

Business & Economic Development Committee Minutes

19 November 2019

Our Vision

*A City which values its heritage, cultural diversity,
sense of place and natural environment.*

*A progressive City which is prosperous, sustainable
and socially cohesive, with a strong community spirit.*

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City of
Norwood
Payneham
& St Peters

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VENUE Mayors Parlour, Norwood Town Hall

HOUR 6.15pm

PRESENT

Committee Members Cr Carlo Dottore (Acting Presiding Member)
Cr Scott Sims
Cr Garry Knoblauch
Cr John Callisto
Mr John Samartzis
Professor Richard Blandy
Ms Trish Hansen

Staff Keke Michalos (Manager, Economic Development & Strategic Projects)
Rosanna Francesca (Economic Development & Strategic Projects Co-ordinator)
Tyson McLean (Economic Development & Strategic Projects Officer)

APOLOGIES Mayor Robert Bria (Presiding Member), Mr Geoff Hayter, Ms Skana Gallery

ABSENT Nil

TERMS OF REFERENCE:

The Business & Economic Development Committee is established to fulfil the following functions:

- *To assist the Council to facilitate and promote economic growth and development in the City of Norwood Payneham & St Peters.*
- *To provide advice to the Council and recommend actions, including the conduct of studies associated with business and economic development, as required, in order to facilitate the identification of opportunities, issues, strategies and actions.*
- *Provide advice to the Council where necessary, to facilitate the creation of business networks (both within South Australia and Australia), which provide benefits for the City of Norwood Payneham & St Peters.*
- *To oversee the strategic planning, the implementation of projects (including those identified in the Council's Business & Economic Development Strategy) and marketing and promotion associated with businesses and economic development.*

1A. APPOINTMENT OF ACTING PRESIDING MEMBER

Cr Knoblauch moved that Cr Carlo Dottore be appointed Acting Presiding Member for this meeting. Seconded by Cr Sims and carried unanimously.

1B. CONFIRMATION OF MINUTES OF THE BUSINESS & ECONOMIC DEVELOPMENT COMMITTEE MEETING HELD ON 20 AUGUST 2019

Mr John Samartzis moved that the minutes of the Business & Economic Development Committee meeting held on 20 August 2019 be taken as read and confirmed. Seconded by Cr Callisto and carried unanimously.

2. PRESIDING MEMBER'S COMMUNICATION

Nil

3. STAFF REPORTS

3.1 2020 – 2025 KENT TOWN ECONOMIC GROWTH STRATEGY

REPORT AUTHOR: Economic Development & Strategic Projects Coordinator
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4524
FILE REFERENCE: S/05547
ATTACHMENTS: A - F

PURPOSE OF REPORT

The purpose of this report is to advise the Business & Economic Development Committee of the results of the community consultation and engagement on the *Draft 2020 – 2025 Kent Town Economic Growth Strategy*, and to present the revised draft Strategy to the Committee for its consideration and endorsement.

BACKGROUND

At its meeting held on 19 March 2019, the Business & Economic Development Committee received a presentation outlining the key aspects of the Kent Town local economy and the proposed strategic framework. This information and the feedback from the Committee was subsequently used to guide the development of the *Draft 2020-2025 Kent Town Economic Growth Strategy*, which was presented to the Committee at its meeting on 20 August 2019. At that meeting, the Committee endorsed the *Draft 2020-2025 Kent Town Economic Growth Strategy* as being suitable to present to Council for endorsement and approval to be released for community consultation and engagement with the business community for a period of not less than twenty-one (21) days. Subsequently, the draft Strategy was presented to the Council at its meeting on 2 September 2019, and endorsed to be released for community consultation.

In March 2019, the Council endorsed the *Kent Town Urban Design Framework* and *Kent Town Public Realm Manual*, which sets out the overarching Vision, Themes, Directions and Implementation Strategy for Kent Town's public realm.

The *Kent Town Urban Design Framework* has been developed as a strategy for the Council and the State Government, to better engage with developers and property owners regarding future development sites and the interface with public infrastructure. Its purpose is to encourage the renewal of public infrastructure that would complement the significant built form transformation which is envisioned in the *Urban Corridor Zone* and three (3) Policy Areas within Kent Town, as set out and described in the *Norwood Payneham and St Peters (City) Development Plan*. These zoning changes were introduced in response to the State Government's *30-Year Plan for Greater Adelaide*, which looked to define those areas where population and housing growth should be encouraged. In the 30-Year Plan, the suburb of Kent Town was identified as a suburb with "significant high density, mixed-use regeneration opportunity."

Through the development of the *Kent Town Urban Design Framework*, the need for an Economic Growth Strategy was identified to assist in guiding the future growth of Kent Town and in particular, its economic development.

DISCUSSION

The *Draft 2020-2025 Kent Town Economic Growth Strategy*, is being developed to assist the Council in capitalising on the strengths of Kent Town and respond to the key trends over the next five (5) years. When finalised, it will complement the Council's *City-Wide Business & Economic Development Strategy*, which is currently being developed by Council Staff.

The intent of the *Draft 2020 – 2025 Kent Town Economic Growth Strategy* is for it to be used as a tool to identify and attract new businesses and enhance existing businesses to support the economic competitiveness, activation and unique cultural aspects of Kent Town.

Consultation

A community consultation and stakeholder engagement process was undertaken to gauge the community's response to the proposed Vision, Strategies and Actions for Kent Town, outlined in the Strategy.

In order to encourage feedback from the community, consultation on the *Draft 2020-2025 Kent Town Economic Growth Strategy* was also promoted through the following platforms:

- a news item was published on the Council's website and an article distributed via YourNPSP e-newsletter;
- a media release was shared on 16 September 2019;
- community consultation was promoted via the Council's social media channels; and
- posters were displayed at all three (3) Council libraries and at the Norwood Town Hall together with a hard copy of the draft Strategy.

As part of the consultation and engagement process, a letter was sent to all property owners in Kent Town to advise them of the consultation and invite them to comment on the Strategy. An information postcard was also distributed to all residences and businesses in Kent Town inviting them to attend the Open House, which was held on Wednesday 25 September 2019, and to provide feedback. A copy of the letter and postcard are contained in **Attachments A** and **B** respectively.

Letters were also sent to the following stakeholders inviting comments:

- Chief Executive - Department for Trade, Tourism & Investment
- Chief Executive - Department for innovation & Skills
- Director, Growth - City of Adelaide

In addition, staff attended a meeting of the Kent Town Residents Association on Thursday 10 October 2019, to engage with the Committee and answer any questions on the draft Strategy.

In total, received fifteen (15) submissions have been received, comprising of three (3) written submissions and twelve (12) being submitted as responses to the survey template. A copy of the survey is contained in **Attachment C**. The online process provided the community with the opportunity to answer specific questions about the Strategy and to also provide general comments. Table 1 below sets out a summary of the responses received during consultation, noting that an extension was granted to the Kent Town Residents Association to submit their comments by Friday 18 October 2019. A complete copy of the submissions received are contained in **Attachment D**.

TABLE 1: SUBMISSIONS RECEIVED

Question	Yes	No	No response/ unclear
Do you support the vision for Kent Town?	7	4	4
Do you support the three (3) themes for Kent Town?	7	4	4
Do you support the proposed Strategies and Actions outlined under 'Theme 1 - Attract Investment' of the draft Kent Town Economic Growth Strategy 2020-2025?	8	4	3
Do you support the proposed Strategies and Actions outlined under 'Theme 2 - Support Growth' of the draft Kent Town Economic Growth Strategy 2020-2025?	9	3	3
Do you support the proposed Strategies and Actions outlined under 'Theme 3 - Create Prosperity' of the draft Kent Town Economic Growth Strategy 2020-2025?	8	4	3

The results indicate that the majority of participants are supportive of the core elements of the *Draft 2020-2025 Kent Town Economic Growth Strategy*.

The comments which have been received through the consultation and engagement process, have been reviewed and have been used to make minor amendments to the *Draft 2020-2025 Kent Town Economic Growth Strategy*. A summary of all of the submissions received and a response to each of the submissions is contained in **Attachment E** of this report.

A vast majority of the comments which have been received indicate a misunderstanding of the role and purpose of the economic growth strategy, with many of the submissions focusing on comments regarding the community and residents.

The key components of the *Draft 2020-2025 Kent Town Economic Growth Strategy* being the Vision, Strategy and Actions have also been reviewed in the context of the comments and input which has been received during the consultation process. Outlined below is a brief overview of each section.

Vision

The original Vision proposed in the previous draft Strategy was adopted from the *Kent Town Urban Design Framework*. Whilst the majority of respondents supported the Vision, it was identified that the Vision needed to reflect a stronger link with the overarching objective of the Strategy, which is to support local economic growth and investment.

The amended Vision proposed in the revised Strategy is to have:

“A connected neighbourhood that offers a unique lifestyle and diverse built form that supports local investment and creates prosperity.”

For the purpose of this Vision, ‘investment’ relates to both new businesses and property development.

Themes

No changes are proposed to the three (3) high-level themes outlined in the Strategy. They are to remain unchanged as follows:

- Attract investment
- Support growth
- Create prosperity

Strategies and Actions

As a result of the comments which have been received, a number of changes have been made to the revised strategies and actions.

Issue	Amendment
The previous draft Strategy proposed evening/night-time activation in Kent town be targeted during the Adelaide Fringe period. The evening/night-time activation of Kent Town requires a coordinated approach which extends longer than the Adelaide Fringe period.	Action 1.3.1 – Explore opportunities for evening/night-time activation in Kent Town as part of the Council’s <i>People, Place & Activity Strategy</i> .
Kent Town would benefit from additional small service businesses (such as a small scale IGA), to service the local business and resident population. There is a need to further understand and analyse the existing market failure to provide this service.	Strategy 1.4 - Encourage the establishment of appropriate retail businesses to service the local Kent Town Community. Action 1.4.1 - Identify barriers and work to attract retail businesses that will service the local community.
To ‘Build a Sense of Place’ in Kent Town, the Council should explore all opportunities for live music, not just busking opportunities as proposed in the previous draft Strategy.	Action 3.1.2 - Explore opportunities in Kent Town to leverage Adelaide’s designation as a ‘UNESCO City of Music’ to support the growth of live music in Kent Town and increase local foot traffic.

There is a strong desire to 'Build a Sense of Place' in Kent Town by continuing to grow the visual creativity in the public realm.	Action 3.1.3 - Explore opportunities to introduce light, art and colour into the public realm that supports the cultural and creative identity of Kent Town.
Whilst the <i>Kent Town Urban Design Framework and Public Realm Manual</i> address some elements of infrastructure, more is required. The poor quality of physical and digital infrastructure in Kent Town is a barrier to growth for local businesses and developers.	Action 3.4.3 - Advocate to local service providers for the enhancement of physical and digital infrastructure in Kent Town.

In addition to the above, other sections of the Strategy have been enhanced to provide additional clarity and background.

OPTIONS

The Committee can endorse the revised *Draft 2020 - 2025 Kent Town Economic Growth Strategy* contained within **Attachment F** and recommend the document to the Council for endorsement. Alternatively, the Committee can amend, omit or propose changes to the *Draft 2020 - 2025 Kent Town Economic Growth Strategy* and forward the amended document to the Council with a recommendation for endorsement.

CONCLUSION

One of the key objectives when Kent Town was rezoned was to ensure that its primary role as a business precinct was retained and that notwithstanding the introduction of significant residential development, its ongoing role as a business precinct on the fringe of the Adelaide Central Business District (CBD) was not compromised.

The current planning policy framework (the *Urban Corridor Zone* and three (3) associated Policy Areas) encourages retail activity on a scale that supports the anticipated resident population and business function of Kent Town, and recommends that Kent Town continues to be developed as a 'Creative Industries Hub' with a focus on digital media, advertising, publishing and design activities. The focus on these sectors and their contribution to the ongoing success of Kent Town has been reflected in the *Draft 2020 – 2025 Kent Town Economic Growth Strategy*.

Building on previous planning changes, and together with the *Kent Town Urban Design Framework and Public Realm Manual*, the 2020-2025 Kent Town Economic Growth Strategy will provide a holistic Strategic Framework to guide the evolution of Kent Town.

The development of an Economic Growth Strategy reinforces the importance of Kent town as a business and economic precinct, and demonstrates the Council's commitment to its future prosperity.

RECOMMENDATION

That the revised *Draft 2020 -2025 Kent Town Economic Growth Strategy* contained in Attachment F be endorsed as being suitable to present to the Council for endorsement.

Mr John Samartzis moved:

That the Draft 2020-2025 Kent Town Economic Growth Strategy contained in Attachment F be endorsed as being suitable to present to the Council for its conscious endorsement with the following amendments:

- *re-wording the document to better reflect what Kent Town is and what it could be;*
- *preparation of an Executive Summary of the document; and*
- *including a number of editorial changes as discussed.*

Seconded by Professor Richard Blandy and carried unanimously.

3.2 PROGRESS REPORT ON THE CITY WIDE ECONOMIC DEVELOPMENT STRATEGY

REPORT AUTHOR: Economic Development Coordinator
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4616
FILE REFERENCE: S.05882
ATTACHMENTS: A

PURPOSE OF REPORT

The purpose of this report is to provide the Business & Economic Development Committee, with an update of the progress regarding the development of the *City Wide Economic Development Strategy*.

BACKGROUND

The Council's first *Business & Economic Development Strategy* was developed in 2007 and provided the strategic framework for the five (5) year period 2008-2013. The development of this Strategy was managed by an external consultant and included a consultation process with local business leaders, as well as other relevant South Australian agencies. The Strategy was based on five (5) Themes, each of which contained a number of objectives, and strategies.

The *Business & Economic Development Strategy 2008-2013* was developed to align with the Council's Strategic Management Plan, *CityPlan 2030: Shaping Our Future* and makes reference to the objectives contained in *CityPlan 2030* under the heading of *Economic Prosperity: A dynamic and thriving centre for business and services*.

Given that the Council's Strategic Plan, *CityPlan 2030*, represents the Vision to 2030, it is important that the new *City Wide Economic Development Strategy* also references this document closely.

At its meeting held on 3 December 2018, the Council re-established the Business & Economic Development Committee to provide advice to the Council in respect to business and economic development matters and to develop a *City Wide Economic Development Strategy*, as a matter of priority.

At its meeting held on 21 May 2019, the Business & Economic Development Committee received a presentation from staff, including background and statistics on the five (5) sectors previously identified as the priority sectors, namely Health and Wellbeing, Education, Food Manufacturing, Creative and Cultural Industries and Retail. Following the staff's presentation, the Committee considered the sectors that were highlighted, and endorsed the following four (4) priority areas of economic development as the key focus areas for the Council's *City Wide Economic Development Strategy*:

- Food Manufacturing
- Retail
- Cultural & Creative Industries
- Professional, Scientific and Technical Services

In addition, the Committee resolved that Education and Health Sectors be recognised in the Strategy as important sectors due to their significant contribution to Community Well-being but not as two of the Council's priority areas.

RELEVANT STRATEGIC DIRECTIONS & POLICIES

- *CityPlan 2030: Shaping Our Future*
- Kent Town Economic Growth Strategy 2020 - 2025
- 30 Year Plan for Greater Adelaide
- The Size, Structure and Growth of the Eastern Regions Alliance's Economy

FINANCIAL AND BUDGET IMPLICATIONS

The Council has allocated a budget of \$7,000 to develop the *City Wide Economic Development Strategy 2020 – 2025*. A portion of this budget has been allocated to engage Marcus Rolfe, Director, URPS to facilitate six (6) key sector workshops that have been scheduled for November 2019.

RESOURCE ISSUES

This project requires a significant amount of research, analysis and consultation with businesses, due to the size and scope of the Strategy, the majority of which will be undertaken by Council staff.

DISCUSSION

Whilst the Federal and State Government play a key role in stimulating the economy at their respective levels, it is the Council's responsibility to initiative and develop programs, activities and workshops to stimulate business growth, employment and investment at a local level. The Council currently delivers economic development activities for the business and local community, but it is essential that a strategic plan be developed and implemented, to set and achieve real results.

The intent of the *City Wide Economic Development Strategy* is to provide a five (5) year vision and plan for economic growth in the City by taking a proactive approach to supporting economic activity. The aim of the Strategy is to provide a framework for Council to work in partnership with stakeholders to develop and enhance the vibrancy, sustainability and ensure that the City remains a great place to live, work and invest. The Strategy is being developed concurrently with the *Kent Town Growth Strategy 2020 – 2025* and will complement the final document.

In seeking to establish the strategic framework that addresses a wide range of issues for economic development in the City, the project includes a number of important stages including:

- Review of the Business & Economic Development Strategy 2008 – 2013
- Utilise REMPLAN to research and collect data at a City, ERA and State level
- Development of sector discussion papers
- Host six (6) visioning workshops
- Develop a draft *City Wide Economic Development Strategy* for endorsement by the Committee and Council
- Community consultation
- Revise and amend the document
- Present to the Committee and Council for final endorsement

Since the Committee meeting held in August 2019, Council staff have progressed with the development of the Strategy and have prepared four (4) discussion papers, one (1) on each of the key priority sectors. In addition, a discussion paper has also been prepared on the property sector. A copy of the five (5) discussion papers is contained in **Attachment A**.

As part of the development of this Strategy, Council staff, together with facilitator Marcus Rolfe, Director, URPS, will be hosting six (6) workshops in November 2019, inviting key stakeholders and businesses from the four (4) key sectors, as well as hear the views of property owners and developers who also have a large impact on the cityscape. The attendees to the workshops will receive a copy of their respective discussion paper prior to the event.

Table 1 provides an overview of the six (6) workshops, including the date, time and location of each of the workshops.

TABLE 1: DETAILS OF THE SIX (6) WORKSHOPS

Topic	Date	Time	Location
Retail	Wed 20 Nov 2019	6.00pm – 7.30pm	Norwood Town Hall
Property Owners / Developers	Thurs 21 Nov 2019	12noon – 1.30pm	Norwood Town Hall
Food & Beverage Manufacturing	Thurs 21 Nov 2019	3.00pm – 4.30pm	Signature Wines
Professional, Scientific & Technical Services	Fri 22 Nov 2019	8.30am – 10.00am	Crosby Dalwood
Cultural & Creative Industries	Wed 27 Nov 2019	10.00am – 11.30am	Australian Dance Theatre
Multi Sector	Wed 27 Nov 2019	6.00pm – 7.30pm	Norwood Town Hall

Whilst the sector discussion papers provide a solid background of knowledge, it is important to undertake the focus group workshops, to identify and gain a better understanding of the strengths, opportunities, weaknesses and threats that each business, sector and more generally the City, face. Discussing these issues will assist in the development of strategies, which in turn will enable the City to become more attractive to businesses, workers and visitors.

The Council will consolidate the thoughts and ideas at the conclusion of the six (6) workshops, and will use the information to inform the development of the strategies and objectives in the *City Wide Economic Development Strategy 2020 – 2025*.

OPTIONS

The Committee can endorse the process set out in this report or it can choose to amend the direction that staff are taking to capture information from the business sector within the City.

CONCLUSION

The base of all economic development is investment to ensure sustainability in the long term. The establishment of a *City Wide Economic Development Strategy* that understands the priorities and challenges for the City's business and economic sector, and sets a strategic framework that can provide leadership, monitor change and achieve strategic objectives will ultimately deliver economic growth in the City and ensure a healthy economy.

COMMENTS

Nil.

RECOMMENDATION

That the report be received and noted.

Cr Knoblauch moved:

That the report be received and noted.

Seconded by Cr Sims and carried unanimously.

3.3 THE PARADE PRECINCT OCCUPANCY LEVELS

REPORT AUTHOR: Strategic Projects Officer
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4512
FILE REFERENCE: S/03748
ATTACHMENTS: A – C

PURPOSE OF REPORT

The purpose of this report is to provide the Business & Economic Development Committee with an overview of occupancy levels within The Parade Precinct.

BACKGROUND

On Tuesday 8 October 2019, The Advertiser released an article titled '*Retail downturn on Parade*'. A copy of the article is contained in **Attachment A**. This article was based on the findings of the *Adelaide High Street Overview Report* prepared by Jones Lang LaSalle (JLL) Australia (copy contained in **Attachment B**).

The purpose of the *Adelaide High Street Overview Report*, which is released half yearly, is to provide an overview of the occupancy levels and vacancy rates taking into consideration the tenancy mix in the retail high streets throughout metropolitan Adelaide, including Rundle Street, Hindley Street, O'Connell Street, The Parade, Jetty Road, King William Road and Prospect Road.

One of the shortfalls of the JLL Australia Report is that it defines The Parade as simply being the tenancies directly fronting The Parade between Osmond Terrace and Portrush Road, which is considered to be the retail heart of The Parade. It does not acknowledge the section of The Parade between Fullarton Road and Osmond Terrace and the numerous businesses that front many of the side streets, all of which form part of The Parade Precinct.

The report by JLL Australia indicated that The Parade's vacancy rate in the first half of 2019 was 14.6%, increasing from 9.4% recorded in the second half of 2018. The report does however acknowledge that the new supply of unleased tenancies on The Parade has negatively impacted the strip and is a key contributor to the high percentage. In comparison, the report also showed that King William Road, O'Connell Street and Hindley Street, were the only main streets that showed any reduction in vacancy rates, all of the other main streets showed an increase.

The article in The Advertiser focussed predominately on the vacancy rate along The Parade and compared it to other main streets such as King William Road and O'Connell Street which had shown signs of improvement, indicating that The Parade had surpassed King William Road as the strip with the highest rate of vacant shopfronts in Adelaide. Overall the article painted a negative picture of The Parade, suggesting that one (1) in seven (7) shopfronts along The Parade are vacant, and suggested that this number could worsen in the coming months.

Following the release of the article, an assessment was undertaken by Council Staff to determine the 'actual' vacancy rate within The Parade Precinct. The Methodology used by Staff to ascertain the vacancy rate within The Parade Precinct and the results of the assessment is outlined in the Discussion Section of this report.

DISCUSSION

For the purposes of this report vacancy rates are defined as being a percentage of all available rental properties in a particular area. In retail precincts such as The Parade, the vacancy rate is usually calculated on the commercial tenancies located on the ground floor predominately comprising of retail and commercial uses. Generally, the vacancy rate measures the health of the local property market by representing the level of activity and demand for property.

The assessment undertaken by Council Staff extended the study area further to include the entire Parade Precinct, which extends from Fullarton Road to Portrush Road and encompasses all of the tenancies located within The Parade Precinct depicted on the map contained in **Attachment C**. The on-ground assessment undertaken by Council Staff was conducted over the course of one (1) week concluding on Wednesday 23 October 2019, all details from the research are correct to that date.

It should be noted that in undertaking the assessment, Council Staff made the following assumptions:

- Tenancies noted as being vacant were those that had signage indicating that the premises or part of the premises was for lease as well as some tenancies that did not indicate that they were for lease but were empty and the Council was not yet aware of any new business proposed to occupy the site.
- The ground floor retail spaces within the Nuova Apartments at 254 The Parade, have been counted as being four (4) vacant tenancies although it is technically only two (2) large spaces. The reason for this assumption is that the lease information explains that these spaces can be split in half and therefore accommodate up to four (4) businesses.
- The tenancies not included as being vacant were those that clearly had a business operating inside and also those tenancies which were not yet trading but were in the process of renovating/fitting out the inside of the building and Council Staff were aware of a business soon to be operating in the space either through direct contact or signage on the windows or overhead on the footpath.
- There was one (1) site along Cairns Street, where it was unclear whether the tenancy was occupied or whether it was vacant, and for this reason this site has been excluded and does not form a part of the vacancy figures.

The research conducted by Council Staff found the following:

- There is a total of 392 tenancies available within The Parade Precinct;
- At the time of undertaking the assessment, there were 354 tenanted spaces within The Parade Precinct;
- There are thirty-eight (38) vacant tenancies within The Parade Precinct, which equates to a vacancy rate of 9.7%;
- Fifteen (15) of the thirty-eight (38) vacant tenancies are located on the northern side of The Parade Precinct; and
- Twenty-three (23) of the vacant tenancies are located on the southern side of The Parade Precinct.

The results of the staff assessment indicates that the actual vacancy rate within The Parade Precinct is much lower than what was reported in The Advertiser and the JLL Report. Clusters of vacancies were found at the site of the newly completed Nuova Apartments and Bath Apartments and the former squash courts at 233 The Parade, which have recently been divided into three (3) tenancies and are still in the process of being converted. Some of the other clusters are located on the southern side of The Parade Precinct, between Church Avenue and Osmond Terrace, the Norwood Mall (Coles), and on the northern side of The Parade Precinct opposite Cairns Street.

Whilst the results of the staff assessment show that the southern side of The Parade Precinct has a greater number of vacancies, this is partly due to the Nuova and Bath Apartments, which account for six (6) out of the twenty-three (23) vacancies and the vacancies within the Norwood Mall, which account for two (2) out of the twenty-three (23) vacancies, all of which are a major contributor to the inflated vacancy numbers on the south side of The Parade.

In terms of the types of businesses that have vacated, the research highlighted that a large percentage had simply re-located to other tenancies within The Parade Precinct. For example Bakers Delight which were originally located at 172 The Parade (southern side), have now moved into Norwood Place, replacing Enjoy Bakery. F45 which was previously located at 2/219 The Parade is now located at 117a The Parade. Other businesses that have moved elsewhere within the Precinct include the Mac Centre, which was previously at 185 The Parade and is now located at 236A The Parade (the only tenant to have moved into the new Bath Apartment retail spaces) and Silk Laser Clinic, which has relocated from 53 The Parade to 185 The Parade.

The known businesses that have vacated The Parade Precinct (have not moved into an alternative location within The Parade Precinct resulting in the tenancy remaining vacant), include Motorola Solutions, Big Man Store, Theatre Bugs, XL Menswear, Cotton On Body, Equinox, 2XU and Galini Footwear.

It is interesting to note that half of the businesses that have relocated out of the Precinct are clothing retailers, which clearly reflects the trend which is currently being experienced in other main street locations throughout Australia. The location of these businesses also varies with Motorola Solutions and Big Man Store being located west of Osmond Terrace, Theatre Bugs and XL Menswear being located between Edward Street and Osmond Terrace, Cotton On Body, Equinox and 2XU being located in the 'heart' of the precinct, and Galini Footwear being located further east towards Portrush Road.

The research undertaken by staff also found that the vacancy rate between Osmond Terrace and Portrush Road was approximately 11% and between Osmond Terrace and Fullarton Road falls to approximately 8.21%. The Precinct between Osmond Terrace and Portrush Road contains a greater number of commercial tenancies but also contains a higher percentage of vacancies. Majority of the retail, food and beverage businesses are located in this area, with the section between Osmond Terrace and Fullarton Road containing more businesses associated with homeware products and professional services.

Given the importance of monitoring the vacancy rates within The Parade Precinct, it is proposed that Council Staff will conduct annual occupancy and vacancy assessments and provide written reports to the Business & Economic Development Committee as well as the Norwood Parade Precinct Committee and the Council.

OPTIONS

The Committee can accept the results outlined in this report or it can request staff to undertake additional research.

CONCLUSION

The Advertiser article stated that The Parade has the highest vacancy rate at 14.6% of the main retail high streets in Metropolitan Adelaide, namely Rundle Street, Hindley Street, O'Connell Street, King William Road, Jetty Road, and Prospect Road. However, the context of the article is inaccurate as the foundation for the JLL Report is based on the tenancies between Osmond Terrace and Portrush Road which directly front The Parade. It is noted and recognised that the creation of the excess supply of stock in this section of The Parade has also distorted the vacancy rate, with more time needed to fully understand the impact of these new tenancies on The Parade.

COMMENTS

Whilst it is acknowledged that a low vacancy rate is a positive representation of the health of the property market in a particular location or main street, research has shown that when vacancy rates fall below five (5) percent, the rental market is considered to be in a good state and landlords consequently tend to increase rents. It also means that the landlords can afford to be selective about the type of tenants that they place in the individual properties.

RECOMMENDATION

That the Business & Economic Development Committee note the report and the findings.

Cr Knoblauch moved:

That the Business & Economic Development Committee note the report and the findings.

Seconded by Mr John Samartzis and carried unanimously.

3.4 2020 SCHEDULE OF MEETINGS FOR THE BUSINESS & ECONOMIC DEVELOPMENT COMMITTEE

REPORT AUTHOR: Strategic Projects Officer
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4512
FILE REFERENCE: S/03748
ATTACHMENTS: Nil

PURPOSE OF REPORT

The purpose of this report is to provide the Business & Economic Development Committee with the proposed Schedule of Meetings for 2020.

BACKGROUND

In respect to meetings, the Terms of Reference state that:

8.3 The Committee shall meet at least quarterly at a place to be determined by the Chief Executive Officer in accordance with the responsibilities imposed upon within these Terms of Reference and otherwise on such dates and at such times determined by the Chief Executive Officer.

The purpose of this report is to present the proposed Schedule of Meetings for the 2020 calendar year to the Committee for its consideration.

DISCUSSION

In accordance with the Terms of Reference, the Chief Executive Officer has determined that all of the Committee Meetings will be held in the Mayor's Parlour, located in the Norwood Town Hall at 175 The Parade, Norwood.

In respect to the time and date of the meetings, it is recommended that all of the future meetings of the Committee commence at 6.15pm on a Tuesday night and that they will be held on the dates outlined in Table 1 below. Based on this proposal and the need to hold a minimum of four (4) meetings within each calendar year, it is recommended that the schedule of meetings outlined in Table 1 below, be approved by the Committee.

TABLE 1: BUSINESS & ECONOMIC DEVELOPMENT COMMITTEE SCHEDULE OF MEETINGS 2020

Meeting	Date	Start Time
1	Tuesday 25 February 2020	6:15pm
2	Tuesday 28 April 2020	6:15pm
3	Tuesday 28 July 2020	6:15pm
4	Tuesday 27 October 2020	6:15pm

RECOMMENDATION

That the Schedule of Meetings for 2020 as set out below, be approved.

TABLE 1: BUSINESS & ECONOMIC DEVELOPMENT COMMITTEE SCHEDULE OF MEETINGS 2020

Meeting	Date	Start Time
1	Tuesday 25 February 2020	6:15pm
2	Tuesday 28 April 2020	6:15pm
3	Tuesday 28 July 2020	6:15pm
4	Tuesday 27 October 2020	6:15pm

Cr Sims moved:

That the Schedule of Meetings for 2020 as set out below, be approved.

TABLE 1: BUSINESS & ECONOMIC DEVELOPMENT COMMITTEE SCHEDULE OF MEETINGS 2020

Meeting	Date	Start Time
1	Tuesday 25 February 2020	6:15pm
2	Tuesday 28 April 2020	6:15pm
3	Tuesday 28 July 2020	6:15pm
4	Tuesday 27 October 2020	6:15pm

Seconded by Cr Callisto and carried unanimously.

4. OTHER BUSINESS

Nil

5. NEXT MEETING

Tuesday 25 February 2020

6. CLOSURE

There being no further business the Acting Presiding Member declared the meeting closed at 7.20pm.

Mayor Robert Bria
PRESIDING MEMBER

Minutes Confirmed on _____
(date)