

Northeast Business Park - Economic Benefit Assessment

September 2007

+++++
+++++
++
++
++
+++++
+++++
++
++
++
++
++

+++++
+++++
++
++
+++++
+++++
++
++
+++++
+++++
++
++
+++++
+++++

+++++
+++++
++
++
+++++
+++++
++
++
+++++
+++++

+++++
+++++
++
++
+++++
+++++
++
++
+++++
+++++





Northeast Business Park Economic Benefit Assessment

Prepared for Northeast Business
Park Pty Ltd

292 Water Street Spring Hill
Brisbane QLD 4000
September 2007

DISCLAIMER

This report is prepared on the instructions of the party to whom or which it is addressed and is thus not suitable for use other than by that party. As the report involves future forecasts, it can be affected by a number of unforeseen variables. It represents for the party to whom or which it is addressed the best estimates of Urbis Pty Ltd, but no assurance is able to be given by Urbis Pty Ltd that the forecasts will be achieved.

URBIS STAFF RESPONSIBLE FOR THIS REPORT WERE:

Director	Mal Aikman
Senior Consultant	Mark Courtney
Support Staff	JP Then
Job Code	BPE0076
Report Number	B05

© URBIS 2007

This publication is subject to copyright. Except as permitted under the Copyright Act 1968, no part of it may in any form or by any means (electronic, mechanical, photocopying, recording or otherwise) be reproduced, stored in a retrieval system or transmitted without prior written permission. Enquiries should be addressed to the publishers.

Executive Summary	i
Addendum.....	1
Summary of land use changes.....	3
Development Phase	5
MIBA Construction Costs	5
Total Construction Costs	7
Development Phase Employment Benefits.....	10
Operational Phase	11
MIBA Expenditure Impacts.....	11
MIBA Employment Impacts	13
Purpose of the report.....	2
1 Introduction.....	1
1.1 Proponent	1
1.2 Project Description	1
1.3 Project Location Description.....	2
1.4 Project Area Description.....	3
1.5 Key Development Themes	4
1.6 Purpose of the report.....	4
1.7 Study approach	4
1.8 Report format.....	5
2 Development Phase	6
2.1 Construction	6
2.1.1 Dwellings – Attached/detached/hotel	6
2.1.2 Business Park Warehouses/offices	8
2.1.3 Marina Precinct.....	9
2.1.4 Golf Course	11
2.1.5 Contingency.....	11
2.2 Property and Business Services Expenditure	12
2.3 Total Costs of Development Phase	12
2.4 Development Expenditure Multiplier Impacts	12
2.5 Development Phase Employment Impacts	13
2.6 Government Fees and Charges	14
2.6.1 Federal	14
2.6.2 State	14
2.6.3 Local	15
2.6.4 Total Government.....	15
3 Operating Phase	17
3.1 Residential Expenditure Impacts.....	17
3.2 Residential Employment Impacts	21
3.3 Marina Expenditure Impacts.....	22
3.4 Marina Employment Impacts	24
3.5 Business Park Expenditure Impacts.....	24
3.6 Business Park Employment Impacts.....	27
3.7 Golf Course Expenditure Impacts	28

3.8	Golf Course Employment Impacts.....	30
3.9	Government Administration	30
3.9.1	Federal	30
3.9.2	State	31
3.9.3	Local	33
4	Strategic Regional Benefits.....	34
4.1	Caboolture Shire Council Economic Development	34
4.2	Queensland Government's Key Priorities	35
4.3	South East Queensland Regional Plan	35
4.3.1	Northeast Business Park and the Regional Plans' Strategic Directions	36
4.3.2	Northeast Business Park and the Regional Plans' Desired Outcomes.....	37
4.4	Residential Demand	40
5	Conclusion	43
5.1	Summary of Benefits	43
5.1.1	Expenditure benefits:.....	43
5.1.2	Employment benefits:.....	43
5.1.3	Strategic Regional Benefits	45
	Economic Benefit Analysis	50
	Economic Benefit Assessment Using Multiplier Analysis	50
	Direct, Indirect, and Induced Impacts.....	50
	Types of Multipliers	51
	Type 1 and Type 2 Multipliers	51
	APPENDICES:	49
Appendix A	Economic Benefit Assessment Notes	
Appendix B	Local Area Impact and Vision Statement	
Appendix C	Impact on Local and State Labour Market and Local Property Market	

Addendum

This addendum relates to revised master plan yields as advised by Northeast Business Park on 21st September 2007. It should be noted that although master plan yields have been adjusted for the entire development, only the MIBA (Business Park) related aspect will be analysed given the relative insignificance of the master plan yield changes to other components. A minor adjustment has also been made to the commercial site coverage ratio which now stands at 60% from the 50% basis employed in the original assessment. This revision is anticipated to bring the ratio more into line with the characteristics of the commercial market.

The following table displays the change in jobs and expenditure in the development and operational phases as a result of adjusting for changes in MIBA. It shows that declines in the order of magnitude for direct expenditure and value added benefits and employment benefits of approximately 5% will occur as a result of the changes.

Summary of Benefits - Original and New 2007				Addendum
		Original		New
		Expenditure/ FTE jobs Value Added Million (\$)	FTE jobs	Expenditure/ Value Added Million (\$)
Economic Benefits	Annualised		Annualised	
Development Phase				
- Direct	820	\$2,016.9	777	\$1,912.5
- Indirect	812	\$2,108.9	770	\$1,999.8
- Govt Revenue		\$347.3		\$335.4
Operational Phase	Annually			
- Industry/Business Park Direct	13,606	\$1,264.0	12,423	\$1,151.7
- Industry/Business Park Indirect	12,809	\$1,447.4	12,248	\$1,327.4
- Residential Direct	899	\$34.4	899	\$34.4
- Residential Indirect	850	\$40.2	850	\$40.2
- Marina Precinct Direct	348	\$34.6	348	\$34.6
- Marina Precinct Indirect	345	\$40.3	345	\$40.3
- Golf Course Direct	15	\$2.7	15	\$2.7
- Golf Course Indirect	21	\$3.2	21	\$3.2
Total Operational Direct	14,868	\$1,335.7	13,685	\$1,223.4
Total Operational Indirect	14,026	\$1,531.0	13,464	\$1,411.1
- Govt Revenue		\$291.1		\$291.1
Total Operational (ex Gov)	28,894	\$2,866.7	27,150	\$2,634.5

Source : Urbis

- During the development phase of the project, direct jobs generated will decrease by -42FTE jobs or equivalently -5.2%. The indirect changes are similar, with a decrease of -43 FTE jobs or -5.3%.
- The direct and indirect development phase expenditures will both decline by -5.2%, or -\$104.4 million and -\$109.1 million respectively.

-
- During the operational phase of the projects, the changes in MIBA will result in a decrease of -1183 FTE direct jobs, or -8.0%. Similarly, indirect jobs generated as a result of MIBA will decline by -562 FTE jobs or -4.0%.
 - For the operational phase of the project, the changes to MIBA will result in a decline of FTE jobs by -6.0%, and a decline in expenditure by -8.1%. Overall, this is represented by a decline of -1745 FTE jobs, and a -\$232.3 million decrease in expenditure.

Summary of land use changes

- The following table displays the original and revised masterplan yields associated with the Northeast Business Park, and the related land use alterations.

Northeast Business Park								Addendum
Comparison of Masterplan Development Yields								
Product Mix	Unit	New masterplan			Original masterplan			
		Lots size	Number of Lots	Developable Land area	Lots size	Number of Lots	Developable Land area	
Miba								
Gross Total	Ha			176.5			200	
Net Total	Sqm			1,296,335			1,579,079	
Small / Medium Lots	sqm	2,500	223	557,424	2,500	184	584,260	
Large Lots	sqm	15,000	10	155,560	15,000	23	347,397	
Super Lots	sqm	50,000	4	181,487	50,000	3	157,908	
Bulky Goods	sqm	18,365	3	55,094	31,667	3	94,745	
Local Retail / Community Node	sqm	2,269	10	22,686	3,158	10	31,582	
Commercial Business	sqm	4,321	30	129,634	8,290	20	165,803	
Marine Industry	sqm	7,130	25	178,246	7,895	25	197,385	
Education	sqm	5,401	3	16,204	0	0	0	
Total Lots			308			268		
Average Lot size				4,209			5,892	
RESIDENTIAL								
Gross Total	Hect			112			100	
Premium	Lots	600m2+	212		800	203		
Traditional	Lots	450 to 600m2	418		612	987		
Courtyard / Small Lot	Lots	300 to 450m2	371					
Townhome / Mews	Dwellings	25 dwellings / hect	245					
Medium Density 2 & 3 Storey	Dwellings	50 dwellings / hect	72					
Total			1,318			1,190		
School	Sqm	50,000					0	
Community Nodes / Facilities	Sqm	4,300					0	
Marina Precinct								
Net Total	Hect			30.5			28.9	
Residential								
Marina Residential	Dwellings	350	85		350		85	
Apartments	Apartments	130m2 + 20% circ	816		130m2 + 20% circ		927	
Hotel	Rooms	90m2 + 20% circ	200		90m2 + 20% circ		120	
Golf Residential	Dwellings	525	82		525		82	
Total			1,183				1,214	
Village								
Tavern	GFA	1,591						
Food & Beverage	GFA	5,247						
Retail	GFA	4,834						
Commercial	GFA	4,333						
Mixed Use	GFA	1,000						
Total		17,005					16,000	
Marina Pavilion	GFA	1,000					1,000	
Shipyard								
Shipyard	Sqm	49,861					36,656	
Dry Boat Stacker	number	300					0	
Marina Berths								
Berths	number	912					1,100	
Open Space & Recreation								
Golf Club	sqm	4,000					2,500	
Mixed Use Community	sqm	49,650						

Development Phase

The following presents the estimate for construction costs relating to the MIBA (Business Park).

MIBA Construction Costs

Economic Benefit Assessment					Addendum
Industrial Business Park					
Construction	Average GFA per Lot (M ²)	Average Lot size (M ²)	No of Lots	Total Cost (\$ millions)	Cost per Lot (\$ millions)
Business Park Infrastructure ¹				78.1	n.a
Small ² /Medium Lots ^{3,4}	1,250	2,500	223	207.0	0.93
Large ⁵	7,500	15,000	10	66.0	6.60
Super Lots ⁶	25,000	50,000	4	139.5	34.88
Car Parks ⁷			492	19.7	0.04
Bulky Goods ⁸	12,856	18,365	3	55.9	18.64
Car Park ⁹			253	10.1	0.04
Local retail ¹¹	1,135	2,269	10	7.3	0.73
Commercial Business ¹²	2,809	4,321	30	127.2	4.24
Marine Industry ¹³	3,565	7,130	25	73.5	2.94
Education (Primary School) ¹⁴	2,701	5,401	3	10.3	3.43
Total			308	794.6	

1. Includes earthworks, roads, sewerage, water, gas and other related factors

2. Warehouse for small and medium lots assumed to include office for owner occupation. Construction consists of metal roof, roller shutters, and all services. Assumed plot ratio of 0.5 and site coverage of 0.5. This assumes a single level construction

3. Warehouse, highbay with external brick walls

4. Warehouse, highbay with external brick walls

5. Large span factory, portal framed, metal roof, sliding doors. Two storey offices and showrooms. Includes air conditioning and standard finishes. Brick External walls. Assumed plot ratio of 0.5 and site coverage of 0.5.

6. Large span factory, portal framed, metal roof, sliding doors. Two storey offices and showrooms. Includes air conditioning and standard finishes. Brick External walls. Showrooms at ground floor. Assumed plot ratio of 0.5 and site coverage of 0.5.

7. Single level underground car park. Estimated costs are \$42,000 per car park, assuming reinforced concrete construction. Number of car parks estimated at 1 car park for every 50.82m² of Gfa as determined by Rawlinsons.

8. Bulky goods assumed to be a single lot. Plot ratio of 0.7 is assumed. Single level construction including offices and showrooms. Two of the three blocks are assumed to be used for bulky goods, with 1 block left vacant.

9. Single level underground car park. Estimated costs are \$42,000 per car park as determined by Rawlinsons, assuming reinforced concrete construction.

10. Total number of lots excludes count of car park spaces, commercial business and marine industry

11. Neighbourhood shops - standard shell construction including shop-fronts, plasterboard ceilings, electrical service to board. Assumed plot ratio of 0.5 and site coverage of 0.5.

12. Two storey buildings with standard finishes, floor finishes and air conditioning. Assumed plot ratio of 0.6 and site coverage of 0.6 upon consideration of advice from client

13. Large span heavy industry including metal roof, sliding doors, precast concrete external walls. Includes all standard amenities. Plot ratio of 0.5 assumed.

14. Assumed to include classrooms to accommodate 600 students, 50 staff. Includes gym hall, canteen, classrooms, and library areas.

Source : Rawlinsons Construction Handbook 2007, Urbis

- The revised MIBA (Business Park) will comprise of 308 lots, including land uses for the following:
 - Small, Medium, Large Lots;
 - Bulky Goods;

-
- Local Retail;
 - Commercial Business;
 - Marine Industry; and
 - Education (it is noted that this component is a new inclusion which has resulted from the revised masterplan);

Construction costs are estimated to be in the order of \$794.6 million and were determined using estimates from Rawlinsons Construction handbook Australia, 2007.

Total Construction Costs

Northeast Business Park		Addendum
Total Construction Expenditure		
Construction	Estimated Cost (\$ million)	Estimated Local Expenditure (% of Total Expenditure)
Site works	271.00	85%
Golf Course	28.62	85%
Residential dwellings	776.34	85%
Business Park	794.64	85%
Marina Precinct	114.16	85%
Sub Total	1,984.77	
Contingency ¹	198.48	
Total	2,183.24	85%

*1. Contingency assumed to be 10% of total construction costs.
Source : Urbis*

- Total construction expenditure is estimated to be in the order of \$2,183 Million dollars. Aspects that have been included into this estimate include:
 - Site works;
 - Golf Course;
 - Residential;
 - MIBA Business Park;
 - Marina Precinct; and
 - Contingency of 10%.

Government Expenditure

The following presents the government expenditure relating to the development phase of the project based on the revision.

Northeast Business Park Development Phase	Addendum
Government	
Component	Cost (\$ million)
Local Shire Council	
Rates, fees and charges	N/a
Queensland State Government	
Transfer duty	\$60.4
Land tax on raw land	N/a
Federal Government	
GST on all expenditure	\$218.3
Income tax	\$56.7
Total	\$335.4

Source: Urbis

- Government is expected to generate in the order of \$335 million dollars during the course of the development phase of the project. GST represents the largest proportion of income, with an estimated \$218.3 million being generated. Other aspects accounted for include income tax and transfer duties.

Development Phase Expenditure Benefits

The tables below present the development's direct and flow on value added expenditure benefits based on the revision to the MIBA.

Northeast Business Park							Addendum
Development phase expenditure impact (\$M), 2007 to 2025							
Sectors	Direct impact	Initial impact	Industrial support effects	Type 1	Consumption Induced Effects	Type 2	Total
Construction							
Cost	\$2,183.2						
Multiplier	1.000	0.430	0.290	0.720	0.320	1.040	2.040
Impact	\$2,183.2	\$938.8	\$633.1	\$1,571.9	\$698.6	\$2,270.6	\$4,453.8
Local Impact	\$1,855.8	\$798.0	\$538.2	\$1,336.1	\$593.8	\$1,930.0	\$3,785.7
Finance, Property and Business Services							
Cost	\$87.3						
Multiplier	1.000	0.410	0.420	0.830	0.400	1.230	2.230
Impact	\$87.3	\$35.8	\$36.7	\$72.5	\$34.9	\$107.4	\$194.7
Local Impact	\$56.8	\$23.3	\$23.8	\$47.1	\$22.7	\$69.8	\$126.6
Impact	\$2,270.6	\$974.6	\$669.8	\$1,644.4	\$733.6	\$2,378.0	\$4,648.6
Local Impact	\$1,912.5	\$821.2	\$562.0	\$1,383.3	\$616.5	\$1,999.8	\$3,912.3

Source : ABS; Urbis

During the development phase of the revised project, it is anticipated that expenditure of \$2,270.6 million will be directly generated. Of this, \$1,912.5 million is anticipated to be generated locally. Additionally, it is expected that \$2,378.0 million will be indirectly generated, of which \$1,999.8 million will be generated locally. In total this represents an additional \$3,912.3 million in added value for the local region, during the development phase of the project.

Development Phase Employment Benefits

The following depicts the employment benefits in terms of Full Time Equivalents (FTE's) generated on the basis of the revision to the MIBA.

Northeast Business Park					Addendum
Development phase employment impacts (FTE years), 2007 to 2025					
Sectors	Initial impact	Industrial support effects	Type 1	Consumption induced effects	Type 2
Construction					
Multiplier	1.000	0.473	1.472	0.497	1.970
Impact ¹	16,150	7,644	23,777	8,033	31,810
Local Impact	13,728	6,497	20,211	6,828	27,039
Finance, Property and Business Services					
Multiplier	1.000	1.051	2.049	0.977	3.026
Impact ²	411	432	842	401	1,243
Local Impact	267	281	547	261	808
Impact	16,561	8,075	24,619	8,434	33,053
Local Impact	13,995	6,778	20,758	7,089	27,846

1. Impacts derived from expenditure estimate
2. Impacts derived from expenditure estimate
Source : ABS; Urbis

13,852

The development phase of the Northeast Business Park, incorporating the revisions to the MIBA, is anticipated to directly generate 16,561 FTE jobs, of which 13,995 FTE jobs will be generated locally. The development will also indirectly generate 13,852 FTE jobs through production and consumption induced impacts. In total this represents an additional 27,846 **FTE jobs** for the local area.

Operational Phase

This section presents the operational phase of the MIBA component of the project on the basis of revised masterplan yields.

MIBA Expenditure Impacts

During the operational phase of the revised MIBA component of the Northeast Business Park project, it is anticipated that annual expenditure is in the order of \$2,303.40 million. This represents total expenditure calculated as a proportion of the number employees expected to work within the various MIBA components.

Northeast Business Park - Operational Phase Expenditure						Addendum
Business Park Expenditure						
Construction	Total GFA	sq m per employee ¹	No. of employees	\$ per employee ²	Total Expenditure (\$ M)	Sector ³
Business Park Infrastructure						
Small/medium Lots	278,750	116	2,403	241,633	580.65	Misc manufacturing
Large	75,000	116	647	241,633	156.23	Misc manufacturing
Super Lots	100,000	116	862	241,633	208.30	Misc manufacturing
Car Parks						
Bulky Goods	38,567	85	454	208,537	94.62	Trade
Car Park						
Local retail	11,345	38	299	243,270	72.63	Acom, café & rest
Commercial Business	84,260	24	3,511	286,317	1,005.20	Trade
Marine Industry	89,125	80	1,114	163,534	182.19	Machinery app, equip
Education (primary school)	8,102	162	50	71,666	3.58	Education
Total	677,046		9,289		2,303.40	

1. Determined using Urbis's internal databases

2. Derived from ABS 2004-05 Industry classification by ANZSIC code Cat no.8155.00. Applied CPI growth to determine 2006-07 equivalents

3. Sector of classification determined using the ANZSIC Codes.

Source : ABS; Urbis

The following table presents the expenditure and value added benefits generated from operational or ongoing activities of the revised MIBA.

Northeast Business Park - Operational Phase Expenditure							Addendum
Operating phase expenditure impacts (\$M)							
Sectors	Direct impact	Initial impact	Industrial support effects	Type 1	Consumption Induced Effects	Type 2	Total
Miscellaneous manufacturing							
Multiplier	1.000	0.410	0.270	0.680	0.400	1.080	2.080
Impact	\$945.2	\$0.4	\$255.2	\$642.7	\$378.1	\$1,020.8	\$1,966.0
Local Impact	\$472.6	\$0.2	\$127.6	\$321.4	\$189.0	\$510.4	\$983.0
Trade							
Multiplier	1.000	0.470	0.330	0.800	0.450	1.250	2.250
Impact	\$1,099.8	\$516.9	\$362.9	\$879.9	\$494.9	\$1,374.8	\$2,474.6
Local Impact	\$549.9	\$258.5	\$181.5	\$439.9	\$247.5	\$687.4	\$1,237.3
Accommodation, cafes and restaurants							
Multiplier	1.000	0.460	0.310	0.780	0.400	1.180	2.180
Impact	\$72.6	\$33.4	\$22.5	\$56.7	\$29.1	\$85.7	\$158.3
Local Impact	\$36.3	\$16.7	\$11.3	\$28.3	\$14.5	\$42.9	\$79.2
Machinery Appliances and Equipment							
Multiplier	1.000	0.370	0.190	0.560	0.350	0.920	1.920
Impact	\$182.2	\$67.4	\$34.6	\$102.0	\$63.8	\$167.6	\$349.8
Local Impact	\$91.1	\$33.7	\$17.3	\$51.0	\$31.9	\$83.8	\$174.9
Education							
Multiplier	1.000	0.860	0.080	0.940	0.720	1.660	2.660
Impact	\$3.6	\$3.1	\$0.3	\$3.4	\$2.6	\$5.9	\$9.5
Local Impact	\$1.8	\$1.5	\$0.1	\$1.7	\$1.3	\$3.0	\$4.8
Impact	\$2,303	\$621	\$676	\$1,685	\$968	\$2,655	\$4,958
Local Impact	\$1,152	\$311	\$338	\$842	\$484	\$1,327	\$2,479

Source : ABS; Urbis

The operational aspect of the MIBA is anticipated to directly generate \$2,303 million, of which \$1,152 million is anticipated to be generated locally. Additionally, it is expected that \$2,378.0 million will be indirectly generated, of which \$1,327 million will be generated locally. In total this represents an additional \$2,479 million in added value for the local region, during the development phase of the project.

MIBA Employment Impacts

The operational phase of the revised MIBA component Northeast Business Park is anticipated to directly generate 20,706 ongoing FTE jobs, of which 12,423 FTE jobs will be generated locally. The development will also indirectly generate 12,248 local FTE jobs through production and consumption induced impacts. In total this represents an additional 24,671 **FTE jobs** for the local area.

Northeast Business Park - Operational Phase Employment						Addendum
Operating phase employment impacts (\$M)						
Sectors	Direct impact	Initial impact	Industrial support effects	Type 1	Consumption Induced Effects	Type 2
Miscellaneous manufacturing						
Multiplier		1.000	0.388	1.387	0.496	1.883
Impact	8,719.7	8,719.7	3,382.4	12,094.8	4,326.9	16,421.7
Local Impact	5,231.8	5,231.8	2,029.5	7,256.9	2,596.1	9,853.0
Trade						
Multiplier		1.000	0.426	1.427	0.555	1.982
Impact	10,171.9	10,171.9	4,336.2	14,516.6	5,648.2	20,164.8
Local Impact	6,103.1	6,103.1	2,601.7	8,710.0	3,388.9	12,098.9
Accommodation, cafes and restaurants						
Multiplier		1.000	0.486	1.486	0.547	2.034
Impact	603.6	603.6	293.7	897.3	330.2	1,227.5
Local Impact	362.2	362.2	176.2	538.4	198.1	736.5
Machinery Appliances and Equipment						
Multiplier		1.000	0.393	1.395	0.635	2.028
Impact	1,158.6	1,158.6	455.8	1,615.8	735.2	2,349.7
Local Impact	695.2	695.2	273.5	969.5	441.1	1,409.8
Education						
Multiplier		1.000	1.280	20.000	10.640	18.370
Impact ²	52	52	67	1,039	553	955
Local Impact	31	31	40	624	332	573
Impact	20,706	20,706	8,535	30,164	11,594	41,118
Local Impact	12,423	12,423	5,121	18,098	6,956	24,671

Source : ABS; Urbis

Executive Summary

Northeast Business Park Pty Ltd has requested Urbis to undertake an economic benefit assessment as part of their development investigations.

On 21 June 2006, the site was accorded status as a “significant project” under Section 26 of the Queensland State Government Development and Public Works Organisation Act 1971.

The proponent for the development is Northeast Business Park Pty Ltd, a Queensland registered company with shares held by the shareholders of Port Binnli Pty Ltd, Laing O’Rourke Caboolture Developments Pty Ltd and a number of smaller shareholders.

Northeast Business Park (NEBP) is a multi-use marina and business park concept that will integrate marina facilities, appropriate business, industry, commercial, residential, heritage and recreational greenspace precincts providing a place to live, to work and to play in a master planned riverside precinct on the Caboolture River.

Situated on the southern bank of the Caboolture River approximately 8km inland from the coastline, adjacent to the Bruce Highway and 43km north of Brisbane CBD, the NEBP site encompasses 793 hectares of property which includes the following six land parcels (“the project area”).

- Lot 2 on RP902075
- Lot 10 on RP902079
- Lot 24 on SP158298
- Lot 7 on RP845326
- Lot 15 on RP902073
- Lot 12 on RP145197

The following components are incorporated into the NEBP development.

- Marina basin.
- Marine industry.
- Industrial.
- Commercial/mixed use.
- Residential.
- Apartments.
- Townhouses.
- Hotels.
- Golf residential.
- Environmental open space.
- Golf course.
- Recreational areas and sporting fields.
- Heritage park.

Of the 793 hectares, 44% (350 ha) will be developed. The remaining area (443 ha) will be set aside for open space, and active and passive recreational uses, including a heritage park. The project area is located on 9 kilometres of river frontage which will provide public access to parts of the Caboolture River.

Northeast Business Park is state significant project which will generate substantial benefits.

Purpose of the report

Northeast Business Park has requested Urbis to undertake an economic benefit assessment. The proposed development will generate a significant amount of expenditure (value added) and employment benefits for the local region during both the development phase of the project and the operating life of the project. In addition to direct expenditure and employment benefits there will also be indirect flow on (multiplier) benefits generated in the local region as a result of the development of this project.

Summary of Benefits

The proposed Northeast Business Park provides a range of benefits. Many of these are quantifiable whilst important strategic regional benefits will also result from the project.

Quantified Benefits

The following section highlights the key benefits arising from the project. The key quantifiable benefits of the proposed development are presented in the following table.

**Summary of Benefits
Benefits, 2007**

	FTE jobs	Expenditure/ Value Added Million (\$)	Over 20 years Million (\$)
Economic Benefits	Annualised		
Development Phase			
- Direct	820	\$2,016.9	
- Indirect	812	\$2,108.9	
- Govt Revenue		\$347.3	
Operational Phase	Annually		
- Industry/Business Park Direct	13,606	\$1,264.0	\$25,280.5
- Industry/Business Park Indirect	12,809	\$1,447.4	\$28,947.5
- Residential Direct	899	\$34.4	\$688.9
- Residential Indirect	850	\$40.2	\$804.5
- Marina Precinct Direct	348	\$34.6	\$691.3
- Marina Precinct Indirect	345	\$40.3	\$805.2
- Golf Course Direct	15	\$2.7	\$53.9
- Golf Course Indirect	21	\$3.2	\$63.2
Total Operational Direct	14,868	\$1,335.7	\$26,714.6
Total Operational Indirect	14,026	\$1,531.0	\$30,620.3
- Govt Revenue		\$291.1	\$5,822.0
Total Operational (ex Gov)	28,894	\$2,866.7	\$57,334.9

Source : Urbis

Total operational benefits are **28,895 FTE jobs** and **\$2.9 billion** in expenditure and value added benefits. Over a twenty year operational period, expenditure and value added benefits are estimated to be in the order of **\$57.3 billion**.

Strategic Regional Benefits

The proposed development would also have other strategic regional benefits which will flow largely as a result of the following factors regarding the development:

- The expansion of the marine industry which is promoted by the Northeast Business Park's access to water and Moreton Bay; and

- Transport/logistics and wholesaling business opportunities facilitated by the subject site's ideal location adjacent to the Bruce Highway.

These other benefits through are also derived through the developments alignment with the economic objectives of the Caboolture Shire Council and the broader objectives of the South East Queensland Regional Plan and the key priorities of the State Government

The Caboolture Shire Council has developed an Economic Development Issue Plan (EDIP). The aim of this plan is to create an overall approach to facilitate economic growth through higher employment and growth industries across all sectors. The plan aims to facilitate employment growth and population density based around strategic themes. These themes include planning for land and infrastructure for industry and business development, measures to build businesses, enhance capacity and generate employment, and efforts to build Caboolture as a business centre of market influence.

In a broad sense, the development of the Northeast Business Park will align with all of the above themes. However, the strongest support is given by the following aspects;

- The Northeast Business Park will be a place to do business;
- The proposed development will provide increased industrial and business park capacity; and
- The Northeast Business Park will grow industry development and trade through incubation and cluster.

The Northeast Business Park will also align with some of Queensland State Governments' key priorities. These include the following;

- Growing a diverse economy and creating jobs;
- The realisation of the smart state through education, skills and innovation;
- Managing urban growth and building Queensland's regions;
- Protecting the environment for a sustainable future; and
- Growing a diverse economy and creating jobs.

The South East Queensland Regional Plan was established to manage growth and associated change in the most sustainable way and to protect and enhance the quality of life in the region. The development of the Northeast Business Park is also aligns with some of the key strategic directions that the Southeast Queensland Regional Plan incorporates to manage growth in South East Queensland.

Summary of Benefits

In, summary the key strategic benefits generated by the development include:

- The Northeast Business Park will engage a local and regional workforce through the supply of alternative employment opportunities which currently are under-represented or absent in the region and generate flow-on employment to other industries;
- The development will create the opportunity to significantly enhance the regional employment skills base through the provision of alternative employment and training opportunities;
- The site represents a unique opportunity. A marina is a specialized use and requires a specialized site. The site being located on the Caboolture River provides this opportunity that can not be accommodated elsewhere in existing centres and precincts. The Northeast Business Parks marina would also be surrounded and supported by the proposed marine precinct and Industry/Business Park. Other recreational and residential land uses located elsewhere in the development will compliment the marina, marina precinct and Business Park components;
- The proposed development site represents an opportunity to establish a marine industry cluster for the northern corridor of greater Brisbane and Caboolture; and

- The subject site is strategically located in the northern part of Southeast Queensland where there is a distinct lack of major Industry/Business Park infrastructure. The Northeast Business Park also represents the opportunity for people to reside in close proximity to their place of work or business.

Potential Social Benefits

Although beyond the scope of this study, some of the potential social benefits to the local community include the following:

- The proposed Industry/Business Park, marine precinct and marina on the subject site will enhance local resident's way of life and will create local and regional employment node through the construction phase and ongoing operation of businesses that locate to the site;
- The proposed marina on the site and supporting amenities and facilities will enhance community interaction and cohesion as the site provides the opportunity to create a marine based hub for businesses and local and regional recreation opportunity for residents and tourists; and
- As an integrated mixed use development the Northeast Business Park development will provide quality jobs, homes, and social facilities for local residents and visitors to the Caboolture region. It represents an opportunity to become the social, recreational, and entertainment node for Caboolture. In so doing it will enhance the image of Caboolture and self esteem of its residents.

1 Introduction

Northeast Business Park Pty Ltd has requested Urbis to undertake an economic benefit assessment as part of their development investigations.

On 21 June 2006, the site was accorded status as a “significant project” under Section 26 of the Queensland State Government Development and Public Works Organisation Act 1971.

This report is of relevance to the Environmental Impact Statement terms of reference sections 4.12. 1 and 4.12.2 and 2.1

1.1 Proponent

The proponent for the development is Northeast Business Park Pty Ltd, a Queensland registered company with shares held by the shareholders of Port Binnli Pty Ltd, Laing O’Rourke Caboolture Developments Pty Ltd and a number of smaller shareholders.

1.2 Project Description

Northeast Business Park (NEBP) is a multi-use marina and business park concept that will integrate marina facilities, appropriate business, industry, commercial, residential, heritage and recreational greenspace precincts providing a place to live, to work and to play in a master planned riverside precinct on the Caboolture River.

The Northeast Business Park’s Values Statement together with diagrams which depict the locality and the development proposal are provided in the Appendices.

Situated on the southern bank of the Caboolture River approximately 8km inland from the coastline, adjacent to the Bruce Highway and 43km north of Brisbane CBD, the NEBP site encompasses 793 hectares of property which includes the following six land parcels (“the project area”).

- Lot 2 on RP902075
- Lot 10 on RP902079
- Lot 24 on SP158298
- Lot 7 on RP845326
- Lot 15 on RP902073
- Lot 12 on RP145197

The following components are incorporated into the NEBP development.

- Marina basin.
- Marine industry.
- Industrial.
- Commercial/mixed use.
- Residential.
- Apartments.
- Townhouses.
- Hotels.

- Golf residential.
- Environmental open space.
- Golf course.
- Recreational areas and sporting fields.
- Heritage park.

Of the 793 hectares, 44% (350 ha) will be developed. The remaining area (443 ha) will be set aside for open space, and active and passive recreational uses, including a heritage park. The project area is located on 9 kilometres of river frontage which will provide public access to parts of the Caboolture River.

The development provides an integrated mixed-used business park and marine precinct which combines land uses making the development more viable and sustainable. The business park will be capable of attracting local, national and international businesses, incorporating clusters of mixed and complementary industry and businesses, underpinned by a high quality residential development, and a state of the art marina and marine industries precinct.

The development will provide an important community and business focus for Caboolture and help to address a significant undersupply of marine facilities and associated uses. There is an identified lack of marina berths within Queensland, Southeast Queensland and particularly the immediate area.

Major landform adjustments that will occur to establish the NEBP will involve excavation of the marina basin to 3.5 metres below AHD. This will be undertaken using dry excavation techniques followed by inundation of the marina area. Fill obtained from the excavation of the marina basin and additional cuts within the property bounds will be used to raise ground levels within residential precincts to protect against flooding and storm surge. Additional flooding mitigation strategies include channels (grass managed) and diversion banks with no changes to flow velocities within the Caboolture River expected.

Following excavation of the marina basin, a lock will be established to connect the marina basin to the Caboolture River. Some dredging of the Caboolture River will be required with dredging occurring within the defined navigation channel.

The majority of the project area previously supported exotic pine plantations and was utilised for forestry purposes, however it does contain some areas of ecological value, including remnant terrestrial vegetation, marine vegetation, Caboolture River frontage and tidal creeks. Environmental considerations incorporated into the design, construction and operation of the development to protect environmentally sensitive areas within and surrounding the project area will be analysed as part of the EIS process, with particular emphasis on marina design, construction and operation. Overall the development will be designed, constructed and operated with a net benefit to the environment and community through the implementation of sustainable development principles and practices.

Supporting infrastructure, such as wastewater, electricity, telecommunications and roads, associated with the NEBP development will require upgrading and in some cases extensions to existing infrastructure will be necessary. Proposed improvements to infrastructure include additional sewerage and electricity provisions to be incorporated into NEBP and internal roads through the development to service industrial and commercial precincts.

1.3 Project Location Description

The NEBP project area is vacant privately owned land that is bound:

- to the north by 9km of Caboolture River frontage, with land on the opposite side of the river being primarily rural and used for forestry activity;
- to the west by the Bruce Highway, with land on the opposite side of Bruce Highway developed with residential and open space areas; and

- to the south and east by privately owned rural residential properties with lot sizes ranging from 1-20 ha, bushland, open grassland areas and limited agricultural and recreational land uses.

The project area is surrounded by areas of conservation significance as follows.

- The Deception Bay Declared Fish Habitat area, which extends along the entire length of the northern boundary, within the bounds of the Caboolture River. This area is protected by the *Fisheries Act 1995* due to the estuarine habitats that support commercial and recreational fisheries in close proximity to developing communities.
- The Habitat Protection Zone of the Moreton Bay Marine Park which is located within the Caboolture River and begins at the mid-northern boundary of the site then extends eastward along the Caboolture River. This area is protected by the *Marine Parks Act 2004* in order to:
 - (a) conserve significant habitats, cultural heritage and amenity values of the marine park;
 - (b) maintain the productivity and diversity of the ecological communities that occur within the marine park; and
 - (c) provide for reasonable public use and enjoyment of the zone consistent with the conservation of the marine park.
- The Moreton Bay RAMSAR wetlands which traverse the same area within the Caboolture River as the Moreton Bay Marine Park. The Moreton Bay RAMSAR wetlands are protected pursuant to international conventions as they are one of only three extensive intertidal areas of seagrass, mangroves and saltmarsh on the eastern coast of Australia that provide habitat for water birds.
- South East Queensland Wader Bird Sites are mapped approximately 500m to the east of the site. This area is protected via the JAMBA and CAMBA convention to protect habitats of Migratory Birds.

1.4 Project Area Description

The NEBP project area is relatively flat ranging in elevation from 3m AHD at the northern boundary to a knoll at 16.5m AHD towards the southern area of the site. Tidal levels of the Caboolture River, adjacent to the site are approximately 1.34m AHD for Highest Astronomical Tide and 0.81m AHD for Mean High Water Springs.

Raff Creek traverses the site and flows from the north east to the southwest boundary.

The site previously supported exotic pine plantations and was utilised for forestry purposes. As such, with the exception of a 1.3 ha area of endangered remnant vegetation located at the south west corner of the site, the majority of the site is devoid of native vegetation. The site is characterised by large expanses of disturbed grassland, some scattered trees, Paperbark (*Melaleuca quinquenervia*) communities, Eucalypt open forest and areas of marine vegetation which fringe the Caboolture River and associated waterways and constructed drainage channels that are tidally influenced.

An ortho-rectified aerial photograph of the project area is attached for your information and use where required as a jpeg.

The northern parts of the project area are mapped under the Caboolture Shire Plan 2005-2026 as containing the following areas of conservation significance.

- Catchment Protection Areas for the Protection of Waterways and Declared Fish Habitat Areas.
- Ecological Corridors to strengthen and improve links between areas of state, regional, local and other conservation significance and areas of conservation significance that may be degraded.
- Regional and State Conservation areas.
- Scenic Amenity Areas in which development is to be regulated such that adverse impacts on the scenic qualities of the area are minimised.

1.5 Key Development Themes

The development will provide the Caboolture community with access to natural watercourses, bushland and parklands whilst developing much needed marina berths and vessel maintenance facilities north of the Brisbane River in an ecologically sustainable manner by:

- commissioning technical studies to inform the design, construction and operation of the development to minimise adverse impacts on surrounding environmentally sensitive areas;
- providing managed mooring and boat maintenance facilities;
- restoring degraded river banks and wetlands;
- rediscovering historic cultural elements and providing access to the public;
- attracting tourism and multinational operators; and
- satisfying government agendas for environmental rehabilitation, marine industry reform, increased local employment, and balanced environmental, social and economic objectives.

1.6 Purpose of the report

Northeast Business Park has requested Urbis to undertake an economic benefit assessment. The proposed development will generate a significant amount of expenditure (value added) and employment benefits for the local region during both the development phase of the project and the operating life of the project. In addition to direct expenditure and employment benefits there will also be indirect flow on (multiplier) benefits generated in the local region as a result of the development of this project.

1.7 Study approach

The approach adopted for this report is reflective of the recognised industry approach to undertaking an economic benefit assessment. It represents an evaluation of the benefits generated by the development. Benefits which are able to be quantified are presented as well as those which are of less tangible form.

To maximise its effectiveness this economic benefit assessment has focussed on quantifying economic benefits in two key areas:

Expenditure Generation – Direct and indirect expenditure resulting from the proposed development is estimated. The benefit of this expenditure to the local region is then highlighted. The generation of government revenue is also estimated.

Employment Generation – Direct and indirect jobs resulting from the proposed development are estimated. The impact of this job creation to the local region and on the study areas workforce and unemployment position is highlighted.

Direct impacts of the proposed development for the above components were identified through discussions with Northeast Business Park Pty Ltd and estimated by industry benchmarks that we have access to or through desk top research. Sources included the Australian Bureau of Statistics, the Queensland Office of State Revenue and Offices of Economic and Statistical Research, Rawlinsons Construction Handbook 2007, The Caboolture Shire Council, Core Economics, Pacific Southwest Pty Ltd and RP Data. Queensland multipliers we then estimated the indirect and induced economic benefits resulting from the proposed development.

The Northeast Business Park development will have local and regional economic benefits in the form of increased employment, income for new workers, output for associated industries, and increases in business profits. Typically such projects have direct economic impacts and indirect impacts.

Direct impacts include the jobs created and the expenditure generated from the development. Indirect impacts reflect the spin-off benefits from the direct employment and expenditure impacts. A technique

to measure these indirect impacts is Economic Impact Analysis, or Multiplier Analysis. Multipliers, which are derived from Input-Output tables, capture how a change in activity originating in one industry is transmitted through the economy. Multipliers measure the total activity generated in all sectors of the economy required to satisfy a unit change in the final demand of a given industry (Queensland Treasury, Office of Economic and Statistical Research, 2001).

The expenditure and employment generation are presented for the development and operational or ongoing phases of development. A more detailed account of the economic benefit assessment approach is provided in the Appendices.

1.8 Report format

The report structure is driven by the above approach.

Section 2 Development Phase provides an estimate of the benefits during the construction and establishment phase of the Northeast Business Park including the marina, golf course, residential, business park and marina precinct components as well as a separate section on government revenues;

Section 3 Operating Phase provides an assessment of the benefits during the ongoing operation of the project including the impacts resulting from residential, marina, golf course and the business park land uses as well as a separate section on government revenues;

Section 4 Strategic Regional Benefits provides an assessment of the less tangible benefits; and

Section 5 Conclusion presents the key findings and finalises the report.

2 Development Phase

The proposed development of the North East Business Park will incorporate a number of key elements relating to construction, property and business services and government taxes, fees and charges. The development phase is anticipated to take approximately 18 years. This represents the time taken to fully develop the site.

2.1 Construction

Total construction costs are estimated to be \$2.3 billion including a 10% contingency factor. The construction component refers to the estimated building costs of the golf course, residential dwellings, business park and marina precinct. Construction costs reflect the overall high quality building standard which is anticipated for the Northeast Business Park.

The following table displays the breakdown of the estimates.

Northeast Business Park		Table 2.1
Total Construction Expenditure		
Construction	Estimated Cost (\$ million)	Estimated Local Expenditure (% of Total Expenditure)
Site works ¹	271.00	85%
Golf Course	28.62	85%
Residential dwellings	776.34	85%
Business Park Office/Warehouses	902.93	85%
Marina Precinct	114.16	85%
Sub Total	2,093.06	
Contingency ²	209.31	
Total	2,302.37	85%

1. Site work costs as provided by Northeast Business Park Pty Ltd
 2. Contingency assumed to be 10% of total construction costs.
 Source : Urbis

The overall percentage of local expenditure for the construction component is anticipated to be of the order of 85%.

2.1.1 Dwellings – Attached/detached/hotel

Attached and detached residential, as well as resort accommodation have been considered as part of the analysis in the development phase. The residential land use provides many opportunities for

residents including a reduction in journey to work travel time for those residents who are employed by businesses located in the Business Park, the Golf Course or in the Marina Precinct.

Dwelling construction costs are estimated to be **\$776.3 million**.

According to Northeast Business Park development proposal, a number of different dwelling types will be constructed. The development will feature;

- 85 attached marina villa dwellings;
- 927 attached apartment dwellings;
- 120 attached resort rooms;
- 203 detached golf course frontage dwellings;
- 987 detached dry lots; and
- 82 detached golf villas;

Quantity Surveying sources, in particular the Rawlinsons Australian Construction Handbook 2007, has been used to provide an estimate of the construction costs of the new dwelling structures in the North East Business Park project. It has been assumed that the construction will be consistent with styles referred to in the Rawlinsons Handbook. Marina villas are assumed to be of premium standard, in a multi-unit high density construction, including a balcony at a construction cost of \$2,400/m². Apartment dwellings are assumed to be of medium standard in a multi unit high density construction, including a balcony at a construction cost of \$1,750/m². Resort rooms are assumed to be of an international high quality standard at a construction cost of \$3,200/m². Golf course frontage dwellings are assumed to be of size 250m², high standard brick veneer with two bathrooms at a construction cost of \$1,950/m², while dry lots are assumed to be of size 225m², medium standard brick veneer with two bathrooms at a construction cost of \$1,450/m². Golf villas are assumed to be of medium standard in a multi unit low density, at a size of 240m², with construction at a cost of \$1,500/m².

We have estimated the average area in terms of a square metre estimate of the typical dwelling size according to our investigations into contemporary building designs in the current marketplace. We have adjusted these estimates to reflect the difference in the lot sizes for the different categories of residential lots offered by the Northeast Business Park project.

By this method the construction cost of the residences in the Northeast Business Park project is estimated at **\$776.3 million** as shown in the following table.

Economic Benefit Assessment Table 2.1.1
Attached and Detached Dwellings

Lot Type	No of Lots ⁷	No of Dwellings ⁸	Avg Lot Size ⁹ (m ²)	Area of dwelling ¹⁰ (m ²)	Cost of Construction (\$) ¹¹	Total Cost (\$ Millions)	
Marina Villas ¹	85	0	85	350	240	576,900	49.0
Apartments ²	927	0	927	150	150	263,150	243.9
Resort (rooms) ³	120	0	120	108	108	219,400	26.3
Golf Frontage ⁴	203	0	203	800	250	493,000	100.1
Dry Lots ⁵	987	0	987	612	225	331,750	327.4
Golf Villa ⁶	82	0	82	525	240	360,000	29.5
Total		2,404					776.3

1. Premium Standard finish, including balcony

2. Medium Standard finish, including balcony

3. Premium Standard finish - premium quality (as provided by Northeast Business Park Pty Ltd)

4 High Standard Finish, Brick Veneer

5 Medium Standard Finish

6Medium Standard Finish

7. Provided by Northeast Business Park Pty Ltd

8. It is assumed one dwelling per lot for all non multi-unit dwellings. Attached numbers as determined by Urbis. Detached as provided by Northeast Business Park Pty Ltd

9. Based on information provided by Northeast Business Park Pty Ltd

10 Based on information provided by Northeast Business Park Pty Ltd and standards provided by Rawlinsons Construction Handbook 2007

11. Based on Rawlinsons Australian Construction Handbook, 2007

Source : Rawlinsons Australian Construction Handbook 2007, Northeast Business Park Pty Ltd; Urbis

2.1.2 Business Park Warehouses/offices

The Northeast Business Park provides an opportunity to make progress towards the establishment of a self contained employment base in the Caboolture Shire. The dominant contribution towards this objective will be made from employment derived from the businesses located in the Business Park component.

Warehouse and office construction costs are estimated to be **\$902.9 million.**

The following table displays the breakdown of the estimates. Costs were derived on the basis of the application of Rawlinson's to estimates of the gross floor area. Local retail is assumed to consist of neighbourhood shops of standard shell construction including shop-fronts and plasterboard ceilings. All construction aspects area assumed to have plot ratios of 0.5 except bulky goods which has applied a plot ratio of 0.7. The commercial business aspect is assumed to consist of two storey buildings with standard finishes, while the marine aspect is assumed to include factories and/or warehouses of large span heavy industry with metal roof structures and pre-cast concrete walls. Small and medium lots are assumed to be high bay warehouses with external brick walls, while large, super lots and bulky goods are assumed to be large span factories with offices and showrooms, including standard finishes and brick external walls. Marine Industry is assumed to be heavy industry with pre-cast external walls.

**Economic Benefit Assessment
Industrial Business Park**

Table 2.1.2

Construction	Average GFA per Lot (M ²)	Average Lot size (M ²)	No of Lots	Total Cost (\$ millions)	Cost per Lot (\$ millions)
Business Park Infrastructure ¹				78.1	n.a
Small Lots ^{2,3}	1,250	2,500	133	123.4	0.93
Medium Lots ^{2,4}	2,500	5,000	51	94.7	1.86
Large ⁵	7,500	15,000	23	151.8	6.60
Super Lots ⁶	25,000	50,000	3	104.6	34.88
Car Parks ⁷			492	19.7	0.04
Bulky Goods ⁸	22,167	31,667	3	96.4	32.14
Car Park ⁹			436	17.4	0.04
Local retail ¹⁰	1,579	3,158	10	10.1	1.01
Commercial Business ¹¹	4,145	8,290	20	125.2	6.26
Marine Industry ¹²	3,948	7,895	25	81.4	3.26
Total¹⁰			268	902.9	

1. Includes earthworks, roads, sewerage, water, gas and other related factors

2. Warehouse for small and medium lots assumed to include office for owner occupation. Construction consists of metal roof, roller shutters, and all services. Assumed plot ratio of 0.5 and site coverage of 0.5. This assumes a single level construction

3. Warehouse, highbay with external brick walls

4. Warehouse, highbay with external brick walls

5. Large span factory, portal framed, metal roof, sliding doors. Two storey offices and showrooms. Includes air conditioning and standard finishes. Brick External walls

6. Large span factory, portal framed, metal roof, sliding doors. Two storey offices and showrooms. Includes air conditioning and standard finishes. Brick External walls. Showrooms at ground floor

7. Single level underground car park. Estimated costs are \$42,000 per car park, assuming reinforced concrete construction. Number of car parks estimated at 1 car park for every 50.82m² of Gfa as determined by Rawlinsons.

8. Bulky goods assumed to be a single lot. Plot ratio of 0.7 is assumed. Single level construction including offices and showrooms. Two of the three blocks are assumed to be used for bulky goods, with 1 block left vacant.

9. Single level underground car park. Estimated costs are \$42,000 per car park as determined by Rawlinsons, assuming reinforced concrete construction.

10. Total number of lots excludes count of car park spaces, commercial business and marine industry

11. Neighbourhood shops - standard shell construction including shop-fronts, plasterboard ceilings, electrical service to board. Plot ratio of 0.5 assumed.

12. Two storey buildings with standard finishes, floor finishes and air conditioning. Plot ratio of 0.5 assumed

13. Large span heavy industry including metal roof, sliding doors, precast concrete external walls. Includes all standard amenities. Plot ratio of 0.5 assumed.

Source : Rawlinsons Construction Handbook 2007, Urbis

2.1.3 Marina Precinct

The Marina Precinct incorporates a range of components including the Marina/Yacht Club, the Marina Village, marina wet and dry berths and a marina industrial precinct. Development of the Marina Precinct reflects demand which has been established in other investigations. These studies have concluded that while the Marina Precinct may have a manufacturing element, the major focus should be a consumer/retail precinct which features the components referred to above. This approach is considered to provide more jobs and economic benefits for Caboolture than manufacturing alone.

Construction costs of the Marina Precinct are estimated to be **\$114.2 million**.

The commercial aspect of the Marina Precinct is expected to include retail shops, restaurants, and office space. It is assumed that the retail aspect of the commercial centre will include some retail land use such as an IGA. In addition, it is assumed that the office space will be provided over three-storey buildings that will be fully serviced.

Estimated costs of the commercial centre are highlighted in the table below.

Economic Benefit Assessment		Table 2.1.3
Marina Precinct		
Construction	Cost (\$ millions)	Area (m²) (GFA where applicable)
Marina Precinct Infrastructure ⁴	42.1	
Marina/Yacht Club ²	1.7	800
Marina Village		
Local Retail Shops and Restaurants ³	20.0	5,000
Office Space ⁴	14.0	8,000
Tavern	4.5	1,800
Supermarket	1.6	1,200
Marina Berths ⁵	22.2	800 Berths
Marina Industrial Precinct		
Dry Boat Storage ⁶	1.9	4,000
Workshops ⁷	6.3	6,000
Total⁵	114.2	26,800

1. Includes earthworks, lock, reventment walls, boardwalk, roads, carparking, sewerage, landscaping and other factors

2. Marina club construction costs as provided by Northeast Business Park Pty Ltd

3. Local retail shops are assumed to be within a high standard suburban enclosed shopping mall. Calculated at \$4000/m²

4. Assumed three-storey fully serviced office space calculated at \$1750/m²

5. Assumes construction of 800 Marina Berths. Costs provided by Northeast Business Park Pty Ltd

6. Dry Boat Storage estimated at \$465.00 per m² over 4000m²

7. Heavy Use Workshop cost estimated at \$1050 per m² over 6000m². Includes all services, brick walls, metal roof.

Source : Rawlinsons Construction Handbook 2007, Northeast Business Park Pty Ltd, Urbis

2.1.4 Golf Course

Northeast Business Park Pty Ltd has indicated that the course will be of a high quality. It is anticipated to be of similar standard to the course quality of Pacific Harbour, North Lakes, the Pines and the Palms (at Sanctuary Cove) Golf Courses. The club house is also anticipated to be of a premium quality and is estimated to be 2500m² in GFA. The course will provide an opportunity for residents and visitors to enjoy a high quality recreation experience and will compliment the other proposed land uses of the Northeast Business Park and enhance the overall amenity the broader Caboolture region.

The Golf Course construction costs are estimated to be **\$28.6 million**

Golf Course construction costs were estimated on the basis that the course will be of championship quality, with the use of premium inputs. Estimated cost of construction for the clubhouse, as provided by Northeast Business Park is \$4.44 million. Note that construction costs do not include cost of land, parking areas, access roads, major earthworks or imported topsoil.

Construction costs for the golf course are displayed in the table below.

Economic Benefit Assessment		Table 2.1.4
Golf course Construction Costs		
Construction²	Cost (millions \$)	
Golf Course ¹	20.0	
Irrigation	1.9	
Course Landscaping	1.2	
Greenkeeping plant equipment, course furniture, maintenance compound	1.1	
Clubhouse ³	4.4	
Total	28.6	

1. Construction costs as provided by Northeast Business Park Pty Ltd
 2. All Construction costs mentioned are of premium quality. Golf course is expected to be of Championship quality
 3. Clubhouse is of size 2500 sq/m as estimated by Northeast Business Park Pty Ltd. Cost provided by Northeast Business Park Pty Ltd.

Source : Northeast Business Park Pty Ltd, Urbis

2.1.5 Contingency

A contingency figure of 10% of the total construction cost has been incorporated. This equates to \$209.31 million.

2.2 Property and Business Services Expenditure

Property and business services include fees and associated charges for consultancies and the commissions for land sales associated with the project. It is understood that the preliminaries and design item refers to the total amount for fees and charges associated with the project management and design work for the development. Research into Urbis data bases indicate that expenditure on property and business services during the development phase of the Northeast Business Park project is consistent with 4% of the total amount estimated for construction costs. This equates to **\$92.09 million**

2.3 Total Costs of Development Phase

The total cost of the development phase is the combination of \$2.1 billion for the construction costs and \$71.0 million for business services. This totals to \$2.3 billion.

2.4 Development Expenditure Multiplier Impacts

The development phase of this project is expected to directly generate **\$2.4 billion** of output of which **\$2.0 billion** is estimated to be incurred in the local region. This expenditure will have flow on value added multiplier benefits that are estimated in the following table.

Northeast Business Park							Table 2.4
Development phase expenditure impact (\$M), 2007 to 2025							
Sectors	Direct impact	Initial impact	Industrial support effects	Type 1	Consumption Induced Effects	Type 2	Total
Construction							
Cost	\$2,302.4						
Multiplier	1.000	0.430	0.290	0.720	0.320	1.040	2.040
Impact	\$2,302.4	\$990.0	\$667.7	\$1,657.7	\$736.8	\$2,394.5	\$4,696.8
Local Impact	\$1,957.0	\$841.5	\$567.5	\$1,409.0	\$626.2	\$2,035.3	\$3,992.3
Finance, Property and Business Services							
Cost	\$92.1						
Multiplier	1.000	0.410	0.420	0.830	0.400	1.230	2.230
Impact	\$92.1	\$37.8	\$38.7	\$76.4	\$36.8	\$113.3	\$205.4
Local Impact	\$59.9	\$24.5	\$25.1	\$49.7	\$23.9	\$73.6	\$133.5
Impact	\$2,394.5	\$1,027.8	\$706.4	\$1,734.1	\$773.6	\$2,507.7	\$4,902.2
Local Impact	\$2,016.9	\$866.1	\$592.7	\$1,458.7	\$650.2	\$2,108.9	\$4,125.8

Source : ABS; Urbis

The estimated **\$2.0 billion** (direct output) that will be spent locally during the development phase of this project is estimated to indirectly generate an additional \$2.1 billion of value added expenditure in the local area through flow on multiplier impacts. This amounts to a total output impact in the local region of \$4.1 billion during the development phase of the proposed project. This represents a substantial and valuable contribution to businesses within the local region.

2.5 Development Phase Employment Impacts

Throughout the development phase of the proposed project, which is estimated to last approximately 18 years, an estimated 17,570 employment years will be directly generated, of which 14,758 will be incurred locally. The construction sector will account for the considerable majority of these impacts (97%) while the finance, property and business services sector is expected to account for the balance. Assuming this development period to be correct for this project, this number of employment years would equate to 976 FTE jobs locally on an annualised basis.

It is expected that the proposed development will also indirectly generate 14,607 employment years locally through production and consumption induced impacts. This equates to 811 FTE jobs on an annualised basis. In total this represents an additional 29,366 employment years 1,631 FTE jobs on an annualised basis to the local region.

Northeast Business Park					
Development phase employment impacts (FTE years), 2007 to 2025					
Sectors	Initial impact	Industrial support effects	Type 1	Consumption induced effects	Type 2
Construction					
Multiplier	1.000	0.473	1.472	0.497	1.970
Impact ¹	17,031	8,061	25,075	8,471	33,546
Local Impact	14,477	6,852	21,313	7,200	28,514
Finance, Property and Business Services					
Multiplier	1.000	1.051	2.049	0.977	3.026
Impact ²	433	455	887	423	1,310
Local Impact	281	296	577	275	852
Impact	17,570	8,559	26,111	8,979	35,090
Local Impact	14,758	7,148	21,890	7,475	29,366

1. Impacts derived from expenditure estimate
2. Impacts derived from expenditure estimate
Source : ABS; Urbis

2.6 Government Fees and Charges

The total amount for Government fees and charges is a discrete element and is not included in the input-output assessment. As such it is considered as a stand alone benefit.

A range of taxes, fees and charges throughout the development phase are levied by the three tiers of government

2.6.1 Federal

GST is assumed to be incurred on all items identified and costed in the development phase. This includes those items referred to above in the construction expenditure section and the property and business services expenditure section. GST is therefore 10% of the combined total of construction of (\$2.1 **billion**) and property and business services expenditure (\$80.17 million) which is \$2.3 **billion**.. GST of the project is estimated to be \$230.2 **million**.

An estimate of income tax during the construction phase provided by Northeast Business Park Pty Ltd shows that **\$56.7 million** would be collected through this statutory measure.

2.6.2 State

Transfer duty (formally known as stamp duty) on the purchase of the property was calculated through the use of the "calculator" software application provided by the Queensland State Governments Office of State Revenue website. Transfer duty of the raw land is estimated to be \$1.4 million.

The following provides an estimate of the transfer duty for the residential components of the Northeast Business Park.

The transfer duty on the sales of the subdivided lots was determined through an investigation of comparable sales in the study area. This included desk top research, discussions with property professionals and site inspections with input from Northeast Business Park

After determining the selling prices for each type of lot, an estimate of the transfer duty was derived again through the use of the "calculator" software application. The following Table displays the results. The total transfer duty figure is \$13.1 million for the residential component.

Northeast Business Park **Table 2.6.2**
Transfer Duty Applicable to Sales of Subdivided Land

	Golf Frontage	Dry Lots	Golf Villas	Water Villas	Apartments¹ (Ha)	Total
Average lot size	800	612	525	350	n/a	
Selling Prices for Vacant Land ²	\$425,000	\$275,000	\$250,000	\$300,000	\$20,830,000	
<i>Transfer Duty Rates</i>						
No Concession Rate	\$13,350	\$8,100	\$7,225	\$10,725	\$930,000	
Number of Lots or area	203	987	82	85	20.83	
Sub Totals	\$2,710,050	\$7,994,700	\$592,450	\$911,625	\$930,000	
Total (\$ million)						\$13.1

1. Incorporates water villas, apartments, and resort complexes. Prices sourced from investigations into recent RP data sales reports

2 Sourced by investigations into the REIQ property sales data and comparable sales from Pacific Harbour, Northlakes and Brookwater.

Source : REIQ, Queensland Office of State Revenue; Urbis

For the total estimate of transfer duty, Northeast Business Park Pty Ltd provided an estimate of **\$60.4 million** which would be generated during construction phase of the Northeast Business Park.

Given the agricultural land use (primary production) of the 'pre-subdivision' period, no land tax figure is applicable.

2.6.3 Local

Northeast Business Park Pty Ltd instructed that rates payable during the development phase were of an insufficient level to be included in this study.

2.6.4 Total Government

The total government expenditure during the development phase is summarised in the table below

Northeast Business Park Development Phase		Table 2.6.4
Government Expenditure		
Component		Cost (\$ million)
Local Shire Council		
Rates, fees and charges		N/a
Queensland State Government		
Transfer duty		\$60.4
Land tax on raw land		N/a
Federal Government		
GST on all expenditure		\$230.2
Income tax		\$56.7
Total		\$347.3

Source: Urbis

It is estimated that Government expenditure will total to be \$347.3 million over the development period. On a per annum basis this equates to \$19.19 million.

In addition to total expenditure and value added benefits generated during the development of this project there will also be ongoing impacts produced during the operating life of the project.

3 Operating Phase

During the operating life of the proposed North East Business Park project there will be additional expenditure and value added benefits and employment impacts derived from the everyday activities within the development.

The residential, golf course, business park and marina components are each expected to provide benefits and impacts. Government revenue generated during this phase of the development is included but is not considered as a separate item.

3.1 Residential Expenditure Impacts

The residential component of the proposed development will generate direct and flow on impacts in a range of sectors as a result of the expenditure made by residents who occupy these dwellings.

A proportion of these will represent new households and thus new expenditure to the region. We have assumed that approximately 60% of these households will be new to the area. Using the ABS Household Expenditure Survey 2003-2004, adjusted for CPI to March 2007, an estimate for the annual expenditure of these new households can be derived. Based on the Third Income Quintile (Median), the weekly household expenditure on all items for persons in Queensland is estimated at \$949. This equates to annual household expenditure of \$49,350. It is likely that a proportion of this will escape from the region and to account for this we have estimated that 80% of this expenditure will be retained in the region (\$39,480). We can therefore estimate the new residential household expenditure to the region as a result of the proposed development as follows;

2,404 dwellings x 60% (new to the area) x \$39,480 (local region expenditure).

= \$56,945,543 (approximately \$56.9 million)

This would be a direct expenditure impact. There would also be indirect and induced (flow on) impacts to the local region resulting from this expenditure.

Operating output impacts associated with this component are based on the household expenditure of 2,404 households. The amount of household expenditure expected to be incurred in a range of sectors is presented in the following table.

Northeast Business Park **Table 3.1**
Total Residential Expenditure, 2007

Expenditure Group	Total Annual Expenditure
Current housing costs (selected dwelling)	9.23
Domestic fuel and power	1.20
Food and non-alcoholic beverages	9.91
Alcoholic beverages	1.42
Tobacco products	0.91
Clothing and footwear	1.48
Household furnishings and equipment	4.16
Household services and operation	3.87
Medical care and health expenses	2.73
Transport	10.53
Recreation	6.43
Personal care	0.91
Miscellaneous goods and services	4.10
Total goods and services expenditure	56.95

Source: ABS 2003-04 Household Expenditure Survey 2004. RBA CPI; Urbis

Once fully operational, the ongoing direct output associated with the residents who occupy the residential accommodation component and the resort accommodation is expected to generate \$56.95 million per annum (in constant 2007 dollar terms). Some of these operating expenses will be completely incurred locally while others will escape the region. These proportions have been determined according to the sector type, level of local service provision and size of the local centre and region.

Northeast Business Park Residential Component **Table 3.1(B)**
Proportion of total impact incurred in local region, 2007

Sectors of the economy	Output Impact	Employment Impact
Retail trade	50%	50%
Transport	50%	50%
Ownership of dwellings	80%	80%
Cultural and recreation services	50%	50%
Personal and other services	80%	80%
Finance, property and business services	80%	80%
Health Services	50%	50%
Textiles, clothing and footwear	50%	50%
Accommodation, cafes and restaurants	90%	90%
Petroleum and coal products	50%	50%

Source : ABS; Urbis

Northeast Business Park, Residential Component **Table 3.1(C)****Operating phase expenditure impacts (\$M)**

Sectors	Direct impact	Initial impact	Industrial support effects	Type 1	Consumption Induced Effects	Type 2	Total
Ownership of dwellings							
Multiplier	1.000	0.800	0.130	0.930	0.060	1.000	2.000
Impact	\$9.2	\$7.4	\$1.2	\$8.6	\$0.6	\$9.2	\$18.5
Local Impact	\$7.4	\$5.9	\$1.0	\$6.9	\$0.4	\$7.4	\$14.8
Finance, Property and Business Services							
Multiplier	1.000	0.410	0.420	0.830	0.400	1.230	2.230
Impact	\$3.9	\$1.6	\$1.6	\$3.2	\$1.5	\$4.8	\$8.6
Local Impact	\$3.1	\$1.3	\$1.3	\$2.6	\$1.2	\$3.8	\$6.9
Personal and other services							
Multiplier	1.000	0.730	0.140	0.870	0.560	1.420	2.420
Impact	\$5.0	\$3.7	\$0.7	\$4.4	\$2.8	\$7.1	\$12.1
Local Impact	\$4.0	\$2.9	\$0.6	\$3.5	\$2.2	\$5.7	\$9.7
Trade							
Multiplier	1.000	0.470	0.330	0.800	0.450	1.250	2.250
Impact	\$15.0	\$7.0	\$4.9	\$12.0	\$6.7	\$18.7	\$33.7
Local Impact	\$7.5	\$3.5	\$2.5	\$6.0	\$3.4	\$9.4	\$16.8
Accommodation, cafes and restaurants							
Multiplier	1.000	0.460	0.310	0.780	0.400	1.180	2.180
Impact	\$1.4	\$0.7	\$0.4	\$1.1	\$0.6	\$1.7	\$3.1
Local Impact	\$1.3	\$0.6	\$0.4	\$1.0	\$0.5	\$1.5	\$2.8
Road transport							
Multiplier	1.000	0.460	0.310	0.770	0.300	1.070	2.070
Impact	\$10.5	\$4.8	\$3.3	\$8.1	\$3.2	\$11.3	\$21.8
Local Impact	\$5.3	\$2.4	\$1.6	\$4.1	\$1.6	\$5.6	\$10.9
Health Services							
Multiplier	1.000	0.860	0.080	0.940	0.680	1.620	2.620
Impact	\$2.7	\$2.4	\$0.2	\$2.6	\$1.9	\$4.4	\$7.2
Local Impact	\$1.4	\$1.2	\$0.1	\$1.3	\$0.9	\$2.2	\$3.6
Textiles, clothing and footwear							
Multiplier	1.000	0.320	0.300	0.630	0.340	0.970	1.970
Impact	\$1.5	\$0.5	\$0.4	\$0.9	\$0.5	\$1.4	\$2.9
Local Impact	\$0.7	\$0.2	\$0.2	\$0.5	\$0.3	\$0.7	\$1.5
Petroleum and coal products							
Multiplier	1.000	0.210	0.170	0.380	0.170	0.550	1.550
Impact	\$1.2	\$0.3	\$0.2	\$0.5	\$0.2	\$0.7	\$1.9
Local Impact	\$0.6	\$0.1	\$0.1	\$0.2	\$0.1	\$0.3	\$0.9
Cultural and recreational services							
Multiplier	1.000	0.450	0.310	0.760	0.350	1.110	2.110
Impact	\$6.4	\$2.9	\$2.0	\$4.9	\$2.3	\$7.1	\$13.6
Local Impact	\$3.2	\$1.4	\$1.0	\$2.4	\$1.1	\$3.6	\$6.8
Impact	\$56.9	\$31.1	\$15.0	\$46.2	\$20.2	\$66.4	\$123.3
Local Impact	\$34.4	\$19.6	\$8.8	\$28.4	\$11.8	\$40.2	\$74.7

Source : ABS; Urbis

Of this \$56.9 million which will be generated annually on an ongoing basis, an estimated \$34.4 million will be incurred locally. It is also expected to indirectly generate an additional \$40.2 million per annum in local value added expenditure through multiplier impacts.

In total, this represents \$74.7 million per annum in expenditure and value added benefits to the local area throughout the operating phase.

3.2 Residential Employment Impacts

The operational phase of the proposed project is expected to generate a number of jobs across a range of sectors on an ongoing basis. The following table presents the employment impact generated from the residential expenditure.

Northeast Business Park, Residential Component					Table 3.2
Operating phase employment impacts					
Sectors	Initial impact	Industrial support effects	Type 1	Consumption Induced Effects	Type 2
Ownership of dwellings					
Multiplier	1.000	-	-	-	-
Impact	0.0	0.0	0.0	0.0	0.0
Local Impact	0.0	0.0	0.0	0.0	0.0
Finance, Property and Business Services					
Multiplier	1.000	1.051	2.049	0.977	3.026
Impact	18.2	19.1	37.3	17.8	55.1
Local Impact	14.6	15.3	29.9	14.2	44.1
Personal and other services					
Multiplier	1.000	0.136	1.136	0.508	1.644
Impact	62.7	8.5	71.2	31.8	103.1
Local Impact	50.2	6.8	57.0	25.5	82.4
Trade					
Multiplier	1.000	0.426	1.427	0.555	1.982
Impact	138.5	59.0	197.7	76.9	274.6
Local Impact	69.3	29.5	98.8	38.5	137.3
Accommodation, cafes and restaurants					
Multiplier	1.000	0.486	1.486	0.547	2.034
Impact	127.0	61.8	188.7	69.5	258.2
Local Impact	114.3	55.6	169.9	62.5	232.4
Road transport					
Multiplier	1.000	0.653	1.651	0.564	2.215
Impact	508.0	331.6	838.9	286.5	1125.4
Local Impact	254.0	165.8	419.5	143.3	562.7
Health Services					
Multiplier	1.000	0.078	1.078	0.572	1.650
Impact	656.6	51.1	707.7	375.5	1083.1
Local Impact	328.3	25.5	353.8	187.7	541.6
Textiles, clothing and footwear					
Multiplier	1.000	0.577	1.567	0.518	2.085
Impact	107.7	62.1	168.7	55.8	224.5
Local Impact	53.8	31.1	84.3	27.9	112.2
Petroleum and coal products					
Multiplier	1.000	0.892	1.892	0.984	2.876
Impact	5.7	5.1	10.9	5.7	16.5
Local Impact	2.9	2.6	5.4	2.8	8.3
Cultural and recreational services					
Multiplier	1.000	0.689	1.689	0.778	2.467
Impact	22.7	15.7	38.4	17.7	56.1
Local Impact	11.4	7.8	19.2	8.8	28.1
Impact	1647	614	2260	937	3197
Local Impact	899	340	1238	511	1749

Source : ABS; Urbis

On an ongoing basis, the project is anticipated to directly generate 1,647 FTE jobs, of which, 899 will be generated locally. The sectors of the economy expected to contribute most to the generation of local employment included Road Transport (508 FTE jobs) and Health services (657 FTE jobs). The proposed development is estimated to indirectly generate 851 FTE jobs through production and consumption impacts. In total, this represents an additional 1,749 FTE jobs for the local area.

3.3 Marina Expenditure Impacts

The proposed Marina Precinct will comprise of a number of components including commercial, retail, industry and marina berths. It is expected that the precinct will generate direct and flow on impacts in two sectors as a result of marina expenditure.

The operating output impacts associated with this component are based on the expenditure that is expected to occur owing to the marina's existence. The amount of expenditure expected to be incurred in a range of sectors is contained in the following table below.

Commercial and Retail sectors were defined to include the Marina/Yacht Club, Marina Village and Resort Rooms. Expenditure was calculated through an analysis of the operational aspects examined in previous reports. It is reasonable to assume that 90% of the total turnover amount for 'Mixed Use Commercial' calculated by Pacific Southwest can be considered direct expenditure in the Marina Commercial/Retail Sector. Similarly, expenditure for Marina Berths was calculated using the same approach yet applied to the 'Site Management' figures estimated by Pacific Southwest. Marina Industry was calculated using the ABS Manufacturing Industry Performance by ANZSIC 2004-05. The total expenditure per Full Time Equivalent (FTE) within the appropriate ANZSIC industry was calculated, and then grossed up to 2006-07 equivalents using the CPI. This was then applied to the Gross Floor Area (GFA) of the Marina Workshops to estimate total expenditure.

Northeast Business Park		Table 3.3
Total Marina Expenditure, 2007		
Marina Component	Expenditure (\$ M)	
Commercial/Retail ¹	37.2	
Marina/Yacht Club		
Marina Village		
Hotel Retail		
Berths ²	5.5	
Marina Berths		
Dry Boat/Berth Storage		
Marina Industry ³	11.9	
Marina Workshops		
Total	54.6	

1. Estimated as 90% of the estimated turnover for mixed use commercial as reported by Pacific Southwest

2. Estimated as 90% of the estimated turnover for site management of wet and dry berths as reported by Pacific Southwest

3. Estimated by determining the dollar amount per FTE for the provided GFA.

Source: ABS Cat No 8221, Pacific Southwest; Urbis

Once fully operational, the ongoing direct expenditure associated with the marina component of the development will amount to \$54.6 million per annum (in constant 2007 dollar terms). For the purpose of the multiplier analysis, the commercial/retail and berths aspect of the precinct are considered to be in the category of trade, while marina industry/workshops is considered in the category of Machinery, appliances and equipment.

Some of these operating costs will be completely incurred locally while others will escape the region. The proportion of the operating expenditure impacts that will be incurred in the local region varies according to the sector type, level of local service provision and size of the local centre and region. It is assumed that approximately 75% of expenditure incurred in the trade sector will be made locally, while approximately 60% of expenditure in machinery, appliances and equipment will be local.

Northeast Business Park Marina Component		Table 3.3(B)
Proportion of total impact incurred in local region, 2007		
Sectors of the economy	Value added	Employment Impact
Trade	60%	60%
Machinery, appliances and equipment	75%	75%

Source : ABS; Urbis

Northeast Business Park, Marina Component							Table 3.3(C)
Operating phase expenditure impacts (\$M)							
Sectors	Direct impact	Initial impact	Industrial support effects	Type 1	Consumption Induced Effects	Type 2	Total
Machinery, appliances and equipment							
Multiplier	1.000	0.370	0.190	0.560	0.350	0.920	1.920
Impact	\$11.9	\$4.4	\$2.3	\$6.7	\$4.2	\$10.9	\$22.8
Local Impact	\$8.9	\$3.3	\$1.7	\$5.0	\$3.1	\$8.2	\$17.1
Trade							
Multiplier	1.000	0.470	0.330	0.800	0.450	1.250	2.250
Impact	\$42.7	\$20.1	\$14.1	\$34.2	\$19.2	\$53.4	\$96.1
Local Impact	\$25.6	\$12.1	\$8.5	\$20.5	\$11.5	\$32.0	\$57.7
Impact	\$54.6	\$24.5	\$16.4	\$40.8	\$23.4	\$64.4	\$119.0
Local Impact	\$34.6	\$15.4	\$10.2	\$25.5	\$14.7	\$40.3	\$74.8

Source : ABS; Urbis

Total expenditure impacts including consumption and industrial indirect and flow-on affects, are expected to generate \$119 million, of which \$74.8 million will be induced locally. Direct local impact will be \$34.6 million.

3.4 Marina Employment Impacts

During the proposed marina's operational phase, it is expected that a number of jobs across two sectors, on an ongoing basis will be generated. The following table presents the impact in terms of employment generated from the marina expenditure during the operational phase.

Northeast Business Park, Residential Component					Table 3.4
Operating phase employment impacts (FTE years)					
Sectors	Initial impact	Industrial support effects	Type 1	Consumption Induced Effects	Type 2
Machinery, appliances and equipment					
Multiplier	1.000	0.393	1.395	0.635	2.028
Impact	89.7	35.3	125.1	56.9	181.9
Local Impact	67.3	26.5	93.8	42.7	136.4
Trade					
Multiplier	1.000	0.426	1.427	0.555	1.982
Impact	468.5	199.7	668.6	260.1	928.7
Local Impact	281.1	119.8	401.2	156.1	557.2
Impact	558	235	794	317	1111
Local Impact	348	146	495	199	694

Source : ABS; Urbis

On an ongoing basis, the marina component of the Northeast Business Park is anticipated to directly generate 558 FTE jobs, of which 348 FTE jobs will be generated locally. The proposed development is estimated to indirectly generate 1,111 FTE jobs through production and consumption induced impacts. In total, this represents an additional 346 FTE jobs for the local area. The total impact on the local area is estimated to be 694 FTE jobs.

3.5 Business Park Expenditure Impacts

The proposed Business Park is expected to consist of small, medium, large, and super size lots, as well as bulky goods, commercial, retail and marine industry related land uses. It is expected that the business park will generate direct and flow on impacts in four sectors.

The operating output impacts associated with this component are based on expenditure that is expected to occur owing to the business parks existence. The amount of the expenditure that is expected to be incurred in a range of sectors is contained in the following tables.

Northeast Business Park - Operational Phase Expenditure
Business Park Expenditure

Table 3.5

Construction	Total GFA	sq m per employee ¹	No. of employees	\$ per employee ²	Total Expenditure (\$ M)	Sector ³
Business Park Infrastructure						
Small Lots	166,250	116	1,433	241,633	346.31	Misc manufacturing
Medium Lots	127,500	116	1,099	241,633	265.59	Misc manufacturing
Large	172,500	116	1,487	241,633	359.32	Misc manufacturing
Super Lots	75,000	116	647	241,633	156.23	Misc manufacturing
Car Parks						
Bulky Goods	44,334	85	522	208,537	108.77	Trade
Car Park						
Local retail	15,791	38	416	243,270	101.09	Acom, café & rest
Commercial Business	82,902	24	3,454	286,317	989.00	Trade
Marine Industry	98,693	80	1,234	163,534	201.74	Machinery app, equip
Total	782,969		10,291		2,528.05	

1. Determined using Urbis's internal databases

2. Derived from ABS 2004-05 Industry classification by ANZSIC code Cat no.8155.00. Applied CPI growth to determine 2006-07 equivalents

3. Sector of classification determined using the ANZSIC Codes.

Source : ABS; Urbis

Once fully operational, the ongoing direct expenditure associated with the business park component of the development will amount to approximately \$2.53 billion per annum (in constant 2007 dollar terms). The number of employees per square metre for each of the different components of the business park was determined using Urbis' database. Expenses per employee were derived using the ABS Australian Industry by ANZIC Code 2004-05. This figure was then grossed up using CPI growth to determine the 2006-07 equivalents.

For the purpose of the multiplier analysis, the aspects of Small, Medium, Large and Super lots are classified as Miscellaneous Manufacturing, as defined by the Australian Bureau of Statistics ANZIC Codes. Similarly, bulky goods and commercial business are considered Trade, whereas Local retail has been classified under Accommodation, cafes and restaurants.

Some of these operating costs will be completely incurred locally while others will escape the region. The proportions of the operating expenditure impacts that will be incurred in the local region varies according to sector type, level of local service provision and size of the local centre and region. An analysis of market research determined an appropriate local output impact of 50% and employment impact of 60% as shown in the following table.

Northeast Business Park Component **Table 3.5(B)**
Proportion of total impact incurred in local region, 2007

Sectors of the economy	Value added	Employment Impact
Miscellaneous manufacturing	50%	60%
Trade	50%	60%
Accommodation, cafes and restaurants	50%	60%
Machinery, appliances and equipment	50%	60%

Source : ABS; Urbis

The operational phase expenditure impact of the Business Park is presented below.

Northeast Business Park - Operational Phase Expenditure **Table 3.5 (c)**
Operating phase expenditure impacts (\$M)

Sectors	Direct impact	Initial impact	Industrial support effects	Type 1	Consumption Induced Effects	Type 2	Total
Miscellaneous manufacturing							
Multiplier	1.000	0.410	0.270	0.680	0.400	1.080	2.080
Impact	\$1,127.4	\$0.4	\$304.4	\$766.7	\$451.0	\$1,217.6	\$2,345.1
Local Impact	\$563.7	\$0.2	\$152.2	\$383.3	\$225.5	\$608.8	\$1,172.5
Trade							
Multiplier	1.000	0.470	0.330	0.800	0.450	1.250	2.250
Impact	\$1,097.8	\$516.0	\$362.3	\$878.2	\$494.0	\$1,372.2	\$2,470.0
Local Impact	\$548.9	\$258.0	\$181.1	\$439.1	\$247.0	\$686.1	\$1,235.0
Accommodation, cafes and restaurants							
Multiplier	1.000	0.460	0.310	0.780	0.400	1.180	2.180
Impact	\$101.1	\$46.5	\$31.3	\$78.9	\$40.4	\$119.3	\$220.4
Local Impact	\$50.5	\$23.3	\$15.7	\$39.4	\$20.2	\$59.6	\$110.2
Machinery Appliances and Equipment							
Multiplier	1.000	0.370	0.190	0.560	0.350	0.920	1.920
Impact	\$201.7	\$74.6	\$38.3	\$113.0	\$70.6	\$185.6	\$387.4
Local Impact	\$100.9	\$37.3	\$19.2	\$56.5	\$35.3	\$92.8	\$193.7
Impact	\$2,528	\$638	\$736	\$1,837	\$1,056	\$2,895	\$5,423
Local Impact	\$1,264	\$319	\$368	\$918	\$528	\$1,447	\$2,711

Source : ABS; Urbis

The business park is expected to directly generate \$2.53 billion annually on an ongoing basis, of which an estimated \$1.26 billion will be incurred locally. It is also expected to indirectly generate an additional \$1.45 billion per annum in local value added benefits through multiplier impacts. In total, the business park component represents \$2.71 billion in expenditure and value added benefits for the local area throughout the operating phase.

3.6 Business Park Employment Impacts

During the business parks operational phase, a number of jobs across the four sectors on an ongoing basis will be generated. The following table presents the impact in terms of employment generated from the business park expenditure during the operational phase.

Northeast Business Park - Operational Phase Employment							Table 3.6
Operating phase employment impacts (\$M)							
Sectors	Direct impact	Initial impact	Industrial support effects	Type 1	Consumption Induced Effects	Type 2	
Miscellaneous manufacturing							
Multiplier		1.000	0.388	1.387	0.496	1.883	
Impact	10,401.2	10,401.2	4,034.7	14,427.1	5,161.3	19,588.4	
Local Impact	6,240.7	6,240.7	2,420.8	8,656.3	3,096.8	11,753.0	
Trade							
Multiplier		1.000	0.426	1.427	0.555	1.982	
Impact	10,152.9	10,152.9	4,328.2	14,489.5	5,637.7	20,127.2	
Local Impact	6,091.7	6,091.7	2,596.9	8,693.7	3,382.6	12,076.3	
Accommodation, cafes and restaurants							
Multiplier		1.000	0.486	1.486	0.547	2.034	
Impact	840.2	840.2	408.8	1,249.0	459.6	1,708.6	
Local Impact	504.1	504.1	245.3	749.4	275.8	1,025.2	
Machinery Appliances and Equipment							
Multiplier		1.000	0.393	1.395	0.635	2.028	
Impact	1,283.0	1,283.0	504.8	1,789.3	814.2	2,601.9	
Local Impact	769.8	769.8	302.9	1,073.6	488.5	1,561.1	
Impact	22,677	22,677	9,276	31,955	12,073	44,026	
Local Impact	13,606	13,606	5,566	19,173	7,244	26,416	

Source : ABS; Urbis

The Business Park is estimated to directly generate 22,667 FTE of which, 13,606 FTE jobs will be generated locally. The proposed development is estimated to indirectly generate 12,810 FTE jobs through production and consumption induced impacts. In total, this represents an additional 26,416 FTE jobs for the local area.

3.7 Golf Course Expenditure Impacts

The proposed Northeast Business Park will also feature a high quality resort or private standard golf course. It is expected that there will be direct and flow on impacts in three sectors as a result of golf course/club expenditure.

The operating output impacts associated with this component are based on the expenditure that is expected to occur owing to the golf course/club existence. Expenditure was calculated through an analysis of the operational aspects examined in industry reports and adjusted for the positioning and expected standard of the proposed golf course/club at the Northeast Business Park. It is assumed that 90% of the total turnover amount for the PGA Australia’s national measure of revenue for a resort or private standard facility can be considered as direct expenditure. Some of these operating expenditures will be completely incurred locally while others will escape the region. These proportions have been determined according to the sector type, level and maturity of local services provision and size of the local centre and region. It is assumed that approximately 85% of all expenditure will be local in relation to the proposed golf course/club. It is noteworthy that the proposed golf course/club will be highly influential in attracting visitation to the Northeast Business Park.

Northeast Business Park Golf Course Component				Table 3.7
Operational Phase - Annual Northeast Business Park Golf Course/Club Expenditure				
Course	Total expenditure ¹	Administration ²	Food and beverage ³	Maintenance ⁴
		55%	20%	25%
Northeast Business Park	\$3,168,990	\$1,742,945	\$633,798	\$792,248

1. 2004-2005 national measure for the average revenue for course of private or resort standard inflated by cpi and adjusted by a factor of 90%.
 2-4. PGA Australia averages
 Source : PGA Australia; Urbis

Once fully operational, the ongoing direct expenditure associated with the golf course/club facility of the development will amount to approximately \$3.2 million per annum (in constant 2007 dollar terms). For the purpose of the multiplier analysis, administration is considered as being within the finance and business services sector, food and beverage is positioned within the accommodation, cafes, and restaurants category while maintenance is considered as part of the construction (non-residential) sector.

The table below displays the operating phase expenditure impacts attributable to the proposed golf course/club

Northeast Business Park, Golf Course/Club Component						Table 3.7 (B)	
Operating phase expenditure impacts (\$M)							
Sectors	Direct impact	Initial impact	Industrial support effects	Type 1	Consumption Induced Effects	Type 2	Total
Construction (Maintenance)							
Cost	\$0.8						
Multiplier	1.000	0.430	0.290	0.720	0.320	1.040	2.040
Impact	\$0.8	\$0.3	\$0.2	\$0.6	\$0.3	\$0.8	\$1.6
Local Impact	\$0.7	\$0.3	\$0.2	\$0.5	\$0.2	\$0.7	\$1.4
Finance, Property and Business Services							
Cost	\$1.7						
Multiplier	1.000	0.410	0.420	0.830	0.400	1.230	2.230
Impact	\$1.7	\$0.7	\$0.7	\$1.4	\$0.7	\$2.1	\$3.9
Local Impact	\$1.5	\$0.6	\$0.6	\$1.2	\$0.6	\$1.8	\$3.3
Accommodation, cafes and restaurants							
Cost	\$0.6						
Multiplier	1.000	0.460	0.310	0.780	0.400	1.180	2.180
Impact	\$0.6	\$0.3	\$0.2	\$0.5	\$0.3	\$0.7	\$1.4
Local Impact	\$0.5	\$0.2	\$0.2	\$0.4	\$0.2	\$0.6	\$1.2
Impact	\$3.2	\$1.3	\$1.2	\$2.5	\$1.2	\$3.7	\$6.9
Local Impact	\$2.7	\$1.1	\$1.0	\$2.1	\$1.0	\$3.2	\$5.9

Source : Urbis

The proposed golf course/club component of the development is expected to directly generate \$3.2 million annually on an ongoing basis, of which an estimated \$2.7 million will be incurred locally. It is also expected to indirectly generate an additional \$3.2 million per annum in local value added expenditure through multiplier impacts.

In total, the proposed golf course/club represents **\$5.9 million** in expenditure and value added benefits for the local area throughout the operating phase.

3.8 Golf Course Employment Impacts

Northeast Business Park, Golf Course/Club Component							Table 3.8
Operating phase employment impacts (FTE years)							
Sectors	Direct impact	Initial impact	Industrial support effects	Type 1	Consumption Induced Effects	Type 2	
Construction (Maintenance)							
Multiplier		1.000	0.473	1.472	0.497	1.970	
Impact	6	5.8	2.7	8.5	2.9	11.4	
Local Impact	5	4.6	2.2	6.8	2.3	9.1	
Finance, property and business services							
Multiplier		1.000	1.051	2.049	0.977	3.026	
Impact	8	7.8	8.2	16.0	7.6	23.6	
Local Impact	6	6.2	6.6	12.8	6.1	18.9	
Accommodation, cafes and restaurants							
Multiplier		1.000	0.486	1.486	0.547	2.034	
Impact	5	5.1	2.5	7.6	2.8	10.4	
Local Impact	4	4.1	2.0	6.1	2.2	8.3	
Impact	13	18.7	13.4	32.1	13.3	45.4	
Local Impact	10	15.0	10.7	25.7	10.6	36.3	

1. Impacts derived from expenditure estimate and zero employment impact for ownership of dwellings

Source : Urbis

On an ongoing basis, the proposed golf course/club of the Northeast Business Park is anticipated to directly generate 19 FTE jobs, of which 15 FTE jobs will be generated locally. This component of the development will indirectly generate 21 FTE jobs through production and consumption induced impacts. In total this represents an additional **36 FTE jobs** for the local area.

3.9 Government Administration

The total amount for Government fees and charges is a discrete element and is not included in the multiplier analysis. As such it is considered as a stand alone benefit.

A range of taxes, fees and charges throughout the operational phase will be levied by the three tiers of government.

3.9.1 Federal

GST is a significant Federal Government tax related to this project. Although a precise calculation of the GST is beyond the scope of this study we have estimated it to be \$264 million. Our estimate for GST in the operational phase is based on the key assumption that the GST will be levied on all expenditure on goods and services during the operational phase and that it will be levied at the rate of 10%. Total expenditure during this phase is estimated to be \$2.64 billion which comprises \$2.53 billion from Business Park expenditure, \$56.9 million from household expenditure, \$54.6 million from marina

expenditure and \$3.2 million from golf expenditure. Over a twenty year period this is estimated to be approximately \$5.28 billion.

An estimate of the income tax generated during the operational phase of the Northeast Business Park project is beyond the scope of this study.

3.9.2 State

We have assumed that during this phase, 10% of properties relating to both dwellings and Business Park will be resold on an annual basis. The transfer duty relating to dwellings and industry was determined through an estimation of the combined construction of properties and land costs. The Queensland Office of State Revenue's Transfer Duty 'Calculator' provided the transfer duty payable on each type of structure.

The following tables display the results.

Transfer Duty

Northeast Business Park Dwellings Transfer rates						Table 3.9.2
Lot	Avg Lot Size (m ²)	No. of Lots	Lot turnover ¹	Market Value (\$/lot)	Transfer Duty (\$/lot) ²	Total Transfer (\$ M)
Marina Villas	350	85	9	725,000	25,100	0.21
Apartments	150	927	93	275,000	8,100	0.75
Resort (rooms)	108	118	12	400,000	12,475	0.15
Penthouse, sub penthouse	216	2	0	1,000,000	37,475	
Golf Frontage	800	203	20	750,000	26,225	0.53
Dry Lots	612	987	99	450,000	14,225	1.40
Golf Villa	525	82	8	325,000	9,850	0.08
Total¹						3.13

¹ It is estimated that 10% of dwellings will be turned over (sold) per year, thus making them eligible to transfer rates

² Estimated using The Office of State Revenue QLD, Transfer Duty calculator.

Source : The Office of State Revenue; Urbis

Northeast Business Park **Table 3.9.2 (B)**
Business Park Transfer rates

Lot	Avg Lot Size (m ²)	No. of Lots	Lot turnover ¹	Market value (\$/m ²) ²	Market Value (\$/lot)	Transfer Duty (\$/lot) ³	Total Transfer (\$ M)
Small	2,500	133	13	2,000	5.00	217,475	2.89
Medium	5,000	51	5	2,000	10.00	442,475	2.26
Large	15,000	23	2	2,000	30.00	1,342,475	3.09
Super	50,000	3	0	2,000	100.00	4,492,475	1.35
Bulky Goods	31,666	3	0	1,750	55.42	2,486,375	0.75
Local Retail	3,000	10	1	3,700	11.10	491,975	0.49
Commercial Business	8,000	20	2	3,700	29.60	1,324,475	2.65
Marine Industry	7,000	25	3	1,750	12.25	543,725	1.36
Total¹							14.83

1. Estimated to be 10% of the total number of lots

2. Market value determined by Pacific SouthWest Report

3. Estimated using The Office of State Revenue QLD, Transfer Duty calculator.

Source : The Office of State Revenue; Urbis

Total transfer duty is estimated to be \$14.83 million per annum. Over a twenty year period (keeping constant 2007 dollar terms), this is estimated to be \$296.6 million.

Land Tax

It has been assumed that a mix of company and individuals will have land ownership rights for the Northeast Business Park development. Individual ownership is assumed for the detached residential aspects (golf frontage and dry lots), while company ownership is assumed for the rest of the residential, as well as Business Park related land uses. It should be noted that the State Government does not tax individual owners of land where the unimproved value is less than \$600,000. It is assumed that land tax will apply to 10% of all properties.

Land tax applying to dwellings is estimated to be approximately \$26,000. Land tax applying to the business park is estimated to be \$1.58 million. Total land tax per annum is estimated to be \$1.6 million. Over a twenty year period (keeping 2007 dollar terms) it is estimated to be \$32million.

Refer to Appendices for detailed table analysis of land tax calculations.

3.9.3 Local

The Local Council component of government administration includes rates, and charges. The charges include fees for services such as sewerage, cleansing and water.

An estimate for the annual rates, fees and charges for the development has been determined on the basis of Local Government rates, fees and charges for comparable projects. An amount of the order of \$7.5 million per annum is regarded as an appropriate estimate for the Northeast Business Park.

In total during the operating phase, it is estimated that the total amount for Government fees, taxes and charges is **\$8.0 million** on annual basis. Over a twenty year period in current 2007 dollar terms this equates to \$160 million.

In total during the operating phase, it is estimated that the total amount for Government fees, taxes and charges is **\$ 319 million** on annual basis. Over a twenty year period in current 2007 dollar terms this equates to \$ 6.38 Billion.

4 Strategic Regional Benefits

In addition to the quantifiable expenditure and employment benefits, the proposed Northeast Business Park will have other project benefits that are less tangible. These strategic regional benefits will flow largely as a result of the following points:

1. Expansion of the marine industry which is promoted by the Northeast Business Park's access to water and Moreton Bay; and
2. Transport/logistics and wholesaling business opportunities facilitated by the subject site's ideal location adjacent to the Bruce Highway.

The proposed development will also provide such benefits through its support of the economic objectives of the Caboolture Shire Council and the broader objectives of the Southeast Queensland Regional Plan. The Northeast Business Park will also represent an alignment with some of the key priorities of the State Government. The following sub-sections address the alignment of the Northeast Business Park with these strategies, objectives and priorities. It also addresses the significance of the residential component in the context of the overall of land uses proposed by the Northeast Business Park.

4.1 Caboolture Shire Council Economic Development

Currently the Caboolture Shire Council has developed an Economic Development Issue Plan (EDIP). The aim of this plan is to create an overall approach to facilitate economic growth through higher employment and growth industries across all sectors. The plan aims to facilitate employment growth and population density based around strategic themes. These themes include planning for land and infrastructure for industry and business development, measures to build businesses, enhance capacity and generate employment, and efforts to build Caboolture as a business centre of market influence.

In a broad sense, the development of the Northeast Business Park will align with all of the above themes. However, the strongest support is given by the following aspects:

- The Northeast Business Park will be a place to do business. This element will be strongly promoted by the industry / business park which will feature marina based industries, and a range of businesses with a large and diverse employment base. Examples of the type of business which may be attracted to the site include higher technology intensive industries, commercial showroom, and a cluster of innovative industries which would relate to the expanded marine industries;
- The proposed development will provide increased industrial and business park capacity. Building capacity is a key component of the Caboolture Shire Council's approach to business development. The opportunities provided by the Northeast Business Park are significant and the types of business which may be attracted are mentioned in the above point and will importantly assist to diversify the economic base of Caboolture and the region; and
- Growing industry development and trade through incubation and cluster. The potential for the development of a cluster of marine and associated industries at Northeast Business Park represents considerable benefits in terms of enhanced employment growth and training opportunities. There are also considerable benefits to be derived from developing a highly skilled workforce. For example, as the industrial base develops at Northeast Business Park, the opportunity is created to promote Caboolture as a hub of marine and ancillary industries which has the industrial expertise and skilled workforce to attract other market participants to the area.

The development of the employment lands at the Northeast Business Park will also assist the achievement of the Caboolture Shire Council Corporate Plan 2005-2009 which has a strategy for self containment. This strategy seeks to achieve a target whereby over the next twenty years, 2 out of every 3 Caboolture workers live and work in Caboolture. To achieve this 20 year employment target, approximately 55,000 jobs will need to be created. This means that currently, there is a need for the order of approximately 30,000 jobs to be accommodated in the Caboolture Shire for this target to be achieved. The proposed Northeast Business Park is supportive of the achievement of this target.

Overall, Northeast Business Park delivers an opportunity to be an economic node for employment generating uses. The proposed Industry / Business Park, marina and marine precinct provides the opportunity for a regional business service centre, regional service sector employment, marine industry cluster facilitation and industrial land / facilitation that has been identified by Caboolture Shire Council. It is in addition a place where people can reside and participate in a range of recreational pursuits.

4.2 Queensland Government's Key Priorities

The Northeast Business Park will be aligned with a range of the State Governments key priorities. These include the following;

Growing a diverse economy and creating jobs:

- The opportunities to diversify the local and State economy and create jobs through the development of the Northeast Business Park have been highlighted throughout this report. The business / industry park component in ca be considered as employment lands which will deliver significant job opportunities for the region.

The realisation of the smart state through education, skills and innovation:

- There will be significant skills acquisition opportunities available in all aspects of the Northeast Business Park. Both in the development phase and the ongoing, operational stage of the project.

Managing urban growth and building Queensland's regions:

- Northeast Business Park will support Queensland's regions through supporting statewide infrastructure development and regional job creation. It will also assist by building on the strengths of Queensland's diverse regions.

Protecting the environment for a sustainable future:

- Northeast Business Park will assist in this key priority by protecting some of Queensland's environmental and heritage assets located on site. It will also promote sustainable development through responsible use of the State's natural resources.

Growing a diverse economy and creating jobs:

- The Northeast Business Park will create considerable numbers of additional job opportunities and assist to break the unemployment cycle and maintain unemployment at low rates.

4.3 South East Queensland Regional Plan

The South East Queensland (SEQ) region is Australia's fastest-growing region, attracting on average 55,000 new residents each year over the past two decades. The region is also experiencing rapid employment growth and is emerging as a significant economic hub with national and international recognition. The South East Queensland Regional Plan was established to manage this growth and associated change in the most sustainable way and to protect and enhance the quality of life in the region.

The primary purpose of the Regional Plan is to provide a sustainable growth management strategy for SEQ to the year 2026. This strategy encompasses:

- determining appropriate developable land to meet future population growth;
- providing timely and cost-effective infrastructure and services;
- establishing sound urban development principles that support a compact, well serviced and efficient urban form;
- protecting and enhancing the region's natural environment, biodiversity and natural resources;

- maintaining and enhancing the quality of life for the existing and future communities; and
- supporting a viable and diverse economy with well-located employment opportunities and economic activity centres.

To achieve the vision and the desired outcomes for the region, the South East Queensland Regional Plan proposes to manage growth and change through appropriate policies and the timely provision of infrastructure and employment.

4.3.1 Northeast Business Park and the Regional Plans' Strategic Directions

The development of the Northeast Business Park is consistent with some of the key strategic directions that the Southeast Queensland Regional Plan incorporates to manage growth in South East Queensland. These include the following:

Creating a more sustainable future

A key objective underpinning the Regional Plan is to ensure future growth and change is managed in the most sustainable way possible.

The Regional Plan aims to protect biodiversity, contain urban development, build and maintain community identity, make travel more efficient, and support a prosperous economy. At the same time, the Regional Plan proposes that communities be built and managed using the most up-to-date and effective measures to conserve water and energy and for the design and siting of buildings to take advantage of the subtropical climate.

Identifying land to accommodate future growth

The Regional Plan identifies sufficient land to accommodate a projected population of between 3.5 and 4 million people by 2026. Urban growth areas are choice, assist housing affordability and strengthen regional identity. Additional land has been identified for employment and economic development.

Promoting land use efficiency

The Regional Plan requires a more efficient use of urban land by redeveloping older and under-utilised areas which are suitable and ready for renewal, by setting targets for infill development across the region, and by improving yields and choice in new areas.

Enhancing the identity of regional communities

Emphasis is placed on building strong and well-serviced communities, with distinct local character and identity. Growing urban areas will be contained and framed by the Regional Landscape and Rural Production Area to preserve key inter-urban breaks; defining the extent and character of regional communities. These inter-urban breaks range in scale from a separation of the Brisbane metropolitan area and the Gold and Sunshine Coasts, to smaller inter-urban breaks defining local settlements. The preferred structure also encourages consolidating growth within and immediately adjacent to rural townships.

Providing infrastructure and services

Infrastructure required to support the future development of the region is identified in order to manage future growth patterns and inform the implementation and review of the Infrastructure Plan. Water and energy use will be a key focus of attention across the region; to reduce consumption, manage demand and increase the use of renewable resources in the interests of a more sustainable region.

Integrating land use, transport and economic activity

Community needs, quality of life and economic development opportunities can be enhanced by easy access to a good transport system. Future land use and transport will be planned and delivered to integrate and focus future urban growth around transport. Transport infrastructure and service investment across all transport modes will lead and support the desired future urban form.

Attention will be given to the form and density of development around transport infrastructure to improve the relationship between land use and transport and to increase the overall efficiency of existing and proposed investment in transport infrastructure.

4.3.2 Northeast Business Park and the Regional Plans' Desired Outcomes

The development of the Northeast Business Park is also consistent with some of the key desired outcomes that the Southeast Queensland Regional Plan incorporates to manage growth in South East Queensland.

Economic development

The desired regional outcome regarding economic development seeks “a strong, resilient and diversified economy - growing prosperity in the region by utilising its competitive advantages to deliver exports, investment, and sustainable and accessible jobs”.

The Regional Plan notes that the regional economy is overwhelmingly a services economy. There are variations in employment and economic activity throughout the region. To sustain living standards it is necessary to strengthen and diversify the region's economy and raise productivity. Accordingly, the region's capacity to create jobs and support the preferred pattern of development requires specific sub-regional strategies and initiatives. These will focus attention on:

- encouraging skills to support industry and regional growth;
- developing a more outward looking, entrepreneurial culture including increased integration into the global economy;
- continuing to provide land for industry and economic activity that creates employment close to where people live;
- preserving the region's natural economic advantages; and
- diversifying the region's economic base.

The Northeast Business Park creates opportunities which will promote economic development through each of the above strategies.

Industry and business development

The principle of this outcome is to expand business activity, increase business competitiveness and encourage regional exports. The policies designed to deliver this outcome include:

- Raise business competitiveness by using the Queensland Government's export, business improvement, sectoral development, and education and skills programs;
- Facilitate private sector investment and reinvestment in the region's economy;
- Ensure a positive regulatory environment for business; and
- Target development of high value-added and knowledge-based industries.

The Northeast Business Park aligns well with these policies. Furthermore, Queensland has a range of priority sectors for the development of high value-added, knowledge-based jobs. These include marine as well as advanced manufacturing, aviation and aerospace, biotechnology, professional and business services, information and communications technology, food and agribusiness, tourism, marine, mining technologies and pharmaceuticals.

Tourism

According to the South east Queensland Regional Plan, South East Queensland is one of Australia's major destinations for domestic and international visitors. Tourism in South East Queensland provides a significant contribution to the economy. The major visitor market segments are seeking beach, marine and nature experiences.

Protecting the natural attractions and character of the region is important to help sustain tourism. The Regional Plan states that there are also opportunities to grow the regional tourism sector by building the convention and conference market.

The scale of the Marina and the components of the Marina Precinct including the proposed 4-5 star hotel with conference facilities at the Northeast Business Park will significantly add to the existing tourism industry opportunities in the study area. In addition, the resort standard golf course included as part of the development has the potential to operate as a golf node catering to a domestic and international golf market. This golf node is result of the Northeast Business Park's relatively close proximity to Pacific Harbour and North Lakes Golf courses. The Marina, Marina Precinct and Golf course will make a strong contribution to the creation of local and international tourism industry opportunities. Such an opportunity is unlikely to exist without the Northeast Business Park.

Smart State - innovation, skills and technology

The principle regarding this desired outcome is to foster innovation and develop skills and technological capabilities in the region to support existing and future industries.

The policies designed to deliver this outcome include;

- Develop an accessible range of regional education and training infrastructure and programs that encourage workforce participation, respond to specific regional industry needs, and support skills development in the workforce and broader community; and
- Support existing and emerging clusters of science, innovation, and research and development.

Northeast Business Park has the potential to support these policies and achieve the desired Smart State outcome through its business / industry park land uses and in particular through the opportunities relating to the marine industries cluster. Opportunities also exist for innovation, skills and technology enhancements in the retail and commercial land use components.

Smart state

The Queensland Government's *Smart State Strategy 2005-2015* promotes the use of knowledge, creativity and innovation to drive economic growth and increase prosperity for a better quality of life.

The strategy details investment under two main themes: innovation and building a sustainable society.

Initiatives to encourage innovation include:

- allocating funding on a competitive basis to stimulate research and development, commercialisation and technology diffusion through programs such as the Innovation Building Fund, Innovation Projects Fund, and Innovation Skills Fund;
- supporting priority industry sectors and building export capability; and
- building strategic alliances and networks such as those established through the *International Collaborations Program*.

Northeast Business Park represents an opportunity to encourage innovation and promote export capability whilst enhancing strategic business alliances and networks.

Total water cycle management

The principle underpinning this desired outcome is to acknowledge water as a valuable and finite regional resource and manage it on a total water cycle basis.

The policies to promote this outcome include the following:

- Base water planning in SEQ on the principles of total water cycle management.
- Encourage and support local government and other water providers to adopt principles of total water cycle management, minimise water use and water losses, and meet water consumption targets.

- Use best practice standards for the planning, design and operation of sewage and wastewater collection, transport, treatment, disposal and reuse.
- Achieve appropriate flood immunity and minimise downstream impacts by managing development within floodplains.

The Northeast Business Park has an approach to total water cycle management which recognises the finite limit to the region's water resources, and the inter-relationships between the uses of water and its role in the natural environment.

The main principles of the Northeast Business Parks total water cycle management which are consistent with this desired outcome include:

- The consideration of all water sources, including wastewater and stormwater; and
- integrating water use and natural water processes, including maintaining environmental flows and water quality.

Environmental values and water quality

The principle underlying this outcome is to protect and enhance the ecological health and water quality of surface and groundwater, including regional waterways, wetlands, estuaries and Moreton Bay

The key policies to achieve this desired outcome include;

- Protect or improve the quality of receiving waters through land use planning, development standards and land management practices;
- Evaluate and communicate the health of waterways through regular monitoring of regional ecosystems;
- Ensure the potential impacts of development on water quality in receiving waters are taken into account in planning and development decisions; and
- Minimise development impacts on the natural water cycle by adopting water sensitive design and water quality standards.

The Northeast Business Park proponents have indicated that they are undertaking measures in the planning and development stages of this project to protect and enhance the health and water quality of surface and groundwater, estuaries and Moreton Bay.

Employment and economic activity areas

The principle concerning this desired outcome is to maximise job creation and employment diversity in centres of economic activity, including regional activity centres, major industrial areas, mixed-use developments and knowledge precincts.

The policies to support this outcome include;

- Provide for employment opportunities in the planning and development of all major new urban development areas;
- Encourage employment growth in regional activity centres and economic activity locations; and
- Identify, promote and support new business and industry initiatives in rural centres, building on local strengths and opportunities.

As a large scale, mixed use development, the Northeast Business Park will provide considerable economic support to the Caboolture/Morayfield Principal Activity centre and will significantly contribute to employment diversity.

4.4 Residential Demand

Whilst this study has not incorporated a residential demand assessment in respect of the overall demand and supply of dwellings in the Caboolture Shire, it has assessed the demand for attached dwellings at the proposed development and can provide some important insights into the role the Northeast Business Park development can play in the provision of a range of key services to the Caboolture region, and specifically the provision of quality residential dwellings.

The South East Queensland Regional Plan identified a target of 15,000 new dwellings for Caboolture Shire by 2016 of which 3,000 should be infill dwellings. It identified an overall target of 26,400 new dwellings by 2026 comprising 6,000 infill dwellings. The estimated current supply of urban land in Caboolture Shire is in the order of 1,540 hectares to 2014 with a further 152 hectares identified beyond that (PIFU Broadhectare Study, 2004). Based on historical dwelling development densities for urban land (7.2 dwellings per hectare) this allows for the provision of 11,010 dwellings to 2014 and a further 1,100 beyond that. If higher dwelling density rates of 12 dwellings per hectare are used these estimates equate to 18,480 dwellings to 2014 and 1,820 dwellings beyond that. It is important to note that the Broadhectare land supply estimates incorporate land identified for multi-unit (infill) development as well as land for Greenfield development.

Recent analysis of new dwelling approval statistics in Caboolture Shire indicates that in the order of 4,755 dwellings have been approved for development in the three years since June 2004. This comprises 3,637 Detached dwellings and 1,118 Other dwellings (primarily attached dwellings).

New Dwelling Approvals Caboolture, 2003/04-2006/07

Year	Houses	Other	Total
03/04	1,977	256	2,233
04/05	1,318	373	1,691
05/06	879	432	1,311
06/07	<u>1,440</u>	<u>313</u>	<u>1,753</u>
Total	5,614	1,374	6,988

Source : Building Activity ABS; Urbis

The critical point is that if the current development rates and trends were to continue, Caboolture would run out of urban land between 2012 and 2017 depending on the efficiency of land development (ie 7.2 dwellings per hectare up to 12 dwellings per hectare). It is noted that the Shire has in the order of 3,724 hectares of low density residential land with no specific timeframe for development. Whilst it would be expected that a certain proportion of this land could be developed as urban land, it is not possible to determine this without undertaking appropriate planning, environmental, and engineering investigations.

Development Scenarios	Urban Land Supply	Current Development rate (1,585/yr)	Years of Land Supply	Urban Land Exhaustion Date
Trend (7.2 dw/ha)	12,110 dwellings	1,585 dwellings per annum	7.6 years	2012
Target (12 dw/ha)	20,300 dwellings	1,585 dwellings per annum	12.8 years	2017

Source: PIFU Broadhectare Study, 2004; Urbis

The ability for the Northeast Business Park project to generate significant jobs for the region has been highlighted in this report. With jobs comes the requirement for housing and a key strength of the proposed development is its ability to offer residential accommodation in proximity to jobs and recreational and social facilities. If this is limited then this will place pressure on housing in the vicinity of the development and potentially result in upward pressure on house prices.

The proposed mix of detached and attached dwellings for this project is important to the overall mix of land uses in the integrated development. It is noted that some of the residential component of the proposed development is not currently included in the SEQ Regional Plan Urban Footprint. It is essential for the overall success of the proposed development and to underpin the future supply of urban residential land in Caboolture Shire that this land is included in the next revision of the SEQ Regional Plan to ensure the correct balance of land uses is achieved in the proposed development and in the local area.

In, summary the key benefits generated by the development include:

- The Northeast Business Park will engage a local and regional workforce through the supply of alternative employment opportunities which currently are under-represented or absent in the region and generate flow-on employment to other industries;
- The development will create the opportunity to significantly enhance the regional employment skills base through the provision of alternative employment and training opportunities;
- The site represents a unique opportunity. A marina is a specialized use and requires a specialized site. The site being located on the Caboolture River provides this opportunity that can not be accommodated elsewhere in existing centres and precincts. The Northeast Business Parks marina would also be surrounded and supported by the proposed marine precinct and Industry/Business Park. Other recreational and residential land uses located elsewhere in the development will compliment the marina, marina precinct and Business Park components;
- The proposed development site represents an opportunity to establish a marine industry cluster for the northern corridor of greater Brisbane and Caboolture;
- The subject site is strategically located in the northern part of Southeast Queensland where there is a distinct lack of major Industry/Business Park infrastructure. The Northeast Business Park also represents the opportunity for people to reside in close proximity to their place of work or business.

Although beyond the scope of this study, some of the potential social benefits to the local community include the following:

The proposed Industry/Business Park, marine precinct and marina on the subject site will enhance local resident's way of life and will create local and regional employment node through the construction phase and ongoing operation of businesses that locate to the site; and

The proposed marina on the site and supporting amenities and facilities will enhance community interaction and cohesion as the site provides the opportunity to create a marine based hub for businesses and local and regional recreation opportunity for residents and tourists.

As an integrated mixed use development the Northeast Business Park development will provide quality jobs, homes, and social facilities for local residents and visitors to the Caboolture region. It represents an opportunity to become the social, recreational, and entertainment node for Caboolture. In so doing it will enhance the image of Caboolture and self esteem of its residents.

5 Conclusion

The proposed Northeast Business Park provides a range of benefits. Many of these are quantifiable whilst important unquantifiable benefits will also result from the project. The following section highlights the key benefits arising from the project.

5.1 Summary of Benefits

The key benefits of the proposed development are presented in the following table below

5.1.1 Expenditure benefits:

An estimated **\$2.02 billion** (direct output) that will be spent locally during the development phase of this project is estimated to indirectly generate an additional **\$2.11 billion** of value added expenditure in the local area through flow on multiplier impacts. This amounts to a total output impact in the local region of **\$4.13 billion** during the development phase of the proposed project. This represents a substantial and valuable contribution to businesses within the local region.

In the operation phase, it is estimated that **\$56.9 million** will be generated annually on an ongoing basis through residential expenditure impacts, of which an estimated **\$34.4 million** will be incurred locally. It is also expected to indirectly generate an additional **\$40.2 million** per annum in local value added expenditure through multiplier impacts. In total, this represents **\$74.7 million** per annum in expenditure and value added benefits for the local area throughout the operating phase.

In the operation phase, it is estimated that **\$54.6 million** will be generated annually on an ongoing basis in the Marina, of which an estimated **\$34.6 million** will be incurred locally. It is also expected to indirectly generate an additional **\$40.3 million** per annum in local value added expenditure through multiplier impacts. In total, this represents **\$74.8 million** per annum in expenditure and value added benefits for the local area throughout the operating phase.

In the operation phase of the Golf Club/course, it is estimated that **\$3.2 million** will be generated annually on an ongoing basis, of which an estimated **\$2.7 million** will be incurred locally. It is also expected to indirectly generate an additional **\$3.2 million** per annum in local value added expenditure through multiplier impacts. In total, this represents **\$5.9 million** per annum in expenditure and value added benefits for the local area throughout the operating phase.

In the operation phase of the Business Park, it is estimated that **\$2.53 billion** will be generated annually on an ongoing basis, of which an estimated **\$1.26 billion** will be incurred locally. It is also expected to indirectly generate an additional **\$1.45 billion** per annum in local value added expenditure through multiplier impacts. In total, this represents **\$2.71 billion** per annum in expenditure and value added benefits for the local area throughout the operating phase.

5.1.2 Employment benefits:

Throughout the development phase of the proposed project, which is estimated to last approximately 18 years, an estimated 17,570 employment years will be directly generated, of which 14,758 will be incurred locally. The construction sector will account for the considerable majority of these impacts (97%) while the finance, property and business services sector is expected to account for the balance. Assuming this development period to be correct for this project, this number of employment years would equate to **820 FTE jobs** on an annualised basis.

It is expected that the proposed development will also indirectly generate 14,607 employment years locally through production and consumption induced impacts. This equates to 812 FTE jobs on an annualised basis. In total this represents an additional 29,366 employment years or **1,421 FTE jobs** on an annualised basis to the local region

On an ongoing basis, the residential component of the Northeast Business Park, the project is anticipated to directly generate 1,647 FTE jobs, of which, 899 FTE jobs will be generated locally. The sectors of the economy expected to contribute most to the generation of local employment included Road Transport (508 FTE jobs) and Health services (657 FTE jobs). The proposed development is estimated to indirectly generate 851 FTE jobs through production and consumption impacts. In total, this represents an additional **1,749 FTE jobs** for the local area.

On an ongoing basis, the marina component of the Northeast Business Park is anticipated to directly generate 558 FTE jobs, of which 348 FTE jobs will be generated locally. The proposed development is estimated to indirectly generate 1,111 FTE jobs through production and consumption induced impacts. In total, this represents an additional 346 FTE jobs for the local area. The total impact on the local area is estimated to be **694 FTE jobs**.

On an ongoing basis, the proposed golf course/club of the Northeast Business Park is anticipated to directly generate 19 FTE jobs, of which 15 FTE jobs will be generated locally. This component of the development will indirectly generate 21 FTE jobs through production and consumption induced impacts. In total this represents an additional **36 FTE jobs** for the local area.

The business park is estimated to directly generate **22,677 FTE**, of which 13,606 FTE jobs will be generated locally. The proposed development is estimated to indirectly generate 12,810 FTE jobs through production and consumption induced impacts. In total this represents an additional **26,416 FTE jobs** for the local area.

Government Administration benefits:

In the 18 year development phase, it is estimated that Government revenue generated by the project will be \$347.3 million.

In total during the operating phase, it is estimated that the total amount for Government fees, taxes and charges is **\$291.1 million** on annual basis. Over a twenty year period in current 2007 dollar terms this equates to \$5.82 billion.

The following table summaries these results.

**Summary of Benefits
Benefits, 2007**

	FTE jobs	Expenditure/ Value Added Million (\$)	Over 20 years Million (\$)
Economic Benefits	Annualised		
Development Phase			
- Direct	820	\$2,016.9	
- Indirect	812	\$2,108.9	
- Govt Revenue		\$347.3	
Operational Phase	Annually		
- Industry/Business Park Direct	13,606	\$1,264.0	\$25,280.5
- Industry/Business Park Indirect	12,809	\$1,447.4	\$28,947.5
- Residential Direct	899	\$34.4	\$688.9
- Residential Indirect	850	\$40.2	\$804.5
- Marina Precinct Direct	348	\$34.6	\$691.3
- Marina Precinct Indirect	345	\$40.3	\$805.2
- Golf Course Direct	15	\$2.7	\$53.9
- Golf Course Indirect	21	\$3.2	\$63.2
Total Operational Direct	14,868	\$1,335.7	\$26,714.6
Total Operational Indirect	14,026	\$1,531.0	\$30,620.3
- Govt Revenue		\$291.1	\$5,822.0
Total Operational (ex Gov)	28,894	\$2,866.7	\$57,334.9

Source : Urbis

Total operational benefits are 28,894 FTE jobs and \$2.9 billion in expenditure and value added benefits. Over a twenty year operational period, expenditure and value added benefits are estimated to be in the order of \$57.3 billion.

5.1.3 Strategic Regional Benefits

The proposed development would also have other strategic regional benefits which will flow largely as a result of the following factors regarding the development:

- The expansion of the marine industry which is promoted by the Northeast Business Park's access to water and Moreton Bay; and

- Transport/logistics and wholesaling business opportunities facilitated by the subject site's ideal location adjacent to the Bruce Highway.

These other benefits through are also derived through the developments alignment with the economic objectives of the Caboolture Shire Council and the broader objectives of the South East Queensland Regional Plan and the key priorities of the State Government

The Caboolture Shire Council has developed an Economic Development Issue Plan (EDIP). The aim of this plan is to create an overall approach to facilitate economic growth through higher employment and growth industries across all sectors. The plan aims to facilitate employment growth and population density based around strategic themes. These themes include planning for land and infrastructure for industry and business development, measures to build businesses, enhance capacity and generate employment, and efforts to build Caboolture as a business centre of market influence.

In a broad sense, the development of the Northeast Business Park will align with all of the above themes. However, the strongest support is given by the following aspects;

- The Northeast Business Park will be a place to do business;
- The proposed development will provide increased industrial and business park capacity; and
- The Northeast Business Park will grow industry development and trade through incubation and cluster.

The development of the employment lands at the Northeast Business Park will also assist the achievement of the Caboolture Shire Council Corporate Plan 2005-2009 which has a strategy for self containment. This strategy seeks to achieve a target whereby over the next twenty years, 2 out of every 3 Caboolture workers live and work in Caboolture. To achieve this 20 year employment target, approximately 55,000 jobs will need to be created. This means that currently, there is a need for the order of approximately 30,000 jobs to be accommodated in the Caboolture Shire for this target to be achieved. The proposed Northeast Business Park is supportive of the achievement of this target.

The Northeast Business Park will also align with some of Queensland State Governments' key priorities. These include the following;

- Growing a diverse economy and creating jobs;
- The realisation of the smart state through education, skills and innovation;
- Managing urban growth and building Queensland's regions;
- Protecting the environment for a sustainable future; and
- Growing a diverse economy and creating jobs.

The South East Queensland Regional Plan was established to manage growth and associated change in the most sustainable way and to protect and enhance the quality of life in the region. The development of the Northeast Business Park is consistent with some of the key strategic directions that the Southeast Queensland Regional Plan incorporates to manage growth in South East Queensland. These include the following:

- Creating a more sustainable future;
- Identifying land to accommodate future growth;
- Promoting land use efficiency;
- Enhancing the identity of regional communities;
- Providing infrastructure and services; and
- Integrating land use, transport and economic activity.

The development of the Northeast Business Park is also consistent with some of the key desired outcomes of the Southeast Queensland Regional Plan. These include the following:

- Economic development;
- Industry and business development;
- Tourism;
- Smart State - innovation, skills and technology ;
- Total water cycle management;
- Environmental values and water quality; and
- Employment and economic activity areas.

In terms of residential demand, should current trends of new dwelling approvals were to continue, Caboolture would run out of urban land between 2012 and 2017 depending on the efficiency of land development (ie 7.2 dwellings per hectare up to 12 dwellings per hectare). It is noted that the Shire has in the order of 3,724 hectares of low density residential land with no specific timeframe for development. Whilst it would be expected that a certain proportion of this land could be developed as urban land, it is not possible to determine this without undertaking appropriate planning, environmental, and engineering investigations.

The ability for the Northeast Business Park project to generate significant jobs for the region has been highlighted. With jobs comes the requirement for housing and a key strength of the proposed development is its ability to offer residential accommodation in proximity to jobs and recreational and social facilities. If this is limited then this will place pressure on housing in the vicinity of the development and potentially result in upward pressure on house prices.

In, summary the key strategic benefits generated by the development include:

- The Northeast Business Park will engage a local and regional workforce through the supply of alternative employment opportunities which currently are under-represented or absent in the region and generate flow-on employment to other industries;
- The development will create the opportunity to significantly enhance the regional employment skills base through the provision of alternative employment and training opportunities;
- The site represents a unique opportunity. A marina is a specialized use and requires a specialized site. The site being located on the Caboolture River provides this opportunity that can not be accommodated elsewhere in existing centres and precincts. The Northeast Business Parks marina would also be surrounded and supported by the proposed marine precinct and Industry/Business Park. Other recreational and residential land uses located elsewhere in the development will compliment the marina, marina precinct and Business Park components;
- The proposed development site represents an opportunity to establish a marine industry cluster for the northern corridor of greater Brisbane and Caboolture;
- The subject site is strategically located in the northern part of Southeast Queensland where there is a distinct lack of major Industry/Business Park infrastructure. The Northeast Business Park also represents the opportunity for people to reside in close proximity to their place of work or business.

Although beyond the scope of this study, some of the potential social benefits to the local community include the following:

- The proposed Industry/Business Park, marine precinct and marina on the subject site will enhance local resident's way of life and will create local and regional employment node through the construction phase and ongoing operation of businesses that locate to the site; and

- The proposed marina on the site and supporting amenities and facilities will enhance community interaction and cohesion as the site provides the opportunity to create a marine based hub for businesses and local and regional recreation opportunity for residents and tourists.
- As an integrated mixed use development the Northeast Business Park development will provide quality jobs, homes, and social facilities for local residents and visitors to the Caboolture region. It represents an opportunity to become the social, recreational, and entertainment node for Caboolture. In so doing it will enhance the image of Caboolture and self esteem of its residents.

Appendix A Economic Benefit Assessment Notes

A.1 Economic Benefit Assessment

The proposed development will generate a significant amount of expenditure (value added) and employment benefits for the local region during both the development phase of the project and the operating life of the project. In addition to direct expenditure and employment benefits there will also be indirect flow on (multiplier) benefits generated in the local region as a result of the development of this project. The following sections examine the direct and indirect expenditure (value added) and employment benefits of the proposed development during these phases.

Economic Benefit Analysis

To maximise its effectiveness this economic benefit assessment has focussed on quantifying economic benefits in two key areas:

Expenditure Generation – Direct and indirect expenditure resulting from the proposed development is estimated. The benefit of this expenditure to the local region is then highlighted. The generation of government revenue is also estimated.

Employment Generation – Direct and indirect jobs resulting from the proposed development are estimated. The impact of this job creation to the local region and on the study areas workforce is highlighted.

Direct impacts of the proposed development for the above components were identified through discussions with Northeast Business Park Pty Ltd and estimated by industry benchmarks that we have access to or through desk top research. Sources included the Australian Bureau of Statistics, the Queensland Office of State Revenue and Offices of Economic and Statistical Research, Rawlinsons Construction Handbook 2007, The Caboolture Shire Council, Core Economics, Pacific Southwest Pty Ltd and RP Data. Queensland multipliers we then estimated the indirect and induced economic benefits resulting from the proposed development.

Economic Benefit Assessment Using Multiplier Analysis

This development will have local and regional economic benefits in the form of increased employment, income for new workers, output for associated industries, and increases in business profits. Typically such projects have direct economic impacts and indirect impacts.

Direct impacts include the jobs created and the expenditure generated from the development. Indirect impacts reflect the spin-off benefits from the direct employment and expenditure impacts. A technique to measure these indirect impacts is Economic Impact Analysis, or Multiplier Analysis. Multipliers, which are derived from Input-Output tables, capture how a change in activity originating in one industry is transmitted through the economy. Multipliers measure the total activity generated in all sectors of the economy required to satisfy a unit change in the final demand of a given industry (Queensland Treasury, Office of Economic and Statistical Research, 2001).

We noted above that Multiplier Analysis was an appropriate technique for measuring the wider economic benefits generated by a particular development project. This approach involves the identification of the range of impacts created by a project and the application of appropriate input-output multipliers to reflect the industry wide impacts resulting from the proposed project.

Direct, Indirect, and Induced Impacts

The total impact of any economic activity (development of a project) on an economy consists of direct, indirect, and induced impacts. **Direct** impacts are the immediate effects of the impacting activity (jobs, income, and purchase of inputs). **Indirect** impacts are the effects that occur in the sector as a result of the input purchases made by the impacting industry. **Induced** impacts are the changes in other sectors brought about by the increased consumer spending due to the initial direct and following indirect effects.

APPENDICES

Types of Multipliers

Economic impact multipliers take into account both production induced effects and consumption induced effects.

Production Induced

Production induced effects are the amount of output required from all industries in the economy to produce the initial one dollar of extra output and all the subsequent induced output. Production induced effects incorporate First Round Effects and Industrial Support Effects.

First Round Effects (Initial) – the amount of output required from all industries of the economy to produce the initial one-dollar of extra output from an industry.

Industrial Support Effects – the first round output from all industries will induce extra output from all industries, and in turn, these will induce extra output, and so on. The induced output from the first round output is the industrial support output.

Consumption Induced Effects

To produce the initial and the production induced output, wage and salary earners will earn extra income which they will spend on commodities produced by all industries in the economy. This spending will induce further production by all industries. The output resulting from this further induced production is the consumption induced output.

Multiplier Effect

The most common types of multipliers used are those that measure output, value added, income, and employment. For this study we have used only value added and employment multipliers. These have been derived from Queensland Government 1996-97 Input Output Tables and are the only multipliers available for Queensland. These multipliers are essentially the most relevant for measuring impacts from development projects.

Value Added multipliers measure the contribution to Gross State Product (GSP) subtracting for leakages from the project in the form of imports or services (labour). Value Added multipliers measure the net increase in economic activity resulting directly and indirectly from a change in final demand.

Employment multipliers measure the total change in employment due to a one-unit change in the labour force in a specific sector or due to a specific activity.

During both the development and operating phases of the proposed development, new jobs would be created for the local region. In addition to the creation of these direct jobs there would be flow on employment impacts.

Type 1 and Type 2 Multipliers

The multipliers used to measure the flow on impacts of an initial impact are referred to as Type 1 (direct and indirect impacts) and Type 2 (direct, indirect, and induced impacts) multipliers.

Type 1 multipliers represent the initial impact on final demand plus the additional output required from other industries in the economy needed to supply the additional demand of the industry receiving the initial impact. The initial impact consists of the employment and value added directly generated from the industry that related specifically to the project in question. The industrial support captures flow-on effects that occur as the industry that is initially impacted on, changes its demand for inputs required from other industries. These industries will in turn respond by changing their input demands leading to additional activity and so on. The sum of the initial impact combined with the industrial support forms the Type 1 multiplier

Type 2 multipliers represent the initial impact on final demand, the industrial support resulting from the initial impact (i.e. the Type 1 multiplier), plus changes in consumption by the household

APPENDICES

sector in response to income changes resulting from the change in output (consumption induced). The inclusion of consumption induced effects means that Type 2 multipliers are larger than Type 1 for the same industry. Depending on the type of impact being modelled, Type 2 multipliers are generally considered to overstate the true impact as they implicitly assume that new employees were previously unemployed and consuming nothing.

Care needs to be taken when undertaking multiplier analysis as there are certain limitations that need to be considered. These limitations are outlined in the appendices of this report.

Appendix B Local Area Impact

APPENDICES

B.1 Local Area Impact

The proportion of total output impacts and total employment impacts that are incurred locally as a result of the development vary according to the sector of the economy and also the level of service provision within the local area. It is our experience when undertaking regional economic benefit assessments that 40% to 100% of inputs are sourced locally, depending on the input type and the size of the local centre and region. In our estimation, given the maturity of the Southeast Queensland economy, in the order of 65%-85% of the total expenditure in the development phase is incurred locally for this project

Northeast Business Park						
Dwelling Land Tax						
Lot	Total Site Size (Ha)⁴	Avg Lot Size (m²)⁴	No. of Lots	Total Developable area (m²)	Unimproved value (\$M)²	Land Tax (\$)³
Resort (rooms) ¹	3.67	108	118	12,744	2.31	25,943
Penthouse, sub penthouse		216	2	432	-	
Total¹						25,943

¹. Resort assumed to be company owned when calculating land tax. Other dwellings assumed negligible.
².. Unimproved value as taken from market comparables discussed in Positioning Analysis
³. Estimated using The Office of State Revenue QLD, Transfer Duty calculator. According to Northeast Business Park Pty Ltd, the unimproved value is to be 35% of the market value. Personal owned land under \$600k is exempt from duty thus negligible
⁴. As provided by Northeast Business Park Pty Ltd
 Source : The Office of State Revenue; Urbis

APPENDICES

Northeast Business Park Business Park Land Tax

Lot	Avg Lot Size (m ²)	No. of Lots	Total Developable area (m ²)	Market value (\$/m ²) ¹	Unimproved Value (\$ M/lot) ³	Land Tax (\$/lot) ²	Total Land Tax (\$ M)
Small	2,500	133	332,500	335	0.29	0	0.00
Medium	5,000	51	255,000	335	0.59	5,850	0.30
Large	15,000	23	345,000	335	1.76	25,680	0.59
Super	50,000	3	150,000	335	5.86	87,900	0.26
Bulky Goods ⁴	31,666	3	63,332	250	2.77	41,550	0.12
Local Retail	3,000	10	30,000	250	0.26	0	0.00
Commercial Business	8,000	20	160,000	250	0.70	7,500	0.15
Marine Industry	7,000	25	175,000	250	0.61	6,150	0.15
Total¹							1.58

1. Market value determined by Pacific Southwest Report

2. Estimated using The Office of State Revenue QLD, Transfer Duty calculator.

3. According to Northeast Business Park Pty Ltd, the unimproved value is to be 35% of the market value.

4. Assuming only 2 out of the 3 lots are developed

Source : The Office of State Revenue; Urbis

B.2 Values Statement

Value Statement

Northeast Business Park is committed to socially, economically and ecologically sustainable development. The company promotes a distinctly Queensland style of design advocating sustainable and responsible development with a community focus.

Our vision encompasses:

Ecological

1. Responsible development which satisfies Government agendas for Environmental rehabilitation, Marine Industry reform, Increased local employment, and balanced environmental social and economic objectives.
2. Regenerative development repairing Caboolture River's river bank ecology, wetlands plains, natural bushland and rediscovering historic Cultural elements of the site. Encouraging public access to these areas for the enjoyment of all.

APPENDICES

Economic

3. World class development creating the best industry, employment and community spaces creatively linked through innovative physical & social infrastructure.
4. Industry focused development creating the first purpose designed marine industry precinct in response to Government agenda bringing marine industry clusters, jobs and training
5. Sustainable development through creation of 17,000 permanent local jobs by Global, National and local businesses which will locate to NBP, assisting to stem the outflow of commuters who leave Caboolture Shire to work elsewhere.
6. Tourist development created through leisure craft berthing, Championship class golf course, regenerated Heritage precinct and supporting retail and dining experience.

Social

7. Psychographic development through creation of diverse residential formats which reflect the emerging trends in family living in Australian society (multi level, high density low rise, combined work& live, first family detached & larger detached residential formats).
8. Inclusive development through Integration with Caboolture town centre of public transportation, education & learning and local public facilities.
9. Community development through communication networks, town centre creation, life long learning, skills & learning hubs for youth and adults.

APPENDICES

The following presents more details of each of the above areas.

Ecological

- NBP will satisfy Queensland Government development policy and provide a net benefit to the Caboolture Shire and the Moreton Bay region by (1) improving the polluted water quality of Caboolture River and Moreton Bay (2) restoring degraded river banks and wetlands (3) eradicating noxious weeds and contaminated land (4) providing the first planned marine industry precinct (5) providing local jobs for local diverse communities in a sustainable development.
- Less than half of the total available land will be developed making this development one of the most environmentally balanced communities in Australia providing access to large areas of natural watercourses, bushland and open space to the wider community.
- The site is currently environmentally degraded and the development will restore the site for the enjoyment of all including Caboolture River bank restoration, wetlands restoration, provision of riparian buffer zones.
- The Caboolture River has high levels of pollutants from an upstream water treatment plant – this development will assist in decontaminating the Caboolture River which will benefit the Moreton Bay Marine Park. This will be done through utilizing high nutrient water from the treatment plant into NBP and using it for irrigation and grey water supply.
- The development will be responsible to its environment by creating zero impact on flooding to surrounding property.

Economic

- NBP will create and combine individual industries, communities, employment opportunities and leisure pursuits in such a way that the resultant development will contribute more to the community than the sum of the individual parts.
- The industrial sites offer the best transportation links to both Brisbane and the Sunshine Coast available with direct access to the motorway.
- Master planning of the industrial precinct will ensure that commercial/ industrial activity is developed in such a way as to become an asset to the overall development and not a detractor. Road treatment, setbacks, landscaping strips, buffer zones and use of the natural topography will create the environment where residents, marine industry employees, marine leisure and car or public transport visitors and commercial employees can integrate and enjoy the facilities.
- The scale of the industrial development site means that individual company's needs concerning size, aspect, infrastructure and layout can be accommodated in the development.

APPENDICES

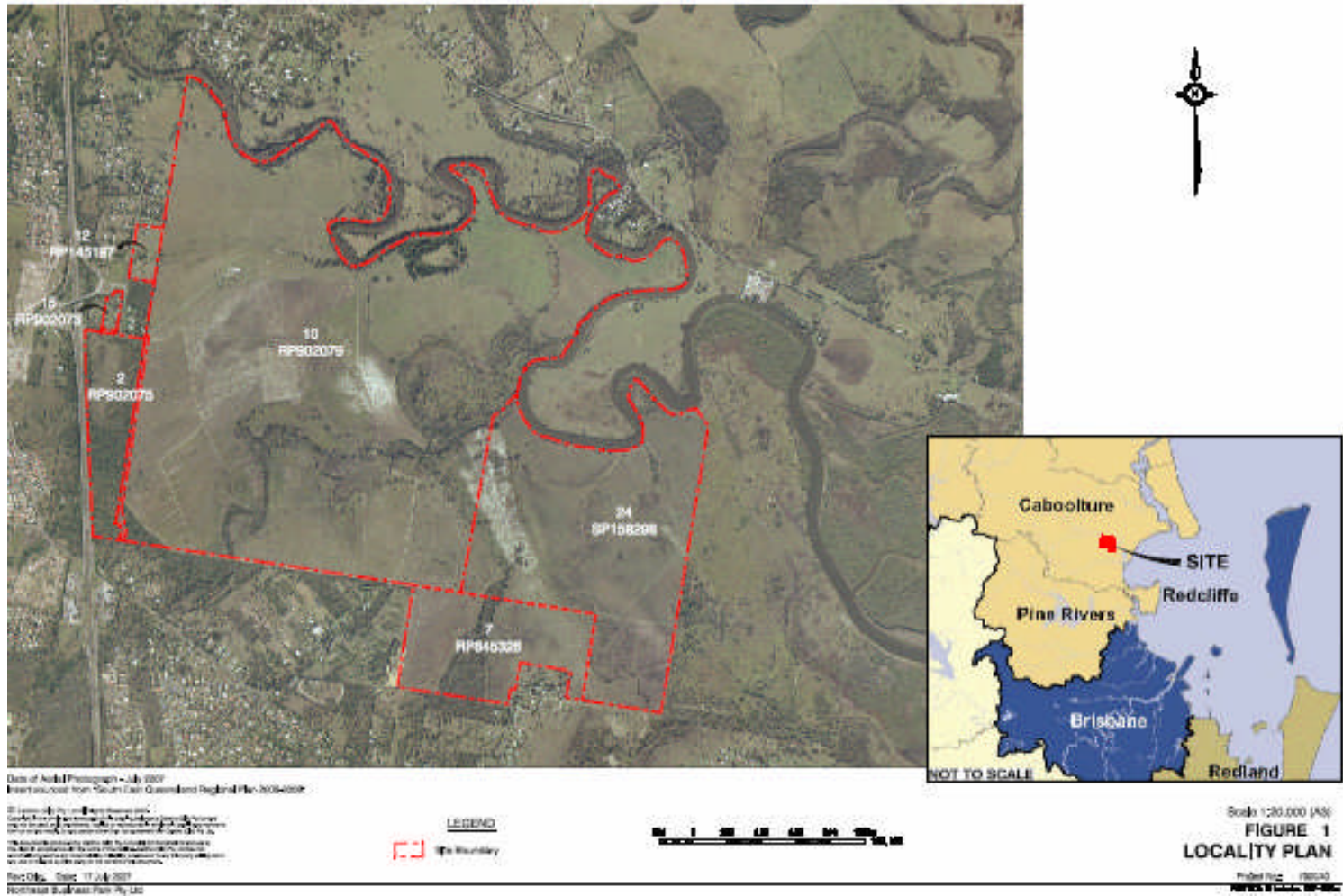
The site is envisaged to become home for major multinational operators as well as medium sized entities and small businesses.

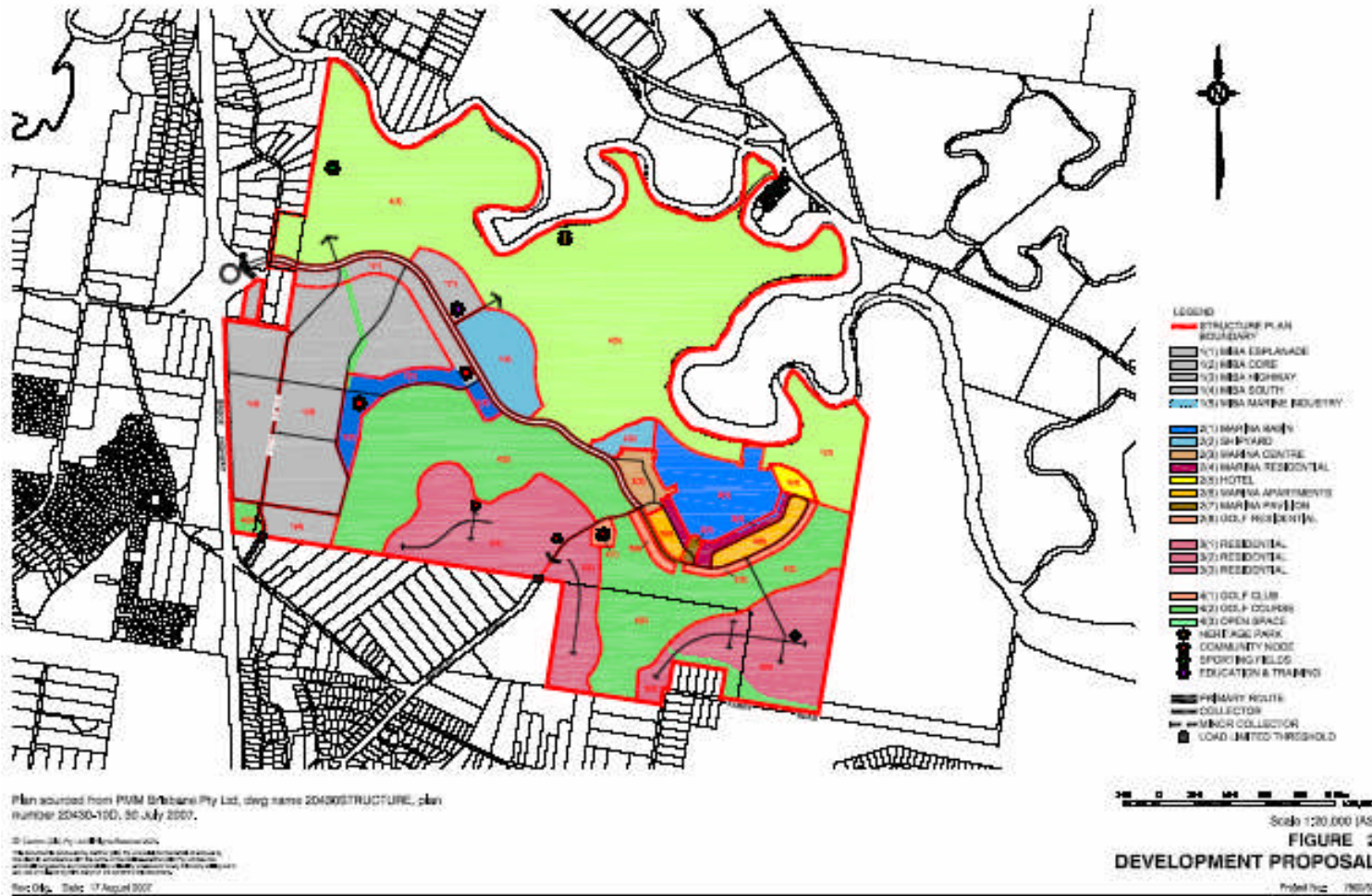
- Northeast Business Park will mark an investment into the Caboolture region of over \$2.5 billion creating in the order of 25,000 long term jobs including approximately 1,500 annual during the construction phase.
- A world class golf course, excellent marina berthing and servicing facilities, café society dining facilities and mixed use development will ensure NBP becomes an attractor to tourists by road and sea.
- Special measures will be applied to maximize the number of people who work and live in the new community in an effort to reduce the current exodus of workers who commute out of Caboolture daily.

Social

- The development will take the best ideas from around the world and apply them to a large and unique development site to create a world class community.
- This will be achieved firstly through excellence in the execution of each individual precinct and secondly by providing excellent infrastructure (physical and social) that links precincts together.
- A community in excess of 8,000 permanent residents will be established
- The project aims to be attractive to a wide cross section of residents through the provision of multi level apartments, low rise apartments and both small and large housing blocks for single dwellings.
- For the resident seeking to works from an attractive home environment and house marine leisure craft locally, NBP will present one of the only opportunities in Queensland to do so.
- Social infrastructure will be provided in unison with Caboolture City, whether it is provision for facilities on NBP or contributing to the expansion of off site facilities.
- Transportation links will ensure residents and the workforce will be integrated into the Caboolture community and access to NBP from rail and bus links is integrated into the local public transportation infrastructure.

The diagrams on the following pages depict the locality of the site and the proposed development





Appendix C EIS terms of reference - impact on local and State labour markets and the local property market

C.1 EIS Terms of Reference 4.12.2

The following section analyses the potential impact of the Northeast Business Park on the local and state labour markets. This is displayed through an analysis of employment and unemployment on the development and operational phases of the projects.

Employment

The following tables show the employment benefits in terms of full time equivalents (FTE's) which are anticipated to be generated by the Northeast Business Park development.

Labour Market Effects		
Phase	Jobs	
	Caboolture	State
Development (annualised)		
Direct	820	851
Indirect	812	848
Total	1,632	1,699
Operational (ongoing)		
Direct	14,868	27,030
Indirect	14,026	23,567
Total	28,894	50,597

1. Caboolture jobs consist of direct and indirect jobs derived in the Northeast Business Park Economic Benefits Assessment

2. State/National jobs consist of direct and indirect jobs on an annualised basis
Source : Urbis Northeast Business Park Economic Benefits Assessment

- Of the 1,699 FTE jobs that will be generated in the development phase of the proposed development, 1,632 will be generated within the Caboolture region.
- 50,597 FTE jobs will be generated, on an ongoing basis for the state of Queensland. Of this amount, 28,894 will be generated locally.

Unemployment

The following table presents the unemployment rate.

Labour Force as of March 2007				
	Caboolture (LGA)	Unemployment Rate	Queensland	Unemployment Rate
Employed	21,127		2,101,400	
Unemployed	1526	6.74%	101000	4.59%
Labour Force (Total)	22,653		2,202,400	

Source : Department of Employment and Workplace Relations, Small Area Labour Markets March 2007; Urbis

- As of March 2007, the Caboolture region had an unemployment rate of 6.74%, compared to the State unemployment rate of 4.59%.

Development Phase

The table below depicts the impact of development on the unemployment rate.

Potential Impact - Development Phase				
	Caboolture (LGA)	Unemployment Rate	Queensland	Unemployment Rate
Employed	22,759		2,103,099	
Unemployed	1526	6.28%	101000	4.58%
Labour Force (Total)	24,285		2,204,099	

Source : Department of Employment and Workplace Relations, Small Area Labour Markets March 2007; Urbis

- During the development phase of the project, it is likely that an extra 1,699 FTE jobs will be generated, of which 1,632 jobs will be generated for the local region. Therefore, it is considered that the local labour force will increase by 1526 to amount to a total of 24,285. The resultant change in the unemployment rate for Caboolture is a decrease by 0.46 % to 6.28%.
- Similarly, the State will see an increase in the labour force of 1,699, to amount to a total of 2,204,099. The resultant change in the unemployment rate for the State is a decrease by 0.01% to 4.58%

Operational Phase

The table below depicts the impact of development on the unemployment rate throughout the operational or ongoing phase of the development.

Potential Impact - Operational Phase				
	Caboolture (LGA)	Unemployment Rate	Queensland	Unemployment Rate
Employed	50,021		2,151,997	
Unemployed	1526	2.96%	101000	4.48%
Labour Force (Total)	51,547		2,252,997	

Source : Department of Employment and Workplace Relations, Small Area Labour Markets March 2007; Urbis

- During the operational phase of the project, it is likely that an extra 50,021 FTE jobs will be generated, of which 28,894 jobs will be generated for the local region. Therefore, it is considered that the labour force will increase by 28,894 to total 50,021. The resultant change in the unemployment rate for Caboolture is a significant decrease of 3.78% to 2.96%.
- Similarly, the State will see an increase in the labour force of 50,597 to total 2,252,997. The state will see a decrease of the unemployment rate by 0.11% to 4.48%.

C.2 Impact on Property Market (Terms of reference 4.12.1)

The impact on local property prices from the Northeast Business Park can be estimated by way of a broad comparative analysis. This analysis is conducted through a comparison between the average annual median price change recorded for the suburban location of comparable developments and the LGA's (local government area's) in which the developments are positioned.

The developments selected as being broadly comparable include, North Lakes in the Pine Rivers LGA and Pacific Harbour in the Caboolture LGA. The following table presents the average annual growth rates of median property prices established over the five years to March 2007 for the of each development within the suburbs and the LGA's in which they are located.

Median House Prices and Growth Over the Five Years to March 2007			
LGA and Suburb	Mar qtr 2007	Mar qtr 2002	Average Annual Increase
Pine Rivers LGA	\$325,000	\$150,000	16.7%
North Lakes	\$383,000	\$189,000	15.2%
Caboolture LGA	\$280,000	\$126,000	14.8%
Pacific Harbour	\$423,250	\$201,700	16.0%

Source : REIQ March quarter 2007, Urbis

The above tables show that the average annual median price change for Pacific Harbour and North Lakes is broadly consistent with the LGA in which they are located.

It is concluded that on the basis of the above comparative analysis, the effect that the Northeast Business Park will generally be supportive of local property prices.