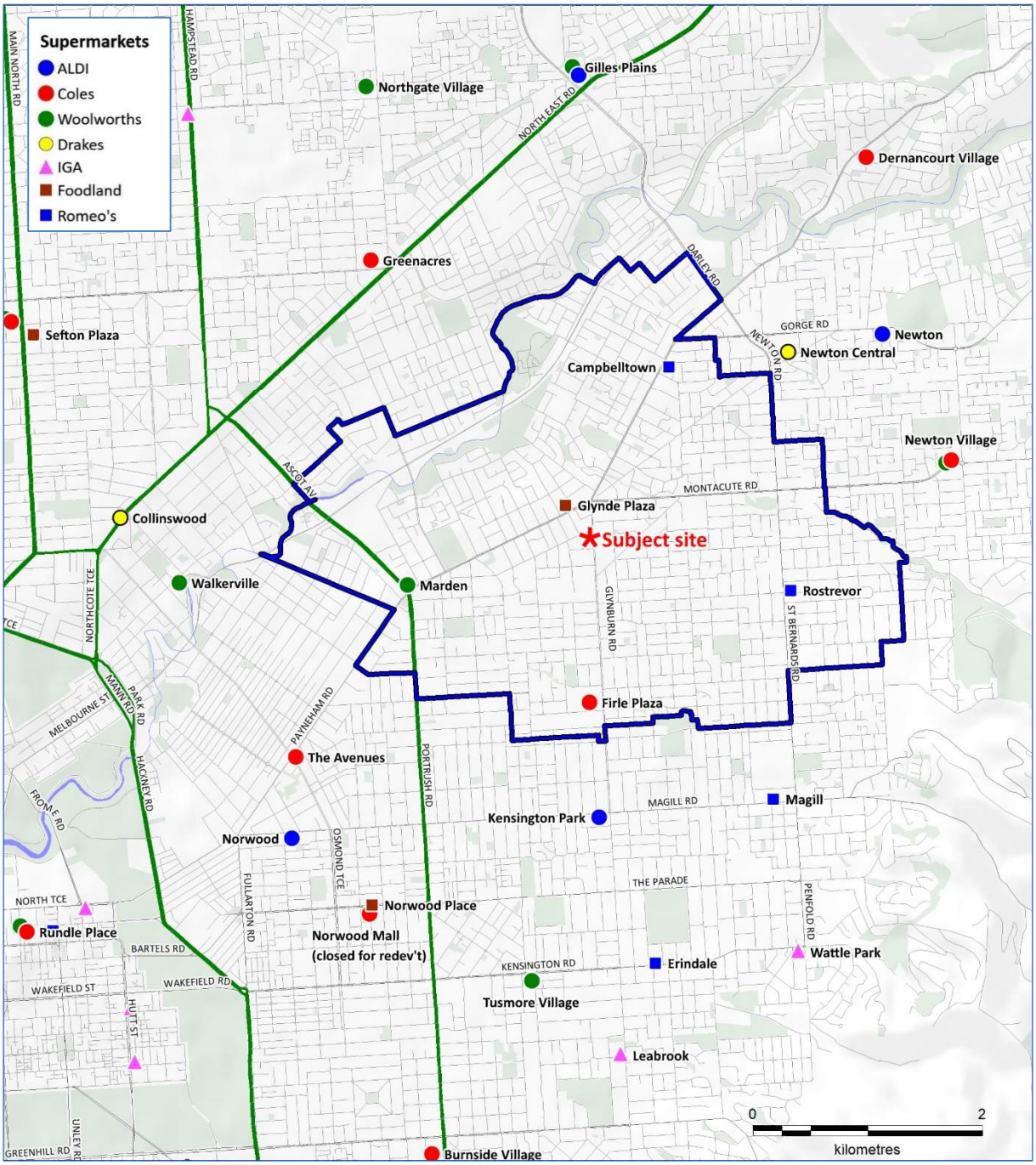
- Firle Plaza (Coles) – 1.5 km south;
- Marden (Woolworths) – 1.7 km west;
- Campbelltown (Romeos) – 1.7 km north-east;
- Newton Central (Drakes) – 2.4 km north-east; and
- Rostrevor (Romeos) – 2.2 km east

A mid-sized supermarket will appeal to a range of geographic and market segments including:

- A local core catchment where residents have close and convenient access and will compare the offering against others, generally within 2 km of the site.

- Commuters and other regular passing traffic on Glynburn Road that will divert to the supermarket for convenience.
- The workforce in the Glynde Centre, Glynde Employment Zone and along the Glynburn Road corridor.

Figure 7—Glynde local trade area & competition



Source: Deep End Services; MapInfo

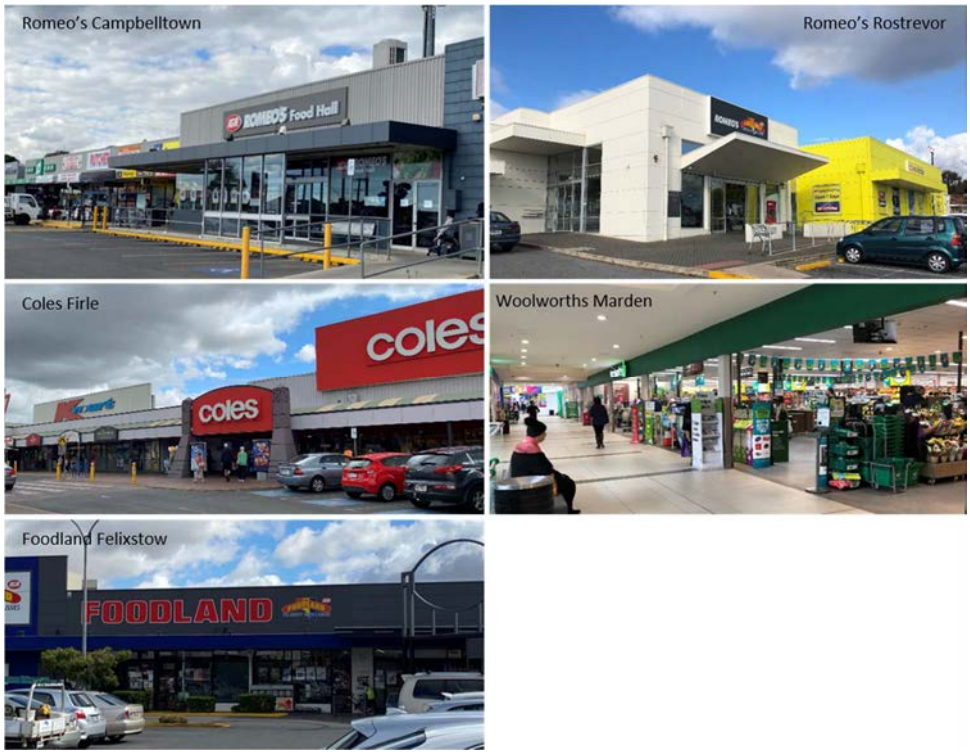
The core catchment area generally extends between 1.5 km and 2.5 km from the site. It includes all or parts of 15 suburbs however most of the populated area lies within Glynde, Felixstow, Marden, Payneham, Firle, Hectorville, Campbelltown, Rostrevor and Magill.

3.2 Supermarket competition

Existing supermarkets in the defined catchment area are:

- A Coles supermarket of 3,387 sqm in the 12,200 sqm Firle Plaza, 1.5 km south on Glynburn Road. Coles is located with K Mart and 24 shops. It is a long-standing store which originates from the development of the centre in 1970.
- A Woolworths supermarket of 3,899 sqm in the 9,038 sqm Marden Shopping Centre, 1.7 km west of the site. Woolworths was extended in 2016.
- A mid-sized Foodland supermarket of 1,938 sqm at Glynde Plaza (in the suburb of Felixstow) 400 metres north of the site.
- A small Romeo's Food Hall supermarket of approximately 980 sqm in the Campbelltown retail strip on Lower North East Road - 1.7 km from the Glynde site.
- A freestanding Romeo's Foodland supermarket of approximately 1,350 sqm at Rostrevor, approximately 2.2 km by road from the site.

Figure 8—Catchment area supermarkets



3.3 Population & spending

The core catchment area had a 2020 estimated resident population of **36,144** people (refer Table 4). It has had low but steady population growth in the last 20 years – increasing by about 5,000 people or on average 250 per annum.

According to the Australian Bureau of Statistics (ABS), population growth in the two years to June 2020 increased by an average of 535 people per annum – more than double the long-term average. The recent increase in population growth is attributable to higher levels of residential building approvals in the catchment area – illustrated in Figure 9.

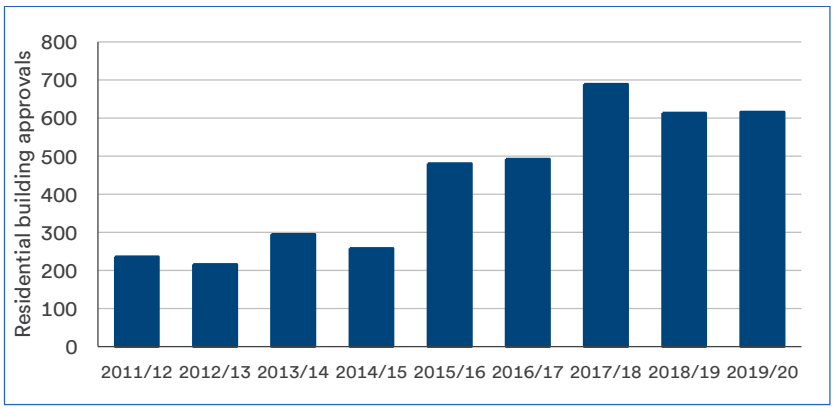
Annual spending on food & grocery items by catchment area residents is modelled at **$180.7 million** per annum in 2020. Average per capita spending levels on food & groceries is marginally below (-1.5%) the Adelaide average due to the lower income profile, mainly east of Glynburn Road.

Table 4— Population and food & grocery spending (Dec)

	Population				F&G spend ($m)		Per cap var'n
Trade area	**2016**	**2020**	**2023**	**2027**	**2020**	**2023**	**from avge**
Catchment	34,679	36,144	37,344	38,394	180.7	202.4	-1.5%
Avge annual growth		1.0%	1.1%	0.7%			
Adelaide avge			*0.9%*				*$5,072*

Figure 9— Glynde catchment residential building approvals

Source: ABS



The dwelling and population characteristics of the core catchment area can be summarised as follows:

- An older age structure. 23% of the population is aged 65 years or older compared to 17% across Adelaide.
- 'Couples with children' are the dominant family type (27%) but below the Adelaide average while 'lone person' households (33%) are above average – reflecting the age profile.
- Personal and household income levels are 8-10% below average.
- A predominant 'white collar' workforce (54%) which is higher than average including a high proportion of professionals (23%). This is consistent with the tertiary education levels where 27% of the population have a bachelor's degree or higher (Adelaide 22%).

- 37% of the population was born overseas (Adelaide 28%) with the largest source countries being Italy (8%), China (6%) and India (5%) - all above Adelaide averages.
- A higher proportion of townhouses and apartments (35% of dwellings) and higher levels of full home ownership (36%).

Unemployment data for the three statistical areas (SA2s) covering the catchment area revealed a December 2019 (pre COVID-19) unemployment rate of 6.0% - a level slightly below the Adelaide average 6.2%.

The catchment can be best described as a slightly ageing middle income area of traditional families including older and more recent migrants. Income levels fall from west to east through the area however there are no areas of obvious disadvantage.

3.4 Supermarket floorspace provision

A general measure of the rate of supermarket floorspace provision in a catchment or other defined area is made by dividing the resident population into the total supply of floorspace (sqm) and expressing this as a rate (sqm) per person. When compared with city or state-wide benchmarks, the current or projected rate for a given area is a simple guide as to whether retail floorspace supply levels are relatively high or low before and after a proposed development.

An analysis of our supermarket floor space data base for South Australia indicates the average rate of supermarket floorspace provision in the Adelaide Statistical Division is currently **0.41** sqm per capita. There has been steady growth in Adelaide's rate of provision over the last 20 years, but more recently with the arrival of new operators such as Costco and ALDI.

Table 5 calculates rates of supermarket floorspace provision for the Glynde trade area in 2020 and in 2023 with the addition of a supermarket of 1,900 sqm GLA on the subject site.

Table 5—Supermarket floorspace provision

	2020	2023
Trade area supermarkets	(GFA sqm)	(GFA sqm)
• Coles Firle	3,387	3,387
• Woolworths Marden	3,899	3,899
• Foodland Felixstow	1,938	1,938
• Romeo's Campbelltown	980	980
• Romeo's Rostrevor	1,350	1,350
• Potential supermarket (subject site)		1,900
Total Supermarket floorspace	**11,554**	**13,454**
Trade area population	36,144	37,119
Supermarket floorspace provision (sqm capita)	**0.32**	**0.36**
Adelaide Average (sqm capita)	*0.41*	*0.41*

Based on a 2020 population of 36,144 people and 11,554 sqm of supermarket space, the current rate of supermarket floorspace provision in the core catchment area is

0.32 sqm per capita – a rate 22% below the Adelaide average of 0.41 sqm per capita.

By 2023, with a slightly larger projected population base (37,119 people) and a 1,900 sqm on the subject site (and assuming no other supermarket developments in the trade area) the rate of provision rises to **0.36 sqm per capita –** a level still **-12%** below the Adelaide average today. It indicates a mid-sized supermarket can be comfortably supported by the population base without creating an oversupply of supermarket space.

Further examination of the trade area and the distribution of supermarkets might conclude that the calculated provisioning rates are, in fact, generous. This is because the two largest supermarkets (Coles Firle and Woolworths Marden) are close to the catchment boundary and would draw a high proportion of their sales from outside the catchment. The presence of Kmart at Firle would certainly enlarge Coles' catchment.

Conversely, there is just one large supermarket (Drakes Newton) sitting close to and outside the boundary.

The conclusion from this analysis is that the area is not oversupplied with supermarket floorspace before or after the addition of a 1,900 sqm supermarket on the subject site. The provisioning rates are generally low due to the large, contiguous residential suburbs of the inner and middle north-east which, taken together, can support a wide range of supermarket formats and total floorspace.

3.5 Projected sales

The method of projecting sales for a potential mid-sized supermarket (refer Table 6) is based on several steps:

- Population levels are projected for the trade area in 2023 with modelled food & groceries (F&G) spending levels.
- A market share is applied to the F&G market which equates to a flow of F&G sales to the supermarket.
- An additional allowance is made for sales generated from beyond the trade area (20%) and for non-food sales (15%).

The sales assumptions are shown in Table 6 however the main considerations are:

- The site has a main road profile and is central to a large established population base.
- Access to the site is convenient for the local catchment and a broader secondary area via the main roads and interconnecting local street networks.
- A generous provision of dedicated car spaces on the site with potential access points from Glynburn Road and Lewis Road.
- The store is functionally part of the Glynde / Felixstow centre where the supermarket can both generate and benefit from cross-shopping opportunities between retailers and other businesses. It is also a short distance from Firle Plaza where customers can easily travel between the two sites along Glynburn Road.

- Glynburn Road is a busy cross-suburb road connecting to other arterials and carries high levels of passing / commuter traffic.

The projected market share of 5.5% of F&G spending in the catchment area reflects a low share across a wide area. It is less than the proposed supermarket's share of supermarket floorspace in the catchment (14%) which allows for other supermarkets drawing across the area and the natural leakage of spending to other centres.

The projected Year 1 sales are **$16.4 million** or just over $8,600 per sqm. Sales should grow strongly in Year 2 as the store matures and customers develop a better awareness of the product and price range and shift their established shopping patterns.

Table 6—ALDI Glynde projected sales (2023)

Trade area	Popn.	F&G Spending ($m)	Market Share (%)	Sales ($m) inc GST
Glynde catchment	37,344	202.4	5.5%	11.1
F&G sales beyond TA @ 20%				2.8
Total F&G sales				**13.9**
Plus Gen. Merch @15%				2.5
			TOTAL SALES ($2023)	**16.4**
			Sales per sqm	8,618

3.6 Trading impacts

There are a range of supermarket operators in Adelaide that could operate a 1,900 sqm supermarket at the subject site.

If it was operated by a deep discount supermarket operator, then customers would tend to cross-shop at a range of supermarkets depending on their needs. It supports the argument that impacts on surrounding supermarkets (and centres) in a competitive market are generally quite low.

A 1,900 sqm supermarket on the subject site is unlikely to result in significant trading impacts at existing supermarkets or other retailers in the area, for the following reasons:

- **No specialty shops.** A supermarket of 1,900 sqm with car parking is likely to take up most, if not all of the subject site with limited capacity for specialty shops. The absence of shops will ensure that residents of the catchment will continue to visit and use specialty retailers at Firle, Glynde and other centres. In particular, small businesses operating from specialty shops will be largely unaffected.
- **A small provision of floorspace.** The supermarket at 1,900 sqm GFA is just 11% of all supermarket floorspace across a catchment area of almost 37,344 people in 2023. If other supermarkets located just outside the trade area boundaries are included such as Coles The Avenues, Woolworths Walkerville and Drakes Newton, the 1,900 supermarket's share of surrounding supermarket floorspace is less than 8%.
- **Supermarket provision.** The existing provision of supermarket floorspace per capita in the trade area is below metropolitan Adelaide averages. The addition of

another 1,900 sqm by 2023 raises the rate of provision but to a level still well below the metropolitan average.

- **Spatial pattern of competing supermarkets**. There is an even spread of supermarkets throughout the catchment area and wider eastern and north-eastern suburbs in a wide range of centre formats – for example, small freestanding independents, large external facing stores such as Coles Firle and mall-based stores like Woolworths Marden. In all cases within and just outside the catchment there are single supermarket-based centres with no direct competition. This, and the low provision of space, has reinforced some very strong performing supermarkets.
- The spatial pattern also suggests there are no dominant centres or supermarkets in the catchment and broader area. Given the relative ease in crossing the area, there will be overlapping catchments and varied shopping patterns from suburb to suburb. New supermarket floorspace adds to the choice and diversity of food shopping and brings competition to a range of operators. Its low trading impacts will be spread across a range of centres.
- The effect of new sales to the site drawn from a wide geographic area and over many competing supermarkets and centres, is that trading impacts are relatively low on any individual competitor or centre.
- **Favourable demographic profile**. The catchment has low-moderate population growth which is generating similar real levels of spending growth. The demographic profile is a mix of established families and older residents including new and old migrants. Overall, the area has a positive profile and image which is supporting a range of centres in the catchment. The area is not one of social or economic disadvantage and activity centres and supermarkets across the board appear to be in good health.
- **Well-resourced supermarket groups.** Four of the five supermarkets in the catchment area are operated by well-resourced retailers such as Woolworths (1 store), Coles (1) and Romeos (2). These operators are large enough to withstand small, competitive impacts from new competition which they would experience in the normal course of operating their regional or state-wide store networks.

Further, in the last 10 years the inner and middle north-east suburbs have seen supermarket extensions at Firle and Marden, a new Woolworths at Walkerville, the refurbishment of Romeo's stores at Campbelltown and Rostrevor and new ALDI stores at Kensington Park, Norwood and Newton. Coles Norwood Mall is currently closed for a redevelopment of the site with a new enlarged store to be opened in a major mixed-use redevelopment.

This activity suggests a strong and vibrant market where operators are capitalising on the large population base and low levels of competition. The market is dynamic and increased competition can bring improvements to existing supermarkets, to the benefit of consumers. A new supermarket on the subject site can bring more diversity and choice.

In overall terms, impacts on existing supermarkets in the area are likely to be relatively small and almost negligible on overall centre trading levels. The expected

small sales re-allocations from supermarkets across and outside the catchment area will be within the tolerance levels of a normal competitive environment where retail turnover naturally fluctuates with changes in economic and market conditions.

3.7 Conclusions

The subject site is an opportunity to enhance supermarket competition in the north-eastern suburbs. Population levels around the store should generate adequate sales with relatively small market shares required from the overall F&G spending market.

The expected small trading impacts will be more than off-set by benefits to consumers. A well-credentialled operator will provide a competitive supermarket option for the Glynde catchment and be convenient for passing traffic.

4

Effect of rezoned land

4.1 Changing nature of Glynde employment area

The ABS Journey to Work data set assigns respondents to Census employment questions to a place-of work zone and records their occupation and industry of employment. The data set gives insights into how the workforce of an area is changing over time between Census years.

Figure 10 shows the relevant Workforce Zone used in the last three Census. It covers a wider area than the Glynde Employment Zone and corresponds to the suburb of Glynde. Workforce data for this area therefore reflects workers in the industrial area, in part of the Payneham Road activity centre and those working from home.

Figure 10—Employment areas

Source: ABS, PlanSA, Planning & Design Code

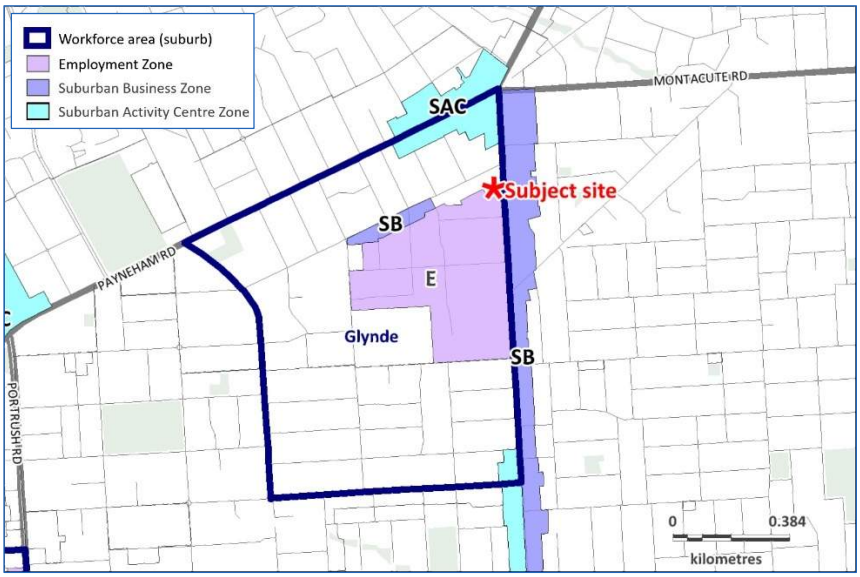


Figure 11 compares the occupation of people whose jobs were located in the suburb of Glynde in 2011 and 2016. While the 5-year time frame is relatively short, it reveals some potential trends that may reflect the changing nature of the Glynde Employment Area – the major place of employment in suburb of Glynde.

In overall terms, the Census placed 1,564 working people in Glynde in 2011 and 1,581 in 2016 – a small increase of 1.1% over the 5-year period.

By occupation type, there was a significant fall in the number of 'Technicians and Trades Workers' between 2011 and 2016 – a decrease of 74 jobs or 21% of the jobs that existed in that occupation in 2011. Most of these lost jobs are likely to have been based in the Glynde Employment Area signalling a possible change in the nature of businesses and employment in the area.

For other 'blue collar' occupations, there was an increase in the number of 'Labourers' and almost no change in the relatively small number of 'Machinery Operators & Drivers'.

The data shows a net loss of 31 'Clerical and Administration Workers' who could also have been reduced as the nature of manufacturing, processing, fabrication or related industries changed in the industrial area.

The growing occupations were 'Managers' (+16%), 'Community & Personal Services' (+19%) and 'Sales Workers' (+15%) who may be attributed to the Payneham Road commercial area but could also have been based in the Glynde Employment Area with the increasing presence of cafes, professional services and Trade Sales premises.

While the comparison time frame is short, the Census data reveals a section in time which indicates a shifting business and workforce composition in the industrial area.

Figure 11—Glynde Workforce by Occupation – 2011 and 2016

Source: ABS

4.2 Land use in Glynde employment zone

Desired Outcome 1 (DO1) of the new Employment Zone states:

A diverse range of low-impact light industrial, commercial and business activities that complement the role of other zones accommodating significant industrial, shopping and business activities.

DO1 sets out a broader purpose and range of activities for the Employment Zone than the former Light Industry Zone where the PDC1 of that zone stated, *"Development undertaken in the Light Industry Zone should be, primarily, industries which manufacture on a small scale…"*.

The changing role of the Glynde Employment Area from its traditional industrial and manufacturing activities to a broader range of business, commercial and retail activities is reflected in the new zone and can be seen in the recorded and mapped land use for the area.

The process of land use transition in the employment area is ongoing and can be seen through a comparative analysis of land use in two surveys including:

- SA Land Use Generalised (2019) - a spatial data set derived from land parcel boundaries and land use recorded by the Valuer General which is coded to 17 broad 17 land use classes. This available data set has been mapped by land use code for the Glynde Employment Area (with the Employment Zone overlaid) in Figure 12.
- A field survey by Deep End Services of the Glynde Employment Area on 16 April 2021 which recorded changes to the Land Use Generalised (2019) data set, using the same land use codes[5]. The updated land use data is thematically mapped in Figure 13.

Table 7 summarises each land use category by land area occupied (sqm) and its percentage share of the Glynde Employment Area (corresponding to the Employment Zone) from the Land Use Generalised (2019) data set and the field survey of 16April 2021. Changes in land use between the two data sets can be seen in the sqm and percentage differences and Figure 12 and Figure 13.

Table 7—Land Use change within Employment zone

Source: Department for Infrastructure and Transport (DataSA), Land Use Generalised

	Land Use Generalised 2019		Field survey (April 2021)	
Land Use	**Land area (sqm)**	**% of total**	**Land area (sqm)**	**% of total**
Food industry	23,112	14%	28,498	17%
Utlities / Industry	42,719	26%	29,560	18%
Commercial	80,582	49%	78,313	48%
Retail Commercial	11,186	7%	1,561	1%
Residential	4,356	3%	0	0%
Educational	0	0%	721	0%
Vacant land	0	0%	14,604	9%
Vacant buildings	3,213	2%	11,323	7%
Total	**165,168**	**100%**	**164,579**	**100%**

While the Land Use Generalised data set is issued with a 2019 date, some of the recorded land use pre-dates the release by several years and had, in fact, changed

[5] http://location.sa.gov.au/LMS/Reports/ReportMetadata.aspx?p_no=219&pu=y

by 2019. An example is the large vacant site, currently subject to a Bunnings Bulky Goods Store proposal. This site was formerly an Auto Wrecker's Yard (classified Retail Commercial in the 2019 data set due to its activity of selling used parts) yet aerial imagery shows it was vacant and cleared by November 2017.

There are several other anomalies in terms of property boundaries aligning with zone boundaries and land use recorded in the 2019 data set however where possible, the 2021 update has adopted the same definitions where the use has not changed and used the same property cadastre. In several instances, modified property lines were used in the update to better reflect land use on the ground. This results in small variations in the total land area however the difference is insignificant over 16.5 hectares.

The key observations between the two data sets are as follows:

- The 2019 data set recorded just 40% of the Glynde Employment Area occupied with 'industrial' land use. Based on the 2021 update, it has fallen to 35% in a relatively short period of time. Therefore, industrial uses occupy a small and declining area notwithstanding the former Light Industrial Zone's DO stating that "*Development ... should be, primarily, industries that manufacture on a small scale*".
- There was no vacant land recorded in the 2019 data set however the 2021 field visit reveals a 9% property or site vacancy level. While most of the vacant property is the Bunnings site, if approved and developed, the Bunnings use will be classified as Retail Commercial, increasing the role of retailing in the area. While the former car wrecker's yard was classified as a Retail Commercial use, the proposed Bunnings Bulky Goods Outlet, if approved, will bring a dominant and more easily identifiable retail function to the zone.
- The proposed Bunnings Warehouse with a prominent frontage to Glynburn Road will mirror the Bulky Goods (retail) uses on the east side of Glynburn Road and expand the presence of retail-type functions on the west side with L&H Electrical, Asian Grocery store and Pasta Deli to the north and showroom uses to the south.
- Retail Commercial uses have a larger presence than indicated in both data sets. Several large showroom-warehouse uses on Glynburn Road (Italia Ceramics, Tilers Choice and Haymes Paint) have retail display and sales functions open to the general public but are classified as Commercial due to the dominant warehousing function on each site.
- Vacant buildings made up 2% of the land area in 2019 but 7% in 2021. The higher 2021 vacancy level potentially reflects a lower demand for small, older-style industrial units in Glynde, consistent with the observed decline in traditional industrial uses.

The two data sets reveal a declining traditional industrial function in the Glynde Employment Zone, an emerging (and probably related) vacancy level in older properties in the back of the estate and an increasing retail function (Shop, Service Trade Premises, Bulky Goods and Warehouse (showrooms) along Glynburn Road.

Figure 12—Glynde Employment Area land use, 2019

Source: Department for Infrastructure and Transport (DataSA), Land Use Generalised

Land Use
- Commercial
- Food Industry
- Residential
- Retail Commercial
- Utilities / Industry
- Vacant

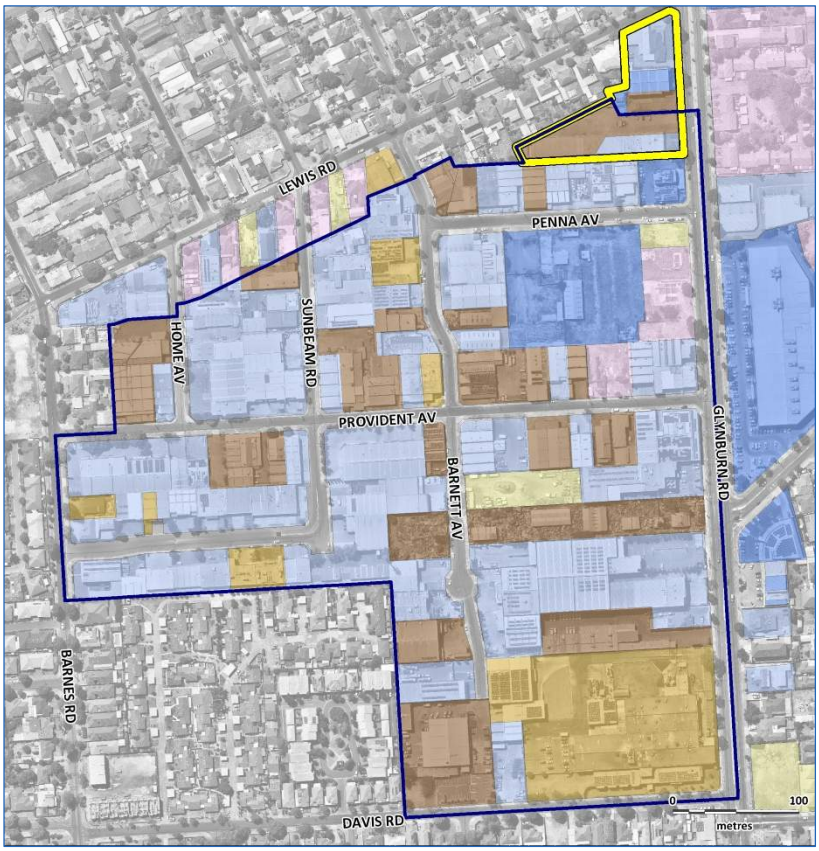
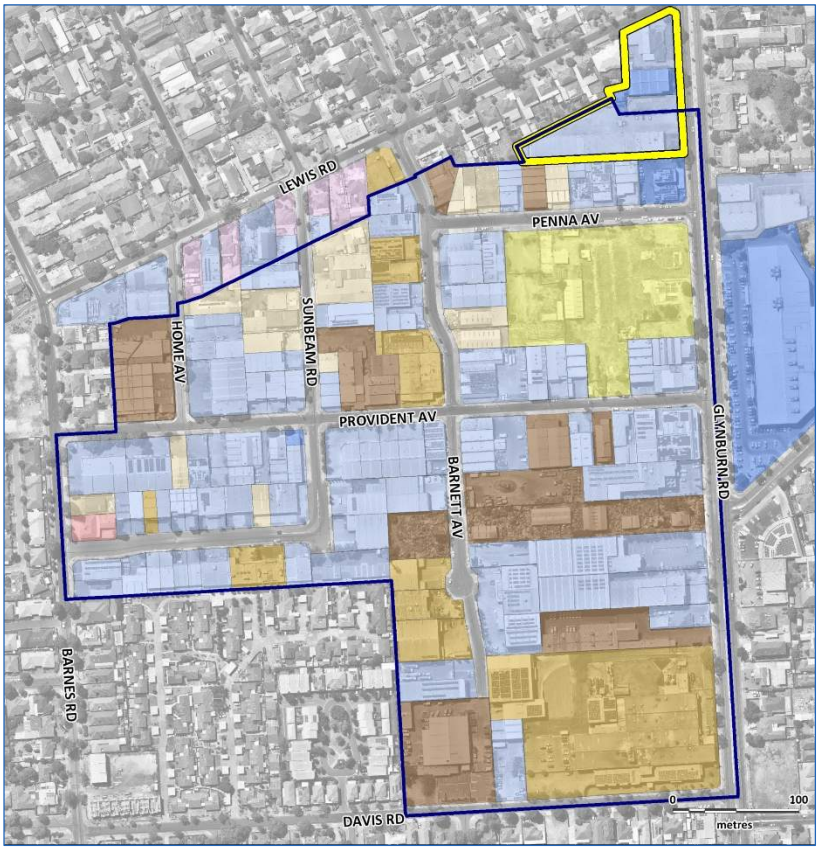


Figure 13—Glynde Employment Area land use, April 2021

Source: Deep End Services

Land Use
- Commercial
- Education
- Food_Industry
- Residential
- Retail Commercial
- Utilities / Industry
- Vacant building
- Vacant land



4.3 Effect on Employment Zone land supply

The area of the subject site falling within the Employment Zone is 0.41 hectares. As shown in Table 8, it represents:

- 2.5% of the total Employment Zone (excluding roads) in Glynde;
- 1.1% of the total Employment Zone (excluding roads) in the City of Norwood, Payneham St Peters; and
- 0.6% of the Employment Zone (excluding roads) in the broader region covering the City of Norwood, Payneham St Peters and the City of Campbelltown.

Table 8—Area of Employment Zones

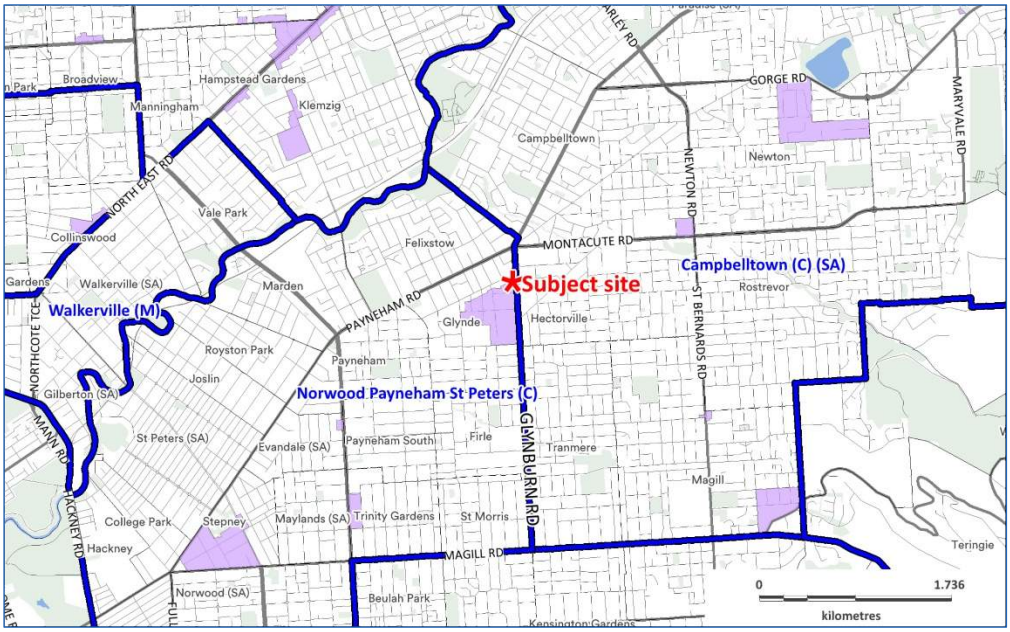
Source: Department for Infrastructure and Transport (DataSA), Land Use Generalised

Local Gov't Area / Employment Zone	Employment Zone (Hecatres. excl. roads)	Subject site (0.41 ha.) as %
Norwood Payneham St Peters		
Glynde	16.52	2.5%
Trinity Gardens	3.66	
Stepney	17.57	
Sub total	*37.75*	*1.1%*
Campbelltown		
Campbelltown	2.62	
Newtown	21.47	
Magill	9.49	
Sub total	*33.58*	
Total	71.32	0.6%

The extent of the site can be seen in the context of the wider distribution and areas of Employment Zone in the north-east suburbs in Figure 14. The loss of 0.4 hectares of employment land is insignificant to current supply levels and even less critical given the current (and potentially rising) vacancy level for older properties and the low prospect that the Glynburn Road frontage would now be develop for industrial uses for which the zone was originally envisaged.

Figure 14—Employment Zone land distribution

Source: PlanSA, Planning & Design Code



4.4 Net employment change

Existing land uses across the subject site have very low employment levels. The office at 21-23 Glynburn Road has an estimated three full time equivalent (**FTE**) staff. The R&H Electrical Wholesaler at 25-27 Glynburn Road has a similar level (3).

The warehouse building at 27-29 Glynburn Road has five tenancies, 4 of which are occupied on short-term leases. In terms of individual tenants:

- The Asian grocer in Unit 6 appears to have a very low level of public custom and would seem to be operating as a wholesale business.
- The fitness studio in Units 4 and 5 advertises two fitness classes a day – one for 45 minutes in the morning and another for the same period in the evening. It appears to be inactive at all other times of the day.
- A wholesale florist in Unit 3 appears to be a storage unit only, opening occasionally to take or make deliveries.
- Unit 2 is vacant.
- Unit 1 is a storage unit for wine and accessories and appears also to be staffed during occasional deliver times.

Figure 15— 27-29 Glynburn Road

Source: Field visit (16 April 2021)

The estimated FTE employment generated by all uses across the subject site is shown in Table 9. On a generous allowance of 3 FTE staff for the existing warehouse building, the total site currently generates about 9 FTEs.

A mid-sized supermarket of 1,900 sqm would generate a minimum of 25 FTEs - a net increase of 16 FTEs under the highest & best land use option.

Table 9— Existing & potential employment comparison

Source: Deep End Services

Address	Land use	Est'd FTEs
19-21 Glynburn Road	Office	3
23-25 Glynburn Road	L&H Electrical	3
27-29 Glynburn Road	Asian grocery	1.5
	Fitness studio	0.5
	Florist wholesaler	0.5
	Vacant	-
	Wine storage	0.5
Total		**9**
19-29 Glynburn Road		
Highest & best use	Mid-sized supermarket	**25**

Based on the expected small impacts on surrounding supermarkets and centres, the 25 new (or 16 net additional) FTE positions on site are unlikely to result in employment losses elsewhere.

The new supermarket will also generate other indirect employment or contracting opportunities including in building maintenance, cleaning, security, delivery and supply and wholesale operations.

5

Conclusions

The land use and economic investigations undertaken for the developer-initiated Glynde Code Amendment lead to the following conclusions:

- The dated warehouse building at 27-29 Glynburn Road has a range of mainly inactive uses on short term leases generating very low employment levels. The site dimensions and configuration, access limitations and underlying land use demand severely limit its redevelopment options under the Employment Zone.
- The two properties within the Housing Diversity Neighbourhood Zone, comprising of an existing retail warehouse and a former dwelling used as an office, are unlikely to be redeveloped for residential purposes.
- A consolidation of the three properties significantly improves the development capability of the site. It can leverage its exposure and better access and turning movements to and from the busy Glynburn Road, a large established catchment and the growing retail and commercial profile of the Glynburn Road corridor.
- In view of the favourable site and local area characteristics and consideration of a range of potential land uses, a mid-sized supermarket (up to 2,000 sqm) is considered to be the highest and best use of the land.
- There is little or no prospect of a comparable site capable of supporting a mid-sized supermarket with parking being amalgamated on a viable basis in the Suburban Activity Centre Zone along Payneham Road.
- A supermarket supply and demand analysis indicates the area can comfortably support a mid-sized supermarket without undue impacts on existing centres.
- There are no viable opportunities to develop a mid-sized supermarket in the existing Suburban Activity Centre zone in Felixstowe due to the short depth of

the zone, existing established uses and the narrow lot pattern and multiple ownerships.

- There are signs that the Glynde Employment Area is transitioning away from its traditional light industrial and related manufacturing and processing activities. The loss of approximately 4,000 sqm of Employment zoned land will be insignificant in the context of existing supply levels and weakening demand for industrial-type land.
- A mid-sized supermarket would bring a range of competition benefits to the area and result in a significant improvement in on-site employment levels.

The land use and economic investigations support a Code Amendment to facilitate a mid-sized supermarket on the subject site.