

Business & Economic Development Committee Minutes

20 August 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 Mayor Robert Bria (Presiding Member)
Cr Carlo Dottore
Cr Scott Sims
Cr Garry Knoblauch
Cr John Callisto
Mr John Samartzis
Mr Geoff Hayter
Ms Trish Hansen
Ms Skana Gallery

Staff Mario Barone (Chief Executive Officer)
Keke Michalos (Manager, Economic Development & Strategic Projects)
Stacey Evreniadis (Economic Development Co-ordinator)
Rosanna Francesca (Economic Development & Strategic Projects Co-ordinator)

APOLOGIES Professor Richard Blandy

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.*

1. CONFIRMATION OF MINUTES OF THE BUSINESS & ECONOMIC DEVELOPMENT COMMITTEE MEETING HELD ON 21 MAY 2019

Cr Knoblauch moved that the minutes of the Business & Economic Development Committee meeting held on 21 May 2019 be taken as read and confirmed. Seconded by Cr Sims and carried.

2. PRESIDING MEMBER'S COMMUNICATION
Nil

3. PRESENTATION

3.1 Kent Town Property and Market Study – Presented by Andrew Lucas (Property & Advisory)

4. STAFF REPORTS

4.1 DRAFT 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 - B

PURPOSE OF REPORT

The purpose of this report is to present the *Kent Town Property and Market Study* and the *Draft 2020 – 2025 Kent Town Economic Growth Strategy*, to the Business & Economic Development Committee for its consideration and endorsement.

BACKGROUND

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.”

The *Kent Town Urban Design Framework* itself is a strategic document which will guide the evolution of the public realm associated with the anticipated new development, which has commenced and is expected to continue in Kent Town.

More specifically, the *Kent Town Urban Design Framework* seems to ensure that the unique history, character and appeal of Kent Town, is valued and built upon as part of the transformation which is taking place. The draft Urban Design Framework advocates the vision for Kent Town as “*a connected neighbourhood that offers a unique lifestyle and diverse built form. The public realm respects Kent Town’s past and responds to the community’s current uses and anticipated future needs.*”

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.

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 was used to guide the development of the *Draft Kent Town Economic Growth Strategy* that has now been prepared and is the focus of this report.

DISCUSSION

The intent of the *Draft 2020 – 2025 Kent Town Economic Growth Strategy* (contained in **Attachment A**) 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. To inform development of the *Draft Kent Town Economic Growth Strategy*, the Council engaged Property & Advisory (consultants) to provide an overview of the land use and property market in Kent Town. A copy of the *Kent Town Property and Market Study*, prepared by Property & Advisory, is contained in **Attachment B**.

Kent Town Property and Market Study

In summary, the *Kent Town Property and Market Study* considers the land use economy in Kent Town in the context of its legislative framework, economic and competitive trends, its historical development and prospects for the future. The key conclusions of the Study are summarised below:

- ample scope exists on the supply side for future development;
- future development has been facilitated by Development Plan Amendments in recent years that have significantly increased development potential in Kent Town, most notably in the three (3) Policy Areas within the *Urban Corridor Zone*;
- it is anticipated that the northern portion of Kent Town will transition from a predominantly commercial/workshop area to mixed-use, comprising of commercial and/or retail at ground level with residential development above (as envisaged in the Development Plan);
- the greatest economic pressure is likely to be felt by the industrial sector in Kent Town, generally as a result of the development planning policy change, which allow and encourage higher and better economic land uses;
- despite little demographic movement between 2011 and 2016, the significant changes since 2016, should be reflected in the 2021 Census;
- Kent Town is likely to see significant increase in developer interest and developments on the ground in the next few years due to its locational advantages; and
- as the suburb transitions towards the land uses targeted by the new zoning, other use particularly local retailing, will be attracted to Kent Town.

The Study also highlights the value of liveability, convenience and walkability as Kent Town further develops and continues to attract new residential/mixed-use developments and their customers. It reinforces the importance of developing an evening/night-time economy to both service existing and new residents and to attract additional residents, businesses and visitors to Kent Town. Whilst not highlighted as an advantage in the Study, the establishment of an evening/night-time economy in Kent Town will also help to increase safety, which has been identified by the community as an issue of concern.

As part of the Study, Property & Advisory were asked to investigate the existing creative industries sector and assess the future of this sector in Kent Town. Acknowledging that this sector is not monolithic and recognising that the needs of the creative sector are wide and varied, the Study does attempt to highlight the perceived opportunities and threats for this sector in the context of Kent Town.

The three (3) key opportunities identified through the Study relate to:

- Kent Town's location on the inner fringe of Adelaide's CBD, which is one of its principal attractions relative to competitive locations. This makes Kent Town both convenient and accessible for a mobile workforce.
- Creating and marketing space that is price competitive with the CBD whilst also proving the locational advantages.
- The opportunity to leverage off of Kent Town's growing profile as an apartment location and develop Kent Town as an attractive environment for creatives to both live and work.

The three (3) threats that have the potential to compromise Kent Town's success as a creative industries hub are:

- The emergence of new competitive locations (such as Lot Fourteen) who are targeting the creative sector.
- The establishment of other locations targeting creative industries with the advantage of being associated with the tertiary educator institutions (i.e. Tonsley)
- That Kent Town does not present a unique selling proposition to the creative sector in contrast with other locations in both the City of Norwood Payneham & St Peters and in adjoining Local Government Areas (i.e. Norwood, Dulwich, Hackney and Prospect).

Although the report does not draw conclusions as to the success or otherwise in attracting the creative industries sector to Kent Town, the future which is outlined in the study is largely consistent with the further migration of the creative industries sector into Kent Town. This is particularly relevant if the suburb develops into a place where creative personnel can both live and work.

As set out earlier in this report, The *Kent Town Property and Market Study* has been used to inform the development of the *Draft Kent Town Economic Growth Strategy*, which has been based on the Strategic Framework previously presented to the Committee.

Draft Kent Town Economic Growth Strategy

The *Draft 2020-2025 Kent Town Economic Growth Strategy*, is being developed to assist the Council to understand and capitalise 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.

At its meeting held on 19 March 2019, the Committee resolved the following in relation to the Council's *City-Wide Business & Economic Development Strategy*:

1. *That following the staff's presentation on the City's key sectors, the Committee endorses the following four (4) priority areas of economic development as the focus areas for the Business & Economic Development Strategy:*
 - *Food Manufacturing*
 - *Retail*
 - *Cultural & Creative Industries*
 - *Professional, Scientific and Technical Services*

2. *That the Education and Health Sectors be recognised in the Business & Economic Development Strategy as important sectors due to their significant contribution to Community Well-being but not as two of the Council's priority areas.*

All four (4) of these priority areas have been taken into consideration in the development of the *Draft 2020 – 2025 Kent Town Economic Growth Strategy*. Given the absence of food manufacturing in Kent Town, it was decided that the key focus areas for Kent Town over the next five (5) years should predominately be:

- Cultural & Creative Industries – this sector is well represented in Kent Town and has growth potential due to current market trends and the State Government's support of knowledge and creative Industries; and
- Retail – This is due mainly to the demand that will be created as a result of the residential and commercial development that is expected to occur over the next five (5) years, and to stimulate vibrancy and activation in Kent Town.

To a lesser extent, the strategy will also look to grow the professional, scientific and technical services sector which has a fairly strong presence in Kent Town.

The *Draft 2020 - 2025 Kent Town Economic Growth Strategy* also acknowledges the significant contribution of the education and health sectors to community well-being and the overall liveability of Kent Town. Each of these sectors will continue to develop from the broader growth strategies that will be implemented to support existing businesses in Kent Town. In addition, the *Draft 2020 – 2025 Kent Town Economic Growth Strategy* also recognises the importance of establishing an evening/night-time economy in Kent Town to cater for the anticipated increase in residents and visitors to Kent Town. The evening/night-time economy has increasingly been recognised as a driver of economic growth and will assist in the integration of social and business activity in Kent Town with local residents and businesses.

The *Draft 2020 - 2025 Kent Town Economic Growth Strategy* has been developed as a preliminary document that will be used as the basis for consultation with the community and in particular the business community. At this stage no external consultation has yet been undertaken to inform the document.

A copy of the *Draft Kent Town Economic Growth Strategy* is contained in **Attachment A** to this report.

OPTIONS

The Committee can endorse the *Draft 2020 - 2025 Kent Town Economic Growth Strategy* and recommend to document to the Council for endorsement and release on consultation. Alternatively, the Committee can amend, omit or propose new Objectives, Strategies or priorities for inclusion in the *Draft 2020 - 2025 Kent Town Economic Growth Strategy* and forward the amended document to the Council for endorsement and release on consultation.

CONCLUSION

One of the key objectives of the rezoning in Kent Town was to ensure that its primary role as a business precinct was retained and that despite 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 lost. 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*.

The *Draft 2020 – 2025 Kent Town Economic Growth Strategy*, together with the Urban Design Framework and the Planning Policy Framework should result in a new mixed-use precinct comprising of higher density residential development (predominantly in the form of apartments), retail, office and commercial developments. These new developments will complement the existing historical buildings of Kent Town that deliver a liveable, aesthetically pleasant public realm and thriving precinct that can stand the test of time.

COMMENTS

The Council's commitment to the renewal of infrastructure demonstrates the increased importance of the public realm in the activation, greening and improved accessibility of Kent Town, all of which are considered essential for its increased density and regeneration. The development of an Economic Growth Strategy complements this initiative and reinforces the importance of Kent Town as a business and economic precinct. It also recognises the leadership role of the Council in achieving this objective and supporting its business sector. Developing an Economic Growth Strategy with clear direction and focus provides the foundation for the Council to establish partnerships with different stakeholders (i.e. State Government, developers, businesses and residents) in order to ensure the successful longevity of Kent Town as a business and economic precinct.

RECOMMENDATION

1. That the *Kent Town Property and Market Study* contained in Attachment B be received and noted.
2. That the *Draft 2020 -2025 Kent Town Economic Growth Strategy* contained in Attachment A be endorsed as being suitable to present to the 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.

Cr Dottore moved:

1. *That the Kent Town Property and Market Study contained in Attachment B be received and noted.*
2. *That the Draft 2020 -2025 Kent Town Economic Growth Strategy contained in Attachment A be endorsed as being suitable to present to the 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.*

Seconded by Cr Knoblauch and carried unanimously.

5. OTHER BUSINESS
Nil

6. NEXT MEETING

Tuesday 19 November 2019

7. CLOSURE

There being no further business the Presiding Member declared the meeting closed at 7.39pm.

Mayor Robert Bria
PRESIDING MEMBER

Minutes Confirmed on _____
(date)