

SC6.5 Economic impact assessment planning scheme policy

SC6.5.1 Introduction

Short Title - The planning scheme policy (PSP) may be cited as the Economic impact assessment PSP.

SC6.5.1.1 Purpose

- (1) The purpose of this planning scheme policy is to provide applicants with direction on how to undertake an economic impact assessment which council request to inform the proper assessment of a development application. Particularly, the policy provides direction on the standard information requirements expected to be incorporated within an economic impact assessment report.

An economic impact assessment report may be required to demonstrate compliance with the Townsville City Plan particularly for significant in-centre or out-of-centre development of a commercial nature. It is likely to be required where there is potential conflict with the Townsville City Plan, or for impact assessable development of a commercial nature in any zone.

SC6.5.1.2 Legislative authority

This planning scheme policy is made under Chapter 2, Part 3 of the *Planning Act 2016*.

SC6.5.1.3 Relationship to the Townsville City Plan

This planning scheme policy is to be read in conjunction with the assessment provisions specified in the Townsville City Plan.

SC6.5.1.4 Terminology

Terms used in this planning scheme policy are defined in [Schedule 1 – Definitions](#). A term used in the planning scheme policy which is not defined in Schedule 1 – Definitions, is to be interpreted in accordance with [Part 1.3.1](#) terminology.

SC6.5.2 Planning scheme policy details

SC6.5.2.1 Terms of Reference for an economic impact assessment report

- (1) Council intends to protect the economic viability and the intended role and successful functioning of centres. An economic impact assessment report will need to demonstrate that the proposed development will meet the relevant performance outcomes in the planning scheme codes and the intentions expressed in the strategic framework. Where the development is inconsistent with the planning scheme the assessment may form part of the basis for determining whether sufficient grounds exist to approve such a development.
- (2) The standard requirements for the preparation of an economic impact assessment report should typically provide the following information:
 - (a) an outline of the purpose of the study;
 - (b) a description of the methodology used;
 - (c) a description of the proposed size, function and tenancy mix of the proposed development, together with details of any pre-commitment;
 - (d) the identification of the proposed development's trade area, supported by the reasoning and methodology behind the identification of the area;
Note—Refer to section SC6.5.2.2 Trade Area of this policy for guidance on identification of trade areas.
 - (e) an examination of the population growth prospects and socio-economic characteristics of the trade area, including socio-economic factors such as expenditure potential;
 - (f) the identification of any approved or proposed development that may affect the proposed development or be affected by the proposed development;
 - (g) the identification of the location, size, nature, function and tenancy mix of competitive business, commercial or centre uses likely to be affected by the proposed development;
 - (h) evidence that any feasible alternative, appropriately zoned location/s have been investigated and discussed so that reasoning behind the selection of the preferred site is clear;
 - (i) an estimation of the demand, or likely future demand, for business, commercial or centre floor space in

the trade area;

- (j) an estimation of the market share of the proposed development;
 - (k) where an out-of-centre development is proposed, demonstration as to why the proposed development is required, including why the development cannot be accommodated within the existing centres;
 - (l) commentary on changes to the supply/demand balance upon approval of the proposed development, including whether the proposal represents an excess of supply for the community;
 - (m) a calculation of the quantitative economic impact upon competitive centres likely to be affected by the proposed development including a description of the consequent effects on the competitive centres;
 - (n) the identification of the impacts the proposed development would have on the successful trading of other centres (including the period of time) and the identification of the impacts on the Townsville hierarchy and functionality of activity centres;
 - (o) the changes, if any, to the range of services that existing centres will continue to provide; and
 - (p) a summary of the overall need for the proposed development including a description of the community benefits.
- (3) The economic impact assessment report referred to in (1) above must be prepared by a suitably competent person.

Note — For the purpose of this section of the planning scheme policy, a competent person is an appropriately qualified and experienced economist or economic analyst with appropriate and proven technical experience in providing advice about the economic impacts of development.

SC6.5.2.2 Trade Area

For developments that are trade area based, the definition of the trade area should have due consideration to the following:

- (1) the existing centres hierarchy and other relevant competition;
- (2) the nature, scale and functionality of the proposed development;
- (3) the nature of the potential users of the development (e.g. residents, workers, students, other businesses);
- (4) typical travel routes of potential users of the development; and
- (5) the attracting capacity of any neighbouring uses.

A map(s) of the trade area should be included in the economic impact assessment report, which clearly defines the trade area boundary, identifies relevant existing centres, identifies the site of the proposed development and includes key transport corridors. The economic impact assessment report should include a justification of the proposed trade area boundary.