



Source: City of Adelaide

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Front Cover Source: City of Adelaide

Executive Summary

The Hutt Street Revitalisation project is a key initiative under the City of Adelaide's Main Streets Revitalisation Program and aims to preserve Hutt Street's historic village charm while enhancing its infrastructure to support local businesses, increase social interaction, and improve accessibility for the community and visitors. Economic impact and benefit cost assessments for major infrastructure projects are often prepared by Councils to demonstrate the broader community benefits of a project and to support State and Commonwealth grant applications, which often require demonstration of strong benefit cost ratios (BCRs). Examples of recent projects with strong BCRs that have been successful for government grants include Prospect Council's Barker Inlet Central Stormwater Plan (BCR of 5.5) and Whyalla Council's Foreshore Plaza Revitalisation Project (BCR of 5.91).

Study Methodology - The economic impact and benefit cost assessments were conducted using Hudson Howells' Input Output Model for South Australia. The assessments include direct and indirect job creation, income generation, and Gross State Product (GSP) contributions during both the construction and operational phases of the project.

Key Findings - The revitalisation is expected to boost local business activity, create job opportunities, attract new businesses and investment, and increase local spending. International and Australian case studies demonstrate the positive impacts of similar projects, including job creation, increased property values, and enhanced community well-being. Two design options (A and D) are considered, with Option D delivering the highest Benefit Cost Ratio (5.69) and Community Net Present Value (\$151 million over 30 years). Without revitalisation, the Do-Nothing Option, Hutt Street may face economic decline, infrastructure deterioration, and reduced community engagement.

During the Construction Phase, Option D is estimated to contribute \$30.9 million to South Australia's GSP and support 198 full-time equivalent jobs.

During the Operational Phase post-construction, the project is expected to result in the contribution of \$8.7 million annually to GSP and support 90 full-time equivalent jobs per annum via additional spending by existing visitors and the spending of new visitors to the precinct.

The following table summarises the outcomes of the economic impact and benefit cost assessments:

Executive Summary

										Option D	Option A	Do Nothing
Costs												
Project Capital Costs										\$29,214,648	\$701,674	\$0
Potential Reduced Business Activity During Construction										\$2,965,115	\$1,482,557	\$0
Benefits												
Construction Contribution to Gross State Product										\$30,850,668	\$740,968	\$0
Construction FTE Jobs Supported										198.51	4.77	0.00
Additional Business Revenue Per Annum - Existing Visitors										\$5,930,230	\$0	-\$794,651
Additional Business Revenue Per Annum - New Visitors										\$593,023	\$0	\$0
Total Additional Business Revenue Per Annum										\$6,523,253	\$0	-\$794,651
Additional Visitor Spending (New and Existing Visitors) Contribution to Gross State Product Per Annum										\$8,715,066	\$0	-\$1,061,653
Additional Visitor Spending (New and Existing Visitors) FTE Jobs Supported Per Annum										90.17	0.00	-10.98
Shadow Area Propert Value Uplift										\$1,598,995	\$0	\$0
Community 30 Year NPV and BCR												
Community 30 Year Net Present Value of Benefits										\$183,089,368	\$740,968	-\$18,358,146
Community 30 Year Net Present Value of Costs										\$32,179,763	\$2,184,231	\$0
Community 30 Year Net Present Value of Costs and Benefits (NPVCB)										\$150,909,605	-\$1,443,263	-\$18,358,146
Community 30 Year Benefit Cost Ratio (Total NPV Benefits/Total NPV Costs)										5.69	0.34	N/A

Conclusion

The Hutt Street Revitalisation Project presents a strong business case with significant economic, social and community benefits. Option D is recommended for implementation to ensure the long-term success and sustainability of Hutt Street and the broader community. In relation to the potential for reduced business activity during construction, it is **recommended** that Council consider the preparation of a business support strategy to minimise such impacts as is common in other major urban revitalisation projects. Finally, In addition to the estimated Option D benefits, the case studies reviewed for this project also demonstrate a history of private sector re-investment in properties and lower vacancy rates following main street revitalisation projects not factored into the Hutt Street BCRs.

Section 1: Introduction

Hutt Street Revitalisation forms part of the City of Adelaide's Main Streets Revitalisation Program. As the hub of the south-east precinct, Hutt Street provides a village-like cluster of cafes and restaurants, alongside day-to-day essentials and community services.

The overall objective of the revitalisation of Hutt Street is to preserve and celebrate Hutt Street's leafy green streetscape and historic village charm while providing a well-planned street that supports local businesses, increases opportunities for social interaction and is welcoming and accessible to community and visitors alike.

Economic impact and benefit cost assessments for major infrastructure projects are often prepared by Councils to demonstrate the broader community benefits of projects and to support State and Commonwealth grant applications, which often require demonstration of strong benefit cost ratios (BCRs). Examples of projects with strong BCRs that have recently been successful for grants include Prospect Council's Barker Inlet Central Stormwater Plan (BCR of 5.5) and Whyalla Council's Foreshore Plaza Revitalisation Project (BCR of 5.91).

Hudson Howells has been engaged by the City of Adelaide (Council) to prepare and compare economic impact and benefit costs assessments for two major options currently under consideration plus a 'do nothing' scenario.

The Economic Impact Assessments (EIAs) detail and compare the direct and indirect (multiplier) jobs, incomes and Gross State Product (GSP) associated with the options' capital and ongoing costs. Hudson Howells' Input Output Model for South Australia has been used as the basis for estimating these economic impacts.

The Benefit Cost Assessments (BCAs) extend the EIAs to include community and business benefits and costs to determine and compare Benefit Cost Ratios (BCRs) and Net Present Values (NPVs).

It was agreed with Council that the assessments would be undertaken via a desktop study only based on information/data supplied by Council plus Hudson Howells' experience undertaking similar projects, plus research into the economic impacts and benefit/costs of other global and Australian mainstreet revitalisation projects. The specific methodology is detailed in the following section.

Section 2: Study Methodology

The Economic Impact Assessments detail the Gross State Product (GSP) and direct/indirect (multiplier) jobs associated with the project during construction and when fully operational (post construction). Hudson Howells' Input Output Model for South Australia has been used as the basis for estimating these economic impacts.

A Microsoft Excel model has been developed to assess the economic impacts of the project. The model and multipliers are based on:

- The 2020/21 ABS national table based on the national 2021 Census.
- The tables have been created using the location method and data from the South Australian Accounts and Labour Force Survey.

The assessed economic impacts include the direct value added (Gross State Product) and employment impacts, plus the flow through effects as estimated using the model multipliers, with employment impacts adjusted for inflation since 2020/21.

Value added is defined as the extent to which the local economy adds value to the product or services supplied, and essentially is the returns to labour and capital in the region for that activity – it represents the incomes to labour and capital. It is consistent with the predominant national measure of economic activity of Gross Domestic Product (GDP), Gross State Product (GSP) or Gross Regional Product (GRP). The value added and employment impacts have been measured at two levels. Firstly, the **direct impact** – the value added, and employment contribution or share associated directly with the expenditure (e.g. the labour and profits involved in the activity). Secondly, the indirect or multiplier impact – i.e. that associated with the suppliers to the project, the **industrial impact**, and the spend of employee wages, the **consumption impact**.

The Benefit Cost Assessments include all economic (e.g. increased GSP), financial (e.g. lost/gained retail revenue) and community (e.g. property valuation uplift) benefits and costs to determine Benefit Cost Ratios and NPVs for each option. Key assumptions for these assessments are based on outcomes for similar projects as identified in the desktop research.

Section 3: Desktop Research

Overview

The desktop research identified a range of economic benefits that could arise from the Hutt Street revitalisation and are incorporated into the economic impact and benefit cost assessments:

- **Increased business activity:** Main street revitalisation projects attract existing visitors to the precinct to spend more, and more visitors and shoppers, leading to increased foot traffic and consumer spending. This provides a boost to the local economy and supports the sustainability and growth of existing businesses.
- **Job creation and employment opportunities:** Economic growth driven by revitalisation leads to job creation and expanded employment opportunities directly in the project, and indirectly via the multiplier effect, through suppliers to the project and the spend of salaries and wages by employees.
- **Business diversification and entrepreneurship:** Revitalisation attracts new businesses and entrepreneurs looking to capitalise on the improved environment.
- **Attraction of investment and development:** The upgraded precinct will act as a catalyst for attracting private investment and development projects. As the precinct gains recognition as an appealing destination, developers and investors are highly likely to show interest in establishing new ventures or revitalising existing properties. This will lead to further economic growth, infrastructure improvements, and job creation within the Hutt Street area.
- **Increased local spending and circulation of wealth:** Thriving streets encourage residents to shop locally, supporting nearby businesses. When residents choose to spend their money within the community, the wealth generated circulates within the local economy, creating a multiplier effect.
- **Partnership opportunities :** Revitalised streets open doors for partnerships and collaborations between local businesses. Joint marketing campaigns, package deals, and promotional initiatives can be developed to attract tourists and encourage longer stays.

Section 3: Desktop Research (Cont.)

Case Studies - Australia

Main street revitalisation and upgrade projects play a crucial role in enhancing urban environments, driving economic growth, and fostering community engagement. This section examines the socio-economic benefits of six key projects across Australia and South Australia.

- King William Road, Adelaide
- Prospect Road, Prospect, Adelaide
- Jetty Road, Glenelg, Adelaide
- Chapel Street, Melbourne
- Hay and Murray Street Malls, Perth
- Fortitude Valley Mall, Brisbane

Each project demonstrates significant contributions to local economies, businesses, tourism, and social well-being, and also support the assumptions and findings of the Hutt Street revitalisation economic impact and benefit cost assessments.

Section 3: Desktop Research (Cont.)

Case Studies – Australia (Cont.)

King William Road, Unley, Adelaide

(Source: www.unley.sa.gov.au)

The King William Road Upgrade was a comprehensive project undertaken by the City of Unley between May and December 2019. The upgrade aimed to modernise the streetscape while preserving its heritage charm and intimate scale. Key improvements included enhancing pedestrian spaces, upgrading infrastructure, and implementing a co-design approach with the local community to ensure the changes reflected their needs and aspirations. The project successfully delivered a more beautiful, active, and accessible streetscape, reaffirming King William Road as one of Adelaide's main streets. Socio-economic benefits include:

- *Boost to Local Businesses & Hospitality* - Pedestrian-friendly infrastructure supports boutique shopping, dining, and outdoor seating.
- *Sustainable & Liveable Urban Space* - Green spaces and improved cycling paths contribute to environmental sustainability.
- *Enhanced Social Interaction & Inclusivity* - More seating, shade, and event spaces foster a strong sense of community.

Prospect Road, Prospect, Adelaide

(Source: www.prospect.sa.gov.au)

The Prospect Road upgrade transformed a key suburban main street into a thriving urban corridor with improved infrastructure, pedestrian amenities, and public spaces. Socio-economic benefits include:

Section 3: Desktop Research (Cont.)

Case Studies – Australia (Cont.)

- *Increased Economic Activity & Retail Growth* - The streetscape improvements led to a surge in foot traffic, benefiting local retailers and cafes; Enhanced accessibility and aesthetic appeal attract new businesses and investors.
- *Community Engagement & Social Benefits* - New seating areas, landscaping, and street art create a more inviting space for social interaction and community events.
- *Sustainability & Environmental Improvements* - Tree planting and stormwater management initiatives enhance urban resilience.
- *Property Value Growth* - The revitalisation of the precinct has contributed to an increase in property values and business occupancy rates.

Jetty Road, Glenelg, Adelaide

(Source: City of Holdfast Bay, Jetty Road Glenelg Upgrade Business Case)

The current Jetty Road Glenelg Mainstreet Upgrade Project in the City of Holdfast Bay projects significant economic, social, and environmental benefits for the community by revitalising the streetscape, enhancing pedestrian and cyclist infrastructure, and improving public amenities.

The Business Case, prepared by Hudson Howells, provides additional support for the methodology, assumptions and findings of the following Hutt Street Economic Impact and Benefit Cost Assessment.

In terms of economic impact, it is estimated that the \$40 million five-year design and construction phase of the Jetty Road project will contribute \$42.24 million to Gross State Product and will support 271.9 FTE jobs, peaking at 139 FTE jobs per annum in 2024/25.

Section 3: Desktop Research (Cont.)

Case Studies – Australia (Cont.)

When completed, estimated additional visitor spending of \$11,683,650 per annum from 2027/28 will support an additional 161.5 FTE jobs per annum, with an annual value added or contribution to Gross State Product of \$15,609,356 million per annum. There will also be an estimated additional once-off retail and commercial property value uplift of \$9,487,631.

In summary, based on the estimated costs and benefits the Jetty Road Glenelg Upgrade project is projected to have a Community Benefit Cost Ratio (BCR) of 5.44 with a 30-year Net Present Value (NPV) of \$276 million. thereby demonstrating a strong business case for the project.

Key assumptions applied in this business case, supported by other evidence, include:

- Estimated visitor increase post construction – 1%
- Estimated increase in spending by existing visitors – 10%
- Property value uplift in the project 'shadow area' – 1%.

Chapel Street, Melbourne

(Source: www.connectstonnington.vic.gov.au)

The City of Stonnington has initiated the Chapel Street Transformation project, aiming to revitalise Chapel Street into a world-class destination. The overarching goal is to create a vibrant, inviting, and sustainable environment that reflects the community's aspirations. In addition to the broader transformation project, the historic Jam Factory on Chapel Street is undergoing a significant \$2.75 billion redevelopment.

- *Housing & Mixed-Use Development* - New residential spaces provide urban living opportunities, increasing demand for local businesses.

Section 3: Desktop Research (Cont.)

Case Studies – Australia (Cont.)

The Chapel Street Transformation and Jam Factory redevelopment aim to revitalise this iconic precinct, enhancing its retail, hospitality, and cultural offerings. Socio-economic benefits include:

- *Economic Growth & Local Business Support* - The Jam Factory redevelopment is expected to contribute over \$800 million annually to the Victorian economy. More than \$28 million in consumer spending from new residents and workers.
- *Tourism & Hospitality Boost* - Enhancements will increase visitor appeal, driving retail and dining revenues.
- *Social Inclusion & Community Well-being* - Pedestrian-friendly spaces and more greenery improve public enjoyment and accessibility.

Hay and Murray Street Malls, Perth

(Source: www.engage.perth.wa.gov.au)

- The Murray Street Mall has recently undergone a Retail Core Refresh to reinvigorate this central shopping area. Commencing in February 2023 and completed by June 2023, the project introduced new street furniture, wayfinding signage, murals, and other minor works designed to encourage visitors to spend more time in the mall. The enhancements aim to create a more structured and inviting space, balancing the needs for small event areas and pedestrian movement. Adjacent to Murray Street Mall, Carillon City, a 1980s shopping mall precinct, is set for a substantial \$400 million redevelopment by Fiveight, the property division of Tattarang. The plans include transforming the site into a vibrant entertainment and accommodation precinct, further revitalising the area and complementing the recent upgrades to the nearby malls.

The Retail Core Refresh for Murray Street Mall and the \$400 million Carillon City redevelopment aim to rejuvenate the area by improving infrastructure and retail experiences. Socio-economic benefits include:

Section 3: Desktop Research (Cont.)

Case Studies – Australia (Cont.)

- *Retail & Economic Activation* - New seating, wayfinding signage, and murals enhance the shopping experience, increasing customer dwell time and spending.
- *Public Realm & Community Engagement* - Creation of open, welcoming spaces promotes social interactions and deters anti-social behaviour.
- *Employment & Business Growth* - Construction and retail expansion generate long-term job opportunities.
- *Tourism & Urban Renewal* - The Carillon City redevelopment is expected to attract investors and visitors, further revitalising Perth's city centre.

Fortitude Valley Mall, Brisbane

(Source: www.brisbanedevelopment.com.au)

The Brunswick Street Mall in Fortitude Valley underwent a \$4 million revitalisation aimed at transforming it into a vibrant urban space. The redevelopment focused on constructing five new retail 'pods' to rejuvenate the retail strip and enhance the mall's appeal. The project emphasised strengthening the Valley's daytime economy, attracting new investments, and reinvigorating established businesses. Socio-economic benefits include:

- *Revitalizing the Night & Day Economy* - Encourages businesses to operate during the day, diversifying economic activities beyond nightlife.
- *Job Creation & Economic Diversification* - Attracts new retail investments, fostering entrepreneurship and business growth.
- *Crime Reduction & Safety Improvements* - Increased foot traffic and well-lit spaces reduce anti-social behaviour.
- *Cultural & Social Integration* - Enhancements to public spaces support artists, musicians, and local events, strengthening Brisbane's creative economy.

Section 3: Desktop Research (Cont.)

Case Studies - International

The following international reports/case studies provide valuable insights into how revitalisation projects can boost local economies, support small businesses, and enhance community well-being. They support the assumptions and findings the Hutt Street revitalisation economic impact and benefit cost assessments detailed later in this report.

Main Street America

(Source: Main Street America, Economic Impact of Main Streets, www.mainstreet.org)

Main Street America offers insights into the broader economic impacts of main street revitalisation projects, including data-driven trends and strategies that can be applied to Australian contexts. Their resources highlight the significant job creation and reinvestment potential of these projects. Over a 10-year period, 2008 – 2017, Main Street America reports that U.S. cities spent \$74.73 billion on downtown revitalization projects that resulted in 614,716 jobs. Each \$1 million spent was associated with net gain in jobs of 8.2.

Mountain Home (USA)

(Source: Mountain Home, Economic Impact Assessment of the Downtown Revitalisation Project 2018)

This study estimates the change in employment, incomes and output in the local economy of the Mountain Home's Downtown Master Plan. The revitalisation project costing approximately \$US 3.5 million included Main St. and N. 2nd E St., between E. 5th N. St. and E. Jackson St. The project involved improving walkability, creating bike lanes, reducing the number of lanes and traffic speed and sidewalk landscaping. The economic impact of this precinct revitalisation project by 2023 was estimated to be:

Section 3: Desktop Research (Cont.)

Case Studies – International (Cont.)

- A permanent increase (direct and multiplier) in annual employment in Mountain Home of 26.8 workers per annum, or 7.7 per \$ million invested.
- An annual labour income increase of \$569.0 thousand.
- A total income increase of \$807.0 thousand.

Michigan Main Street Centre (USA)

(Source: PlaceEconomics, The Economic Impacts of Main Street in Michigan)

The MMSC assists communities in creating an economic environment where local businesses thrive. Each Michigan Main Street community is locally organised, run, and funded. The Main Street communities seek to refill vacant store fronts, focus reinvestment on the downtown district, and support small businesses. In the 10 years to 2014, the MMSC recorded the following outcomes:

- Over \$200 million invested in Main Street buildings, infrastructure, and public improvements
- For every \$1 invested in the State Main Street Centre, Michigan Main Street districts have seen downtown building investment of \$67
- 250 net new businesses established
- Over 1,300 net new jobs created in Main Street districts – 6.5 jobs per \$ million invested.

Section 3: Desktop Research (Cont.)

Case Studies – International (Cont.)

Louisiana Main Street Centre (USA)

(Source: Louisiana Office of Cultural Development, A Study of the Impacts of Louisiana Main Street, July 2018)

This report considers the first 34 years of Louisiana Main Street and the participating Louisiana Main Street communities. The report both quantitatively and qualitatively demonstrates the impact of Louisiana Main Street on the economic and social health of the state of Louisiana which included each year for a typical main street:

- 2.8 Net New Businesses
- 11.8 Net New Jobs
- \$517,890 in Public Investment
- \$860,367 in Private Investment

High Streets Heritage Action Zone (United Kingdom)

(Source: www.thetimes.com/uk/history/article/how-breathing-new-life-into-old-high-streets-proved-profitable)

Between 2020 and 2024, the HSHAZ initiative invested £103 million to regenerate 67 historic high streets across the UK. This effort led to the restoration or repurposing of numerous buildings and ultimately generated £245 million in economic activity and created 700 jobs valued at £34 million annually. For every £1 invested, there was a return of £1.34 (BCR 1.34), demonstrating a positive economic impact and increased community engagement.

Section 3: Desktop Research (Cont.)

Case Studies – International (Cont.)

When taking into consideration the USA/Australia exchange rate of approximately 1.6, the South Australian Jetty Road Case Study ratio of additional ongoing jobs (161.5) to investment (\$40 million) of 4 jobs per \$ million appears conservative but compatible with the outcomes of Main Street America (8.2), Mountain Home USA (7.7) and Michigan Main Street (6.2).

This is important in the context of the Hutt Street revitalisation project as similar assumptions and methodologies are applied to the following Hutt Street assessments.

Section 4: Revitalisation Options

Two concept design options are being considered for the revitalisation of Hutt Street between South Terrace and Carrington Street – Options A and D as follow:

Option A

The features of this concept design are:

- **Retains the existing 60-degree angle parking layout**, maximising the provision of parking but not complying with the current Australian Standards.
- **Provides high parking convenience**, with many spaces located directly in front of destinations.
- **No changes to footpath width**, cycle lane, or parking approach.
- **Targeted footpath maintenance** of existing footpath to enhance the pedestrian experience.
- **Minimal enhancement to street tree surrounds**, due to limited space.
- **Retains approximately 132 on-street parking bays.**

Option D

The features of this concept design are:

- **Changes to parallel parking** to improve sightlines and reduce collision risk, aligning with Austroads Guides' recommendations.
- **Off-peak parking** in the outer traffic lane between Gilles Street and Carrington Street (southbound in the AM, northbound in the PM).
- **Creates a protected cycle path separated from traffic** to support all wheeling modes, including e-scooters.
- **Provides raised thresholds at minor side streets**, to improve pedestrian accessibility and connectivity.
- **Expands pedestrian spaces** for outdoor dining, public seating, and community gathering areas.
- **Widens and declutters footpaths**, improving accessibility.
- **Full footpath replacement**, for enhanced pedestrian experience.
- **Introduces additional greening** to reduce street temperatures and enhance environmental amenity.
- **Enhances street trees' long-term health and management** within protected footpath zone.
- **Traffic safety improvements including a dedicated right-turn slip lane** for McLaren Street and Davaar Place.
- **Closure of the median gap** between Gilles and Halifax Streets to mitigate vehicular conflict.
- **Retains approximately 72 on-street parking bays.**

Section 5: The Do-Nothing Option

Should the proposed Hutt Street Revitalisation Project not proceed, there are several risks and potential negative consequences that could impact the City of Adelaide community including:

- **Economic decline:** Without revitalisation, Hutt Street may face future challenges in attracting visitors and customers. This could result in a decline in business activity, reduced sales for local retailers and service providers, and potential closures of businesses. The economic vitality of the street may diminish, leading to job losses and reduced opportunities for entrepreneurship and investment. People will simply choose more attractive places to live, spend time in, shop and invest.
- **Deterioration of infrastructure and heritage:** Neglecting upgrades could result in deterioration of the street's infrastructure, including roads, sidewalks, and public spaces. This can create safety hazards, reduce accessibility, and detract from the overall aesthetic appeal of the area. Additionally, the preservation of heritage buildings and structures may be compromised, leading to irreversible damage and loss of historical value.
- **Limited community engagement and satisfaction:** Without upgrades, the community may perceive a lack of investment and commitment from Council and businesses. This can lead to a sense of disconnection and dissatisfaction among residents, potentially resulting in reduced community engagement and participation. The overall liveability and sense of pride in the street may be affected.
- **Missed opportunities for improvement:** Without revitalisation, the Hutt Street community could miss out on the potential benefits that come with revitalising street. These benefits include enhanced retail experiences, improved public spaces, increased tourism, job creation, and a vibrant and attractive precinct that contributes to the overall quality of life for residents.

It is important to recognise these risks and potential consequences to motivate the funding and implementation of the proposed revitalisation, ensuring the long-term success and sustainability of Hutt Street and the community as a whole.

Section 6: Key Economic Modelling Assumptions

Tables 1 and 2 opposite contain the key economic modelling assumptions supporting the economic impact assessment and benefit cost assessment.

Table 1 details generic assumptions that apply across all options. Hutt Street visitor counts and the value of properties in the project shadow area were supplied by Council. The average daily spend is based on the 2022 McGregor Tan survey of spending by City residents. The remainder are Hudson Howells assumptions and calculations agreed with Council.

Table 2 details option specific assumptions that drive the different economic impact and benefit cost outcomes for each option. Construction costs and times are as estimated by Council’s cost consultant RLB. The remained are Hudson Howells’ assumptions and calculations agreed with Council based on the preceding case studies and similar projects in South Australia.

Hudson Howells Input-Output Tables and associated multipliers have been used for estimating Gross State Product (GSP) and Full Time Equivalent (FTE) job impacts, and a project specific Microsoft Excel model has been developed and employed to estimate all costs and benefits, 30-year Net Present Values (NPVs) and Benefit Cost Ratios (BCRs).

Table 1

Discount Rate for Net Present Value (NPV) Calculations		4.00%
Number of Visitor Counts Per Annum (Total Hutt Street Foot Traffic 2024)		2,523,502
Number of Counts per Visitor		2
Number of Visitors per Annum		1,261,751
Percentage of Visitors Going to the Revitalised Precinct		50.00%
Number of Visitors to the Revitalised Precinct		630,876
Average Daily Spend		\$94
Value of Properties in the Project Shadow Area		\$159,899,500

Table 2

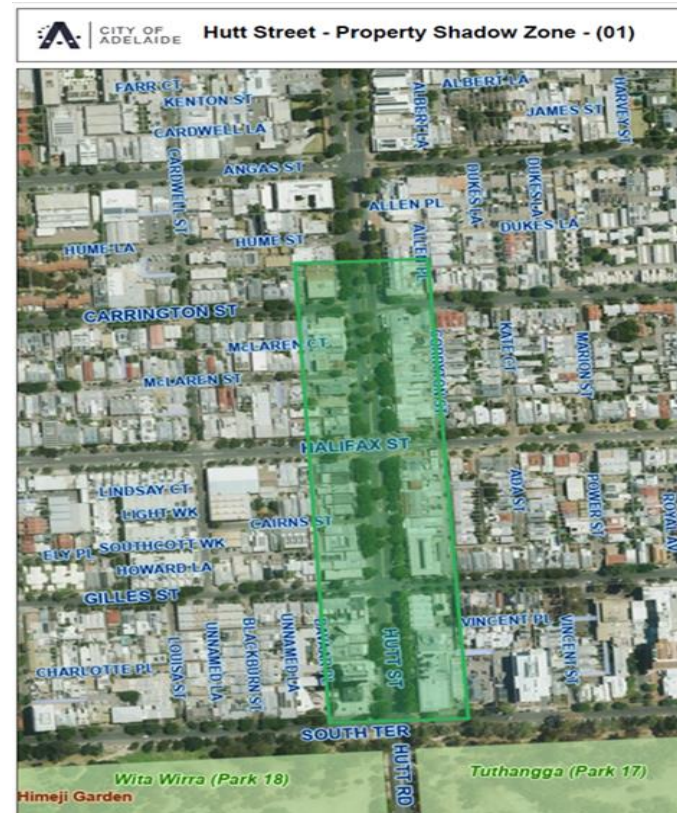
			Option D	Option A	Do Nothing
Construction Cost			\$29,214,648	\$701,674	\$0
Construction Time			78 Weeks	26 Weeks	N/A
Estimated New Visitor Increase % p.a.			1.00%	0.00%	0.00%
Additional Visitors Per Annum			6,309	0	0
Existing Visitor Estimated Increased Spending % p.a.			10.00%	0.00%	-1.00%
Property Value Uplift %			1.00%	0.00%	0.00%
Estimated Visitor % Decrease During Construction			5.00%	5.00%	0.00%

Section 6: Key Economic Modelling Assumptions (Cont.)

Map 1 opposite details the project shadow area surrounding Hutt Street defined as those properties that can be expected to receive a property value uplift following the precinct revitalisation. It is assumed that these properties have a current valuation of \$159,899,500 as estimated by Savills Valuations in a recent report to Council.

Finally, it is assumed that a reduction of 60 on-street car parking bays associated with Option D will not significantly impact Hutt Street precinct foot traffic and business income, which will be positively impacted by the precinct revitalisation and additional facilities including outdoor restaurant/café seating. Although dated and the last survey available, this assumption is supported by the 2019 Austraffic Hutt Street Parking Survey detailing the availability and high vacancy rates of 2,130 car parks within a 5-minute walk of Hutt Street as shown on Map 2 following.

Map 1

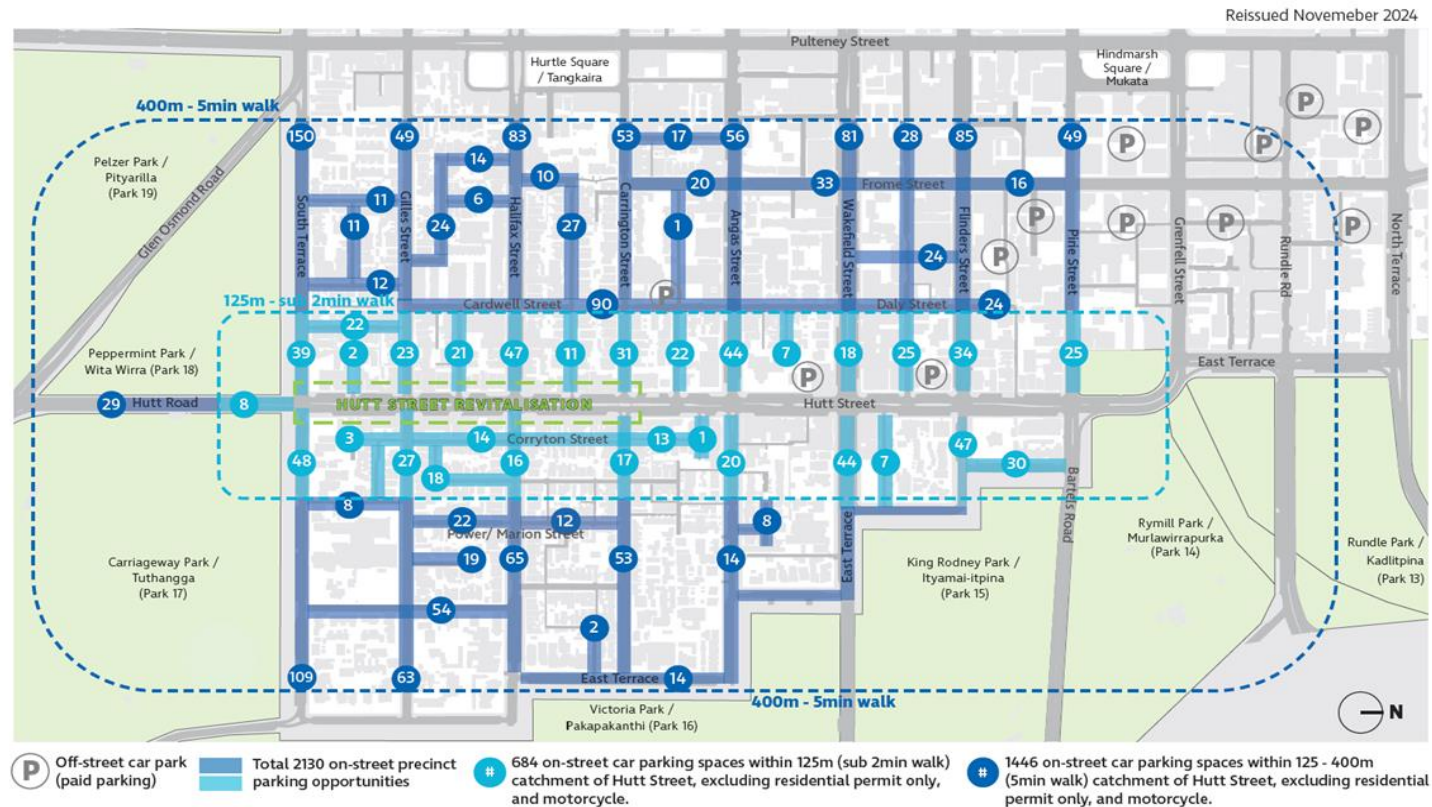


Section 6: Key Economic Modelling Assumptions (Cont.)

Map 2

Hutt Street

- Car parking along Hutt Street is supplemented by on-street parking in the surrounding streets which is timed, largely unticketed and doesn't require a permit during business hours.
- Outside of business hours, demand for parking rebalances as city workers leave the area, residents return home, and patrons arrive at evening hospitality venues located predominantly within the southern sector of Hutt Street.
- Parking controls are intended to respond to the parking demands of the street and precinct across week days and the weekend. They are reviewed to assess how effectively they are operating and adjusted as required.



Section 7: Summary of Results & Options Prioritisation

Table 3 below summarises the outcomes of the economic impact and benefit cost assessments:

Table 3

									Option D	Option A	Do Nothing
Costs											
Project Capital Costs									\$29,214,648	\$701,674	\$0
Potential Reduced Business Activity During Construction									\$2,965,115	\$1,482,557	\$0
Benefits											
Construction Contribution to Gross State Product									\$30,850,668	\$740,968	\$0
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Community 30 Year NPV and BCR											
Community 30 Year Net Present Value of Benefits									\$183,089,368	\$740,968	-\$18,358,146
Community 30 Year Net Present Value of Costs									\$32,179,763	\$2,184,231	\$0
Community 30 Year Net Present Value of Costs and Benefits (NPVCB)									\$150,909,605	-\$1,443,263	-\$18,358,146
Community 30 Year Benefit Cost Ratio (Total NPV Benefits/Total NPV Costs)									5.69	0.34	N/A

In addition to the above benefits, the case studies reviewed for this project demonstrate a history of private sector re-investment in properties and lower vacancy rates following main street revitalisation projects. Based on the above modelling results, Option D clearly delivers the highest Benefit Cost Ratio and Community Net Present Value of benefits and costs, and is therefore rated priority #1 for implementation, followed by Option A and the Do-Nothing Option.

Section 8: Detailed Economic Impacts – Option D Construction Phase

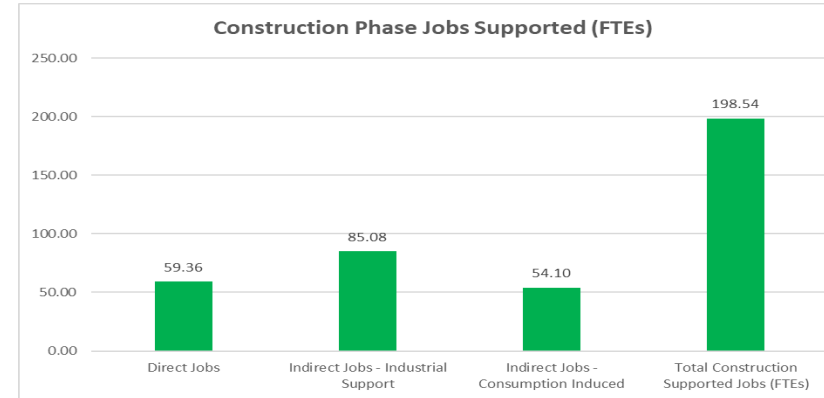
Graphs 1 and 2 opposite contain the estimated economic impacts associated with the project construction based on an estimated capital cost of \$29.2 million.

In summary, it is estimated that the Hutt Street Revitalisation Project Option D will contribute \$30.9 million to South Australia's Gross State Product and will support a total of 198 full time equivalent jobs during the construction phase.

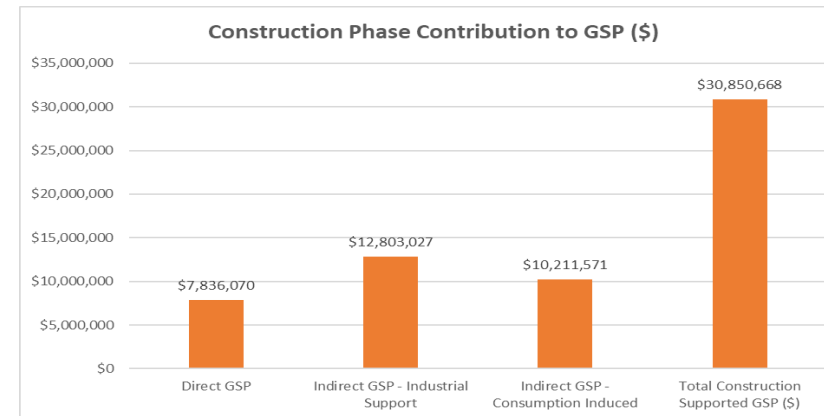
There is an estimated 59 Direct FTE jobs associated with this construction activity, mostly on-site. The construction phase will support indirect industrial and consumption jobs in addition to the direct jobs. **Industrial support**, for example suppliers to the project such as materials and services, is estimated to contribute an additional 85 FTE jobs. **Consumption induced**, for example jobs supported by the spending of employee wages, is estimated to contribute an additional 54 FTE jobs.

Industrial support and consumption induced GSP is estimated to be \$12.8 and \$10.2 million respectively in addition to \$7.9 million of direct GSP.

Graph 1



Graph 2



Section 9: Detailed Economic Impacts – Option D Operational Phase

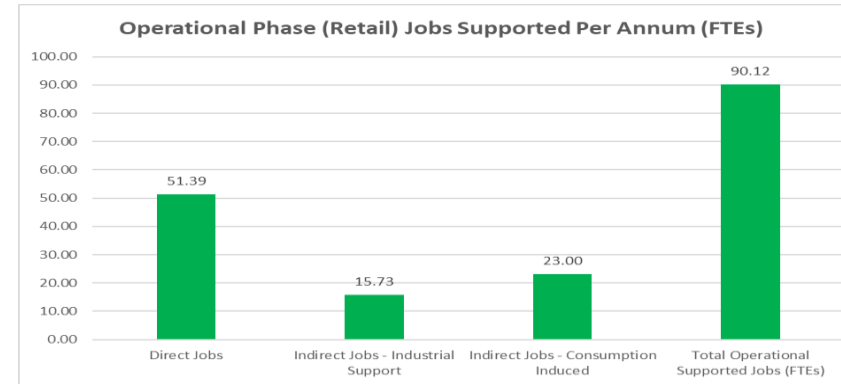
Graphs 3 and 4 opposite contain the estimated economic impacts associated with the project's operational (retail) phase post construction based on the assumptions detailed above.

In summary, it is estimated that the operational phase of the Hutt Street Revitalisation Project will contribute \$8.7 million per annum to South Australia's Gross State Product and support a total of 90 full time equivalent jobs per annum.

There is an estimated 51 Direct FTE jobs on-site. The operational phase will also support indirect industrial and consumption jobs in addition to the direct jobs. **Industrial support** is estimated to contribute an additional 16 FTE jobs. **Consumption induced** is estimated to contribute an additional 23 FTE jobs.

Industrial support and consumption induced GSP is estimated to be \$1.9 and \$3.3 million per annum respectively in addition to \$3.5 million of direct GSP.

Graph 3



Graph 4

