ESSENTIAL ECONOMICS

City of Greater Geelong

Retail Strategy

Prepared for

City of Greater Geelong

By

Essential Economics Pty Ltd

Planisphere

June 2006

ESSENTIAL ECONOMICS PTY LTD • ABN 38 894 627 397
PRINCIPAL JOHN C HENSHALL • B. Com, Dip TRP, FRAPI
96 PELHAM STREET CARLTON VICTORIA 3053 AUSTRALIA
PH 61 3 9347 5255 • FAX 61 3 9347 5355 • EMAIL mail@essentialeconomics.com

www.essentialeconomics.com

Contents

1 INTRODUCTION

1.1 Background

The City of Greater Geelong (CoGG) commissioned Essential Economics Pty Ltd, in association with Planisphere, to prepare the **City of Greater Geelong Retail Strategy 2006** to guide the on-going development of the retail sector and retail activity centres in the City.

The current Greater Geelong Retail Strategy was prepared in 1998 and since that time the Strategy has guided the evolution of the network of retail centres in Geelong and provided a policy basis for the assessment of retail development proposals in the City.

A review of the Retail Strategy was undertaken in 2001 which took into account a range of new retail proposals and provided an updated Retail Development Framework to guide the consideration of new retail proposals. However, the 2001 review was essentially an update of statistical information, and did not review the underlying directions and methodology contained in the original Strategy.

Since 2001, no further update or review of the Geelong Retail Strategy has been undertaken.

It is now appropriate to undertake a fresh review of the Strategy due to a number of factors, including:

- the passage of time;
- the availability of new population and other data from the 2001 ABS Census of Population and Housing and subsequent official up-dated population estimates;
- the availability of new retail spending estimates generated by the MarketInfo household expenditure model;
- recent and planned new retail developments as well as planned new areas of residential development such as the Armstrong Creek corridor;
- issues in Central Geelong including the proposed Bay City expansion, continued under-performance and vacancies in some precincts, relationship with the foreshore area, changes in the adjacent Western Wedge precinct, etc;
- the advent of major new infrastructure projects in Geelong including the proposed Geelong Bypass and the Regional Fast Rail; and
- the metropolitan planning strategy ***Melbourne 2030*** and the implementation of other strategic planning projects including the ***G21 Geelong Region Strategy*** and ***Bellarine Peninsula Strategic Plan.***

1.2 Objectives

Objectives for the City of Greater Geelong Retail Strategy 2006 are as follows:

- to review of the existing Strategy
- to analyse retail development potential for the municipality to 2021
- to identify the quantum and type of new retail floorspace that is supportable in the municipality
- to identify the appropriate location and format of future retail development
- to consider Council and community viewpoints and concerns associated with retail planning and development
- to prepare a new Retail Strategy 2006 which will guide retail planning and development in the municipality for the next 15 years (incorporating periodic reviews)

1.3 Approach

The approach in meeting the study objectives as they relate to the preparation of the Background Report comprises the following key elements:

- Review of the regional context in which the retail sector in Geelong operates
- Identification of key trends in the retail sector that may influence future development patterns in the municipality
- Review of the main components of the previous Retail Strategy (1998 and the review undertaken in 2001)
- Analysis of current and forecast population levels and trends in the CoGG and surrounding areas (comprising the Geelong Retail Region), and key socio-demographic features and trends
- Review of housing development trends
- Preparation of a retail-economic analysis for the Geelong Retail Region, including analysis of retail demand and current retail provision, analysis of escape spending, and analysis of future retail development potential
- Description of the major retail centres in the Geelong Retail Region, including identification of the key centres in the municipality, broad analysis of centre performance, description of centre role, identifying major issues, etc
- Identification and discussion of the key issues which are likely to influence the future development of the retail sector in the CoGG, including (among others) those relating to:
  - future roles of retail activity centres in Geelong
  - definition of a ‘hierarchy of activity centres’
  - retail development opportunities and locations
  - opportunities for intensification of land uses, including residential, retail, commercial and other uses

- promoting the strong commercial performance of centres
- effective management of activity centres
- establishing identity and branding for retail centres
- Council's role in encouraging activity centre development and facilitating dialogue in the local retail sector
- ingredients that assist in achieving successful outcomes for retail activity centres

The issues have been identified with reference to field work and analysis undertaken by the consultants, a household and in-centre survey program (with detailed results published separately to this Strategy), and detailed consultation with stakeholders in the region, including the conduct of a Retail Industry Workshop, plus individual interviews with centre representatives and other key stakeholders.

1.4 Report Format

This Report is organised in the following Chapters:

Part A: Geelong Retail Strategy

Chapter 1: Introduction

Chapter 2: Considerations for the Retail Strategy

Chapter 3: Vision and Objectives for the Strategy

Chapter 4: Principles and Actions to Support the Strategy

Chapter 5: Actions for Specific Centres in the Retail Hierarchy

Chapter 6: Criteria for Assessing Retail Development Proposals

Chapter 7: Monitoring and Review of the Retail Strategy

Chapter 8: Next Steps

Part B: Background Research and Analysis

Chapter 9: Context for Retailing in Geelong

Chapter 10: Population and Socio-Economic Trends

Chapter 11: Retail-Economic Analysis

Chapter 12: Hierarchy of Retail Centres

Chapter 13: Summary of Retail Issues and Opportunities

1.5 Other Studies

It is important to note that the Retail Strategy is one of a number of policy documents underway or recently prepared for the CoGG, and which relate to various aspects of land use and development policy. These documents include:

- **Bellarine Peninsula Strategic Plan** (CoGG 2006).
- **Geelong Economic Development Strategy** (CoGG 2005),
- **Draft Lara Town Centre UDF** (2005),
- **Geelong Western Wedge Framework Document** (2005),
- **Leopold Structure Plan** (2005), and
- **Geelong Transport Strategy** (2003).

In addition to these Council policy documents, a number of other studies have been reviewed as part of the preparation of this Strategy, including business planning documents prepared for individual centres.

The ***Melbourne 2030*** metropolitan strategy also forms an important reference document in view of its implications for activity centre policy and land use planning.

It is important that these existing policy documents be considered in the preparation of strategies relating to retail sector and retail activity centre development and planning in order to ensure that a consistent vision and policy direction is adopted for the future development of the retail activity centre network in Geelong.

1.6 Coverage

The primary objective of the City of Greater Geelong Retail Strategy 2006 is to set the broad parameters for current and future retail planning and development in the municipality. The study is <u>not</u> intended to provide detailed recommendations for particular centres or locations; such outcomes would flow from further detail assessments undertaken for specific centres. However, commentary is provided for certain sites or locations, where requested by Council.

1.7 Terms and Definitions

<u>Retail</u>

Retail is defined according to the Australian Bureau of Statistics (ABS) classification adopted for the 1991/92 Retail and Services Census but excludes garden supplies, marine equipment and motor vehicle and related traders. This definition of retail is normally adopted for undertaking retail-economic analysis in Australia.

It is important to note that a range of non-retail uses often operate in conjunction with and/or adjacent to many retail traders. These uses include cinemas, offices, travel agencies, lotto and gaming outlets, banks and other financial institutions, equipment hire and garden supplies, and so on. For the purposes of this Strategy, these non-retail functions are not explicitly assessed, however their presence and association with the retail sector is recognised where appropriate in the analysis and recommendations.

Retail Categories

In the Strategy, retail floorspace and spending is divided into three product categories, namely Food, Non-Food and Services. These three categories are defined as follows:

- Food – includes household spending on take-home food, groceries and liquor, as well as spending at cafes, restaurants and take-away food outlets.
- Non-Food – includes non-food based retail products including apparel, homewares, bulky merchandise and leisure goods.
- Services – includes spending on hairdressers, video hire, dry cleaning etc.

City of Greater Geelong

In this report the terms “Geelong” and the “City of Greater Geelong” are interchangeable. Where the Geelong urban area is referred to, the distinction is made clear in the text.

GST

All spending and turnover figures expressed in this report are inclusive of GST.

Central Geelong/CAA

The term “Central Geelong” is used to describe what has previously been called the “Geelong Central Activities Area” or “CAA” in the previous Strategy and in other planning documents. This is consistent with the current name and marketing of the Central Geelong centre, and is used for the familiarity of the general reader.

Geelong Retail Region

This term refers to the broader Geelong region, comprising the CoGG, the adjacent municipalities of Queenscliffe and Surf Coast, and the statistical local area (SLA) of Golden Plains – South East. This area combines to form the region of relevance to the retail sector of Geelong and is shown in Map 1.1.

Homemaker Retail

Homemaker retail refers to large format retail stores (usually tenancies of $500m^2$ and larger) which typically sell merchandise in bulky goods and homewares product categories, including:

- furniture and floorcoverings,
- large appliances,
- hardware,
- camping equipment,
- household electrical products, and
- manchester.

Homemaker retailing is generally considered as “Restricted Retail Premises” under the Victoria Planning Provisions (VPP). Homemaker retailing often operates in association with traders in non-retail product categories such as automotive and trade supplies, especially where large sites with main road frontage are required.

1.8 Consultation

In developing this Strategy a comprehensive consultation program was undertaken including the following:

- A general call for submissions from the general public,
- Face-to-face meetings with all twelve Geelong Councillors,
- Face-to-face meetings with Council officers across various departments,
- Face-to-face meetings with private stakeholders including retailers, developers, shopping centre owners and trader group representatives,
- Phone conversations with a range of stakeholders through the course of the study,
- A Retail Industry Workshop held at City Hall on 8th December 2005 and including sixteen representatives from the local retail and property development sector,
- A further Retail Industry Workshop was held at City Hall on 2nd May 2006 and some 20 representatives from the local and property development retail sector attended, and
- A survey program was undertaken in late November (with the input of Field Force Pty Ltd, a market research firm) which included:
    - A face-to-face intercept survey of 200 people in the Central Geelong centre, and
    - A household survey of 300 residents from across the CoGG.

The Draft Retail Strategy was placed on public exhibition for 30 days in April/May 2006, and a total of 18 submissions were received by Council. Each of these was considered by the consultants and, where appropriate, modifications to the Draft Strategy were introduced.

Map 1.1 Geelong Retail Region

	Geelong Retail Region
	City of Greater Geelong

PART A: GEELONG RETAIL STRATEGY 2006

2 CONSIDERATIONS FOR THE RETAIL STRATEGY

The research and analysis described in Part B of this report highlights a number of conclusions which need to be considered for their importance in underpinning the Retail Strategy. The main points are as follows:

1. **Retailing and the Role of Activity Centres:** The retail sector plays an important role in providing goods and services to the community, and in generating jobs and incomes. The magnitude of the retail sector in the Geelong region is reflected in the $2.4 billion of retail spending, annually, by catchment residents. The catchment served by retailers includes the City of Greater Geelong as well as localities in the wider region.

   In addition to the retail role, activity centres in this catchment also accommodate the following activities:

   - community facilities
   - civic infrastructure
   - professional businesses and personal services
   - entertainment and recreation
   - service industry functions
   - public spaces

2. **Changes in Retailing:** Important new trends are underway in the operation of the retail sector and these need to be considered in developing the Retail Strategy. New forms of retailing include homemaker retail (often co-located in homemaker centres) and outlet centre (factory outlet) retailing, as well as increasing emphasis on shopping as a leisure activity. Dining out has also become far more important in today's activity centres compared with years ago. Centres that dominate in the retail sector are those with supermarkets as anchor tenants, while higher-order regional and sub-regional centres continue to have department stores and discount department stores as their anchors.

3. **Retail Hierarchy:** Residents in the Geelong region are well-served by retail facilities, including provision of major regional shopping at Central Geelong, three sub-regional centres, a range of homemaker stores, and a broad network of neighbourhood centres, town centres and smaller centres. Residents' escape spending is estimated at 14% of available spending and would be higher except for the strong provision of retailing in the region; significant trade is also drawn into the Geelong centres from neighbouring municipalities.

4. **Population Growth:** Significant population growth for the Geelong region is forecast, and between 2005 and 2030 the region is expected to experience a net increase of almost 77,500 new residents, bringing the total catchment to an estimated 318,000 persons at 2030. Official forecasts indicate that population growth in some outlying parts of the City of Greater Geelong will be offset by population decline in more established parts of the municipality. Importantly, the attraction of Geelong as a regional centre, plus the "sea change" effect and the relative proximity of Melbourne, is largely driving this significant population growth.

5. **Retail Expansion:** Opportunities for retail expansion in the region are relatively robust due to expected continuing growth in population and in retail spending. By 2021, in the order of an additional 154,000m^2 in retail floorspace is expected to be supported in the Geelong Region.

6. **New Retail Floorspace:** Expansion in retail opportunities in the Geelong region will support new retail development in the form of new retail floorspace, as well as enable the redevelopment and improvement of existing retail floorspace. New retail floorspace will be concentrated in residential growth areas which include the Bellarine Peninsula and the Armstrong Creek growth corridor, and there will also be an expanded provision of new retail floorspace in established areas, including Central Geelong. Newly-emerging homemaker centres will also provide opportunity for expansion in retail floorspace.

7. **Key Issues:** A number of issues identified during the consultation phase relate to such aspects as the structure of the retail activity centre hierarchy, the role and evolution of Central Geelong, the growth and development of sub-regional centres, aspects relating to homemaker retail and other out-of-centre development, centre management, co-ordination of programs and policies, facilitating building renewal in older centres, and planning for land use mix in new centres.

The Geelong Retail Strategy 2006 is presented in the following Chapters, and is based on consideration of all of the main points developed in **Part B: Research and Analysis**, and as summarised above.

3 'VISION' AND OBJECTIVES FOR THE STRATEGY

3.1 The Vision

This Chapter presents a Vision to guide the ongoing development of retailing in the City of Greater Geelong.

This Vision is intended to be an overall guiding statement to assist Council and other stakeholders in suitably planning for the on-going development of retailing in Geelong.

> "***Geelong's retail activity centre network will be developed in a way that promotes the vibrancy and sustainability of the activity centre hierarchy; is efficient and viable for retail traders and other businesses; generates employment and income opportunities; and functions in a manner which focuses on the needs of residents and visitors to the Region.***"

3.2 Objectives

Objectives designed to assist in achieving the vision comprise the following:

- To promote economic development and job creation
- To foster small business development
- To encourage the development of interesting, viable and vibrant retail activity centres
- To improve the range and quality of shopping and business services provided at activity centres and at other locations
- To improve the amenity of the built environment in activity centres
- To create safe and liveable activity centres
- To encourage accessibility and sustainability as key features of activity centre policy
- To introduce activities such as housing and mixed use development at appropriate locations which support the role of activity centres

In order to achieve this Vision and the several important objectives listed above, a number of strategic policies have been developed to guide Council's decision-making process with regard to the future development of retailing in the municipality. These strategic policies relate to:

- Support for the retail hierarchy;
- Encouragement of centre management and business development; and
- Enhanced urban design in activity centres.

In addition, these policies are to be pursued in an integrated manner through a strategic partnership between Council and businesses, property owners and the various business associations in the City of Greater Geelong.

4 PRINCIPLES AND ACTIONS TO SUPPORT THE STRATEGY

4.1 Introduction

The following strategic policies and actions are intended to assist in the process of identifying viable roles and identities for activity centres in Geelong in order to guide new private investment, Council resources and programs, and other measures.

4.2 Principles and Actions for Activity Centres

(1) Support the retail activity centre hierarchy

The retail activity centre hierarchy will be supported so that the specific roles, functions and themes of centres in each level in the hierarchy are easily identifiable, thus providing certainty for stakeholders including Council, developers, property owners and businesses.

The retail hierarchy (described in Chapter 5) is an important tool in defining the type and extent of retail provision for activity centres, having regard also for retail competition and the extent of the surrounding catchment. The hierarchy reflects the fact that centres of different sizes perform different roles in retailing and related activities, and this hierarchy assists in planning for the efficient delivery of these retail and business services

Reference to the retail centre hierarchy also provides an important reference point in assessing applications for retail (and other) development in activity centres.

<u>Actions</u>:

1.1 Ensure that the retail activity centre hierarchy is adopted as a necessary planning tool to guide the location, type and volume of new or expanded retail development.

1.2 Adopt the provisions of this Retail Activity Centre Strategy, including the Retail Activity Centre Hierarchy (Chapter 5), to guide Council decision-making in relation to centre development.

1.3 Review the status of existing planning, development and design plans for the major centres in the municipality, and ensure that strategic planning across the hierarchy is up-to-date and consistent with the outcomes desired for retail policy as presented in this Strategy.

(2) Maximise the retention of retail expenditure through the provision of an efficient activity centre hierarchy

Council will work with stakeholders to retain residents' spending in Geelong through the improvement of existing centres/shops, and by facilitating the development of additional retail facilities where they meet the needs of residents and visitors and where such development is in accordance with this Retail Strategy.

An appropriate level of retail provision for residents and other visitors directly contributes to achieving the key goals of economic development and small business development, and creates economic benefits in the form of jobs, incomes and ongoing investment for the region.

Important considerations relating to the principle of maximising the retention of residents' spending include the need to ensure that activity centres have attractive physical environments, provide for new forms of retail development, and maximise retail sales generated by population and spending growth.

<u>Actions</u>:

2.1 Support proposals for the development of new or expanded retail facilities, or for redevelopment of existing facilities, where such proposals are in accordance with the Retail Strategy.

2.2 Require sufficient information from the proponent of new or expanded retail development in order to contribute to decision-making, including an analysis of the proposal in the context of policies presented in this Strategy and an assessment of likely economic impact on other centres.

2.3 Ensure that activity centres evolve to meet the changing needs and preferences of the community, and that a pro-active approach is adopted to integrate new and innovative retail formats into the activity centre hierarchy where such new formats do not compromise the viability of existing traders and centres.

2.4 Discourage out-of-centre development in those cases where such development may undermine the retail activity centre hierarchy. Where appropriate, public sector facilities and activities will be directed to locations which support the retail activity centre hierarchy.

(3) Consolidate activities in centres

Geelong has an established hierarchy of retail activity centres that provides the focus for ongoing retail and business development, and these are the locations where ongoing private and public investment will be directed and consolidated.

Consolidation of retail and other business activities, and consolidation of community and leisure facilities and medium/high density housing at existing activity centres, will provide an important contribution to the achievement of vibrancy and sustainability in these centres.

Moreover, the aggregation of activities at defined centres consolidates trip-making at these locations, thus adding to the commercial viability of shops and other business at these centres.

Consolidation of uses into an activity centre also contributes to sustainability by reducing the need for multiple trips associated with a range of activities, such as shopping, business trips, journeys to and from work or home, undertaking education, community or civic activities, and so on. Reduced trip-making leads to a reduction in private car use, and contributes to reduced greenhouse gas emissions and generates other environmental benefits, improved pedestrian safety, and so on. Consolidation of activities also provides an opportunity to integrate land use and transport services, thereby providing an opportunity for an increased level of public transport service, which also creates further environmental and social benefits.

Actions:

3.1 Support the consolidation of retail and other business development at activity centres in accordance with the hierarchy of activity centres contained in this Strategy.

3.2 Encourage a variety of uses to establish at identified activity centres, including higher density residential development, where this is supported by other Council policies and by other recommendations presented in this Strategy.

3.3 Discourage out-of-centre development in those cases where such development may undermine the retail activity centre hierarchy. Where appropriate, direct public sector facilities and activities to locations which support the retail activity centre hierarchy.

3.4 Plan for the growth of retail floorspace in activity centres by identifying key development sites and potential edge-of-centre locations where additional retail floorspace can reasonably be accommodated, subject to the urban design guidelines outlined in this Strategy

(4) Recognise the Importance of Central Geelong (formerly described as the Geelong Central Activities Area, or CAA)

Recognise and support the important regional role of Central Geelong in the provision of retail, business, community and civic activities, and the centre's role as the symbolic and functional "heart" of the Geelong community.

Central Geelong plays a very important role in serving the needs of the surrounding regional catchment in terms of providing shopping, business, tourism, entertainment, community, civic and other facilities and services. This role needs to be maintained and nurtured through appropriate retail and other commercial development, and through sensitive urban design that recognises the contribution of the physical environment to the overall attractiveness of the centre for shopping and other activities.

An important issue for Central Geelong is the lack of private investment in the centre over a significant period of time. With some notable exceptions, much of the building stock in the centre is sub-standard and ill-suited to modern retailing.

Parts of the centre appear to be run-down and lack vibrancy. Central Geelong has in some respects failed to meet the challenge presented by the suburbanisation of shopping over the years; it has not fully evolved and regenerated itself to meet the changing demands and expectations of shoppers. However, it is important to note that in more recent times there have been a number of important improvements in urban design and local amenity in Central Geelong, making it a more attractive place to visit and spend some time. In this regard, Central Geelong is experiencing the same success of other similar city centres in Australia, demonstrating that - with an integrated approach to development which includes both the public and private sectors, and which responds to shopper tastes - the relative decline of an older-style city centre can be reversed.

Central Geelong is therefore confirmed as the higher-order retail activity centre serving the Geelong region, and is supported as a focus for private and public sector investment. The retail sector in Central Geelong is encouraged to evolve and grow to meet changing market conditions and to serve the expanding regional population.

<u>Actions</u>:

4.1 Recognise the importance of Central Geelong in providing regional-level retail and other facilities and services.

4.2 Encourage retail development that responds appropriately to Central Geelong's key role as a location for department store and discount department store (DDS) shopping, specialty retail shopping in fashion and lifestyle retailing, entertainment retail, tourism and the provision of café and restaurant dining.

4.3 Encourage appropriate development to enhance the attractiveness of Central Geelong as a location for residential living.

4.4 Ensure that development in Central Geelong responds positively to the surrounding urban environment, including redevelopment of poor quality building stock, while also respecting heritage values (and noting the poor quality facades on some existing heritage buildings).

4.5 Encourage non-retail development such as commercial office, community, education, and entertainment to occur in Central Geelong in locations which add to the overall vibrancy of the centre and its attractiveness as a place to visit and do business

4.6 Encourage the consolidation of Central Geelong in a pedestrian-friendly environment which promotes the cross-use of facilities, and discourage fragmentation or internalisation of precincts or individual retail developments. Promote pedestrian linkages with the Foreshore, Deakin University, Western Wedge, hospital and office precincts.

4.7 Improve accessibility within and around Central Geelong, for both residents and visitors, and include improvements for pedestrians, cyclists, buses and motor vehicles, all with regard for environmentally-sustainable principles.

4.8 Identify appropriate boundaries for Central Geelong through the Structure planning process, and have regard for recommendations identified for the adjoining Western Wedge precinct.

(5) Encourage a wide mix of activities in centres, where commercially viable

Encourage the development of activity centres as lively foci for a wide range of uses including shopping, business, work and leisure, and where such uses are commercially viable.

Important benefits can be gained from widening the mix of activities that are available at activity centres through such measures as clustering and aggregating like uses, encouraging the efficient use of infrastructure, and promoting the social and environmental benefits associated with factors such as reducing private vehicle trip-making, encouraging more vibrant centres, integrating public transport access, and so on.

<u>Actions</u>:

5.1 Encourage office and commercial uses in areas that are appropriate for such uses, but not in such a manner that retail core areas (in Central Geelong, in particular) lose opportunities for shop-based activities.

5.2 Encourage a broad mix of uses in Central Geelong and sub-regional centres, including non-retail uses such as office, entertainment, residential, community facilities, etc.

5.3 Encourage community uses such as child-care centres, local primary schools etc to locate in proximity to activity centres, but not in such a manner that land for core retail and commercial activities becomes unavailable.

5.4 Provide improved public transport access to activity centres, and integrate bus interchange facilities at main activity centres.

(6) Consolidate the network of local convenience centres

Council will review the locations and zoning of local convenience centres so that they present viable locations for local-level retail facilities, while also ensuring that local centres remain accessible, particularly for less mobile residents.

Geelong has a network of smaller convenience centres that serve local-level demands for retail and other business services. It is important that this network of local centres be supported through Council policy in order to ensure that there are opportunities for walk-in customers to access local services, thereby reducing the potential for car trips. Small local centres also form an important function in areas of low income and relative disadvantage as a focus for social interaction and in generating a sense of local community.

In some cases, small local convenience centres in Geelong are performing poorly, and a number of properties lie vacant, are run-down, or accommodate lower-order uses. There may be opportunities to rectify the run-down nature of some of Geelong’s local activity centres by encouraging suitable alternative uses (such as medium density residential) for redundant retail floorspace.

Actions:

6.1 Support the retention of a network of local convenience centres that serve the needs of local communities, with consideration especially given to the needs of less mobile residents.

6.2 Amend the planning scheme where local centres are losing or have lost their retail function, in order to encourage alternative uses that contribute positively to the surrounding environment and which also meet local needs.

(7) Ensure that activity centres develop in an integrated fashion

Encourage land use and development that is integrated with transport infrastructure (principally bus services) so that activity centres are well-served by public transport alternatives, and improve the amenity of centres by reducing car-based traffic.

The Geelong Transport Strategy provides guidance in relation to developing and managing existing and emerging transport issues in the City of Greater Geelong. The objective of the Strategy is to meet the needs of residents, visitors and business over the near-term, while contributing to the principles of sustainability over the longer-term.

The Strategy encourages an increase in the modal share of public transport, bicycles and walking, as well as the enhancement of retail activity centre amenity and function through the practical "calming" of traffic on local streets.

Actions:

7.1 Implement traffic management along key vehicle routes, such as High Street Belmont, in order to improve amenity for users of strip-based retail activity centres.

7.2 Review bus routes to ensure that neighbourhood centres are well-served.

7.3 Adopt the principle of integrated development when assessing development applications in activity centres and when assessing proposals for new retail or commercial uses located away from centres.

(8) Closely monitor out-of-centre development, and allow such development at appropriate locations

Ensure that retail activities which occur away from activity centres involve an aggregation of uses at appropriate locations, and that such development contributes to the achievement of a net community benefit and does not undermine retail activity centre policy.

While activity centres are the focus for developing retail, commercial and other functions, there is increasing development pressure on sites located away from activity centres. Examples include homemaker (bulky goods) shopping, building/trade supplies and hardware sales, and other large format activities that seek large sites that can accommodate large-format display areas, have good exposure to high traffic flows, and enjoy convenient access to the regional road network and surrounding regional catchment.

These development opportunities are in response to the increasing popularity of large-scale retail stores which accommodate a wide variety of merchandise, typically in bulky merchandise retail categories such as furniture, whitegoods and other electrical equipment, camping equipment, hardware, and so on. For these shopping types, there is considerable emphasis on car-based access, and this derives from the large catchments they serve (with the private motor vehicle being the most convenient method of transport) and the bulky nature of the purchases involved (furniture, whitegoods and electrical equipment, barbeques, camping equipment, gardening supplies, timber and hardware items, and so on).

The key issue for these types of shopping facilities is how to accommodate these popular forms of retail (which are successful because they meet the needs of shoppers), while encouraging a sustainable form of development that conserves infrastructure resources, provides an opportunity for other modes of transport access, encourages improved visual amenity, and contributes to the achievement of a net community benefit.

The Strategy includes measures which guide the development of out-of-centre activities, while ensuring that the integrity of the retail activity centre hierarchy and the goals relating to activity centre policy are not compromised. This includes a set of specific evaluation criteria against which proposals for new out-of-centre developments are to be assessed. Council will encourage an appropriate balance between the interests of shoppers and retailers, and the need to achieve orderly and sustainable planning outcomes.

<u>Actions</u>:

8.1 Recognise the popularity of homemaker and other out-of-centre retail, and their specific site criteria in terms of site size, location, exposure and access, etc.

8.2 Support such developments where they are located at appropriate locations as defined in the Retail Activity Centres Hierarchy.

8.3 Ensure that proposals for new or expanded homemaker development at these locations are accompanied by a retail-economic analysis of the potential impact such proposals may have on the existing retail hierarchy and existing level of retail service to the community.

8.4 Assess proposals for out-of-centre developments which are to be located outside the specified locations against a strict set of out-of-centre assessment criteria.

(9) Apply the Retail Planning and Development Criteria for Retail Proposals in New Centres and for Expansion of Existing centres

Support retail development applications for <u>new</u> centres where the proponent clearly establishes the retail need for such development in a new location, including the development of new communities, and where there are no adverse impacts on the operation of the retail activity centres hierarchy.

Support retail development applications involving the rezoning of land in or adjoining <u>existing activity centres</u> where the proponent clearly establishes retail need and other requirements noted in the above paragraph.

Newly-developing urban areas require the provision of new shopping facilities in order to ensure that the needs of residents are suitably met, and to reduce the travel demands for these residents who would otherwise need to access more distant shopping facilities. Planning for new retail activity centres requires careful consideration to ensure that such development is balanced against the need to maintain the healthy operation of the existing retail hierarchy. For example, the introduction of new centres which have a supermarket as their main tenant have potential to redirect a considerable amount of sales away from existing supermarket-based centres. These proposals require justification in terms of the needs of the surrounding community, and an assessment of their potential adverse trading impacts on existing centres.

The analysis undertaken for this Strategy indicates there will be a need for new retail activity centres serving growth areas in Geelong. This will include a mix of new neighbourhood and local retail centres, as well as consideration of new sub-regional centres, including one to serve the Bellarine Peninsula and one to serve the Armstrong Creek growth corridor as this is where growth in population and available spending is occurring.

There will also be opportunities for the expansion of existing activity centres due to growth in population and spending and due to new retail formats. This expansion may require the rezoning of land to an appropriate Business zone.

The advent of the Geelong Bypass (Ring Road) is also likely to result in pressure for new retail development seeking access to the high volumes of traffic using this road. Given the objectives of the Retail Strategy in regard to promoting an activity centre based approach to retail development, it is important that any retail along the Bypass is only related to serving the basic needs of passing motorists (such as service station and fast food etc).

When assessing the need for new or expanded retail facilities, development proposals will be required to provide evidence that the provision of additional retail floorspace will not adversely affect the operation of the existing hierarchy of retail activity centres. This evidence will need to be presented in a report format which provides the following analysis:

1. Description of the proposed development in terms of amount of retail floorspace and components (eg, supermarket, specialty stores, etc)

2. Identification of likely trading catchment, and indication of overlapping catchments with existing or competing centres

3. Analysis of existing and forecast population levels and retail expenditure levels for the identified catchment

4. Analysis of retail demand and supply in the catchment, showing the extent to which the development of new shopping facilities is justified in terms of meeting new retail demand arising from residential development and population growth

5. Identification of the extent to which the proposed development relies on spending attracted from outside the catchment, for example from passing trade and from tourists and other visitors

6. Assessment of the extent to which the trade achieved by the new retail facilities is captured from existing retail locations, and with reference to household survey data if required

7. Analysis of the potential impact on existing retail locations in terms of percentage impact on sales at the existing locations

8. Assessment of the contribution of the proposed development to Net Community Benefit in terms of:

   - employment generation (or loss) during construction and operation
   - impact on shoppers' retail choice and availability of goods and services
   - impact on overall levels of vibrancy and sustainability in existing centres serving the catchment and in the proposed new centre
   - contribution to increased levels of public transport use
   - contribution to enhanced levels of liveability, social interaction and other community-related goals

9. Justification of the proposed development in the context of the Vision and objectives for the Retail Strategy, and the proposed development's consistency with the retail activity centre hierarchy

It is envisaged that proposals for the development of new retail activity centres would be presented primarily in the context of major urban development, and this is occurring (or is planned to occur) principally on the Bellarine Peninsula and in the Armstrong Creek growth corridor. Proposals for new centres or for expanded retailing in existing centres which requires a rezoning will not be supported where such proposals are not justified by major residential redevelopment and retail spending growth, unless there is a clear recognition that a market gap exists that cannot be accommodated by development in existing activity centres.

Actions:

9.1 Ensure that proposals for new retail activity centres are accompanied by a suitably-detailed economic analysis showing market justification (or retail need) for the development and which provides evidence that the existing retail activity centre hierarchy will not be adversely affected and that the proposed development will generate a net community benefit.

9.2 Ensure that proposals for expanded retailing in existing activity centres, and which requires a rezoning, also meets the requirements specified in paragraph 9.1 above.

9.3 Support retail activity centre developments where they are required to serve the needs of new residential communities associated with major urban development.

9.4 Ensure that retail along the Geelong Bypass only serves the basic service needs of passing motorists.

9.5 Require an economic impact assessment to be prepared for major new retail development generally involving 2,000 m2 or more in gross leasable retail area or otherwise at the discretion of Council.

4.3 Principles and Actions to Encourage Centre Management and Business Development

The following principles are proposed for Council action in order to facilitate the improved management and marketing of retail activity centres.

(10) Council will facilitate and coordinate the management of activity centres

Council should take a proactive approach to facilitating and co-ordinating retail activity centre management, particularly in centres with a multiple land ownership structure. Frequent dialogue between Council and trader groups should be established, and ideally a direct point of contact should be created at Council (possibly through the Economic Development Unit) for the benefit of retail sector and relevant stakeholders. This Council contact would facilitate communications between the retail sector and appropriate departments within Council.

Council involvement in activity centre management could include:

- liaising with Business Associations and informal trader groups
- co-ordinating Council's response to various issues raised by Business Associations and individual businesses
- assisting the preparation of business plans and marketing activities by trader groups and other stakeholders
- co-ordinating the establishment and administration of special rate or charge schemes
- preparing capital works submissions and consultation with centre stakeholders
- monitoring centre performance and assisting in the implementation of the Strategy
- seeking out and co-ordinating any appropriate Government or other funding applications
- co-ordinating any other ongoing issues relevant to these centres, such as installation of Christmas Decorations, road closures for festivals etc.

<u>Actions</u>:

10.1 Create a contact point at Council (possibly in the Economic Development Unit) that would facilitate communications between the retail sector and Council.

10.2 Develop a mechanism for greater Council involvement in the co-ordination and management of activity centres.

(11) Pursue a strategic partnership between Council and businesses and property owners to ensure the effective management of activity centres

Council will work in a strategic partnership with business operators, property owners and business associations, recognising that each of these parties has an important role to play and a contribution to make towards the success of their respective centre. Each party will need to accept roles and responsibilities related to their skills, experience, resources and networks.

Actions:

11.1 Pursue a strategic partnership approach in working with business operators, property owners, business associations and other stakeholders, and in implementing specific programs involving these parties.

(12) Provide a regular schedule of meetings between Council and Business Association representatives

Council officers and centre representatives should meet on a regular basis to enable ongoing two-way communications on all matters affecting activity centres. Where necessary, representation from other Council departments can be included in these meetings.

It is also important that business associations are provided with an opportunity to meet with Council on a regular basis. Additionally, meetings involving representatives from different centres can provide a valuable networking opportunity to learn what other centres are doing and the issues and challenges they face, and thus achieve a sharing of ideas and the fostering of joint actions where appropriate for mutual benefit.

Actions:

12.1 Ensure that there is a regular program of meetings to provide contact between Council officers and business association representatives. Ward Councillors may also be involved, where appropriate.

(13) Encourage and support ongoing business and professional development in major activity centres

Professional development is often a neglected area in small business operations. Yet suitable programs to enhance business and professional development can make a significant contribution to business success and profitability, with resultant benefits for economic activity and the vibrancy of activity centres. Council should actively encourage ongoing professional development, particularly focusing on customer service, merchandising and presentation, selling skills and business management and planning. This will assist poorly-performing centres, and will add to the sustainability of the strongly-performing ones. Council is in a position to promote suitable sessions or programs, or consider the provision (and facilitation) of an annual program of sessions. This could also be achieved in association with regional business groups such as the Chamber of Commerce and the Central Geelong City Management Committee.

Actions:

13.1 Highlight and promote the importance of professional development for small businesses in retail activity centres.

13.2 Prepare and implement a program of meetings/sessions that provide training in customer service, merchandising, selling skills, business management, and other relevant skills

(14) Ensure that all Council Departments are aware of the management programs and activities.

A significant number of Council departments impact directly or indirectly on the management and operation of a retail activity centre. It is important that these departments understand how they can contribute positively to retail activity centre outcomes, and establish appropriate and timely responses to the many needs of these centres.

Actions:

14.1 Ensure that there is an appropriate level of co-ordination of Council activities across departments in order to assist in the implementation of programs and actions presented in the Retail Strategy.

(15) Provide opportunities for Community consultation with Council regarding provision for community needs in activity centres.

Identification of community needs is an important consideration in planning for new and expanded activity centres and other retail and commercial formats. Opportunities should be provided for community participation where such participation is considered appropriate in relation to particular proposals.

15.1 Ensure opportunities for community participation in planning for new and expanded development in activity centres and other important locations.

4.4 Principles and Actions to Promote Good Urban Design in Activity Centres

The following principles are intended to guide decisions associated with the urban design of retail activity centres, including new or expanding activity centres and homemaker precincts.

(16) Ensure that centres are appropriately located with frontage to main roads and at locations which serve surrounding catchments

Retail activity centres are dependent upon accessibility to potential customers, with the most successful centres usually located at a prominent position near or at the intersection of major transport routes, thus benefiting from high levels of accessibility and visibility from passing traffic. The presence of cars parked in a retail centre also increases perceived and actual personal security outside normal shopping hours by providing a source of casual surveillance.

New sub-regional and neighbourhood activity centres should be located on or near main roads in order to maximise their exposure and minimise the traffic generated on local streets.

Non-retail components of activity centres (such as professional rooms, offices and the like) may locate at the fringe of centres, on streets perpendicular or parallel to the main retail street, or on the first floor or above shops, as they generally do not have significant reliance on a high degree of exposure or passing pedestrian traffic.

<u>Actions</u>:

16.1 Applications for new or expanded retail development should give due regard to the physical location, form and layout of the proposed development to ensure that it is well located to meet the needs of the catchment it is intended to serve.

16.2 Recognise that the most appropriate location for retail facilities involves a site providing a mix of both accessibility and visibility to its shoppers.

16.3 Locate non-retail uses away from core shopping areas, and this may include locations in nearby streets or above shops, as these uses rely less on pedestrian traffic than do shops.

(17) Provide a permeable local movement network focused on the main retail street

Streets that provide direct routes to a retail centre encourage visitation and activity. By contrast, convoluted routes which take an excessive amount of time and effort to access key destinations in a centre discourage visitation.

Comfortable walking distances within an activity centre (say, from a carpark to an anchor store or group of specialty shops) typically involve a maximum distance of 400 metres.

A ’grid’ street pattern without one-way or dead-end streets distributes traffic flows relatively evenly, thus avoiding traffic congestion which otherwise deters access by both car and foot.

Vehicular accessibility should not be at the expense of pedestrian convenience, comfort and safety.

On-street parking should be maximised as it enables shoppers to park in proximity to the retail outlets, and it also minimises the need for off-street car parks, slows traffic (through parking manoeuvres) and creates a barrier between the footpath and moving traffic.

Retail strip centres, such as at Belmont and in Pakington Street, should seek to achieve the optimum balance of convenience to all users of the particular centre, including pedestrians, cyclists, buses, taxis, shoppers’ vehicles, delivery vehicles, outdoor diners and so on.

Bus stops should be carefully located so that they do not interfere with retail activities in nearby shops (and this is especially important in regard to issues associated with engine fumes and noise).

<u>Actions</u>:

17.1 Ensure that in planning for new retail centres in residential growth areas of Geelong, the design emphasises ease of access and movement, both vehicular and pedestrian.

17.2 Ensure that movement patterns in retail centres are planned in a way that optimises movements for pedestrians, cyclists, buses, taxis, shoppers’ vehicles, and delivery vehicles.

(18) Ensure continuity of retail frontage where possible

A continuous row of shopfronts encourages pedestrian movement in a centre. Interruptions in this continuity of shopfronts (eg, due to extensive frontages dedicated to non-retail uses, vacant sites, etc) discourage pedestrian/shopper traffic and reduces the positive impact that pedestrian activity otherwise generates in a centre. Retail properties in a centre should therefore form continuous frontages, where possible.

Actions:

18.1 Encourage a design response for retail development that ensures a continuity of retail and other active frontage, where possible.

(19) Encourage the development of an attractive mix of shops and other services in activity centres

The shops and services that a centre has to offer are among a centre's most important attributes in attracting customers (examples of other attributes include good urban design and convenient parking). The greater the mix of shops and services, the greater the likelihood of someone finding what they want, and as a result more people are attracted to the centre, thereby increasing the centre's vitality and viability. However, the extent to which an attractive mix of retail and other activities can be achieved will be mainly influenced by the position a centre has in the overall hierarchy of centres. Thus, a higher-order centre will have a wider and deeper range of retail and other facilities compared with a lower-order or smaller centre. Nevertheless, the opportunities for activity centres to develop a unique, niche market - and therefore attract people from a wider catchment - should be encouraged where this is possible.

Actions:

19.1 Encourage retail and mixed use developments that contribute to the diversification of the mix of activities located in activity centres

(20) Carefully site important retail anchor stores

Retail anchors such as supermarkets and department stores should be suitably located in an activity centre in order to stimulate shopper/pedestrian flows past the specialty shops and other services that typically locate between these anchor stores. The tenancy format or placement in modern enclosed shopping centres is an excellent demonstration of this important principle regarding the careful location of anchor stores and specialty shops.

Actions:

20.1 Ensure that new retail developments encourage pedestrian movement through a centre through the appropriate location of key anchor traders.

(21) Encourage non-retail uses where they contribute to an active and safe environment

Depending on its place in the hierarchy, a retail centre should include a range of non-retail activities, particularly those activities such as fitness and leisure centres, adult education, libraries, community facilities, residential accommodation, etc, that are particularly active outside shopping hours, and can have synergies with other activities such as restaurants, cafes and bars. These types of activities encourage the development of the 'evening economy' and provide increased security in a centre through a continuation of activities after shops have closed. Apart from restaurants and bars, these non-retail activities should locate on upper floors so that retail frontage is maintained at street level. These upper floor uses should have street access (in addition to any access from parking at the rear or in a basement) in order to provide a visible and safe entry point, especially for residential uses.

Offices and medium-density residential development in or on the fringe of a centre can also contribute to activity outside business hours and increase the number of people using the centre. Together with shop-top housing, this form of residential development provides an alternative housing type which meets emerging lifestyle choices and serves a market currently under-represented in the region.

<u>Actions</u>:

21.1 Encourage a mix of development in activity centres that generates activity outside normal business hours, but which neither fragments the retail offering (at ground level) nor creates amenity or other problems for residential uses in or near the centre

21.2 Encourage non-retail commercial and residential development, particular above ground floor retail uses and at the fringe of centres

(22) Design and manage off-street parking to ensure safety and optimise the contribution to commercial viability

Off-street car parks, particularly paid parking, should be designed as safe public spaces that complement the operation of an activity centre. Parking areas should be clean, safe, well-lit, and sheltered by trees or shade structures. Paid parking spaces should demonstrate a tangible value to potential users by highlighting particular features of security and convenience to users.

Off-street car parks should be directly linked to the shops they serve by pedestrian access that is prominent, convenient and secure. 'Walk through' shops and arcades can provide a pedestrian connection between carpark and shops, but such a connection requires very careful planning. Pedestrian thoroughfares or arcades that 'lead nowhere' must be avoided, especially as retail space in arcades can be prone to high vacancy rates.

In order for parking availability to respond to user needs, a graded approach should be applied to parking time restrictions, with the short-term / high cost parking located at the heart of a centre, increasing to the longer-term / lower cost parking located on the periphery. This gradation in parking duration and cost will ensure high parking turnover in the most central areas. Longer-term users of the parking areas, including staff, will be compelled to use the lower-cost car parks located towards the edge of the centre or, where available, the parking spaces behind their premises.

Actions:

22.1 Ensure that car parks are developed in ways that maximise their convenience and safety features, provide good exposure to the retail offer at activity centres, and do not fragment the retail/commercial nature of the activity centres.

22.2 Apply time restrictions to car parking in a manner that ensures there is high parking turnover in locations at the heart of the centre, while longer-term parking is encouraged at the fringe of the centre.

22.3 Consider user needs when assessing carparking issues (eg, shoppers, businesses, other users) and encourage innovation (eg, convenient park-and-ride service for Central Geelong employees).

(23) Provide open space within the public domain

Traditional, street-based retail activity centres typically provide an attractive range of opportunities and experiences for people visiting these places, while modern enclosed shopping centres tend to provide a predictable and sanitised shopping environment. This situation largely explains the recent resurgence of traditional street-based retail activity centres relative to enclosed shopping centres in the Australian retail sector.

Therefore, as a means of maintaining and enhancing the appeal of activity centres, these centres should incorporate public open space areas in which they can accommodate a diverse range of both informal and formal activities, including ‘people-watching’, eating, reading, chatting, market stalls and other community events, all of which are an essential ingredients of any successful activity centre.

Infrastructure provision is important in this context, including street furniture, public lighting, attractive pavement treatments, directional signage, information boards, public art and so on. Ensure designs that are low-maintenance.

Actions:

23.1 Encourage the provision of public open space in activity centres as a central focus for a range of community and other activities, either indoor or outdoor.

23.2 Ensure that an attractive range of street infrastructure is provided in activity centres to enhance their appeal to shoppers and other visitors, and including street furniture, public lighting, attractive pavement treatments, and the like. Have regard for low-maintenance designs and costs

(24) Encourage the use of sustainable forms of transport to access activity centres

The use of sustainable modes of transport for accessing activity centres provides an important contribution to the principles of Ecological Sustainable Development, as well as improving the amenity of local environments through reduced private vehicle traffic, reduced air emissions, safer public spaces, and so on.

Sustainable forms of transport include public motorised transport (trains and buses), as well as walking and cycling. In the Geelong context, Council will work with other stakeholders including the State government and public transport service providers in order to ensure that the public transport network is of a high standard to encourage high levels of patronage to and from activity centres.

Actions:

24.1 Implement transport management policies that encourage the use of sustainable transport modes for accessing activity centres, including the use of public transport (buses in the Geelong context), bicycles, and pedestrian movement.

4.5 Summary

In summary, the Geelong Retail Strategy is underpinned by a range of principles and associated actions, the key ones of which include the following:

- Supporting the hierarchy of retail centres, including the consolidation of activity centres
- Suitably planning for out-of-centre developments where such development does not undermine the activity centre hierarchy and where strict locational criteria are applied
- Planning for new centres to serve residential growth areas
- Encouraging a wide mix of activities in centres, where feasible and depending on a centre's role in the hierarchy
- Encouraging centre management as a means of improving the performance of existing centres, especially those where commercial properties are in multiple ownership
- Supporting business development and good management, especially among small businesses which are so important to the on-going commercial and community 'health' of a centre
- Encouraging an improved level of communications between Council and representatives of businesses in activity centres so that centres can develop in a sensible and co-ordinated manner, and to meet the interests of stakeholders and the wider community
- Promoting good urban design in activity centres (including streetscapes, retail shop locations, parking, open space, etc) so that the commercial viability of centres is optimised and so that these centres are attractive places to visit and spend some time.

Actions for specific centres are highlighted in the following Chapter.

5 ACTIONS FOR SPECIFIC CENTRES IN THE RETAIL HIERARCHY

5.1 Introduction

This Chapter presents the **Geelong Retail Activity Centre Hierarchy** which will guide the future development of the retailing in the City of Greater Geelong.

Broad roles and functions are identified for centres in the hierarchy as a guide for Council decision-making with respect to future retail (and other) development at activity centres. An outline description of the retail hierarchy is provided, and the location of centres is shown in the accompanying Maps 5.1 and 5.2.

The hierarchy also provides the rationale for future expansion of retail shopping and commercial facilities in the CoGG, based on the underlying research in Part B of this report. The retail analysis identifies potential for up to around 154,000 m^2 of additional retail floorspace in Geelong over the next 15 years to 2021. This estimate is provided only as a broad guide, and does not include consideration of non-retail activities in centres or the contribution of trade sales (and which would add to further floorspace potential in centres).

Note that a more complete description of the hierarchy is provided in Part B: Background Research.

5.2 Retail Activity Centre Hierarchy

The roles of centres in the retail hierarchy in Geelong are described in accordance with the following classification criteria shown in Table 5.1.

Table 5.1 Retail Hierarchy Description

Level in Hierarchy	No. of Centres in CoGG	Typical Catchment Population	Indicative Retail Floorspace Range	Examples of Key Tenants
Regional Centre	1	Up to 300,000 people	More than 100,000m2	Department store, discount department store(s), mini major(s), supermarket(s) and extensive range of specialties
Sub-Regional Centre	3	40,000 to 80,000 people	15,000m2 to 35,000m2	Discount department store(s), mini major(s), supermarket(s) and specialties
Community Centre	1	Around 40,000 people	10,000m2 to 25,000m2	Supermarket(s), mini major(s) and specialties
Neighbourhood Centre	10	8,000 to 25,000 people	2,500m2 to 10,000m2	Supermarket (small or full line), primarily convenience oriented specialties
Town Centre	6	5,000 to 25,000 people	1,500m2 to 15,000m2	Supermarket, mini major(s), specialties
Local Shops	numerous	Up to 5,000 people	Up to 1,000m2	Convenience and service retail
Homemaker Retail		At least 100,000 people	5,000m2 to 50,000m2	Large restricted retail type tenants

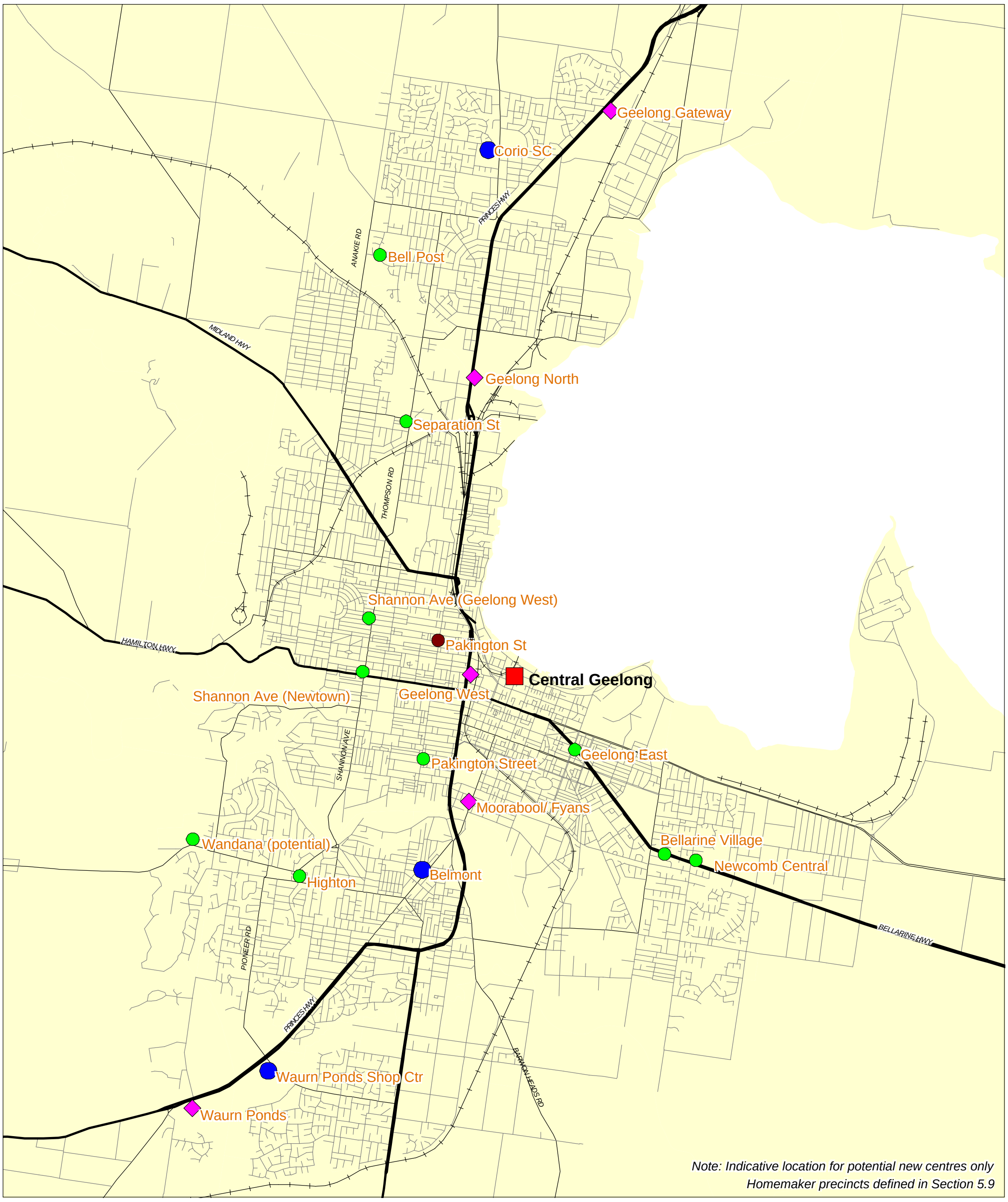
Source: Essential Economics

Map 5.1 Retail Activity Centre Hierarchy

Source: MapInfo
Produced by: Essential Economics

- Regional Centre
- Sub - Regional Centre
- Community Centre
- Neighbourhood Centre
- Town Centre
- Homemaker Precinct

ESSENTIAL ECONOMICS



Map 5.2 Retail Activity Centre Hierarchy - Close View

Source: MapInfo
Produced by: Essential Economics

- Regional Centre
- Sub - Regional Centre
- Community Centre
- Neighbourhood Centre
- Town Centre
- Homemaker Precinct

ESSENTIAL ECONOMICS

- **Regional Centre**: is the location for regional shopping needs of residents living in a wide, regional catchment; is supported by department store and discount department store provision and by higher-order specialty shops; and has a strong role in the provision of a wide range of non-retail functions including entertainment, office, civic and community activities, and potential for residential development.
- **Sub-regional Centre**: is the location for shopping facilities which serve a sub-regional market; usually supported by discount department store and supermarket facilities; and can have some non-retail functions such as a limited range of office, medical, community activities, cinema, business services etc.
- **Community Centre**: is a centre providing for weekly grocery shopping facilities and convenience/service shops, and also offers a significant range of lower-order comparison shops, cafes/restaurants or other niche traders which give the centre a broader catchment and a role in the hierarchy above that of a neighbourhood centre.
- **Neighbourhood Centre**: is a centre which provides for weekly (or more frequent) grocery shopping based around a supermarket tenant; in some cases, it has a small lower-order specialty retail or non-retail component (small office, medical, etc).
- **Town Centre**: is a centre located in a township outside the Geelong urban area, and which provides weekly grocery shopping facilities based around a supermarket tenant, as well as providing a broader town centre role as a focus for non-retail and community facilities and, in some instances, a lower-order comparison shopping role.
- **Local Centre**: is a small group of shops or a single shop which serves a local walk-in catchment, and typically provides for the daily convenience needs (milk, bread, newspaper) and ‘top-up’ needs of local residents or passing motorists.
- **Homemaker**: represents major homemaker and other large format store types; can seek locations away from established centres, but should be directed to preferred nominated locations in order to generate co-location benefits; has particular site requirements in terms of high exposure and convenient access to a large catchment; also may include building supplies and trade supplies stores that serve a non-retail trade customer base.

The following sections provide an outline of each level in the hierarchy and a list of actions required in the Geelong context.

5.3 Regional Shopping

Representation in Geelong

Central Geelong is the regional activity centre serving Geelong and the surrounding region, and will remain as the major focus for a wide range of activities. In a retail context, Central Geelong will continue to be the focus for higher-order shopping facilities, and it will also be the principal location for office and commercial activity, community and government functions, major entertainment venues, and so on. In association with the adjacent Western Wedge precinct, the revitalisation and evolution of Central Geelong into a high quality urban precinct is strongly encouraged in this Strategy.

Central Geelong has significant potential for ongoing residential development and redevelopment, leading to a larger residential population in close proximity to retail (and other) facilities, and therefore assisting in the support of a wide range of retail tenants and contributing to an increase in after-hours activity. Opportunities should be exploited where appropriate for improved integration with the nearby waterfront.

While Central Geelong has representation in most retail groups, there is a need to enhance the depth of retail offer, particularly in fashion and lifestyle sectors where the centre competes with sub-regional centres and with retailers in Melbourne.

Central Geelong also needs to upgrade and redevelop much of its building stock which, in many instances, appears to be run-down and presents with poor quality shopfronts. In addition, some long-established floorspace in Central Geelong is ill-suited to modern retail requirements.

Bay City Plaza and Market Square are key retail anchors for Central Geelong and it is important that these two centres are maintained to the modern standards expected by shoppers and others who visit Central Geelong. Development or re-development of these centres so that they maintain a high degree of accessibility and integration with the balance of Central Geelong is encouraged.

Future Directions

1. Central Geelong will be the main location for higher-order retail development serving the wider region, and will be the focus for expanded investment in sectors such as entertainment, commercial office, community and government activities, and cultural and arts facilities.

2. Council will encourage retail and other development which assists in attracting tourists and other visitors to Central Geelong, and which will retain an increased share of potential tourist spending. This will have flow-on benefits both for other businesses in Central Geelong and in the broader economy.

3. Central Geelong will accommodate an increasing level of retail activity through development and redevelopment of existing buildings; the focus will be on the provision of an expanded breadth and depth in the range of major national brand specialty stores (in areas such as fashion, lifestyle, homewares, etc).

4. Central Geelong will continue to provide a location for grocery shopping and other convenience purchases, recognising that this role is expected to continue as higher density residential development occurs within and nearby to the centre.

5. New retail development in Central Geelong will have regard for the important role of the overall central area, and new development will have regard for the urban design principles outlined in this Strategy (refer Chapter 4).

6. Central Geelong is the location for large format retail including the Myer and Target stores, but this Strategy also recognises that there is a longer-term trend for stores selling bulky merchandise to locate in designated out-of-centre homemaker retail developments due to the specific locational requirements of those uses. However, Central Geelong must maintain and enhance its range of large-format retail 'anchor' stores, and recognise that the future retail role of the centre will also be largely driven by its provision of quality, higher-order specialty shops, national brand stores, cafes/restaurants, and showrooms.

7. A significant improvement in the quality of the building stock in Central Geelong is most necessary, including improvement in the appearance of shop fronts and in ensuring higher-quality store fit-outs. This will require redevelopment and refurbishment of building stock, and means property owners will need to be

encouraged to devote resources to maintaining and improving the quality and presentation of their buildings.

8. Council will support higher-density residential development in close proximity to Central Geelong, subject to appropriate location and design principles.

9. Traffic, parking, public transport and related issues associated with Central Geelong require resolution if the centre is to optimise its appeal to shoppers and other visitors, and to potential new inner-city residents.

5.4 Sub-regional Centres

Representation in Geelong

There are three sub-regional centres in Geelong: Belmont, Corio Village and Waurn Ponds.

The Strategy identifies these three centres as focal points for a wide range of economic and social activities, including retail facilities, commercial office functions, community and civic facilities, and leisure and entertainment uses. The consolidation of these activities will be enhanced by the provision of improved public transport services.

In view of the population growth occurring on the Bellarine Peninsula and the planned residential growth area at Armstrong Creek, new sub-regional centres will need to be identified to serve these areas.

The Bellarine Peninsula (defined to include the SLAs of Bellarine Inner, Greater Geelong – Part B and Queenscliffe) has a current population of 63,700 people, and is forecast to increase to 82,000 people by 2021 – this is equivalent to the current 2005 population of the City of Greater Bendigo. It is therefore important to consider an appropriate location for a sub-regional centre on the Peninsula of up to around 20,000m^2 in retail floorspace over the medium term. Although a sub-regional centre at Newcomb has been considered in the past, this location is relatively close to Central Geelong (3km) and would not significantly reduce the travel requirements of Bellarine residents who would still have to travel into urban Geelong for these higher-order shopping and related needs.

In view of the current proposal for a neighbourhood centre at Leopold, the Strategy recommends that an investigation be made of the potential or otherwise for this site to be the location for a new sub-regional centre. In preliminary terms, Leopold may be an appropriate site in the medium-term for further retail development for the following reasons:

- The site offers the potential for retail and associated expansion in view of available vacant land (although Council engineers indicate flooding and drainage constraints may exist).

- The site would serve the entire Bellarine Peninsula and would reduce the travel requirement of Bellarine residents to access this type of centre (compared with a centre at say, Newcomb).

- The site at Leopold is located 8.5km from Central Geelong, and would not be expected to undermine Central Geelong's core primary catchment, although the potential for adverse trading impacts would have to be the subject of an economic impact assessment if and when any development proposal for a sub-regional centre at Leopold is put forward for Council consideration.

- By around 2016, the forecast population on the Bellarine Peninsula should support sub-regional retail facilities without having an undue adverse effect on retailing in Central Geelong (although this will be determined by the Retail Planning Assessment Criteria at the appropriate time).

In regard to Armstrong Creek, this growth area is currently under investigation in the Armstrong Creek Urban Growth Plan; the Plan will make specific recommendations in regard to the retail activity centre hierarchy to serve this area. The potential development of a sub-regional centre to service a catchment of 50,000 persons will need to be considered.

Future Directions

10. Existing sub-regional centres will continue to play an important role as the location for grocery and lower-order comparison shopping, and this role will be anchored by strong representation in supermarket and discount department store provision, and a range of specialty shops.

11. The role of sub-regional activity centres will be broadened to include non-retail activities, including social and community facilities, entertainment and leisure activities, and cafes and restaurants. The provision of government services at or adjacent to sub-regional centres will be encouraged, having regard for the sub-regional role of these centres. Importantly, these sub-regional roles must not replace nor challenge the overarching regional role of Central Geelong.

12. Opportunities to renovate, redevelop or expand the existing centres are likely to occur over the next 10 to 20 years. Council will consider such applications in the context of their overall effect on the retail activity centre hierarchy operating in Geelong, and subject to the policies presented in this Strategy.

13. Higher density residential development will be encouraged in or adjoining sub-regional centres in order to add to the vibrancy of these centres, provide more housing choice, and contribute to sustainability goals.

5.5 Community Centres

Representation in Geelong

Pakington Street (Geelong West) is the only Community retail activity centre in Geelong and serves a unique role in the hierarchy by virtue of its strong café/restaurant offer, and mix of fashion boutiques and other niche traders. These functions give Pakington Street a prominent role in Geelong's retail activity centre hierarchy. The Community centre classification is intended to define centres broader retail function relative to a "neighbourhood centre", while noting that the centre does not (and should not) include a major sub-regional type retail anchor such as a DDS.

The major issue facing Pakington Street is the proposed development of the Kinnears Ropeworks site for a new retail facility incorporating a supermarket and specialty shops. While retail development is supported for this site, such development needs to be achieved in a way which satisfies the following criteria:

- The development should be appropriate in terms of size and function, and should not create excessive competitive impacts on the balance of the Pakington Street strip or on nearby centres including Shannon Avenue; and

- The development should be integrated as far as possible with the balance of the Pakington Street strip centre so that the "street-based" atmosphere of Pakington Street is not threatened, and that synergies are created with existing traders in the strip.

This Strategy promotes Pakington Street as a mixed-use centre which incorporates a range of non-retail and community functions.

Future Directions

14. Determine an outcome for the Kinnears site that meets the need for a retail development which is of appropriate scale and which integrates effectively into the Pakington Street (Geelong West) centre, and which has regard for policies and directions contained in this Strategy,

15. Protect the unique role of the Pakington Street (Geelong West) centre as an important destination for leisure, fashion and other specialty shopping, in association with the strip's more traditional function as a neighbourhood activity centre.

16. Maintain the high quality urban environment of the Pakington Street centre, and promote the use of public transport, walking and cycling as ways of easing vehicular traffic pressures in the centre.

5.6 Neighbourhood Centres

Representation in Geelong

Neighbourhood Retail Activity Centres in the City of Greater Geelong include:

- Highton
- Shannon Avenue (Geelong West)
- Shannon Avenue (Newtown)
- Bellarine Village
- Newcomb Central
- Bell Post
- Ocean Grove Market Place

In addition, there are a number of smaller neighbourhood centres, including:

- Separation Street
- Pakington Street (Newtown)
- Geelong East

Neighbourhood centres are generally characterised by a range of mainly convenience-related shopping needs such as newsagent, chemist, hairdresser, green grocer, butcher, takeaway food, etc, and anchored by a supermarket. Typically, Large Neighbourhood Centres can be distinguished by their greater level of retail provision (around 5,000 – 10,000 m^2), their wider trading catchment, and the location of major full-line supermarket brands as major tenants.

Small Neighbourhood Centres typically serve a similar convenience related role, but with a smaller (not full-line) supermarket or self-serve grocery store as the anchor tenant.

Neighbourhood centres play an important role in providing for the regular shopping needs of residents in the surrounding catchment, and this typically revolves around the weekly (or more frequent) grocery shopping trip. There may be opportunities to accommodate a more diversified retail mix in these centres. For example, the Newcomb Central has an opportunity to expand the retail offer to include an ALDI store and other new floorspace. And at Leopold there is a current proposal to construct a neighbourhood activity centre.

There is also a need to plan for the provision of shopping facilities to meet the needs of new residents moving into future urban areas. In particular, there is potential to locate new neighbourhood activity centres in the growth area west of Drysdale; in Wandana Heights; and in association with the Armstrong Creek urban growth corridor. The establishment of a small neighbourhood centre in Fyansford may also be considered.

Future Directions

17. Neighbourhood shopping centres are the focus for convenience shopping facilities which are supported by the surrounding residential neighbourhood, as well as providing additional facilities (depending on catchment size) such as retail services, lower-order specialty shopping, small office business, service business, and the like.

18. New neighbourhood centres are required where there is substantial urban growth, and this Strategy supports the investigation of the development of a new supermarket-based shopping centre at Wandana to serve this area and relieve capacity constraints on the Highton Centre, as well as the investigation of future neighbourhood centres to serve the Drysdale/Clifton Springs growth area and the Armstrong Creek growth corridor.

19. For commercial viability, neighbourhood centres should be appropriately located with frontage to a main road, thus ensuring a share of sales captured from passing traffic and also ensuring access by bus services.

20. Where possible, Neighbourhood Centres will be accessible by public transport and by cycling and walking.

21. Neighbourhood shopping centres will be encouraged to develop in such a manner that they improve the visual and functional environment of the centre, and so that they become vibrant focal points for the local communities they serve.

5.7 Town Centres

Representation in Geelong

Town Centres in the City of Greater Geelong include:

- Ocean Grove – Town Centre
- Drysdale
- Lara
- Barwon Heads

- Portarlington
- Point Lonsdale

Town centres (ie, centres located outside urban Geelong) serve an important role as a key local destination for basic convenience shopping facilities, and also as a key service centre for the surrounding local catchment, including a range of non-retail commercial, community, administrative and cultural functions. A town centre is the main social hub for the township it serves, and has a role in generating a sense of identity for the surrounding community.

The Strategy supports the role of town centres by encouraging their development as a focus for day-to-day and weekly convenience shopping, and also including - where local demand is sufficient - a range of comparison and non-food retail. Currently, there are proposals for mini-DDS stores (around 1,500m^2 to 2,000m^2) at both Lara and Ocean Grove which would consolidate the town centre role of these centres.

Growth and diversification of the town centres in Geelong is encouraged where this meets the planning assessment criteria. It will be important to ensure that the retail offer in town centres is aimed at the surrounding market, rather than generating a sub-regional function for the town centre.

22. Town Centres will be the focus for convenience shopping facilities serving the surrounding township and rural hinterland, as well as providing a range of non-retail commercial and community facilities etc.

23. The role of Town Centres as a focus for holidaymaker and other visitor spending should be recognised where appropriate, and suitable retail facilities and town centre amenities be made available for this market (eg, bus parking; public toilets). This may result in a higher provision of retailing being made available than the resident population would otherwise support.

24. Town Centres will offer a high quality urban environment which reflects positively on the image of the surrounding township and its community. These centres will be pedestrian-friendly and accessible by public transport.

25. It will be important to ensure that retail and other facilities in Town Centres evolve and grow to meet the needs of expanding populations. Strategic planning for these centres will need to be responsive to market trends.

5.8 Local Convenience Centres

<u>Representation in Geelong</u>

Geelong is served by a network of small local centres or facilities that provide for the walk-in daily shopping requirements of local communities. These facilities are in a number of formats, ranging from a single milkbar or general store, to collections of 4-5 shops supported by a general store or mini-mart. In some cases, the role of the local convenience centre or facility is undertaken by a 24-hour convenience store associated with petrol filling stations.

These centres play an important local role, particularly for those members of the community who do not have ready access to car transport or public transport to larger centres.

Future Directions

26. Local convenience centres or facilities are recognised in the Strategy as important contributors to retail services at the local level, particularly in terms of providing convenient access for a walk-in catchment.

27. New local centres or shops will be provided in association with new residential development where such retail development can be supported by the surrounding community; locations for such facilities will have regard for the opportunities to serve passing traffic and will ideally be located at or near prominent intersections.

28. In some cases, established local centres are losing their retail role, and this is reflected in vacant premises; in these cases, proposals for non-retail activities (eg, small office, or residential where appropriate) may be considered in place of the redundant retail activities.

5.9 Homemaker Retail

Representation in Geelong

Existing locations for homemaker shopping in the City of Greater Geelong include:

- Geelong Gateway Precinct, including Harvey Norman and Bunnings.
- Geelong North Precinct, which broadly includes traders on the Princes Highway between Separation Street and The Boulevard, as well as Fagg's Mitre 10 located in Anakie Road.
- Geelong West Precinct, comprising a number of homemaker traders in a mixed commercial-retail precinct in proximity to the intersection of Gordon Avenue and La Trobe Terrace.
- Moorabool/Fyans, comprising traders on the southern edge of Central Geelong in proximity to the intersection of Moorabool Street and Fyans Street.
- Waurn Ponds/Surf Coast Highway, comprising homemaker traders at the Waurn Ponds Homemaker Centre and traders scattered along the Surf Coast Highway at Grovedale.

Homemaker retailing can be identified as occupying a **stand-alone site**, or several sites in a **precinct**, and may also be described as an **integrated centre** where such a location contains a range of comparison shopping (eg, bedding, whitegood, electrical goods) in an integrated shopping environment. In addition, homemaker retailing can sometimes be found in traditional strip shopping centres or (less often) in modern enclosed shopping centres. Thus, homemaker retailing can be found in a number of locational settings; importantly, as later noted, there is a popular view that long, strung-out "ribbon" development of homemaker retail along major roads is generally to be avoided.

Homemaker retail is an increasingly popular retail form in the Australian market and its growth has been largely confined to out-of-centre locations. Out-of-centre locations are popular with this form of retail for the following reasons:

- Large, level sites to accommodate large format stores and on-site carparking.
- High exposure to passing traffic

- Convenient accessibility to the regional road network.
- Ability to easily accommodate the large-format tenancies required for this retail type
- Relatively low site costs compared with higher property costs in activity centres

There is an estimated 72,600m^2 of homemaker retail floorspace (excluding a small amount of food-retail located in the defined homemaker precincts) located outside of identified activity centres in Greater Geelong. Much of this floorspace is located in loosely-defined precincts, with the only existing fully-integrated homemaker retail centre in the region being the Waurn Ponds Homemaker Centre. Also of note is that a range of non-retail large format display activities can also co-locate with homemaker retailing, such as **trade supplies** and **commercial showrooms**. These latter uses are not to be confused with conventional **retail** activities (and this is important as the retail floorspace analysis in Chapter 11 only deals with retail activities and retail floorspace).

Homemaker Retail Location

Tangible benefits are associated with the creation of dedicated homemaker precincts or integrated centres, and include the following:

- Ability to serve a wide regional or sub-regional catchment;
- Ability to masterplan and guide appropriate development on a single site;
- Reduced pressure for excessive non-integrated "strip" or "ribbon" homemaker development scattered along major road frontages;
- Benefits of co-location lead to synergies with other homemaker retailers;
- Popular one-stop shopping destinations for shoppers wanting to browse and compare price, quality, range, etc; and
- Savings associated with the provision of shared parking and other infrastructure.

There is an increasing trend in the homemaker retail sector for the development of dedicated precincts or 'homemaker centres' in order to take advantage of these benefits of co-location. This is consistent with the maturing of the sector as a retail format, and is also being driven by a more structured approach to planning for homemaker development instead of 'stand-alone sites'.

Having regard for these factors, the Strategy supports the principle of Council explicitly identifying specific locations as a focus for future homemaker development (following detailed location analyses by either Council or developers). In particular, the Strategy supports the creation of two homemaker concentrations for this purpose: one at Waurn Ponds to the south of urban Geelong, and one in the northern part of urban Geelong (defined here as "North Geelong").

In determining a location for the North Geelong site, Council will need to ensure that the following criteria are met:

- The site has a high degree of accessibility and visibility to a regional-catchment, preferably with direct access to the Princes Highway, and in a relatively central location to this catchment;

- The site has synergies with adjacent land-uses, including where possible existing homemaker retail and other complementary, or non-conflicting, non-retail commercial uses;

- There is an adequate site size to accommodate continued floorspace growth over the life of the Strategy (to 2021);and

- The site can be developed in a master-planned and integrated manner.

It is important to recognise the other existing homemaker sites or precincts (listed above and described in more detail in Part B). The ability of these sites or precincts to re-develop and refine their own retail offer as a competitive response to the growth of Waurn Ponds and North Geelong should also be protected. This would ensure that competitive impacts on these existing homemaker sites/precincts would be minimised, and thus maintain diversity in the homemaker retail offer in Geelong. The criteria for assessing new retail development proposals (refer Chapter 6) would have to be met.

Furthermore, while Waurn Ponds and North Geelong are supported as the two preferred locations for future homemaker retail development in Geelong, this does not necessarily preclude other future out-of-centre homemaker development outside these locations over the life of this Strategy. Thus, a proposal for future homemaker retailing may establish on a site(s) or in a new precinct other than these two locations if the proponent can demonstrate that:

1. The proposed development cannot reasonably be accommodated at either the Waurn Ponds site (as identified) or the North Geelong site (yet to be identified), and

2. The proposed development meets the out-of-centre assessment criteria outlined in the Strategy (Chapter 6).

The retail economic research (Part B, Chapter 11) shows that - based on forecast total supportable retail floorspace growth in the Geelong region - homemaker retail floorspace growth of approximately 40,000m^2 (and possibly more) could be expected in the period to 2021. Note that this potential floorspace is exceeded by current proposals for homemaker retail development at Waurn Ponds, at Geelong North (HomeTown and Gateway), and at Settlement Road (Spotlight, Anaconda) which, together, total in the order of 70,000m^2 of floorspace. However, these proposals would also be expected to include non-retail components (such as trade supplies) that are not counted in the indicative retail floorspace growth forecast noted above. In any event, the ultimate retail floorspace for homemaker retailing across these developments would only be expected to be constructed where there is sufficient market demand to support such floorspace.

A further consideration is that the development of homemaker retail at the two preferred sites over coming years may, to some extent, result in an adverse impact on some existing homemaker traders. However, these impacts are likely to be minimised where homemaker traders in the existing precincts or standalone sites may re-locate to the proposed new precincts and, in so doing, potentially improve their own retail performance as a result. Moreover, where existing traders operating in sub-optimal floorspace move to a purpose-built homemaker facility, the impacts are not necessarily of concern as the overall outcome would very likely result in a net community benefit. It will be important, however, to allow for a strategic planning response that can accommodate the possibility of some transition in land use away from homemaker retail in the existing precincts in response to potential impacts associated with the growth of the new Waurn Ponds and North Geelong homemaker precincts. This Strategy cannot foresee the type and extent of potential change in land use in specific areas over a 15-year period;

however, this should not be an issue as the role and function of good town planning is to address such land use changes that invariably occur over time.

In regard to potential sites for homemaker retail that have already been identified in Geelong North, the Strategy supports the preparation of an assessment of future land-use options for the Geelong Gateway site in view of the as-yet-to-be acted upon existing approval for 16,000m^2 of restricted retail floorspace, and - if necessary - to identify an appropriate land-use (or uses) for this site in view of the proposal for specific homemaker precincts elsewhere at North Geelong and at Waurn Ponds. Similarly, the Strategy indicates that Council be aware of alternative, port-related industrial uses for the Ford site which has also been proposed as a homemaker centre.

Note that in the Geelong North context, this Strategy does not recommend one site over another for homemaker retailing in view of the factors noted in the above-paragraph which may need resolution.

Homemaker Retail in Activity Centres

While the Strategy advocates focussing future homemaker retail development at two locations, namely at Waurn Ponds and at North Geelong (and subject to the qualifications provided above), it is also important to recognise that the Strategy specifically advocates the location of large-format retail uses in activity centres where this is possible. In particular, there may be opportunities to locate homemaker-type retailers in, or immediately adjacent to, Central Geelong in the future, and this is supported and encouraged by the Strategy.

Homemaker Retail Products

'Homemaker retail' is generally referred to in the planning scheme as a "Restricted Retail" use, although there is also a classification of "Trade Supplies" for primarily non-retail large format traders. Restricted Retail includes land used to sell or hire:

- Automotive parts and accessories
- Camping equipment
- Electric light fittings
- Equestrian Supplies
- Floor Coverings
- Furnishings
- Furniture
- Household appliances
- Party Supplies
- Swimming Pools
- Videos
- Office Supplies.

The intention of the Victoria Planning Provisions (VPPs) and this Strategy is to ensure that the types of retail stores which locate in out-of-centre homemaker retail development are consistent with these broad categories.

Homemaker retail is a retail format which seeks to meet the unique trading requirements of retailers who sell goods into large regional or sub-regional catchments, and with requirements for large-format display and goods handling which require the provision of large parcels of well-located and low-cost land. In recognition that activity centres are not necessarily able to meet these requirements, and in order to maximise the net benefits to consumers, out-of-centre locations may therefore be considered for these types of large format display retail activities.

In order to maintain and protect the integrity of retail activity centre policy, as advocated both by this Strategy and in the planning scheme, it is critically important that the function of the out-of-centre homemaker precinct is consistent with the intention of planning policies. Thus, homemaker retailers must focus on the sale of retail merchandise that is notable for its requirement for large-scale display areas and goods-handling facilities (and with recognition of the inclusion of appropriate ancillary merchandise), and they should not encroach into (less bulky) product categories which directly compete with traditional retail stores located in activity centres as designated in the hierarchy.

Therefore, the Strategy seeks to ensure that homemaker retailers maintain their primary or dominant purpose as the sale of goods and services consistent with the definition of “restricted retail premises”. There is recognition that homemaker retailers may sell some ancillary products outside the dominant restricted retail product categories; however, this should not be at a level which undermines the primary purpose of homemaker retail as a retail format which sells bulky products typically requiring a large-format display area. These are very important aspects associated with homemaker retailing, and should be vigorously enforced through the planning scheme.

Future Directions

29. Confirm regional centres (ie, Central Geelong) as the preferred location for large format retail development of all types. Where locations in these centres are not available or are unsuitable for large format retailing, consider alternative locations, including potential homemaker centres nominated in para. 30 below.

30. Support a site at Waurn Ponds (as already identified) and at North Geelong (yet to be identified) as the preferred locations (in addition to Cental Geelong) for future homemaker retail floorspace developments to serve the Geelong region.

31. Support the re-development of existing homemaker precincts as a competitive response to the future development of the proposed Waurn Ponds and North Geelong homemaker centres, where such re-development of existing locations does not represent a substantial increase in homemaker retail floorspace in the municipality.

32. Ensure that, where necessary, land use transition to appropriate non-retail uses in existing homemaker precincts or sites (and which may become redundant over time) is facilitated.

33. Undertake an investigation of the future of any large site(s) that may remain un-developed in the context of the proposed development of the Waurn Ponds homemaker centre (as identified) and the potential North Geelong homemaker centre (site to be identified).

34. Any proposal for a new homemaker retail floorspace development located outside the potential sites at Waurn Ponds (as identified) and at North Geelong (yet to be identified) must demonstrate that such proposal meets the strict assessment criteria for out-of-centre retail development outlined in Chapter 6 of this Strategy.

35. Homemaker retail development in the City of Greater Geelong must be planned and implemented in a manner which is sensitive to the urban design principles outlined in the assessment criteria for out-of-centre development.

36. Council will actively enforce planning policy to ensure that the primary purpose of all homemaker retailers is to sell merchandise consistent with the planning scheme definition for “restricted retail premises”. The sale of goods and services outside this definition will be ancillary only, and must not undermine the retail activity centre hierarchy.

5.10 Outlet Centre Retailing

The recent growth of outlet centre retailing (or factory outlet retailing) is based on the popularity of this retail format with consumers. This popularity is primarily based on the promotion of these centres as offering good quality “name” brand products at very competitive prices. The outlet centre concept allows major brand retailers to sell surplus, superseded or ‘seconds’ stock at discounted prices at their outlet centre stores, while their stores located in conventional shopping centres continue to sell full-line, current and next season stock at full-price (ie, non-discounted prices).

In recent years, some outlet centre developments have located on federal airport land, thus taking advantage of low site development costs, synergies with airport infrastructure (particularly transport linkages), and the ability to bypass State planning scheme requirements (in view of the location of these outlet centres on Federal land). Although no specific plan is currently publicly available, it is anticipated that an outlet centre development may be proposed for the Avalon airport, located to the north-east of urban Geelong, in the near future, based on recent media reports and based on previous experience in this market in Victoria and inter-state.

Outlet retail tends to seek larger tenancies (200m^2 to 800m^2) in high profile locations, with access to a large regional catchment. This can be achieved in both an integrated ‘shopping centre’ style format (eg, Essendon Airport, Moorabbin Airport) or in a more informal street-based format (eg, Bridge Road Richmond, Smith Street Collingwood).

From a strategic planning perspective, the ideal location for outlet centre retailing would be either within or adjacent to an existing activity centre, where there would be synergies with existing traders and infrastructure (and from a retailer’s view, achieving a location where the sale of discount stock does not ‘cannibalise’ the sale of current-season stock). In the Geelong context, an outlet centre retail presence located within urban Geelong offers the greatest scope for both spending and employment to be retained in Geelong, while also consolidating the retail activity centre hierarchy and minimising impacts on existing retailers.

In the Avalon Airport context, an outlet centre presence offers an opportunity to capture a share of this retail spending from Melbourne, having regard for Avalon’s location with convenient freeway access, its location between the major population centres of Melbourne and Geelong, and other siting attributes. Recent and current growth in outlet retailing in Melbourne (namely, Essendon Airport and Spencer Street, respectively) needs to be considered in the overall context of the potential market for outlet retailing. While the potential introduction of retailing (and possibly other non-aviation related commercial activities at Avalon) needs to be considered in terms of securing the future role of the airport, the future of any such retail component would, nevertheless, have to meet the Retail Planning and Development Criteria set out in this Strategy (refer Chapter 6).

Having regard for the popularity of outlet retailing, it is therefore recommended that Council favourably considers future proposals to provide outlet retailing in Geelong. In particular, there may be scope for this retail format to be located within or on the fringe of Central Geelong, and this potential should be investigated. Such proposal(s) would need to meet the Guidelines if they seek to locate out-of-centre or in an area requiring a rezoning to allow retail uses.

In any event, it will be important from a Geelong retail perspective to ensure that any outlet centre generates all of the synergies and community benefits (including employment), but with few if any of the adverse trading impacts.

6 CRITERIA FOR ASSESSING RETAIL DEVELOPMENT PROPOSALS

6.1 Introduction

Retail Planning Assessment Criteria have been prepared for use by Council officers when assessing development proposals for new or expanded provision of retail floorspace in the municipality, and also for the guidance of planners/developers/retailers in terms of information they are required to provide to Council in order to facilitate the planning approvals process or a rezoning request.

The criteria consist of two components:

- a listing of information which an Applicant should provide to Council in order to facilitate the planning approvals process; and
- a listing of issues associated with assessing the need for a retail development.

In assessing a development proposal, reference should be made to the Strategy in regard to the ***Vision*** for activity centre development, as presented in Chapter 3, which provides an overall guiding statement of how the activity centres hierarchy in Geelong is to be developed, and so that underlying objectives are met.

Consideration also needs to be given to the manner in which a proposal for retail development addresses any specific issues identified in this Strategy and the potential effects on the existing hierarchy of centres (Chapter 5).

The following sections identify information to accompany a planning permit application (Section 6.2), together with specific planning criteria to be met in regard to an application in an activity centre (Section 6.3) and an application in an out-of-centre location (Section 6.4).

6.2 Assessing Development Proposals

Applicants must provide the following information when seeking planning approval for a proposed retail development:

1. Address of the subject site and Title particulars

2. Details of the proposed retail component
    - amount of retail floorspace (in m^2)
    - number of retail tenancies and sizes
    - type of retail floorspace (eg, supermarket, discount department store, specialty stores, etc)
    - car parking (if applicable)

3. Details of any other (non-retail) component where applicable, including office floorspace, entertainment uses, residential component, etc.

4. An economic impact report is required for major new retail developments (at the discretion of Council, but generally applying to those proposals involving 2,000 m^2 or more of retail floorspace GLFA, or the provision of a key major tenant such as supermarket). The report shall provide the following information:

   - supporting evidence of retail demand
   - assessment of any likely impact on existing retail facilities
   - description of anticipated benefits to community (measurable and non measurable)
   - estimated contribution to employment (in both construction and retail operation), and noting the indirect flows (although these generally accrue to a wide area, including the State and national economies)
   - overall contribution to net community benefit

5. Council will decide on the extent of supporting economic impact information required of the applicant on the basis of the size of the retail floorspace component for which approval is being sought. Prospective developers should discuss their proposals with Council officers prior to formal submission of a Planning Permit Application or rezoning request so that the extent of supporting information required by Council can be ascertained. Council reserves the right to request additional information on economic impact from the applicant, if required.

   A description of retail economic information for proposals involving development in activity centres or in out-of-centre developments is provided in subsequent sections of this Chapter. Where a proposal is considered by Council to represent an out-of-centre development and is located outside the preferred locations for such development at Waurn Ponds (as identified) and North Geelong (site to be identified), a retail-economic assessment will always be required by Council.

6. The proposal should be accompanied by an analysis of the development in the context of the policies presented in this Strategy, including (where relevant):

   - how the proposal meets the vision and strategic policy directions presented in Chapter 4, including those measures relating to future retail roles, retention of spending, and so on; and
   - the extent to which the proposal is an appropriate development for the centre in which it is located and in the context of the retail hierarchy (Chapter 5)

7. The proposal should indicate how it is in accordance with requirements in other relevant strategic documents and the Greater Geelong Planning Scheme.

6.3 Criteria for Assessing Proposals in Activity Centres

The following criteria are provided as guidance to Council in assessing applications for retail developments proposed for activity centres in Geelong. These criteria are also provided to assist proponents in terms of type and extent of information required to support major development applications.

Note that the level of information required to support an application will be at the discretion of Council (see point 5 in Section 6.2) following a pre-application meeting between Council officers and the proponent.

(1) Retail demand

Council should expect that the economic assessment accompanying the proposal covers the following issues:

1.1 A retail feasibility assessment is required for major development proposals, or those with a key tenant (such as new supermarket), as determined by Council (refer Point 5, Section 6.2).

1.2 The assessment must show a need or demand for new or expanded retail floorspace provision to serve the identified catchment.

1.3 The assessment must indicate the current catchment population level, and the forecast population and retail spending growth rate for the next 5 and 10 years.

1.4 The assessment must show the extent to which the proposal will draw trade from beyond the catchment, and from passing trade.

1.5 The assessment must indicate whether the proposed new retail provision - if proposed for an existing centre - would mean an expansion in the size of the catchment served by that centre.

(2) Retail supply

Council should expect that the economic assessment accompanying the proposal covers the following issues:

2.1 Indicate the existing supply of retail floorspace serving the catchment, by type.

2.2 Provide details of any other proposals for new or expanded retail development in the catchment or beyond, which could have an effect on the viability of what is presently proposed.

2.3 Indicate the main features of the existing hierarchy of retail centres which serve the catchment, and show where the proposed new or expanded retail provision would fit within this hierarchy.

2.4 Provide evidence as to the extent to which the existing supply of retail floorspace is adequate to meet existing and foreseeable demand levels (say, over the next 5 to 10 years).

2.5 Indicate whether there are any existing retail gaps in merchandise/services which the proposal will fill.

2.6 Provide details, where required by Council, on any relevant alternative sites to proposed site, and demonstrate how the proposed site is the preferred site for the proposal.

(3) Escape spending

Council should expect that the economic assessment accompanying the proposal covers the following issues:

3.1 Provide estimates of existing levels of escape spending from the catchment and indicate how the proposal will address this issue.

3.2 Provide estimates on the share of this escape spending that could reasonably be retained by the proposed new or expanded retail facilities.

(4) Impact on existing retail facilities

Council should expect that the economic assessment will have regard for the following issues:

4.1 Assess the expected trading effect on existing retail facilities if the proposal for new or expanded retail floorspace is approved.

4.2 Demonstrate the extent to which the proposal is expected to lead to an overall improvement in the provision of retail facilities to the catchment population, and highlight the potential for retaining spending that would otherwise escape to other centres.

4.3 Assess the estimated employment impact of the proposed new or expanded retail facilities, including the potential loss in employment at centres which may be negatively impacted by the proposal.

(5) Other planning issues

5.1 The application must meet site planning and other requirements specified in the planning scheme and in other planning policy documents.

(6) Net community benefit

6.1 The planning application must provide an indication of the development proposal's contribution to Net Community Benefit in terms of:

- employment generation (or loss) during construction and operation
- impact on shoppers' retail choice
- impact on overall levels of vibrancy and sustainability in the centre
- contribution to increased levels of public transport use

- contribution to liveability, social interaction, and other community-related goals

For larger projects, as determined by Council, the proposal must also consider non-retail impacts including traffic circulation and parking demand/supply, environmental effects on adjoining activities, local character and amenity impacts, and so on.

6.4 Criteria for Assessing Out-of-Centre Proposals

When assessing out-of-centre retail development proposals, the following criteria must be addressed, in addition to information to be provided as described in Section 6.2. These criteria have been prepared with reference to the *Out-of-Centre Retail Assessment Criteria* report prepared for the DSE by Ratio Consultants, January 2005.

(1) Locational Framework

Council must be provided with the following information in support of the proposed site as a location for out-of-centre development:

1.1 The applicant must demonstrate why the proposed out-of-centre location is being considered for retail development. This is to be achieved through the 'sequential approach' which comprehensively demonstrates why the proposal -

- <u>cannot be accommodated in an existing activity centre</u>, or, failing that,
- <u>cannot be accommodated in an edge-of-centre location</u> which has functional relationship with an activity centre, or, failing that,
- <u>cannot be accommodated in homemaker precincts at Waurn Ponds (as identified) and at Geelong North (yet to be identified)</u>.

1.2 The applicant must demonstrate that the proposed out-of-centre location is consistent with the urban context of the surrounding area, including potential impacts of the proposed development on local character and amenity.

1.3 The applicant must fund the necessary strategic planning and economic assessments and structure planning work involved in the above assessments.

(2) Accessibility Framework

2.1 The proposal should promote equitable access by ensuring the provision of:

- convenient pedestrian links to the public transport network
- contiguous pedestrian routes, linking components in the development with public transport and any other facilities
- bicycle access and trip-end amenities on-site
- convenient motor vehicle access and parking

(3) Urban Design

3.1 The proponent must demonstrate that the proposal:

- provides active street frontages, and where possible avoids blank walls
- provides a contiguous, sheltered and attractive street environment
- provides a well lit and safe street and car park environment
- provides the opportunity for casual surveillance of at-grade car parks
- provides public toilets and, where possible, landscaped seating areas

(4) Retail - Economic Justification

4.1 The proposal must be supported by a detailed retail-economic assessment which meets the requirements contained in Tasks 1 to 5 of the activity centre-based retail assessment criteria (refer Section 6.3)

(5) Net community benefit

5.1 The planning application must provide an indication of the development proposal's contribution to Net Community Benefit in terms of:

- employment generation (or loss) during construction and operation
- impact on retail choice
- impact on overall levels of vibrancy and sustainability of the locality
- contribution to levels of public transport use
- contribution to liveability, social interaction, and other community-related goals

7 MONITORING AND REVIEW OF THE RETAIL STRATEGY

An important component in the Retail Strategy is the monitoring and review function. Application of this component ensures that the Strategy remains relevant as circumstances change and as new opportunities arise over time.

The monitoring and review function will allow proper assessment of the performance of the Strategy and will assist in indicating if any modifications are warranted as a result of emerging trends, new information, etc.

This monitoring and review function should be undertaken on a regular basis, and at least annually.

Indicators for monitoring and review purposes include those listed in Table 7.1. These indicators are based on readily-available and relatively-inexpensive data, including official data (ABS, BCV, etc), Council planning approvals and commencements data, land use/floorspace surveys, and reference to consultant reports.

A number of programs are proposed which contribute to the monitoring process, including the following:

- Establish a point of contact between the retail sector and Council that would facilitate communication between retail industry stakeholders and appropriate Council departments

- Monitor new retail development and update the information provided in this Strategy in relation to retail floorspace by type and other information.

- Introduce a program of regular consultation and networking with key stakeholders including estate agents, developers, property owners, retail industry representatives, and other relevant interests.

As part of the ongoing management of the retail sector in Geelong, the Strategy also recommends that consideration be given by Council to establishing a dedicated "Retail Activity Centre Co-ordinator" role, possibly located in Council's Economic Development Unit. This position would oversee planning and development from a retail and activity centre perspective, and would provide a link between Council and businesses, property owners and others with an interest in retail development and activity centres in Geelong. A dedicated position would play an important role in the implementation of this Strategy, meet the desire of the retail industry for a more-structured and proactive approach from Council (as identified in the consultation process), as well as devote resources to the largest employing sector of the Geelong economy (retail is also an identified growth industry in the Geelong Economic Development Strategy). The resourcing of this position would be at the discretion of Council.

Table 7.1: Indicators for Monitoring and Review – Geelong Retail Strategy 2006

	Indicator	Source	Comment
1	Retail floorspace	Floorspace surveys; new retail development applications	Ensure that measures of retail floorspace are regularly updated in order to allow an up-to-date estimate of total retail floorspace
2	Retail property development proposals and projects	Council records	Track development applications and proposals
3	Retail trading performance	Consultant reports; Property Council	Collect up-to-date material where available
4	Increased floorspace provision for shops and services, as well as increased value of buildings and works	Council data for planning and building approvals, and building completions	This measure uses regular and up-to-date data, and therefore very useful. Can indicate change in land use (eg from shop to other use and vice-versa).
5	Vacancy rates for retail floorspace (vacant retail m^2 expressed as a % of total retail m^2)	Land use and floorspace surveys	Can be undertaken at any time. In typical strip centres in a typical trading year, retail floorspace vacancy rates average around 4-6% of total. Provides good indication of general health of a centre. Vacancy rates in modern enclosed centres are typically close to zero, and this is achieved through central management and a policy of attracting appropriate tenancies
6	Expansion in trade area served by shops in the Centre	In-centre surveys undertaken by Council, or from consultant reports	Provides evidence of retail role; especially useful to see different roles for different merchandise categories
7	Increased employment levels in shops	Can conduct regular survey of traders/other businesses in centres to identify existing employment profile.	Employment is a useful indicator on trading growth or decline, and helps to show local community and Council the economic importance of the Centre. Important to measure change in employment levels over time.
8	Changes in land use patterns (incl. retail, service, office, community, etc)	Regular land use surveys	Inexpensive means of monitoring land use and activity changes. Important to show new roles and functions served by centres.
9	Changes in property values and rates	Council rate records; data from Victorian Valuer General (residential values)	Useful indicator, especially as a relative indicator (eg different rate valuations between centres).
10	Viewpoints on health of centres as expressed in property industry, real estate and those in retail industry	Regular contact with real estate agents, developers and retail industry.	Regular forum organised by Council as a venue for information exchange between property and retail industry, local traders and Council.
11	Progress on business planning initiatives	Business Plans and annual reports prepared by Chamber of Commerce, etc	Review annual reports to monitor and assess progress on initiatives contained in business plans

Source: Essential Economics Pty Ltd

8 NEXT STEPS

The following next steps are required to give effect to the Geelong Retail Strategy:

1 Adopt the recommendations in this Strategy

Council needs to agree to, and formally adopt, the recommendations presented in this Strategy, including:

- the ***Strategic Policy Directions*** that guide the overall objectives of the Strategy
- the ***Retail Development Framework*** that has been prepared to identify roles in the hierarchy of centres and to guide future development for each level in the hierarchy
- the ***Criteria for Assessing Development Applications***, including information requirements from proponents and guidance for Council in considering applications

2 Input to the City of Greater Geelong Planning Scheme

Input to the City of Greater Geelong Planning Scheme (including the Municipal Strategic Statement) is required in order to give effect to the Retail Strategy. Planisphere have prepared a separate report for Council which makes recommendations in regard to the implementation of the Retail Strategy into the Planning Scheme.

3 Implement the monitoring and review program

There is a need to implement the monitoring and review program so as to ensure that the policies and recommendations presented in this Strategy are appropriately implemented.

PART B: BACKGROUND RESEARCH AND ANALYSIS

9 CONTEXT FOR RETAILING IN GEELONG

9.1 Introduction

This Chapter provides a discussion of the broad context for retailing in the City of Greater Geelong, including:

- An analysis of the overall importance of the retail sector in providing jobs and income for residents and incoming workers, as well as the broader contribution of retail to serving the community;
- An overview of the regional context for the retail sector in Geelong;
- A review of key trends that are likely to drive changes in the retail sector over the next 10-15 years; and
- A summary of previous work that has been undertaken for retail activity centres in the municipality.

9.2 Retailing in the Geelong Economy

The retail industry is one of the most important industry sectors for its contribution to employment, incomes and the provision of goods and services to residents; however, in many respects the contribution of the retail sector to economic and community outcomes is often overlooked. Table 9.1 shows the importance of retailing as an employment generator compared with other industry sectors.

Table 9.1 City of Greater Geelong – Employment by Industry, 2001

Industry	City of Greater Geelong	
	Employment No.	%
Agriculture, Forestry and Fishing	887	1%
Mining	79	0%
Manufacturing	12,236	18%
Electricity, Gas and Water	478	1%
Construction	3,671	5%
Wholesale	2,804	4%
Retail	12,685	19%
Accom, Cafés and Restaurants	3,211	5%
Transport and Storage	2,121	3%
Communication Services	803	1%
Finance and Insurance	1,395	2%
Property and Business Services	5,467	8%
Government Administration and Defence	1,862	3%
Education	6,284	9%
Health and Community Services	8,456	13%
Cultural and Receational Services	1,427	2%
Personal and Other Services	2,925	4%
Total	**66,791**	**100%**

Source: ABS 2001 Census of Population and Housing; Essential Economics

The Table shows that the retail sector in Geelong employed over 12,500 persons in 2001 based on ABS data. This figure comprises around 19% of total employment in the City of Greater Geelong and means that retail is the largest sector of the local economy in employment terms. Continuing growth in population, retail spending and business activity means that this significant share of employment in Geelong is very likely to continue to the present time.

The importance of the retail sector for Geelong is particularly important in view of the role of the City as a major regional centre serving a large rural and semi-rural hinterland, and the relative decline of many large-scale industries in the area over the past few decades as the economy restructures and diversifies into new areas.

9.3 Retailing in the Regional Context

It is important to note that the retail sector in Geelong operates in a wide regional context. Thus, retailers in Geelong serve the needs of Geelong residents, as well as those people coming to shop in Geelong from further afield, including tourists and other visitors.

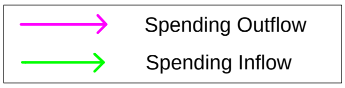
Residents of the Surf Coast Shire, Borough of Queenscliffe and areas in the rural hinterland to the west and north of Geelong, regularly use a range of retail (and other) facilities located in Geelong, including Central Geelong. The shopping needs and shopping patterns of these residents also need to be taken into account when determining retail policy and development in the municipality.

In addition, given the importance of Geelong as a gateway to the Bellarine Peninsula, the Great Ocean Road and south-west Victoria, as well as the attractions of Geelong itself, the city attracts incoming retail spending by tourists and other visitors coming from Melbourne, regional Victoria, interstate and overseas.

It is also important to appreciate that residents of Geelong will spend a proportion of their retail expenditure *outside* the municipality; for example, in association with purchases made while at work (for example 12.5% of the Geelong workforce is employed in metropolitan Melbourne), visits to higher-order shopping (eg, Melbourne CBD, Highpoint), trips to purchase specific goods and services, and to conveniently-located retail facilities beyond the Geelong municipal boundary (eg, Colac, Werribee, Ballarat etc).

Map 9.1 shows indicative spending flows and illustrates the broader regional retailing environment in which the retail sector in Geelong is operating.

Map 9.1 Geelong Indicative Retail Spending Flows



9.4 Trends in the Retail Sector

A number of key trends in retailing need to be considered in assessing the future prospects for the retail sector in the City of Greater Geelong. These trends relate to the structure and size of the industry, demographic, spending and behavioural patterns, the emergence of new retail formats that respond to these changes, and the advent of technological innovations which influence future retail activity.

Industry Size and Structure

The retail industry is important in terms of the Australian economy; it accounts for a significant 6% share of gross domestic product in Australia (*ABS, Cat. No. 5204.0*), and generates employment for around 920,500 persons. In Victoria, retail sales in 2003/4 were approximately $28 billion (out of a total of approximately $115 billion in Australia as a whole), and total employment in the sector was 260,000 jobs (*ABS, Cat. No. 8622*). More recent 2005 National Accounts data (*ABS, Cat. No. 5220*) suggests that Victoria now accounts for slightly under 25% of all retail spending in Australia. Significantly, more than 60% of retail operations are small businesses.

Retail is one of the most diverse of industries, with individual retailers ranging from single owner-operators to family businesses, medium-scale operations, national chains, large supermarket and department store corporations, big-box/bulky goods retailers, and the like. The level of investment in retailing can also range significantly, with some retailers having a capital investment in their shop premises, while others hold a lease on their premises.

It is this variety of retail offering that makes retailing a dynamic and exciting industry, and a profitable one for those who offer the right mix of goods and services to a market that demands them. A well-functioning and efficient retail sector which meets the needs of consumers can make a substantial contribution to an area's economic strength, in addition to enhancing the general lifestyle, interests and well-being of a community.

While the diversity of retailing is likely to continue, fundamental shifts are occurring in the structure of the retail industry which need to be taken into account. In particular, there has been a trend over the past 20 years for smaller operators to lose market share to the retail 'giants' such as supermarket chains, department stores, big-box retailing in bulky goods merchandise, etc. These larger operations do not always seek locations in the traditional shopping strip – they generally prefer an enclosed shopping centre or free-standing site with good exposure. This trend is occurring throughout Australia and overseas, and is likely to continue for some time.

There are signs, however, that traditional strip centres are recapturing some market share through re-focused and improved marketing, as well as a growing preference by consumers for 'main street' style shopping compared with enclosed shopping centres. This trend is also apparent in Geelong, as evidenced by the success of traditional strip shopping centres such as Pakington Street and the resurgence of the Belmont strip.

Reasons for these trends are identified in the following sections which look at factors affecting the <u>demand</u> side (the shopping patterns of consumers) and the <u>supply</u> side (including structural changes in the industry, and changes in technology).

Consumer Behaviour and Demographics

An important consideration in identifying the trends in retailing is to gain a good understand of how consumers are behaving and what they are demanding in terms of the types and amount of retail goods and services and the ways in which they are offered. This is the demand side of the equation, and is an important factor in determining the ways in which retailers respond in order to structure their operations to take best advantage of the demands of shoppers.

The shopping public are continually redefining their demands for goods and services (in terms of types of goods and services demanded and the total level of expenditure on retail items), and their expectations of the way in which these are sold to them. New considerations are being applied to shopping ‘decisions’; for example, competition for people’s disposable income from an increasing range of activities and products (travel, dining-out, gambling, mobile phones, internet access and a whole range of other activities), and higher levels of personal debt which can make shoppers more price-conscious.

The types of retail goods and services purchased by shoppers are also constantly evolving. For example, since the mid-1990s there has been a general shift in retailing which places increased focus on entertainment and leisure merchandise and services, rather than traditional household items, clothing and the like. Consumers are also being attracted to places where retail purchases can be made in a time-efficient manner, for example shopping centres where many types of items are available in close proximity to each other, or ’category killer’ outlets and homemaker centres where a large range of particular types of merchandise are available for browsing in a single store or group of stores. Customers are also increasingly attracted to places where there is a mix of retail and entertainment at the one location.

All these factors contribute to the trends that are evident in retailing: the ongoing expansion of the concept of large self-contained shopping centres; the development of big box retailers (including homemaker retail) often seeking to locate outside established retail activity centres; the centralisation of retail activity in large regional centres; the growth in the function of supermarkets and discount department stores; the emergence of outlet centre retailing (factory outlets); the spread of convenience stores and petrol stations that have a convenience retail function; the revitalisation of some traditional retail strips; and so on.

An important factor in explaining these behavioural trends of shoppers is the changing socio-economic and demographic profile experienced throughout Australia (and in many countries overseas). Briefly, these changes include:

- an ageing population as the ’baby-boomers’ approach retirement age - approximately 19% of the Geelong Retail Region’s population is now aged over 60, and this proportion is forecast to rise to 29% in 2021 (DSE, 2004)
- increased labour force participation by women, with the result that many more families are ’time-poor’, and have greater demand for convenience shopping, extended shopping hours, and accessible centres where shopping can be undertaken in conjunction with other activities
- smaller household units, and a higher proportion of households with double income and no kids – the so-called ’DINKS’
- historically-high levels of household debt, coupled with high rates of home ownership, with the result that households have to devote a greater proportion of their disposable income on paying-off the mortgage and an increased sensitivity to interest rate movements.

For Geelong, there are a number of additional factors to consider, including its location as a large regional city, with just 65 km separating Central Geelong from the Melbourne CBD, the “sea-change” effect which is driving population growth on the Bellarine Peninsula, established suburbs of Geelong undergoing a process of gentrification (new young families moving in, housing redevelopment, increasing housing prices, etc), and a shift in the types of retail facilities demanded by residents as earlier indicated.

New Forms of Retailing

New forms of retailing have become evident in Australia in recent years, and these activities are of relevance in planning for retail development in Geelong. Of special interest are large format retailing and outlet centre retailing.

The large format retailers tend to seek large affordable sites which enjoy high exposure to main road traffic and which are conveniently located to serve large regional catchments; often, these sites are located outside existing centres. These types of retail operations are collectively described as ’restricted retail’ in town planning terms, and they include a number of different forms, including superstores, category killers and homemaker (or bulky goods) retailers. In size, these retail outlets generally range from 500 m^2 to 3,000 m^2, although they can be even larger, such as the 10,000 - 12,000 m^2 Bunnings/Mitre 10 Mega hardware outlets.

For the purpose of this report, these retailers are collectively described as ’homemaker retail’ in order to reflect the fact that they tend to be largely involved in retail categories such as furniture, bedding, hardware, and other items which tend to require large display areas and also involve merchandise that, in general terms, can be difficult to carry home - hence the need for plentiful at-grade car parking located directly outside the retail store.

In recent times, there has been an increased presence at homemaker stores of product categories which do not necessarily meet the traditional definition of ’bulky goods’. In particular, a broader range of homewares and leisure products are now being sold from homemaker retail outlets.

It is important to note that homemaker retailers can locate in or adjoining existing centres as long as a suitable site is available in terms of affordability, size, convenient shopper access, good exposure, adequate car parking, etc. Often, these retailers enjoy co-locating with complementary activities, for example a number of homemaker retailers have co-located on the fringe of Central Geelong.

The high growth in retail spending on homemaker-type merchandise is supported by recent trends in housing construction which, in turn, are encouraged by historically-low interest rates and by Federal and State Government policies such as the first home-owners grant. A trend to lifestyle purchases has also contributed to this trend to homemaker retailing. As a result, over the past 10 years the growth in spending on bulky merchandise and homewares categories has been well-above the growth experienced in other retail product categories and well-above long-term historical trends in retail spending growth.

Another new form of retailing is outlet centre (or factory outlet) retailing, where out-of-season and seconds stock can be sold at reduced prices. This form of retailing has expanded across Australia in recent years. In Melbourne, the growth in popularity of this form of retailing has been generated by dedicated stores at Direct Factory Outlets (Moorabbin and Essendon Airport), and precincts at Bridge Road, Richmond and Smith Street, Collingwood. In Geelong, however, this trend is currently limited to just a few individual outlet stores in various centres.

Technological Change and Internet Retailing

There are a number of ongoing advances in information technology that may affect the way in which retailing is undertaken, including - most importantly - the increasing use of the Internet as a purchasing medium, as well as other changes which affect how retailers operate, such as point-of-sales systems.

There is potential for local retailers in centres to lose market share as households undertake a greater share of their shopping through the Internet and other media. The extent to which Internet sales are likely to affect the existing retail industry remains uncertain, although it is apparent that particular retail sectors are better suited to purchase by Internet, including music, books, wines, etc. The Internet market share for food shopping (especially in dry produce) may also increase over time. Nonetheless, despite the optimistic growth forecasts for internet retailing made in the late 1990s, the Internet continues to account for less than 5% of overall retail sales in Australia.

In many respects, the Internet is used in conjunction with traditional retail outlets. Consumers are increasingly using the Internet to research prices and products before going to stores to purchase items. As a result, many large retailers see the Internet as part of their overall sales and marketing strategy.

It is also important to appreciate that the Internet presents significant opportunities for local retailers to expand their market significantly, including the potential to export to a world-wide market. This opportunity is more pronounced for specialty retail or niche shops which otherwise do not have an extensive store network.

In a demographic context, Internet retailing is increasingly dominated by younger users, with indications that over 50% of visitors to shopping and classified web sites are in the 18-34 years bracket. As the broader population becomes more computer literate, the market penetration of Internet retailing is expected to increase over time.

The extent to which the Internet and other sales media (eg, telemarketing) can capture retail market share is likely to be limited by the community and entertainment-related aspects of shopping. Thus, while some retail purchases are likely to be made over the Internet, the majority of shopping will continue to be undertaken at shopping centres or individual stores as this form of 'traditional' shopping provides an opportunity for social interaction and browsing, etc, which, of course, cannot be experienced online. This social aspect is recognised as a key strength of traditional 'bricks and mortar' retailing.

Other Changes

Other recent changes which affect the retail sector and which are of relevance to the preparation of the Retail Strategy include the following:

- The introduction of ALDI Stores to Australia and their rapid roll-out of new stores across the eastern seaboard. ALDI differ from traditional supermarkets in that the ALDI store offers a far more limited range of products (mostly in-house brands) at a relatively low price. An ALDI store has some 600 to 700 stock units, and this contrasts with a conventional supermarket that has some 20,000-plus stock units.

- Major infrastructure projects including Regional Fast Rail, Geelong Bypass and Princes Highway Upgrade.

- Urban consolidation and infill development in some established areas of urban Geelong.

- Uncertainty associated with the Myer department store chain as a result of Coles Myer Ltd selling off this part of their retail group.

- The introduction of the *Melbourne 2030* metropolitan strategy and other State Government strategic planning policies which promote the concentration of retail development in identified activity centres (and which are intended for application in regional locations, in addition to metropolitan Melbourne).

These aspects are taken into account in the preparation of the Retail Strategy.

9.5 Review of Geelong Retail Strategy 1998 (Updated 2001)

The *City of Greater Geelong Retail Strategy 1998* was prepared by Essential Economics Pty Ltd with input from Australian Retail Solutions. The Strategy was updated with newly-available statistics in 2001.

The 1998 Strategy was guided by a set of ten strategic principles upon which the policy directions and recommendations in the Strategy were based. These principles are briefly summarised below:

1 **Hierarchy of Centres** – Maintain a hierarchy of shopping centres so that functions are easily definable and provide certainty for stakeholders including Council, developers and traders.

2 **Retail Spending** – Retain the highest possible share of retail expenditure of residents and visitors through encouraging the upgrading of existing centres, and through the provision of new forms of retailing that are demanded and which are currently not being met in Geelong.

3 **Population Growth** – Ensure that where possible additional population growth is promoted (e.g., higher density housing) so that existing retail facilities in shopping centres can continue to be supported as viable businesses.

4 **Urban Design Elements** – Ensure that shopping centres have a high standard of urban design, and are attractive and appealing to potential customers, traders and property investors.

5 **Parking and Accessibility** – Ensure that shopping centres in the City of Greater Geelong are accessible to their catchment and that there is adequate parking, as well as sufficient public transport.

6 **Ensure Good Standards of Maintenance** – Ensure that adequate standards are set for on-going maintenance of public space at shopping centres, and there is a quick response to maintenance issues, including private building stock.

7 **Retail Industry Trends** – Maintain a close appreciation of new and emerging trends in the retail industry so that Council can take a proactive approach to fostering and accommodating new forms of retailing while ensuring the continuing viability of existing businesses.

8 **Land Use Transition in Centres –** Ensure that new or expanded land uses are able to be accommodated in existing shopping centres, including the encouragement of appropriate non-retail business.

9 **Council and Business Communication –** Encourage a close working relationship between Council and businesses so that issues and challenges can be addressed in a positive way.

10 **Implementation, Monitoring and Review** – Put in place a process whereby key principles in this Strategy can be implemented, and with provision made for regular monitoring of progress and regular review of the Strategy.

The above principles continue to represent a sound foundation for the development of retail and activity centre policy in the City of Greater Geelong, and remain relevant to the preparation of the 2006 Retail Strategy.

A key outcome of the 1998 Strategy was the introduction of Assessment Criteria for Retail Planning Applications. These criteria were prepared in order to codify and simplify the assessment of development proposals for the benefit of both Council and developers. The criteria consist of three components:

- A list of information requirements an applicant should provide to Council;
- A checklist of issues associated with assessing the need for a retail development; and
- A definition of 'Net Community Benefit' against which Council can assess a project's contribution.

These assessment criteria have been incorporated into the City of Greater Geelong Planning Scheme, and have played an important role in the assessment of retail developments across the municipality since the 1998 Strategy. A major component of the 2006 Strategy is the review and update of these retail assessment criteria in order to ensure that retail developments can continue to be assessed effectively by Council.

The 1998 Strategy also provides an important base of information for each of the selected main centres in the municipality, and this information has been built upon in the current study.

2001 Retail Strategy Review

The *Geelong Retail Review* (2001) was prepared by Essential Economics Pty Ltd and consisted of an updated retail-economic assessment taking into account changes in the market since the implementation of the 1998 Strategy and the availability of new statistics on catchment population and retail spending. The review provided updated guidance to Council on retail trends and development potential, but it did not fundamentally alter any of the key policy tools or objectives of the pre-existing Strategy.

9.6 Implications for the New Geelong Retail Strategy

A number of important implications are evident from this analysis of the retail context in Geelong:

1. There is a need to appreciate the importance of retailing as an economic activity which contributes to jobs and incomes, as well as its important social role in the delivery of goods and services and its contribution to the built environment.

2. There are important implications arising from Geelong's role as a large regional centre and its relative proximity and accessibility to Melbourne which affect the retail spending patterns of CoGG residents, and residents across the broader region.

3. It is important to understand changes in socio-demographic features of the catchment population and shifts in behavioural patterns of shoppers in order to fully appreciate the factors that influence retail development in Geelong.

4. Geelong is undergoing major changes to its transport infrastructure including the completion of the Princes Freeway link to Melbourne, Geelong Bypass, Regional Fast Rail and commencement of passenger flights from Avalon Airport. These infrastructure changes influence retail patterns.

5. The *Melbourne 2030* metropolitan strategy underlines State Government planning policy aimed at concentrating development around existing activity centres and presents a set of assessment criteria relating to development outside of activity centres. These criteria need to be considered

6. The 1998 Strategy provides a foundation of information and analysis which can be built upon in preparing the new 2006 Retail Strategy.

10 POPULATION AND SOCIO-ECONOMIC TRENDS

10.1 Introduction

This Chapter provides an analysis of population and socio-economic trends in Geelong as input to the Strategy, including:

- Analysis of current population levels and recent trends,
- Preparation of population forecasts,
- Presentation of key socio-demographics features from the 2001 Census, and
- Analysis of other economic indicators that are expected to have implications in terms of retail demand levels and type, locational demand patterns, and so on.

10.2 Population Levels

Population Trends in the City of Greater Geelong

Recent data from the Australian Bureau of Statistics (ABS, Regional Population Growth, Cat. No. 3218) shows that the City of Greater Geelong has a total population estimated to be 204,900 persons in 2005.

In the period 2001 to 2005, Geelong's population increased by approximately 10,430 persons in total, at an average of 2,610 people pa, or an average annual growth rate of 1.3%. This annual growth exceeds the average for the period 1996 to 2001 when the increase was approximately 2,150 residents pa or 1.1% pa. This acceleration of population growth in Geelong has been driven by strong rates of population growth on the southern fringes of the Geelong urban area and on the Bellarine Peninsula. Population growth has been more modest in the established areas of inner and northern Geelong, although some residential development has been occurring at Lara in the north of the municipality.

The high rates of population growth since 1996 are in contrast to relatively stable population in the CoGG in the preceding period. Between 1991 and 1996, population growth in the municipality averaged only 490 persons pa or 0.3% pa, with population levels also relatively stable throughout the 1980s.

Population trends in Geelong and the Geelong Retail Region over the period 1991 to 2005 are shown in Table 10.1.

Table 10.1 Geelong Retail Region - Recent Population Trends, 1991 to 2005

	1991	1996	2001	2005
Estimated Resident Population				
Bellarine - Inner	19,020	20,370	22,260	24,140
Corio - Inner	55,620	54,680	56,290	56,730
Geelong	12,790	12,000	11,760	11,890
Geelong West	14,500	14,140	14,220	13,900
Newtown	10,290	9,870	9,920	9,850
South Barwon - Inner	39,690	41,180	45,050	49,260
Greater Geelong (C) - Pt B	26,890	28,980	32,280	36,410
Greater Geelong (C) - Pt C	2,480	2,510	2,690	2,720
Total City of Greater Geelong	**181,280**	**183,730**	**194,470**	**204,900**
Surf Coast (S) - East	7,980	9,800	11,910	13,710
Surf Coast (S) - West	7,580	8,050	8,970	9,370
Total Surf Coast Shire	**15,560**	**17,850**	**20,880**	**23,080**
Queenscliffe	3,280	3,450	3,280	3,190
Golden Plains - South East	6,570	7,090	7,750	9,200
Total Geelong Retail Region	**206,690**	**212,120**	**226,380**	**240,370**
Average Annual Growth (persons)				
City of Greater Geelong		490	2,150	2,610
Surf Coast Shire		460	610	550
Queenscliffe		30	-30	-20
Golden Plains - South East		100	130	360
Total Geelong Retail Region		**1,080**	**2,860**	**3,500**
Average Annual Growth (%)				
City of Greater Geelong		0.3%	1.1%	1.3%
Surf Coast Shire		2.8%	3.2%	2.5%
Queenscliffe		1.0%	-1.0%	-0.7%
Golden Plains - South East		1.5%	1.8%	4.4%
Total Geelong Retail Region		**0.5%**	**1.3%**	**1.5%**

Source: ABS Regional Population Growth, Essential Economics
Note: Figures rounded

Population Trends in the Region

As described in Chapter 1, the retail catchment for Geelong's retail sector is extensive, and the catchment boundaries extend well beyond those of just the municipality. This overall trading influence is largely determined by the regional catchment of the larger centres including Central Geelong and Waurn Ponds, as well as the homemaker retail offer at various locations throughout the municipality such as the Harvey Norman and Bunnings at the Waurn Ponds Homemaker Centre. Some other smaller centres in Geelong also trade across the municipal boundaries such as the Ocean Grove Town Centre which draws customers from the nearby Borough of Queenscliffe.

Because of this regional trading influence which brings shoppers in to Geelong from a wide regional area, it is important to asses the population trends in this wide trading catchment.

Map 10.1 Geelong Retail Region SLA Boundaries

SLA Boundaries

The analysis of population presented in this Chapter includes data for the following municipalities or parts of municipalities:

- City of Greater Geelong,
- Surf Coast Shire – including the Statistical Local Areas (SLAs) of Surf Coast – East and Surf Coast – West,
- The Borough of Queenscliffe, and
- The SLA of Golden Plains – South East.

The SLA boundaries for the Geelong Retail Region are shown in Map 10.1.

Table 10.1 shows that in 2005 the region's population was estimated at around 240,370 people, and representing net population growth of nearly 34,000 people since 1991. While much of this growth has been concentrated in the CoGG, population growth has also been occurring in the adjoining Surf Coast Shire, with a particular focus around Torquay, while modest population growth has also been experienced in the Golden Plains – South East SLA.

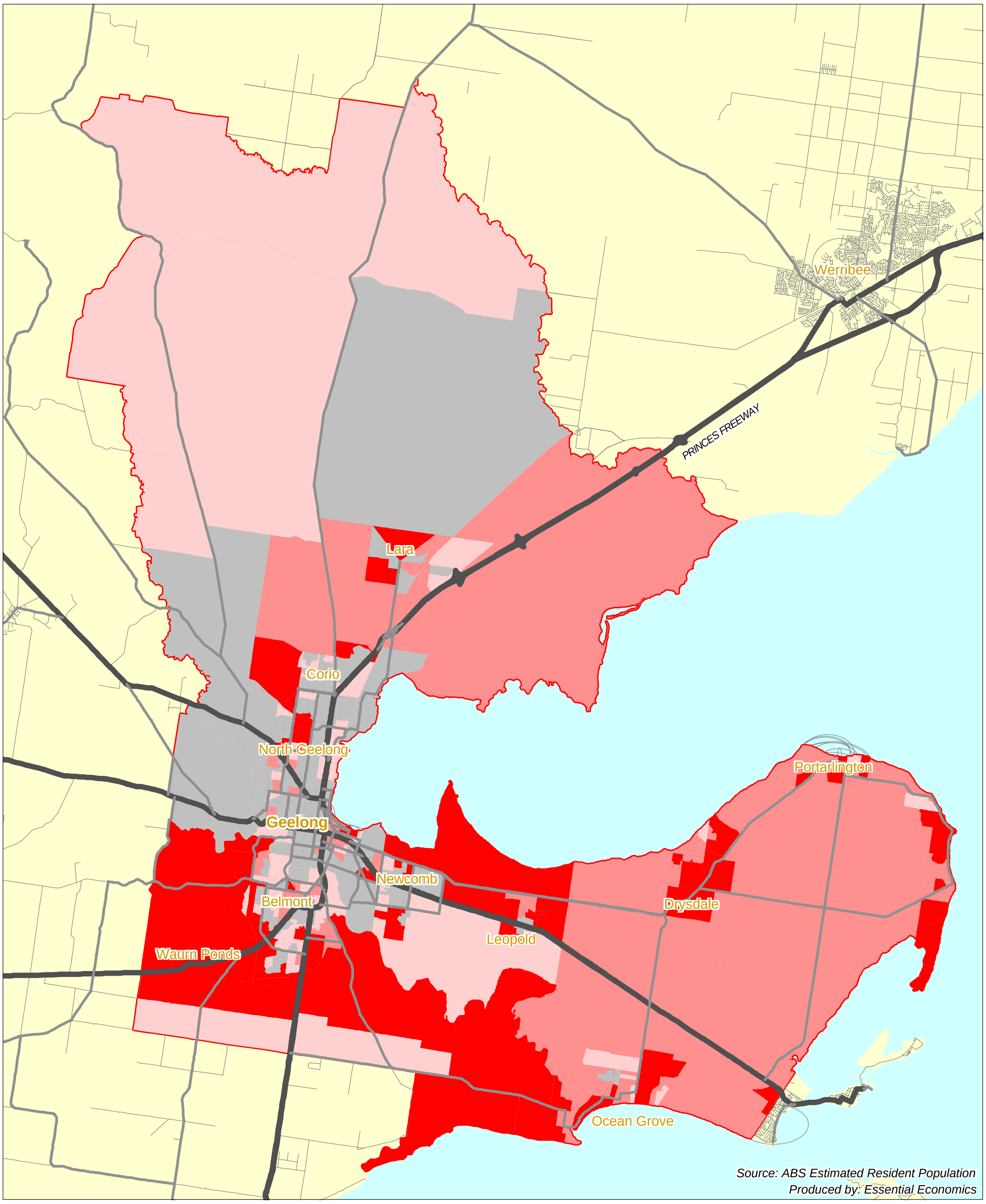
10.3 Population Growth Patterns

Detailed estimates of population growth at the local Census Collection District (CCD) level are available from the ABS for each year between 2001 and 2004. While inter-censal population estimates need to be considered with a degree of caution, the ABS estimates are based on new dwelling approvals and other relevant data, and provide a good indication of population trends in the City of Greater Geelong on a small area basis.

Map 10.2 provides a graphical representation of local population trends in Geelong between 2001 and 2004, based on the ABS estimated resident population estimates. The grey areas represent areas of static or declining population, while the pink and red areas reflect population growth.

The map illustrates the following trends:

- Key areas experiencing population growth include:
  - new residential areas on the southern fringe of urban Geelong
  - towns on the Bellarine Peninsula including Leopold, Ocean Grove, Drysdale and Portarlington
  - some growth on the north and north-western fringe of urban Geelong, as well as around the township of Lara
  - some limited growth in Central Geelong
- Local areas where population decline have occurred include:
  - Many established area of urban Geelong including Corio, North Geelong, Geelong West and Newtown



Map 10.2 City of Greater Geelong Population Change, 2001-2004

City of Greater Geelong
Population Growth by CCD, 2001 to 2004

- 40 to 589
- 12 to 40
- 0 to 12
- -30 to 0

As these patterns indicate, Geelong continues to exhibit signs of the ’doughnut’ effect, whereby population growth is continuing in outer suburban areas, while stable or declining population numbers feature in established inner suburban areas.

In many large cities of Australia, including Melbourne, this trend has been reversed over the past 15 or so years, with substantial population growth occurring in inner and middle suburbs as a result of in-fill and multi-unit development. While this pattern of development has not yet occurred in Geelong, there are early signs that this could be changing as evidenced by recent high-density residential development in Central Geelong and the gentrification of inner parts of the city.

Factors behind the strong levels of population growth in the region over the past decade include the increasing diversification of the Geelong economy into new industries (including Health, Education and Property and Business Services) which generate new employment opportunities and attract new workers and families. In addition, demographic and lifestyle factors such as the ‘sea change’ phenomenon are bringing more people into the coastal parts of the region, and attractive and affordable housing prices compared with metropolitan Melbourne are also important factors.

10.4 Population Forecasts

Table 10.2 shows population forecasts for the Geelong Retail Region which are based on data prepared by DSE (Victoria in Future 2004). Forecasts in the table are based on these official forecast growth rates applied to the latest available estimates of resident population prepared by the ABS (refer Table 10.1).

The forecasts show that the population of the CoGG is expected to experience consistent population growth to 2030. Thus, Geelong’s population of 204,900 persons in 2005 is expected to reach 220,550 persons by 2011, with further growth leading to a forecast of 268,150 persons by 2030. Over the period 2005 to 2030, the municipality’s net population growth will be approximately 63,000 persons.

Ongoing population growth is also forecast for areas outside the CoGG. The population of Surf Coast Shire is forecast to rise from 23,080 persons currently, to 25,900 persons in 2011 and 33,980 persons by 2030. Likewise, Golden Plains – South East is expected to experience modest growth with the population forecast to increase from 9,200 persons currently to 12,490 persons by 2030. The population in Borough of Queenscliffe is expected to be relatively stable over this period.

On an overall basis, the population of the Geelong Retail Region is forecast to experience growth exceeding 1% per annum over the period 2005 to 2030, resulting in net growth of around 77,500 people by 2030. The retail sector in the CoGG is therefore expected to be operating in an environment of continuing population growth over at least the next 25 years.

Over the next 25 years, this population growth is likely to occur in the following areas:

- In growth areas at Armstrong Creek, Torquay, Ocean Grove, Leopold, Drysdale and Lara, and
- As a result of in-fill residential development, including locations in Central Geelong.

Table 10.2 Geelong Retail Region - Forecast Population Trends, 2005 to 2030

	2005	2007	2011	2021	2030
Estimated Resident Population					
Bellarine - Inner	24,140	25,150	27,160	32,310	36,680
Corio - Inner	56,730	57,890	60,110	65,600	70,550
Geelong	11,890	11,910	11,900	11,820	11,820
Geelong West	13,900	13,800	13,550	12,860	12,440
Newtown	9,850	9,730	9,460	8,690	8,100
South Barwon - Inner	49,260	51,260	55,290	65,460	74,090
Greater Geelong (C) - Pt B	36,410	37,670	40,190	46,450	51,560
Greater Geelong (C) - Pt C	2,720	2,780	2,890	3,000	2,910
Total City of Greater Geelong	**204,900**	**210,190**	**220,550**	**246,190**	**268,150**
Surf Coast (S) - East	13,710	14,530	16,210	20,530	23,980
Surf Coast (S) - West	9,370	9,500	9,690	9,920	10,000
Total Surf Coast Shire	**23,080**	**24,030**	**25,900**	**30,450**	**33,980**
Queenscliffe	3,190	3,210	3,230	3,250	3,250
Golden Plains - South East	9,200	9,470	10,010	11,370	12,490
Total Geelong Retail Region	**240,370**	**246,900**	**259,690**	**291,260**	**317,870**
Average Annual Growth (persons)					
City of Greater Geelong		2,650	2,590	2,560	2,440
Surf Coast Shire		480	470	460	390
Queenscliffe		10	10	0	0
Golden Plains - South East		140	140	140	120
Total Geelong Retail Region		**3,280**	**3,210**	**3,160**	**2,950**
Average Annual Growth (%)					
City of Greater Geelong		1.3%	1.2%	1.1%	1.0%
Surf Coast Shire		2.0%	1.9%	1.6%	1.2%
Queenscliffe		0.3%	0.2%	0.1%	0.0%
Golden Plains - South East		1.5%	1.4%	1.3%	1.0%
Total Geelong Retail Region		**1.3%**	**1.3%**	**1.2%**	**1.0%**

Source: DSE "Victoria in Future 2004", Essential Economics
Note: Figures Rounded

10.5 Socio-Economic and Demographic Characteristics

Table 10.3 presents a summary of socio-economic and demographic characteristics for the Geelong Retail Region based on data available from the ABS 2001 Census of Population and Housing. Comparisons are also made against the Country Victoria and metropolitan Melbourne benchmarks.

Table 10.3 Geelong Retail Region Socio-Economic Characteristics, 2001

	Geelong Retail Region	Country Victoria	Melbourne
Item			
Per Capita Income ($)	24,000	22,900	27,600
Variation from Country Victoria average	5%	*	*
% of persons earning $800+ a week	16.1%	13.6%	20.8%
Average household size	2.6	2.6	2.7
Age Distribution			
0-14	20.9%	22.3%	19.8%
15-24	13.3%	12.6%	14.2%
25-39	20.5%	19.4%	23.9%
40-59	26.4%	27.0%	26.1%
60+	19.0%	18.8%	16.1%
Place of Birth			
Australia	79.3%	84.6%	65.2%
MESC[1] Born	6.9%	4.9%	7.2%
Other OS Born	13.8%	10.4%	27.6%
Dwellings			
% Occupied Dwellings	83.8%	85.7%	92.5%
% Unoccupied Dwellings	16.2%	14.3%	7.5%
Dwelling Type			
% detached dwellings	87.1%	88.9%	74.5%
% semi detached dwellings	4.4%	3.3%	10.4%
% units/apartments	7.3%	5.9%	14.4%
% other dwellings	1.2%	1.9%	0.7%

Source: ABS Census of Population and Housing 2001, Essential Economics
1. Major English Speaking Countries

The main features from Table 10.3 include the following:

- Average per capita income levels across the Geelong Retail Region ($24,000) are above the Country Victoria average ($22,900), but below the Melbourne benchmark ($27,600). This pattern is largely reflective of typical income differentials between regional and metropolitan areas, while noting that average income levels in the Geelong Retail Region are comparable with income levels in many outer suburban areas of Melbourne.

- The average household size in the Geelong Retail Region (2.6 persons per household) is comparable with the Country Victoria and Melbourne averages.

- The Geelong Retail Region has an age distribution similar to Country Victoria, with a high proportion of the population aged 40 or over (45.4%) relative to Melbourne (42.2%), and a slightly higher proportion of the population aged 0-14 years of age (20.9% cf 19.8%).

- A marginally-lower proportion of Geelong Retail Region residents were born in Australia (79.3%) relative to the Country Victoria benchmark (84.6%), and the figure is much higher than in Melbourne (65.2%).

Income Distribution

As shown in Map 10.3 and Map 10.4, the income distribution across the Geelong Retail Region shows that, in general, rural areas exhibit above average incomes as well as some regional towns such as Lara, Lorne, Ocean Grove / Barwon Heads and Leopold. Income levels also tend to be higher in the inner south and western areas of Geelong, including Newton, Highton, as well as Geelong East.

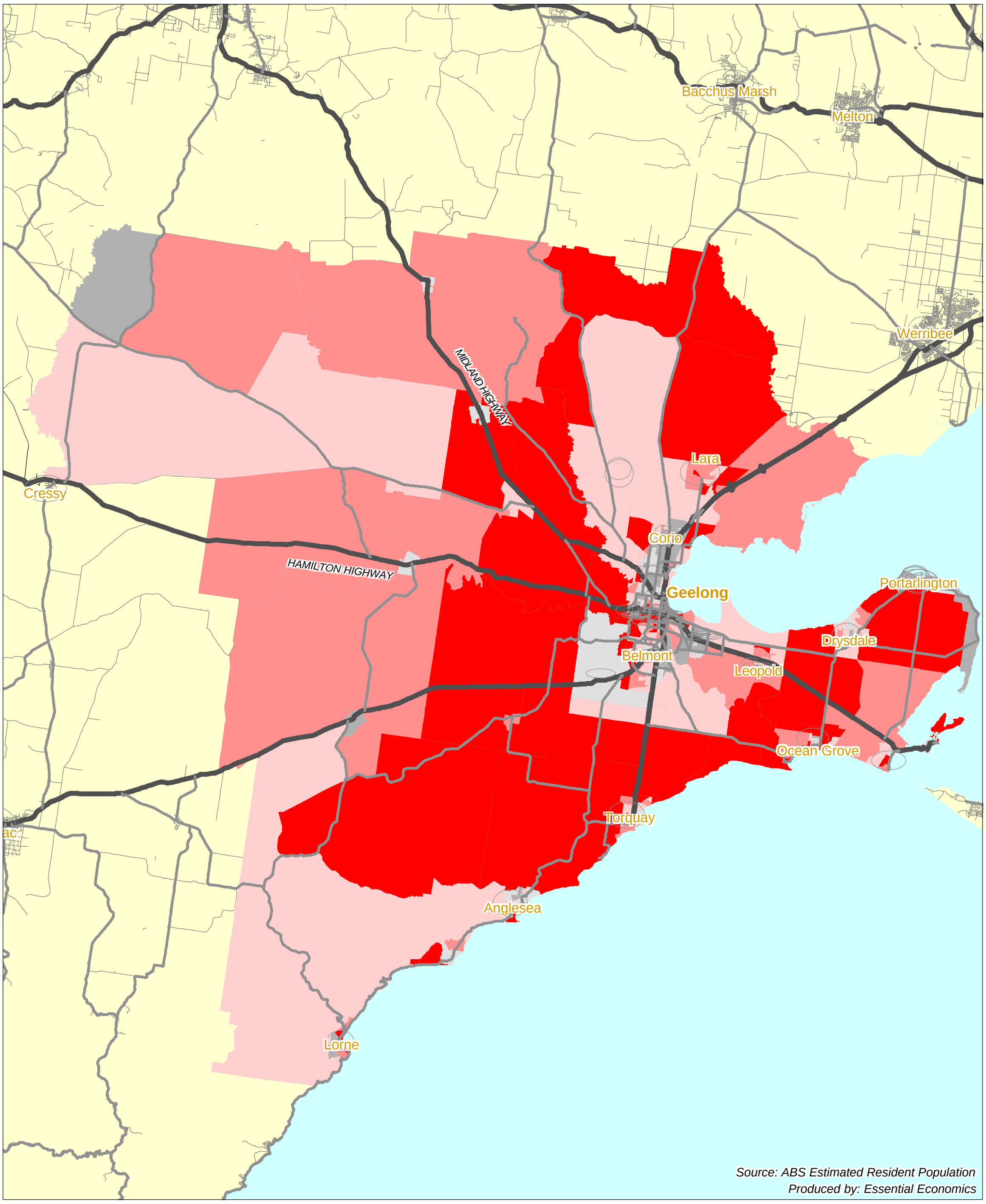
A lower income profile tends to be exhibited in the northern and southern suburbs of Geelong, including Corio and Whittington. Table 10.4 below summarises the income profile of the Geelong Retail Region on an SLA basis.

Table 10.4 Geelong Retail Region Average Income Profile by SLA, 2001

	Income per Capita ($)[1]	Variation from GRR[2] Average
Per Capita Income ($)		
Bellarine - Inner	22,350	-7%
Corio - Inner	21,150	-12%
Geelong	25,090	+5%
Geelong West	25,150	+5%
Newtown	30,100	+25%
South Barwon - Inner	25,130	+5%
Greater Geelong (C) - Pt B	24,000	+0%
Greater Geelong (C) - Pt C	26,850	+12%
Surf Coast (S) - East	27,480	+15%
Surf Coast (S) - West	24,690	+3%
Queenscliffe	25,560	+7%
Golden Plains - South East	24,660	+3%
Total Geelong Retail Region	**24,000**	**+0%**

Source: 2001 ABS Census of Population and Housing, Essential Economics
1. Figures Rounded
2. Geelong Retail Region

Income levels are a key determinant of retail spending levels, and the income and socio-economic profile of catchment residents also influences the type of retailers which seek to locate in an activity centre.

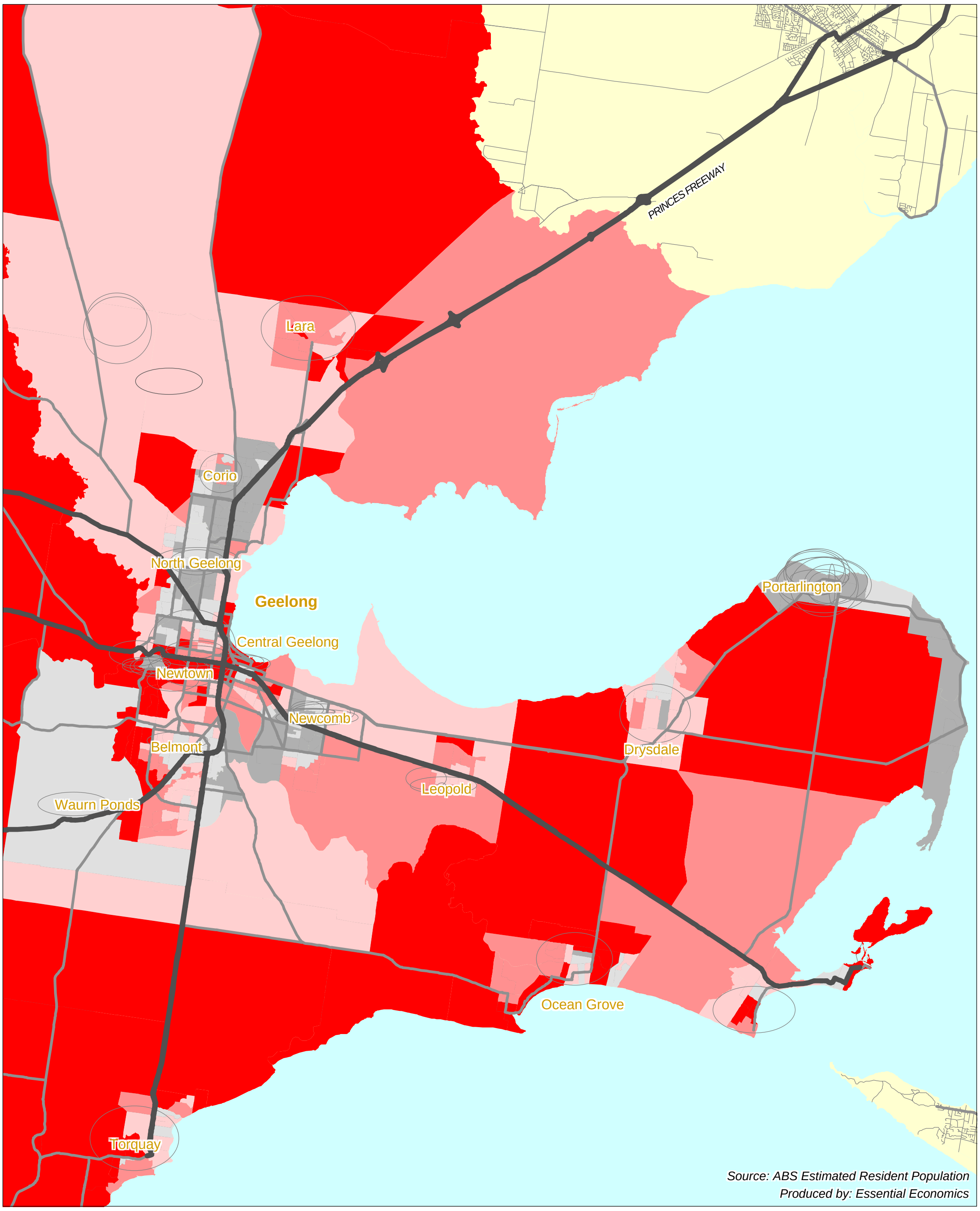


Map 10.3 Geelong Retail Region Income Profile, 2001

Average Annual Income ($)

- 29,300 to 40,900
- 27,100 to 29,300
- 24,000 to 27,100
- 21,000 to 24,000
- Below 21,000

ESSENTIAL ECONOMICS



Map 10.4   Geelong Retail Region Income Profile, 2001 - Close View

Average Annual Income ($)

- 29,300 to 40,900
- 27,100 to 29,300
- 24,000 to 27,100
- 21,000 to 24,000
- Below 21,000

10.6 Implications for the Geelong Retail Strategy

A number of important implications for the Geelong Retail Strategy 2006 are evident from the foregoing analysis of population and demographic trends in the region.

1. The Geelong Retail Region has a significant current population of 240,370 persons (2005). This population is forecast to increase to 318,000 people by 2030, representing average growth of approximately 3,100 persons per annum over the next 25 years or an average of 1.1% pa. Population growth in the CoGG is forecast to average 2,500 persons pa over this period. Thus, almost 85% of the net population increase in the regional catchment will be taking place in the Geelong municipality. Importantly, this growth represents a significant structural shift from the low or even stagnant population levels experienced in the region during the 1980s and early 1990s, and largely reflects the increasing diversification of the Geelong economy, housing affordability in regional centres, and demographic and lifestyle factors such as the 'sea change' effect.

2. Population growth is currently concentrated on the southern fringes of urban Geelong, as well as towns on the Bellarine Peninsula including Leopold, Ocean Grove, Drysdale and Portarlington, and on the north and north-western fringe of Geelong including Lara. Future population growth is forecast for the Armstrong Creek growth corridor, as well as growth areas located at Ocean Grove, Leopold, Drysdale and Lara. Some urban consolidation and in-fill residential development, including such development in Central Geelong, is also anticipated.

3. The region exhibits an income profile above the Country Victoria average. The income distribution of the region shows areas of high income in rural areas and some towns, as well as in the inner areas of urban Geelong, while the northern and southern suburbs of Geelong tend to show a below-average income profile. The region's age profile is mixed, with a higher proportion of the population aged 40 or over relative to Melbourne benchmark, while those aged 0-14 years of age are also slightly over-represented. Approximately 79% of the population are Australian-born, which is much higher than the Melbourne figure at 65%.

11 RETAIL-ECONOMIC ANALYSIS

11.1 Introduction

This Chapter presents an economic analysis of the retail sector in the Geelong Retail Region, and includes the following components:

- Estimates of existing available retail spending by residents in the Geelong Retail Region by retail type, and forecasts for 2008, 2011, 2016 and 2021
- Summary of existing retail provision in the Geelong Retail Region by retail type
- Estimates of current (2005) retail sales in the Geelong Retail Region, based on estimates of average sales per sq metre of floorspace
- Preparation of estimates of sales attributable to residents in the Geelong Retail Region
- Analysis of escape spending by retail type
- Analysis of future retail potential in the Geelong Retail Region, based on future increases in available retail spending due to growth population and per capita retail spending, and opportunities to retain this spending growth locally
- Discussion of the potential for growth in retail at the regional and local levels
- Conclusions and implications for the Retail Strategy

11.2 Existing and Forecast Retail Spending

Estimates of available retail spending in the Geelong region are based on per capita spending data and population data, as explained below.

Per Capita Retail Spending

Table 11.1 presents estimates of available retail spending on a per capita basis for residents in the City of Greater Geelong and the broader Geelong Retail Region, and the data is provided for the retail categories of food, non-food and services. These estimates are based on information from the MarketInfo household expenditure model (developed by MDS Pty Ltd), which provides small area analysis of household expenditure from the ABS Household Expenditure Survey 1998/9. The MarketInfo small area model also accounts for socio-economic and demographic factors which influence the levels of spending in any given geographic area.

The data shows that, overall, average spending levels by residents in the City of Greater Geelong are approximately 6% above the average for Country Victoria. Average food spending is approximately 3% above the benchmark; non-food spending is approximately 8% above the average; and spending on retail services (which includes spending on hair dressers, beauty salons, video hire outlets, laundries and dry cleaners, etc) is approximately 4% above the average.

The data also indicates that average spending levels by residents are particularly high in the Geelong, Geelong West, Newtown, Queenscliffe and South Barwon – Inner SLAs. Relatively lower spending levels are found in the Corio – Inner and Geelong – Part C SLAs.

Table 11.1 Annual Per Capita Retail Spending, Geelong Retail Region, 2005 ($2005)

	Food	Non-Food	Services	Total Retail
Per Capita Spending ($2005)				
Bellarine - Inner	4,970	4,220	240	9,430
Corio - Inner	4,880	4,000	230	9,110
Geelong	5,680	4,950	310	10,940
Geelong West	5,510	4,790	290	10,590
Newtown	5,740	5,490	350	11,580
South Barwon - Inner	5,330	4,840	300	10,470
Greater Geelong (C) - Pt B	5,180	4,610	290	10,080
Greater Geelong (C) - Pt C	4,840	3,750	280	8,870
Total City of Greater Geelong	**5,180**	**4,510**	**270**	**9,960**
Surf Coast (S) - East	5,370	4,790	310	10,470
Surf Coast (S) - West	5,290	4,520	300	10,110
Total Surf Coast Shire	**5,340**	**4,680**	**300**	**10,320**
Queenscliffe	5,630	5,360	330	11,320
Golden Plains - South East	4,900	4,110	260	9,270
Total Geelong Retail Region	**5,190**	**4,520**	**280**	**9,990**
Country Vic	*5,015*	*4,160*	*260*	*9,435*
Metro Vic	*5,400*	*4,830*	*320*	*10,550*
Var'n from Country Victoria Average (%)				
Total City of Greater Geelong	+3%	+8%	+4%	+6%
Total Surf Coast Shire	+6%	+13%	+15%	+9%
Total Queenscliffe	+12%	+29%	+27%	+20%
Total Golden Plains - South East	-2%	-1%	+0%	-2%
Total Geelong Retail Region	**+3%**	**+9%**	**+8%**	**+6%**

Source: MarketInfo; Essential Economics

Estimated Total Retail Spending, 2005

Table 11.2 shows a summary of available retail spending by residents of the Geelong Retail Region in 2005 by spending category. This spending estimate is based on the spending per capita estimates shown in Table 11.1 and population estimates for 2005 based on the population analysis in Chapter 10.

The total retail spending estimates in Table 11.2 show that overall spending in the CoGG is currently estimated at $2,042 million. This figure includes spending on food of $1,062 million, spending on non-food of $925 million, and spending on services of $56 million (figures rounded).

In the balance of the Geelong Retail Region, total spending by current residents of Surf Coast Shire is estimated at $238 million, while spending by residents of the Borough of Queenscliffe is estimated at $36 million, and spending by residents of the SLA of Golden Plains – South East is estimated at $85 million (all figures rounded).

Overall therefore, in 2005 residents in the balance of the Geelong Retail Region (excluding CoGG), are estimated to have total retail spending of $360 million. This spending represents a significant additional source of spending which is served to a large degree by retail shops in Geelong.

Table 11.2 Total Retail Spending, Geelong Retail Region, 2005 ($2005m)

	Food	Non-Food	Services	Total Retail
Total Spending by Category ($2005)				
Bellarine - Inner	120.0	101.8	5.9	227.6
Corio - Inner	276.6	227.0	12.9	516.5
Geelong	67.5	58.9	3.6	130.0
Geelong West	76.5	66.5	4.1	147.1
Newtown	56.5	54.0	3.4	114.0
South Barwon - Inner	262.5	238.3	14.5	515.3
Greater Geelong (C) - Pt B	188.7	167.8	10.5	367.1
Greater Geelong (C) - Pt C	13.2	10.2	0.8	24.1
Total City of Greater Geelong	**1,061.5**	**924.5**	**55.7**	**2,041.7**
Surf Coast (S) - East	73.6	65.7	4.2	143.5
Surf Coast (S) - West	49.6	42.3	2.8	94.7
Total Surf Coast Shire	**123.2**	**108.0**	**7.0**	**238.2**
Queenscliffe	18.0	17.1	1.1	36.1
Golden Plains - South East	45.1	37.8	2.4	85.3
Total Geelong Retail Region	**1,247.7**	**1,087.4**	**66.2**	**2,401.3**

Source: MarketInfo; Essential Economics

Forecast Total Retail Spending to 2021

Table 11.3 shows forecast total available retail spending across the Geelong Retail Region for the period to 2021. This analysis is undertaken on the basis of the following assumptions and inputs:

- Population growth forecasts in Chapter 10 are achieved,
- Per capita spending estimates shown in Table 11.1 are achieved, and
- There is real growth in per capita retail spending of approximately 1.3% per annum over the period, based on historical trends and assuming relatively stable growth in the Australian economy over the forecast period.

The spending analysis has been undertaken to 2021 only, as beyond around a fifteen year time frame there is considerable uncertainty associated with forecasting growth rates in spending and population, and, in any event, the vagaries in forecasting future economic conditions make longer-term retail spending forecasts extremely difficult.

According to the analysis shown in Table 11.3, available retail spending of residents of the City of Greater Geelong is forecast to increase from $2,042 million in 2005 to $2,990 million in 2021. This represents an overall real increase of $948 million or 46% over the period, at an average annual growth rate of 2.4%.

The strongest growth in available retail spending is forecast for the SLAs of Bellarine – Inner, Corio – Inner, South Barwon – Inner and Geelong – Part C, as a result of population growth that is forecast for these areas.

In the balance of the Geelong Retail Region, spending growth is forecast to average 3.1% pa in the Surf Coast Shire, with lower growth rates forecast for the Borough of Queenscliffe and Golden Plains – South East.

On an overall basis, retail spending in the Geelong Retail Region is forecast to increase by $1,147 million between 2005 and 2021, and at an average annual growth rate of 2.5% pa. Based on these forecasts, there is significant scope for additional retail development in the City of Greater Geelong and the broader Geelong Retail Region over the period to 2021.

Table 11.3 Forecast Retail Spending, Geelong Retail Region, 2005 to 2021 ($2005m)

	2005	2008	2011	2016	2021	Av. Growth pa 2005-2021
Total Spending ($2005)						
Bellarine - Inner	227.6	250.7	275.3	320.7	371.3	3.1%
Corio - Inner	516.5	551.3	587.8	653.5	726.3	2.2%
Geelong	130.0	135.1	140.1	148.8	158.3	1.2%
Geelong West	147.1	150.8	154.4	160.3	166.6	0.8%
Newtown	114.0	116.1	118.1	120.9	123.7	0.5%
South Barwon - Inner	515.3	567.2	622.9	724.9	839.0	3.1%
Greater Geelong (C) - Pt B	367.1	400.4	436.0	500.4	572.3	2.8%
Greater Geelong (C) - Pt C	24.1	25.8	27.5	29.8	32.3	1.8%
Total City of Greater Geelong	**2,041.7**	**2,197.5**	**2,362.1**	**2,659.2**	**2,989.8**	**2.4%**
Surf Coast (S) - East	143.5	162.3	182.7	220.6	263.1	3.9%
Surf Coast (S) - West	94.7	100.0	105.3	113.4	122.3	1.6%
Total Surf Coast Shire	**238.2**	**262.3**	**288.0**	**334.0**	**385.4**	**3.1%**
Queenscliffe	36.1	37.8	39.4	42.2	45.2	1.4%
Golden Plains - South East	85.3	92.3	99.7	113.2	128.3	2.6%
Total Geelong Retail Region	**2,401.3**	**2,589.9**	**2,789.3**	**3,148.6**	**3,548.7**	**2.5%**

Source: MarketInfo; Essential Economics

11.3 Existing Retail Provision

Estimates of current retail provision in the Geelong Retail Region have been prepared for the purposes of this analysis, and are based on available information from existing published and unpublished reports and data sources, as well as floorspace surveys undertaken by Essential Economics at selected centres throughout the region in late 2005.

Retail floorspace estimates are presented in Table 11.4 for retail categories in Food, Non-food and Services. Note that the floorspace data has been adjusted to exclude non-retail activities at shops such as Bunnings, which also have significant levels of sales to trade (ie, non-household) customers. The floorspace figures are considered correct as at December 2005, although should be considered approximate only.

Table 11.4 shows that in 2005 there is total estimated provision of 445,390 m^2 of retail floorspace in the Geelong Retail Region, and this comprises 154,310 m^2 in food; 264,930 m^2 in non-food; and 26,110 m^2 in retail services.

The information shows that Central Geelong continues to play an important role in the Geelong Retail Region, with an overall retail floorspace component of approximately 102,000m^2 representing 23% of total retail floorspace in the region. Other major centres in terms of retail floorspace include Belmont (strip and Village), Corio Village, Waurn Ponds Shopping Centre, Pakington Street and the Waurn Ponds Homemaker Centre, as shown in Table 11.4.

Table 11.4 Geelong Retail Region Retail Floorspace Provision, 2005

Centre	Food (m2)	Non Food (m2)	Services (m2)	Total (m2)
Central Geelong (Geelong CAA)				
Bay City Plaza	7,200	26,200	1,200	34,600
Market Square	1,500	13,000	600	15,100
Other Central Geelong	13,500	34,100	4,600	52,200
Total Central Geelong	**22,200**	**73,300**	**6,400**	**101,900**
Sub-Regional Centres				
Belmont - Strip	5,400	10,200	2,000	17,600
- Village	4,100	8,600	400	13,100
Corio Shopping Centre	9,500	19,000	1,000	29,500
Waurn Ponds Shopping Centre	7,500	6,400	800	14,700
Total	**26,500**	**44,200**	**4,200**	**74,900**
Community Centre				
Pakington Street (Geelong West)	7,940	12,120	1,170	21,230
Neighbourhood Centres				
Highton	4,180	1,480	500	6,160
Shannon Avenue (Geelong West)	3,890	2,260	960	7,110
Shannon Avenue (Newtown)	2,100	2,000	0	4,100
Bellarine Village	3,600	1,000	200	4,800
Newcomb Central	4,500	300	100	4,900
Bell Post	3,600	900	100	4,600
Other Neighbourhood	10,490	7,450	1,760	19,700
Total	**32,360**	**15,390**	**3,620**	**51,370**
Town Centres				
Torquay	7,200	3,400	600	11,200
Ocean Grove - Town Centre	5,070	3,930	830	9,830
Drysdale	4,210	2,850	400	7,460
Lorne	3,630	2,860	400	6,890
Queenscliffe	1,980	2,160	150	4,290
Anglesea	1,550	2,390	280	4,220
Lara	2,310	1,210	560	4,080
Barwon Heads	2,050	1,360	100	3,510
Portarlington	650	400	250	1,300
Point Lonsdale	400	350	250	1,000
Total	**29,050**	**20,910**	**3,820**	**53,780**
Rural Areas and Local Shops	33,960	26,450	6,900	67,310
Homemaker Retail				
Waurn Ponds	300	20,000	0	20,300
Surf Coast Hwy	500	5,500	0	6,000
Geelong West	300	6,000	0	6,300
Geelong Gateway	600	10,200	0	10,800
Geelong North Homemakers	200	16,400	0	16,600
Moorabool/ Fyans	400	7,500	0	7,900
Other	0	7,000	0	7,000
Total	**2,300**	**72,600**	**0**	**74,900**
Total Geelong Retail Region	**154,310**	**264,970**	**26,110**	**445,390**

Source:Essential Economics

Note: Measures occupid floorspace in retail categories only. Excludes non-retail business categories including automotive, garden supplie marine supplies, business supplies etc.

Table 11.5 provides estimates of total retail sales achieved by centres in the Geelong Region in 2005. These estimates have been prepared with the application of appropriate average turnover productivity ratios ($sales per sq. metre) to the retail floorspace estimates shown in Table 11.4. Where possible, the turnover estimates utilise published sales data from Property Council of Australia, as well as industry media sources including SCN and Inside Retailing magazines, and information gathered from floorspace surveys conducted by Essential Economics. The figures presented in Table 11.5 should therefore be regarded as a fair and reasonable approximation of existing trading conditions in the Geelong Retail Region.

Table 11.5 Geelong Retail Region Turnover Estimates, 2005 ($2005m)

Centre	Food ($m)	Non Food ($m)	Services ($m)	Total ($m)
Central Geelong (Geelong CAA)				
Bay City Plaza	38.9	138.9	4.3	182.1
Market Square	8.3	58.5	1.8	68.6
Other Central Geelong	56.7	105.7	10.1	172.5
Total Central Geelong	**103.8**	**303.1**	**16.2**	**423.1**
Sub-Regional Centres				
Belmont - Strip	41.9	33.7	5.6	81.1
- Village	47.2	51.6	1.5	100.2
Corio Village	74.1	63.5	3.0	140.6
Waurn Ponds	68.6	28.2	2.8	99.6
Total	**231.7**	**176.9**	**12.9**	**421.5**
Community Centre				
Pakington Street (Geelong West)	69.5	64.2	4.1	137.8
Neighbourhood Centres				
Highton	39.7	7.4	1.8	48.9
Shannon Avenue (Geelong West)	50.6	13.6	3.4	67.5
Shannon Avenue (Newtown)	27.3	12.0	0.0	39.3
Bellarine Village	28.8	4.5	0.6	33.9
Newcomb Central	50.6	2.4	0.4	53.4
Bell Post	25.2	2.7	0.3	28.2
Other Neighbourhood	106.1	25.3	4.6	135.9
Total	**328.3**	**67.8**	**10.9**	**407.0**
Town Centres				
Torquay	64.8	15.3	1.5	81.6
Ocean Grove - Town Centre	57.0	21.6	2.5	81.1
Drysdale	29.5	10.0	1.0	40.4
Lorne	41.7	15.7	1.2	58.7
Queenscliffe	15.8	9.7	0.4	25.9
Anglesea	13.2	9.6	0.7	23.4
Lara	27.7	5.4	1.7	34.8
Barwon Heads	16.4	5.4	0.3	22.1
Portarlington	3.9	1.4	0.5	5.8
Point Lonsdale	2.8	1.2	0.5	4.5
Total	**272.9**	**95.4**	**10.2**	**378.5**
Rural Areas and Local Shops	178.3	82.8	14.1	275.1
Homemaker Retail				
Waurn Ponds	2.1	80.0	0.0	82.1
Surf Coast Hwy	3.5	17.3	0.0	20.8
Geelong West	2.1	21.0	0.0	23.1
Geelong Gateway	4.2	40.8	0.0	45.0
Geelong North Homemakers	1.4	58.2	0.0	59.6
Moorabool/ Fyans	2.8	26.6	0.0	29.4
Other	0.0	24.5	0.0	24.5
Total	**16.1**	**268.5**	**0.0**	**284.6**
Total Geelong Retail Region	**1,200.5**	**1,058.7**	**68.3**	**2,327.6**

Source:Essential Economics

The data in Table 11.5 shows that retail facilities in the Geelong Retail Region achieve total sales in the order of $2,327 million. This (rounded) figure includes:

- $1,200 million in food turnover
- $1,059 million in non-food turnover, and
- $68 million in services turnover.

These estimates of retail turnover refer to total sales at these retail outlets, including sales that are attributable to both residents of the Geelong Retail Region and non-residents, including tourists.

Sales Attributable to Geelong Retail Region Residents

In order to prepare an analysis of escape spending, it is necessary to examine the extent to which sales at retail facilities in the Geelong Retail Region are attributable to the region's residents. This analysis is undertaken in Table 11.6 based on all available information in respect to the catchments served by particular centres (eg, for Central Geelong which is based on survey information), and from our own estimates based on likely trading patterns of centres in the region.

Table 11.6 Estimated Retail Sales Attributable to Geelong Region Residents, 2005

Centre	Total Sales	% of Sales to Residents of Geelong Retail Region	Total Sales to Residents of Geelong Retail Region ($m)
Geelong CAA	423.1	90%	380.8
Sub-Regional Centres	421.5	90%	381.4
Community and Neighbourhood Centres	544.8	86%	467.4
Town Centres	378.5	87%	328.9
Rural Areas and Local Shops	275.1	90%	247.6
Homemaker Retail	284.6	90%	256.1
Total Geelong Retail Region	**2,327.6**	**89%**	**2062.2**

Source:Essential Economics

The analysis shows that shops in the Geelong Retail Region capture approximately $2,062 million of retail turnover which can be attributed to residents of the Geelong region. This represents approximately 89% of retail sales in the region. Approximately 11% of retail turnover in the Geelong retail region is estimated to be derived from non-residents, and this accounts for approximately $265 million of turnover pa. This figure is referred to as 'captured spending'.

A larger share of captured spending is generated at centres located at or near major tourist locations. While a specific assessment has not been undertaken on this aspect, centres with a share of turnover from beyond the region of greater than the 11% average would be likely to include:

- Torquay,
- Ocean Grove,
- Lorne,

- Queenscliffe,
- Barwon Heads,
- Point Lonsdale.

11.4 Escape Spending

'Escape spending' refers to the extent to which retail spending by residents in a particular region 'escapes' to retail locations outside the region. A high level of escape spending identifies a relative lack of conveniently-located retail facilities in the area, and may indicate latent demand for additional retail development. Alternatively, it may also indicate that the range and type of retail facilities in a region are not meeting the needs of local residents, and that residents are therefore shopping outside the catchment. An important point is that by reducing escape spending (by increasing local retail sales activity), opportunities are created to increase locally-generated jobs, particularly for young people (who make up the majority of retail staff), leading to increased wages and salaries and a stimulus to the local economy.

The broad analysis of escape spending presented here is based on estimates of available spending by Geelong Retail Region residents (refer Section 11.2) and estimates of existing retail sales at shops in the Geelong Retail Region that are attributable to local residents (refer Table 11.6).

The escape spending analysis is presented in Table 11.7, and indicates that there is current (2005) escape spending by Geelong Retail Region residents equivalent to approximately $338 million directed to retail facilities located outside the region. This represents approximately 14% of total available retail spending by the region's residents.

This level of escape spending - ie, 14% of all retail spending by residents is directed to retail facilities located outside the region – would be higher except for the location of major shopping facilities in the municipality that serve regional and sub-regional markets. These centres include Central Geelong (including Bay City Plaza), Waurn Ponds Shopping Centre, Corio Village, Belmont, homemaker retail on the Princes Highway, etc. In addition, there is a relatively dense network of neighbourhood and local shopping centres located throughout the municipality which serve the day-to-day shopping needs of local residents.

Table 11.7 Escape Spending in the Geelong Retail Region, 2005 ($2005m)

Factor	Food	Non-Food	Services	Total
Total Sales	1200.5	1058.7	68.3	2327.6
Sales to Geelong Residents	1128.5	873.3	61.5	2063.4
Available Spending by Residents	1,247.7	1087.4	66.2	2401.3
Escape Spending	119.2	214.0	4.7	338.0
Escape Spending as % of Available Spending	10%	20%	7%	14%

Source: Essential Economics

The analysis indicates that there is a moderate degree of escape spending in non-food retail categories (20%), and this reflects the out-flow of spending to (mainly) Melbourne including the Melbourne CBD. Much of the escape spending in food retail (10%) is reflected in the spending outside of the region at cafes and restaurants (most likely in Melbourne, also). There is negligible escape spending in retail services product categories (7%).

On an overall basis, the analysis presented in Table 11.7 shows that the supply and demand of retail floorspace in the Geelong Retail Region is broadly in balance. This is consistent with the outcome of a similar analysis undertaken for the 1998 Strategy. Escape spending levels in the region are within reasonable expectations and are below the levels experienced in other regional centres including Ballarat (around 35% for the Ballarat region – see *City of Ballarat Retail Development Strategy 2003*).

As discussed in Section 9.3, the regional retailing context in which the retail sector operates means that - realistically - the level of escape spending from the Geelong Retail Region is not likely to be significantly lower than current levels.

Nevertheless, in the event that no new retail development is undertaken in Geelong, escape spending would be expected to increase due to growth in retail spending as a result of population growth and real growth in per capita retail spending. These aspects relating to future retail development are now discussed in detail.

11.5 Potential for Additional Retail Development

Opportunities for new retail development will be created in the CoGG and broader Geelong Retail Region, as a result of the following factors:

- Population growth in the region, which generates additional demand for retail goods and services;

- Real growth in per capita retail spending, which is ongoing in an environment of economic growth, and which generates retail demand by existing and future residents;

- Opportunities for additional 'captured' spending from outside the Geelong Retail Region, including from tourists and other visitors; and

- Opportunities to increase the share of resident spending that is captured by retail facilities in the region (ie, a reduction in escape spending).

These factors form the basis for this assessment of opportunities for new retail development in the region over the period to 2021 and beyond.

Methods of Forecasting Floorspace Supply

There are two main methods for forecasting overall supportable retail floorspace levels:

- A retail spending model which forecasts retail spending and measures supportable retail floorspace according to available spending levels and indicative trading levels; and

- An average floorspace provision model which uses rates of retail floorspace provision per capita to forecast future overall retail floorspace requirements.

The retail spending model is the appropriate one for use in preparing the Geelong Retail Strategy as it incorporates the dynamics of growth in population and in per capita retail spending, while the average floorspace provision model is useful for quick-and-ready forecasts of retail floorspace potential . However, there is always a degree of uncertainty associated with forecasting over longer-term time periods, and this constraint applies in each of these models.

It is important to note that the analysis presented here is intended as a broad guide to the extent of potential for new retail development over the forecast period, and should not be viewed as a strictly defined limit or allocation of the supportable level of retail development in Geelong.

Retail Spending Growth Model

The appropriate approach in determining growth in supportable retail floorspace is to use a retail spending growth model. This approach uses forecasts of available retail spending, and typically results in long-term increases in per capita retail provision above existing benchmarks as more retail spending becomes available over time through growth in population and in per capita spending. Moreover, evidence in Australia and overseas supports the conclusion that, over time, a combination of population growth and real retail spending growth leads to an increase in retail floorspace provision on a per capita basis.

In view of the degree of uncertainty associated with longer-term spending forecasts, the reasonable timeframe of analysis under this model is around fifteen years. Therefore, the following analysis shown is to the year 2021 only.

Under the analysis shown in Table 11.8, it is assumed that in the future the existing level of escape spending from the Geelong Retail Region continues. That is, 86% of future retail spending growth in the region is retained, with 14% escaping outside the region to retail centres in Melbourne and further afield. This assumption reflects the fact that at present escape spending levels are considered reasonable and that in the future it will be difficult to reduce escape spending below 14% in view of the proximity and relative accessibility of Melbourne to residents of the Geelong region.

As shown in Table 11.8, retail spending growth in the Geelong Retail Region is forecast at $1,147 million between 2005 and 2021 (see also Table 11.3). Based on existing rates of escape spending, an estimated $970 million of this spending is forecast to be retained by local retail facilities. This spending is therefore available to be served by both existing and new retail floorspace in the Geelong Retail Region.

Table 11.8 Geelong Retail Region Indicative Supportable Floorspace to 2021 with Retail Spending Model ($2005m)

Item	Food	Non Food	Services	Total
Growth in Retail Spending ($m)				
2005-2008	74.4	107.3	6.9	188.6
2008-2011	76.1	115.8	7.4	199.3
2011-2016	131.2	214.4	13.7	359.4
2016-2021	138.4	246.0	15.7	400.1
Total Spending Growth	**420.2**	**683.5**	**43.7**	**1,147.4**
Retention of Retail Spending Growth				
Share of Retail Spending Retained	*90%*	*80%*	*93%*	*86%*
Retained Spending (Sales)				
2005-2008	67.3	86.1	6.4	159.9
2008-2011	68.9	93.0	6.9	168.7
2011-2016	118.7	172.2	12.8	303.7
2016-2021	125.1	197.6	14.6	337.3
Total Spending Growth Retained	**380.0**	**548.9**	**40.6**	**969.6**

Source: Essential Economics

There will also be an increase in available spending to support additional retail facilities arising from "captured" spending by visitors and tourists to the Geelong Retail Region. Table 11.9 shows retained spending and an allowance for captured spending, in order to estimate the total increase in available spending which can be served by local retail facilities. Although approximately 11% of current retail turnover in the region is derived from Captured spending, a higher allowance of around 15% has been applied to future spending growth in order to account for forecast increases to visitation levels, including tourism, over coming years.

Table 11.9 Geelong Retail Region Forecast Retail Sales Growth, 2005 to 2021 ($2005m)

Item	Food	Non Food	Services	Total
Retained Spending - Table 4.9				
2005-2008	67.3	86.1	6.4	159.9
2008-2011	68.9	93.0	6.9	168.7
2011-2016	118.7	172.2	12.8	303.7
2016-2021	125.1	197.6	14.6	337.3
Total Retained Spending Growth	**380.0**	**548.9**	**40.6**	**969.6**
Plus Sales from beyond Region				
Share of Sales from Beyond GRR	*9%*	*20%*	*10%*	*15%*
Retail Sales Growth from beyond GRR				
2005-2008	6.1	17.2	0.6	23.9
2008-2011	6.2	18.6	0.7	25.5
2011-2016	10.7	34.4	1.3	46.4
2016-2021	11.3	39.5	1.5	52.2
Total Sales Growth From Beyond GRR	**34.2**	**109.8**	**4.1**	**148.1**
Retail Sales Growth in the GRR				
2005-2008	73.4	103.4	7.0	183.8
2008-2011	75.1	111.6	7.6	194.2
2011-2016	129.4	206.6	14.0	350.1
2016-2021	136.4	237.1	16.1	389.6
Total Sales Growth (GRR and Beyond)	**414.2**	**658.7**	**44.7**	**1,117.6**

Source: Essential Economics
Note: GRR - Geelong Retail Region

Based on the analysis shown in Table 11.9, it is estimated that available new retail spending in the Geelong Retail Region will increase by $1,118 million between 2005 and 2021. This will include $970 million of sales to residents of the region, and $148 million in sales to tourists and other visitors from beyond (figures rounded).

In view of the forecast growth in available spending outlined above, the opportunity for new retail floorspace has been calculated on the basis of average sales levels that reflect the requirement for new retail development – typically, these sales levels are higher than that achieved by established retailers, which recognises the additional costs borne by new retail shops (in building costs, fit-out stock, etc). It is also important to remember that not all new retail spending will necessarily be going to new retail facilities. A share of the growth in available retail spending shown in Table 11.9 will also be directed to existing retail facilities in the region. This means that the sales available to new retail development will be around $838 million or 75% of the $1,118 million increase in total available new spending shown in Table 11.9.

Table 11.10 below shows that - based on the average sales levels for new retail floorspace (based on trading levels required to justify new retail development) - **there is potential for an additional 154,600m^2 of retail floorspace in the Geelong Retail Region over the period 2005 to 2021**. This includes 38,800m^2 of food floorspace; 104,000m^2 of non-food floorspace; and 11,770m^2 of services floorspace.

This growth represents an increase in retail floorspace per capita in the Geelong Retail Region from around 1.85m^2 currently, to around 2.05m^2 in 2021. The Retail Spending Model represents a reasonable view of future retail floorspace development in the region.

Table 11.10 Geelong Retail Region Indicative Supportable Floorspace Growth– Retail Spending Model

Item	Food	Non Food	Services	Total
Sale Available to New Retail Facilities, $million (@75% of total growth)				
2005-2008	55.0	77.5	5.3	137.8
2008-2011	56.3	83.7	5.7	145.7
2011-2016	97.0	155.0	10.5	262.5
2016-2021	102.3	177.8	12.0	292.2
Total Retail Sales	**310.7**	**494.0**	**33.5**	**838.2**
Additional Supportable Retail Floorspace, m2				
Ave. Sales for New Retail Floorspace	*8,000*	*4,750*	*2,850*	*5,421*
Floorspace Increase, m2				
2005-2008	6,880	16,320	1,850	25,050
2008-2011	7,040	17,620	2,000	26,660
2011-2016	12,130	32,630	3,690	48,450
2016-2021	12,790	37,440	4,230	54,460
Total Floorspace Growth	**38,840**	**104,010**	**11,770**	**154,620**

Source: Essential Economics
Note: GRR - Geelong Retail Region

Average Floorspace Provision Model

The current per capita provision of retail floorspace in the Geelong Retail Region is approximately 1.85m^2 per capita. Although this rate of provision is slightly lower than the estimated current state-wide average of approximately 2.0m^2, the Geelong average reflects the fact that some spending by residents is directed to retail facilities outside the Geelong Retail Region, in particular Melbourne.

Table 11.11 shows the potential for additional retail floorspace provision in the Geelong region using the average floorspace model.

Table 11.11 Geelong Retail Region Indicative Supportable Floorspace to 2021 with Average Floorspace Model

Year	Population	Floorspace Per Capita Ratio (m2)	Retail Floorspace (m2)	Floorspace Increase (m2)
2005	240,370	1.85	440,470	-
2008	250,100	1.85	462,690	+22,220
2011	259,690	1.85	480,430	+17,740
2016	275,480	1.85	509,640	+29,210
2021	291,260	1.85	538,830	+29,190
Total Increase				
2005-2021	50,890	1.85		+98,360

Source: Essential Economics

Allowing for existing rates of floorspace provision in the Geelong Retail Region to be maintained and assuming that the population forecasts detailed in Section 10.4 are achieved, Table 11.11 shows that an additional 40,000m^2 of retail floorspace would be required in the Geelong Retail Region by 2011. By 2016, a further 29,000m^2 would be required; and by 2021, the increase would be another 29,000m^2. **In total, between 2005 and 2021 a net increase of approximately 98,000m^2 in retail floorspace would be required in the Geelong Retail Region (figures rounded) under the Average Retail Floorspace Model.**

This approach tends to produce estimates of future retail floorspace requirements that are on the conservatively low side. This view is based on the observation that historical trends in both Australia and overseas show that per capita retail floorspace tends to increase gradually over time. Thus, the average floorspace model shows a relatively conservative view of future additional retail floorspace requirements for the Geelong region.

Adopted Floorspace Projection

The Retail Spending Model is adopted for the Geelong Retail Strategy, and this model indicates that in the period to 2021, the total increase in retail floorspace in the region is forecast at approximately 154,000m^2.

This retail floorspace forecast is very useful in guiding retail and activity centre policy in Geelong and provides an understanding of the likely magnitude of change in the retail sector which planning policies will need to accommodate in the future. However, this forecast should not be used as a strict measure in assessing retail developments as the forecast is presented as a *scenario* for future retail development and, as such, it is dependent on the underlying available data and the assumptions which have been described. The potential to accommodate new retail facilities may change if there are general shifts in the retail environment, or if there are changes in the stated assumptions.

Some potential changes to circumstance which need to be recognised in the retail forecasts include the following:

- There may be changes to population growth in the Geelong region, such as an increase or a slow-down in the growth of population numbers;

- There may be unforeseen changes in the way that shoppers undertake their retail spending (eg, a significant increase in the use of internet retailing may eventuate);

- There may be changes in government policy or the wider economic environment (eg, increased interest rates) that may lead to unexpected impacts on the retail sector, leading to different expectations in terms of spending levels and sales achieved by retailers;

- New retail facilities may or may not effectively meet the needs of residents in terms of meeting retail gaps, or in providing expected levels of service, or in retail design and presentation, and so on, with the likely result of pent-up spending or an increase in escape spending (mainly to Melbourne); and

- Proposed retail developments may have different expectations for average sales. For example, large-format homemaker retail development may require average sales levels below that required to support specialist retail stores. While this analysis adopts an average sales level which is intended to reflect this situation, there may be cases where a greater amount of retail is supportable if a retail format with a relatively low average sales requirement is introduced.

The dynamic nature of the retail sector and the imprecise nature of forecasting longer-term retail requirements mean that an appropriate degree of flexibility is required when preparing a Retail

Strategy for the period to 2021 and beyond. However, it is also desirable to provide certainty to investors, property owners, existing retailers and other stakeholders in the community. This need for balance between the two objectives (ie, flexibility and certainty) is carefully considered in the development of the policies and directions contained in the new Retail Strategy.

11.6 Locations for Additional Retail Provision

The analysis presented in the preceding sections indicates that there is significant opportunity for growth in retail provision in the Geelong region over the next 15 years and beyond, either in the form of new or expanded shopping facilities, or redevelopment of existing underperforming floorspace. The following comments provide additional analysis of the potential for growth opportunities and locations of growth in retail provision across the retail hierarchy for each of the retail categories identified in the analysis.

Food Shopping

The retail analysis indicates there is potential for up to approximately 38,500m^2 of additional food retail floorspace to 2021 (refer Table 11.10). The potential for this increased level of food shopping provision could have the following local outcomes:

- **New Supermarket Facility –** there will be opportunities for additional supermarket floorspace to serve the Geelong retail market. This could particularly be the case in regard to discount supermarket shopping with the introduction of ALDI Stores to Geelong. At present there is just one ALDI store in the region (Belmont) and a new store is likely to be built at Newcomb in the near future. Given the size of the Geelong food market, it is anticipated that over time there will be further store development opportunities for ALDI, including a location in the northern suburbs of Geelong. As earlier indicated, an ALDI store with some 600 or so stock units performs a different role from that of a conventional supermarket with some 20,000-plus stock units.

- **Development to serve new urban growth –** There is an opportunity for additional retail facilities to serve the population growth forecast for the southern fringe of urban Geelong (primarily Mt Dunned growth corridor), the Bellarine Peninsula and Lara. This will include some new supermarket development, as well as other food-based retail including specialty retail (bakers, butchers, etc) and cafes and restaurants. A discussion of potential locations for such development is provided in the Strategy.

- **New facilities and changes in Central Geelong –** Although Central Geelong no longer serves as a significant destination for basic convenience and supermarket shopping, there continues to be a role for the centre in food retail. There is anticipated to be continued development of the café and restaurant presence in the centre associated with a broader leisure focus, as well as the potential for a strengthened restaurant presence along the foreshore. There may also need to be consideration of facilities serving any increased population living in or adjacent to the Central Geelong centre.

- **Redevelopment –** where appropriate there may be opportunities to redevelop and renew existing centres in Geelong. In some instances, supermarkets developed some time ago no longer meet modern standards of size and convenience, and there may be opportunities to redevelop these stores where the strict set of Retail Assessment Criteria defined in the Strategy are met. There will also be other opportunities to expand or refine the food retail offer in existing centres over time.

Non Food Shopping

The analysis indicates the potential for significant growth in the provision of non-food retail floorspace in the Geelong region of up to approximately 104,000 m^2 by 2021 (refer Table 11.10). This raises the following issues for the local provision of retail facilities:

- **Central Geelong** – as the regional centre serving Geelong, the centre is expected (and encouraged) to continue undergoing a process of redevelopment and evolution. The strength of the centre as an important retail destination and its significant value to the community lies in the provision of a wide range of retail and other services that cannot be matched by other centres in the regional retail hierarchy. As a result, it is expected that Central Geelong would undergo development and redevelopment over coming years, including improvements to the non-food retail offer in the centre, particularly in the apparel, leisure and homewares categories. An example of this process is the existing proposal for the expansion of the Bay City centre to include an additional Discount Department Store (DDS) and specialties.

- **Sub-Regional Centres –** there is potential for continuing development of the existing sub-regional centres at Belmont, Waurn Ponds and Corio. Waurn Ponds, in particular, may be a focus for continued development, including an expansion to the Target DDS and additional non-food specialties in view of the centre's proximity to the urban growth areas in southern Geelong. The timing and location for a potential sub-regional centre serving the Bellarine Peninsula (it will reach some 82,000 people by 2021, which is the present-day size of the City of Greater Bendigo) also needs to be considered in the medium-term. It is also envisaged that in the medium to longer-term (ie, around 2021) consideration will be required in regard to a potential sub-regional centre located in the Armstrong Creek growth corridor.

- **Homemaker Retail** – the continued popularity of homemaker retail, driven by strong rates of population growth and new home development and the popularity of lifestyle and leisure living, are expected to continue to support new homemaker development in the region. Based on forecast spending growth - and as an indicative estimate of future requirements to meet population growth - it is likely that the increase in homemaker floorspace would comprise approximately 30,000m^2 to 40,000m^2 over the period to 2021 (Note: This excludes non-retail and trade related floorspace). Beyond 2021, continued population growth will support ongoing homemaker development. Homemaker floorspace development is expected to be concentrated in locations identified in the Strategy as priorities for such development, although there will be scope for development outside these areas, subject to the application of a strict set of out-of-centre assessment criteria (refer Chapter 6).

- **Other Locations –** there is potential for some types of non-food retailing to be developed in a number of smaller centres, associated with incremental improvement and development of these centres. This could include the provision of 'mini-majors' or large non-food stores of 1,000m^2 to 3,000m^2 at some town centres or large neighbourhood centres. There may also be potential for an improved level of tourism retailing at some of the smaller centres in high tourist areas (eg, on Bellarine Peninsula).

- **Outlet Retail –** given the growth of outlet retailing (also called factory outlet retail) in Australia, the potential for such development in Geelong is also considered as part of the Strategy.

Retail Services

Based on the retail floorspace forecasts, there is potential for up to 12,000m^2 of retail services floorspace growth in the Geelong Retail Region in the period to 2021 (refer Table 11.10). This additional retail floorspace will principally serve residents in the region, and is expected to be reflected in incremental improvements and increases in services such as hairdressers, video rentals, internet cafes, etc across the spectrum of centres in the regional retail hierarchy.

11.7 Implications for the Geelong Retail Strategy

The retail-economic analysis presented in this Chapter has the following main implications for retailing in Geelong:

1. Per capita retail spending across the region is above average for non-metropolitan Victoria, although marginally below the Melbourne average. However, there is significant variation within the region, with high spending levels in areas such as Queenscliffe and Newtown, and lower spending levels in Corio and other lower income areas. The Strategy needs to ensure that the needs of all communities in Geelong are adequately provided with retail facilities and services.

2. Overall retail spending levels in the Geelong Retail Region are substantial with around $2.4 billion spent by residents in 2005. This is forecast to increase to around $3.55 billion by 2021 as result of population and real spending growth. As a result, new retail development will be required to meet this forecast population and spending growth.

3. A relatively modest level of 14% of retail spending by Geelong Retail Region residents escapes to locations outside the region (mainly to centres in Melbourne), and this largely reflects the extensive retail hierarchy servicing regional, sub-regional, neighbourhood and local needs. Although there will always be some escape spending to Melbourne (eg, associated with commuting), the Strategy will need to ensure there is a continuing high level of provision in retail facilities and services that meets the needs of the region's residents into the future; this will mean the facilitation of ongoing growth and development of Geelong's retail sector.

4. There is significant potential for new retail development in Geelong over the period to 2021 and beyond. Overall demand for new retail floorspace in Geelong is likely to increase by approximately 154,000m^2 over the period to 2021 (although this is a broad estimate of retail potential, and actual supportable retail development depends on a range of factors, as noted in this report).

5. The additional retail demand is expected to support existing retail facilities (through increased sales at existing shops), as well as providing support for the construction of new retail floorspace.

6. The main outcomes in terms of new retail floorspace are likely to include at least the following:

   - Expansion of Bay City Plaza and the continued evolution of the retail offer available in Central Geelong.

   - New supermarkets serving the urban growth areas of the region, and the increased presence of limited range discount supermarkets (such as ALDI) in the retail hierarchy.

   - Support for existing neighbourhood centres as important destinations for grocery and day-to-day shopping.

   - Growth in the provision of homemaker retailing.

   - Potential for continuing development at existing sub-regional centres, including potential in the medium-term for a sub-regional centre to serve the Bellarine Peninsula and another to serve the Armstrong Creek growth corridor as population numbers expand.

12 HIERARCHY OF RETAIL CENTRES

12.1 Introduction

This Chapter presents an overview of the major retail activity centres in the Geelong region, including a description of centre roles and key features, and a summary of important issues facing these centres. Note that further analysis and recommendations relating to these retail centres are contained in the Retail Strategy (see Part A).

The following tasks have been undertaken as input to this overview of major retail centres:

- Field visits to retail activity centres in the City of Greater Geelong and major centres in the balance of the region,
- Review of data from previous reports, and
- Floorspace surveys of selected centres where considered necessary.

Specific commentary is provided for the main centres in the region. Local and smaller neighbourhood centres were visited in the development of this Strategy, and guidelines of a more generalised nature are provided in relation to these centres rather than specific analysis as is provided for the larger centres.

Table 12.1 provides a summary of key features in the retail hierarchy serving the Geelong region. Floorspace for these centres is provided in Table 11.4. This Table shows broad hierarchy definitions and is not centre-specific.

Table 12.1 Retail Hierarchy Description

Level in Hierarchy	No. of Centres in CoGG	Typical Catchment Population	Retail Floorspace Range	Examples of Key Tenants
Regional Centre	1	Up to 300,000 people	More than 100,000m2	Department store, discount department store(s), mini major(s), supermarket(s) and extensive range of specialties
Sub-Regional Centre	3	40,000 to 80,000 people	15,000m2 to 35,000m2	Discount department store(s), mini major(s), supermarket(s) and specialties
Community Centre	1	Around 40,000 people	10,000m2 to 25,000m2	Supermarket(s), mini major(s) and specialties
Neighbourhood Centre	10	8,000 to 25,000 people	2,500m2 to 10,000m2	Supermarket (small or full line), primarily convenience oriented specialties
Town Centre	6	5,000 to 25,000 people	1,500m2 to 15,000m2	Supermarket, mini major(s), specialties
Local Shops	numerous	Up to 5,000 people	Up to 1,000m2	Convenience and service retail
Homemaker Retail		At least 100,000 people	5,000m2 to 50,000m2	Large restricted retail type tenants

Source: Essential Economics

12.2 Regional Centre

The regional activity centre serving the Geelong region is the Central Geelong centre, which is also referred to as the Geelong Central Activities Area or CAA. As the regional centre, Central Geelong extends its trading influence over the entire region in terms of providing higher-order retailing; it is also the regional centre for a wide range of commercial, administrative and community functions not found elsewhere in the region.

Central Geelong (Geelong CAA)

Location

The Central Geelong centre is located at the core of the Geelong urban area and is highly accessible to the regional transport network. For the purposes of this Strategy, the boundaries are defined as: the Corio Bay waterfront in the north, Bellarine Street to the east, Myers Street to the south and Gheringhap Street to the west. The section of Ryrie Street between Gheringhap Street and the Princes Highway is also included due to its geographical and trading link to Central Geelong.

Role

Regional Centre

Centre Description

Central Geelong is the largest concentration of retail activity in the Geelong region, comprising approximately 23% of overall retail floorspace (see Table 11.4). Central Geelong also has an important role as the regional focus for a range of commercial, administrative and community functions which serve the extensive Geelong region.

The Central Geelong retail offer is characterised by a mix of traditional strip retailing and two large fully-enclosed shopping centres, Bay City Plaza and Market Square. The two shopping centres currently comprise around 49,700 m² of retail floorspace or 49% of total occupied retail space in Central Geelong. Major tenants include Myer, Target, Coles and Harris Scarfe, all of which are important generators of customer traffic for the overall centre. Traditional strip shopping comprises the balance of Central Geelong retail floorspace (52,200 m²) and the tenants include a mix of independent and national brand stores.

An increasingly important characteristic of Central Geelong is the Corio Bay waterfront which is developing as a popular café/restaurant and leisure destination. An important function for Central Geelong is the cinema complex, and this function should be maintained, thus reinforcing the role of Central Geelong as an entertainment/leisure destination for the region.

Central Geelong Floorspace

Central Geelong	Area
Food	22,200 m²
Non-Food	73,300 m²
Services	6,400 m²
Total	**101,900 m²**
Vacant	**6,200m²**

Source: Essential Economics
Note: Occupied Retail Floorspace Only

Main Features and Issues

Central Geelong continues to play an important role as the 'Regional Centre' serving Geelong and surrounds. The centre contains a wide range of shops not found elsewhere in the region and Geelong's only full line department store (Myer). There are issues relating to the overall performance of the centre, particularly in some of the traditional retail strips which have poor presentation and include sub-standard building stock. There is also a strong perception that there is an over-representation of discount and '$2 shops' which reflect poorly on the centre. Traffic and parking concerns also remain, and need to be addressed. Approval has recently been given to the expansion of the Bay City Plaza shopping centre, including a pedestrian-retail link across Yarra Street. Other issues include potential competitive impacts from other retail developments in Geelong, as well as attempting to achieve some form of integration with the nearby Corio Bay waterfront and the "Western Wedge" precinct. There is a need to reinforce the role of Central Geelong as an entertainment and leisure destination for the region.

12.3 Sub-Regional Centres

Sub-regional centres typically contain 15,000m^2 to 35,000m^2 of retail floorspace and serve a population catchment of up to 80,000 people. Typically, a sub-regional centre is anchored by a discount department store (DDS) and generally two or more supermarkets. Sub-regional centres have a broad retail offer although this tends to have a focus on lower-order specialty merchandise and food retail. Sub-regional centres are also increasingly important locations for non-retail facilities including office, medical and community services.

Belmont

Location

The Belmont centre is located 2km to the south of Central Geelong. The centre extends along High Street, from the intersection of Barwon Heads Road in the north east to the Corio Road intersection in the south-west. Belmont is located on the western side of the Barwon River forms a significant physical barrier.

Role

Sub - Regional Centre

Centre Description

The Belmont centre is comprised of two main retail components, namely Belmont Village Shopping Centre located at the northern end of the centre, and a traditional retail strip extending along High Street to the south-west of the Village shopping centre.

Belmont Village is an integrated shopping centre containing approximately 13,000 m^2 of retail floorspace. The centre is owned and managed by Centro and the main tenants are a Kmart DDS and Coles supermarket.

The Belmont retail strip along High Street includes approximately 17,600 m^2 of retail floorspace. The main retailers include a Bi Lo supermarket, an ALDI store and Pauls Sports Warehouse, plus a broad range of other retail stores and a number of community facilities.

Belmont Floorspace

Category	Belmont Village	Belmont Strip
Food	4,100 m^2	5,400 m^2
Non-Food	8,600 m^2	10,200 m^2
Services	400 m^2	2,000 m^2
Total	**13,100 m^2**	**17,600 m^2**
Vacant	500m^2	0m^2

Source: Essential Economics
Note: Occupied Retail Floorspace Only

Main Features and Issues

Since the 1998 Strategy, there has been a reduction in the level of specialty store vacancies in the centre and the introduction of the ALDI supermarket. Parking issues also appear to have been helped by the provision of additional parking adjacent to the ALDI store.

The major competitor for the Belmont centre is the Waurn Ponds Shopping Centre to the south, while Central Geelong and Highton are also of competitive relevance. The Belmont centre, despite its apparent revitalisation over recent years, will need to continue to evolve and change given the strong competitive position in which the centre is operating. This is particularly true in view of the relatively stable population levels forecast for suburbs immediately surrounding the centre.

There may be scope for a future redevelopment of the Belmont Village, although any such development will need to maintain a nominal link with the balance of the retail strip. There are also a number of sites along the retail strip which may be suitable for retail/commercial development of some kind. Any such developments will need to be considered in the context of the retail assessment criteria outlined in the Strategy.

Corio Shopping Centre

Location

The Corio Shopping Centre is located approximately 7km to the north of Central Geelong, and is situated at the intersection of Bacchus Marsh Road and Purnell Road.

Role

Sub - Regional Centre

Centre Description

Corio Shopping Centre is the sub-regional centre serving the northern suburbs of Geelong and Lara. The centre contains approximately 29,500 m^2 of retail floorspace including a Kmart DDS and Coles and Safeway supermarkets. The centre has recently undergone a refurbishment and expansion including a new food court and improvements to the supermarkets and malls. This development program has significantly improved the quality of the retail offer in the Corio Shopping Centre.

Corio Shopping Centre also contains a number of important community functions including a medical centre and Centrelink office.

Corio Shopping Centre Floorspace

Category	Corio Shopping Centre
Food	9,500 m²
Non-Food	19,000 m²
Services	1,000 m²
Total	**29,500 m²**

Source: Essential Economics
Note: Occupied Retail Floorspace Only

Main Features and Issues

The recent refurbishment of the Corio Shopping Centre centre represents a significant investment for this centre. The socio-economic profile of some of the surrounding suburbs is relatively low compared with other parts of the region, and the Corio Shopping Centre represents an important employment and community resource for these areas.

It is important that in future the Corio Shopping Centre continues to serve its catchment with a high quality retail and non-retail offer as this is the major higher-order retail facility serving northern Geelong. Over time, the centre should be given the opportunity to consolidate its sub-regional role, such as through the provision of entertainment and leisure facilities or additional retail stores (with regard to the Retail Assessment Criteria), although there appear to be constraints to the physical expansion of the site.

Waurn Ponds

Location

The Waurn Ponds Shopping Centre is located approximately 8km to the south west of Central Geelong, on the corner of Pioneer Road and the Princes Highway at Grovedale.

Role

Sub - Regional Centre

Centre Description

The Waurn Ponds shopping centre is a sub-regional centre anchored by a Target DDS and Coles and Safeway supermarkets. The centre also contains a cinema complex and outdoor eating area. Overall, the centre contains approximately 14,700 m² of retail floorspace.

The Waurn Ponds centre is the sub-regional centre serving the southern and south-western suburbs of urban Geelong, and has benefited from strong rates of population growth in the surrounding catchment over the past 10 years.

Waurn Ponds Floorspace

Category	Waurn Ponds Shopping Centre
Food	7,500 m²
Non-Food	6,400 m²
Services	800 m²
Total	**14,700 m²**

Source: Essential Economics
Note: Occupied Retail Floorspace Only

Main Features and Issues

The Waurn Ponds centre has a relatively disjointed layout which reduces the centre's pedestrian amenity. The new cinema complex also does not integrate effectively with the balance of the centre. Nonetheless, the centre is now an established retail destination and there is anticipated to be further growth of the centre over coming years to serve population growth in the region. Any expansion of the centre is likely to include a significant non-food retail component which is currently mainly limited to the existing Target DDS.

Issues for the centre include the space limitations on the existing site which will only allow a modest expansion in the future. There is, however, a significant amount of land to the west of the existing centre which could accommodate additional growth, subject to rezoning.

Another major issue is the Armstrong Creek growth corridor to the south, and whether the Waurn Ponds centre can effectively serve the population of this growth area. Any future retail development at Waurn Ponds must be considered in the context of the longer term potential for a new sub-regional centre to locate at Armstrong Creek. Any proposal at Waurn Ponds must demonstrate that it does not undermine the long term potential for a sub-regional centre to locate at Armstrong Creek.

12.4 Community Centre

A community centre is typically sized between 10,000m^2 and 25,000m^2 and is distinguished by a retail offer which is sufficiently large, diverse or popular enough so as to serve a catchment which is sub-regional in size although without a major anchor tenant such as a DDS which is normally required to serve a sub-regional catchment. Pakington Street, by virtue of its important role as a fashion and café/restaurant precinct, is the only Community Centre in the Geelong Region.

Pakington Street (Geelong West)

Location

The Pakington Street shopping strip is located approximately 1.5km to the west of Central Geelong. 'Pako', as the centre is often locally-known, extends from Gordon Avenue in the south to Church Street in the north, although the main 'retail core' is in broad terms located between Waratah Street and Autumn Street. North of Clonard Street are a number of retail uses with little functional relationship to the balance of the Pakington Street centre to the south.

Role

Community Centre

Centre Description

Pakington Street is an example of a successful traditional strip style shopping centre. The centre offers a range of convenience and comparison retail shopping in a highly attractive and vibrant atmosphere. The centre also contains an impressive range of community facilities which include a library and the former Geelong West Town Hall. Overall, the strip contains approximately 21,230 m^2 of retail floorspace, including a Sims supermarket and Dan Murphy's liquor outlet.

At the northern end of the centre (north of Waratah Street) there is a mix of food and non-food traders, as well as a number of other non-retail showrooms and commercial uses.

Pakington Street (Geelong West) Floorspace

Category	Pakington Street (Geelong West)
Food	7,940 m²
Non-Food	12,120 m²
Services	1,170 m²
Total	**21,230 m²**

Source: Essential Economics
Note: Occupied Retail Floorspace Only

Main Features and Issues

Pakington Street is particularly notable for its strong mix of fashion outlets and an outdoor café/restaurant offer which is unique to the region and which attracts customers from a wide catchment. Parking at the centre is highly functional, and parking areas are located to the rear of shops on both sides of Pakington Street.

However, Pakington Street continues to have a reputation for traffic congestion, and traffic and parking issues in the centre will need to be addressed. The proposed supermarket-based development on the Kinnears Ropeworks site remains a significant issue to be resolved, and will need to be carefully assessed in terms of its size and relationship with the balance of the strip.

Pakington Street, despite its relative success, is likely to be operating in a competitive environment over coming years in view of the potential for other competing traditional retail strips (including areas in Central Geelong) to undergo their own process of revitalisation, as well as dealing with pressures from other new retail developments, including possible outlet centres.

12.5 Neighbourhood Centres

Neighbourhood centres are typically in the range of 2,500m^2 to 10,000m^2 in size, although they can vary in size and function depending on their role and the surrounding retail context. Typically, neighbourhood centres focus on providing convenience and day-to-day retailing, with the larger centres providing a weekly grocery shopping role through the provision of a supermarket. Larger neighbourhood centres may also have a range of non-food and retail services shops, as well as limited a range of non-retail commercial and community facilities.

Highton

Location

The Highton centre is located approximately 3.5km to the south-west of Central Geelong and is situated on Belle Vue Avenue between Barrabool Road and Roslyn Road.

Role

Neighbourhood Centre

Centre Description

Highton is a traditional strip centre anchored by a Safeway supermarket and containing a vibrant mix of retailers in a village-type atmosphere. The centre has an attractive presentation and has a high degree of pedestrian activity which is supported by an attractive streetscape and traffic calming.

Overall, the centre is primarily food based and this is consistent with its neighbourhood shopping role; however, there are a small number of niche non-food traders. The quality of the building stock and shop fronts and fittings is generally very good, and there is evidence of recycling and redevelopment of older tenancies, thus maintaining a high quality look and feel in the centre.

Overall Highton contains approximately 6,190 m² of retail floorspace.

Highton Floorspace

Category	Highton
Food	4,180 m²
Non-Food	1,480 m²
Services	500 m²
Total	**6,190 m²**

Source: Essential Economics
Note: Occupied Retail Floorspace Only

Main Features and Issues

The Highton centre is an example of a successful neighbourhood centre which offers an appropriate blend of convenience and day-to-day retail items in a pleasant and easy to use physical environment. As already noted, the centre appears to be successfully evolving with the recycling and redevelopment of old building stock, and this is supported by a stable investment and trading environment in the centre.

The Safeway store is undersized and could potentially undergo an expansion to full line status, although there are physical limitations associated with the site. Similarly, the overall centre suffers from physical constraints and there is likely to be pressure for the centre to expand over time. This pressure on the centre to expand may be reduced if a new neighbourhood centre is developed at Wandana to the west.

Shannon Avenue (Geelong West)

Location

The Shannon Avenue (Geelong West) centre is located approximately 2km to the west of Central Geelong and occupies the area of Shannon Avenue generally between Albert Street and Brittania Street.

Role

Neighbourhood Centre

Centre Description

The centre contains approximately 7,110 m² of retail floorspace, with the major tenant being a Safeway supermarket. The centre also contains a diverse range of specialty traders including two large fruit and vegetables traders, retail services and some niche non-food specialties. The centre is relatively busy and successful, with only two vacancies, although it lacks the high quality streetscape of the nearby Pakington Street centre.

Shannon Avenue (Geelong West) Floorspace

Category	Shannon Avenue (Geelong West)
Food	3,890 m²
Non-Food	2,260 m²
Services	960 m²
Total	**7,110 m²**

Source: Essential Economics
Note: Occupied Retail Floorspace Only

Main Features and Issues

The centre could benefit from streetscape and signage improvements in order to more effectively compete with nearby centres at Pakington Street (Geelong West and Newtown). There is also the potential to improve the supermarket offering as the existing Safeway is relatively run-down in appearance. The store is soon to be re-badged as a Coles, and this may be the catalyst for a refurbishment of the store.

Shannon Avenue (Newtown)

Location

Shannon Avenue (Newtown) is located approximately 3km to the west of Central Geelong at the intersection of Shannon Avenue and Aberdeen Street.

Role

Neighbourhood Centre

Centre Description

Shannon Avenue (Newtown) contains approximately 4,100 m² of retail floorspace and is anchored by a Safeway supermarket. The strip includes a small range of retail specialties including a café and pharmacy, as well as a medical centre and veterinary clinic. A small number of traders are located near the intersection with Autumn Street and include a McDonalds and furniture traders. The centre is primarily a convenience-based retail destination for local residents.

Shannon Avenue (Newtown) Floorspace

Category	Shannon Avenue (Newtown)
Food	2,100 m²
Non-Food	2,000 m²
Services	0 m²
Total	**4,100 m²**

Source: Essential Economics
Note: Occupied Retail Floorspace Only

Main Features and Issues

The primary issue for this centre is the maintenance of a convenience retail offer in view of the competition from nearby larger centres at Pakington Street and to the north at Shannon Avenue (Geelong West). The supermarket remains a key to the function of this centre because of the customer traffic it generates for the other smaller traders in the centre.

Pakington Street (Newtown)

Location

The Pakington Street (Newtown) centre is located approximately 1.5km south-west of Central Geelong and is approximately 1km south of the Pakington Street (Geelong West) centre.

Role

Neighbourhood Centre

Centre Description

The Pakington Street (Newtown) centre contains approximately 7,500 m² of retail floorspace. There is no major anchor tenant (in particular a supermarket) which is unusual for a centre of this size. However, the centre contains a large number of cafes/restaurants and apparel stores and this mix gives the centre a leisure focus. The centre has an extremely pleasant streetscape and the mix of quality traders offers a sense of sophistication which is popular with shoppers.

Pakington Street (Newtown) Floorspace

Category	Pakington Street (Newtown)
Food	2,880 m²
Non-Food	3,980 m²
Services	640 m²
Total	**7,500m²**

Source: Essential Economics
Note: Occupied Retail Floorspace Only

Main Features and Issues

Pakington Street (Newtown) is an example of the growing popularity of traditional strip retailing and the willingness of shoppers to support centres which provide a retail niche in a pleasant shopping environment.

There is a view that the centre, similar to Pakington Street (Geelong West), has problems with traffic congestion. However, unlike the Geelong West centre, Newtown does not have the large-scale provision of parking located to the rear of businesses. Any future development of the centre will therefore need to carefully consider traffic and parking issues, as well as being sensitive to the role and special character of the centre.

Bellarine Village

Location

Bellarine Village is located approximately 3km south-east of Central Geelong on the Bellarine Highway at Newcomb.

Role

Neighbourhood Centre

Centre Description

Bellarine Village is an enclosed shopping centre anchored by a Safeway supermarket. The centre has a strong focus on food retail and contains a total of approximately 4,800 m² of retail floorspace. The centre has strong exposure to the Bellarine Highway and appears to be popular as a basic neighbourhood shopping destination.

Bellarine Village Floorspace

Category	Bellarine Village
Food	3,600 m²
Non-Food	1,000 m²
Services	200 m²
Total	**4,800 m²**

Source: Essential Economics
Note: Occupied Retail Floorspace Only

Main Features and Issues

Bellarine Village faces a number of likely competitive pressures including the proposed expansion to Newcomb Central, construction of the new Leopold shopping centre, and other supermarket-based developments on the Bellarine Peninsula. These competitive issues, and the potential for further retail development to generate a trading impact on Bellarine Village (or indeed any other existing centre), will need to be explored thoroughly through the Retail Planning Assessment Criteria when new proposals are submitted for Council consideration. It will be important to ensure that Bellarine Village remains well-presented and continues to provide a quality and convenient food retail offer. The centre is largely “landlocked” and so an expansion is unlikely (although if such a scheme is developed it would be subject to the retail assessment criteria outlined in the Strategy).

Newcomb Central

Location

Newcomb Central is located approximately 3.5km south-east of Central Geelong and just 300 metres east of the Bellarine Village centre, on the corner of the Bellarine Highway and Wilsons Road.

Role

Neighbourhood Centre

Centre Description

Newcomb Central is a neighbourhood centre containing approximately 4,900 m² of retail floorspace, including a Safeway supermarket. The centre includes a number of food-oriented specialties which support the food retail focus of the centre, and it also has a small office component and contains community facilities including a public library branch.

Newcomb Central Floorspace

Category	Newcomb Central
Food	4,500 m²
Non-Food	300 m²
Services	100 m²
Total	**4,900 m²**

Source: Essential Economics
Note: Occupied Retail Floorspace Only

Main Features and Issues

The Newcomb Central centre is now proposed for expansion with the addition of an ALDI store, mini-major and specialty shops. This development was recently approved in VCAT and will result in the centre increasing its retail floorspace component to approximately 7,100m^2. The development will consolidate the role of the centre as a neighbourhood shopping destination which serves both south-eastern Geelong and the Bellarine Peninsula.

The Newcomb Central Centre faces increased competition as a result of the proposed development of a new neighbourhood centre at Leopold, as well as other new retail developments on the Bellarine Peninsula. This reflects the increased self-reliance of many of the towns on the Bellarine Peninsula in terms of retail facilities, although the location of the Newcomb Central Centre means that in the future it will continue to serve, to some degree, residents from across the Bellarine Peninsula.

Bell Post

Location

Bell Post shopping centre is located approximately 7km to the north-west of Central Geelong on Anakie Road, directly to the north of the Corio sports centre and Cowies Creek.

Role

Neighbourhood Centre

Centre Description

Bell Post shopping centre contains approximately 4,600 m² of retail floorspace, including a Safeway supermarket. The centre re-opened recently following a full refurbishment, however it appears to be poorly performing and has low levels of customer activity.

Bell Post Floorspace

Category	Bell Post
Food	3,600 m²
Non-Food	900 m²
Services	100 m²
Total	**4,600 m²**

Source: Essential Economics
Note: Occupied Retail Floorspace Only

Main Features and Issues

The centre's relatively poor performance, despite the recent refurbishment, is cause for concern as the centre had previously ceased operation because of poor turnover levels. The centre is in a catchment with a relatively stable population, while its location directly to the north of the significant barrier of Cowies Creek limits the accessibility of the centre to suburbs to the south.

Ocean Grove (Marketplace)

Location

The Ocean Grove Marketplace is located approximately 2km north east of the Ocean Grove town centre and is situated on the corner of Shell Road and Kingston Downs.

Role

Neighbourhood Centre

Centre Description

Ocean Grove Marketplace opened in December 2004 and contains approximately 5,300 m² of retail floorspace, including a Safeway supermarket. The centre offers a basic range of neighbourhood shopping facilities for residents of Ocean Grove and also draws trade from areas to the east including Point Lonsdale and Queenscliff.

Ocean Grove Marketplace Floorspace

Category	Ocean Grove (Marketplace)
Food	4,590 m²
Non-Food	650 m²
Services	60 m²
Total	**5,300 m²**

Source: Essential Economics
Note: Occupied Retail Floorspace Only

Main Features and Issues

This centre, despite its location south of the identified growth area of Ocean Grove, has no room for expansion. Thus, any future retail floorspace growth in Ocean Grove cannot be catered for on the site. Nevertheless, the centre serves an important role as a day-to-day retail destination for Ocean Grove residents without compromising the role of the nearby Ocean Grove Town Centre as the main retail/commercial centre serving the town.

12.6 Town Centres

Town Centres in the Geelong retail activity centre hierarchy serve a distinct role which involves serving population in the township and in the surrounding non-urban areas of the region. In retail terms, town centres are similar to neighbourhood centres in that they provide a strong food retail offer, often including a supermarket as the major tenant. In many of the town centres there is also a strong seasonal and tourist retail component, including surf clothing, souvenirs, cafes and restaurants, etc. Town centres also have a very important non-retail role including the provision of facilities such as post offices, banks, professional services and medical facilities, as well as providing community and recreational facilities.

Torquay

Location

Torquay town centre is located approximately 22 km driving distance to the south of Central Geelong and is located in the Surf Coast Shire.

Role

Town Centre

Centre Description

While the Torquay town centre is not located in the Geelong municipality, its proximity to the Armstrong Creek growth corridor and its potential for retail floorspace growth means this town centre needs to be considered in this Strategy. The centre contains approximately 11,200 m² of occupied retail floorspace, including Safeway and Foodworks supermarkets. There are numerous smaller retailers in the town centre, as well as a wide range of community, commercial and other facilities and amenities. Torquay (and this part of the coast) is also popular as a destination for holiday-makers, and this aspect is also reflected in the retail mix in the town centre.

Floorspace

Category	Torquay
Food	7,200 m²
Non-Food	3,400 m²
Services	600 m²
Total	**11,200 m²**

Source: Essential Economics
Note: Occupied Retail Floorspace Only

Main Features and Issues

In terms of retail demand, the Torquay town centre is well-placed to expand due to its proximity to the growth areas identified for the town of Torquay, and because the town centre is also in proximity to the southern edge of the Armstrong Creek growth corridor. In view of the centre's location, it would be expected to draw at least a small share of trade from the Armstrong Creek area when developed. The former school site in the town centre has been identified for development potential and is likely to accommodate some 5,000 m² in retail floorspace.

Ocean Grove (Town Centre)

Location

The Ocean Grove town centre is located approximately 20km south-east of Central Geelong and is situated either side of The Terrace between Presidents Avenue and Hodgson Street. Ocean Grove Town Centre is approximately 2km west of the Ocean Grove Marketplace.

Role

Town Centre

Centre Description

The Ocean Grove town centre contains approximately 9,830m^2 of retail floorspace and includes a Coles supermarket. The centre is in a traditional strip format, with parking located to the rear of the strip, north of The Terrace and adjacent to the Coles store. The strip includes a strong mix of food and non-food traders, including cafes and restaurants, apparel and hardware, and there are also a number of non-retail commercial services. This retail mix reflects the dual role of the centre as the town centre serving Ocean Grove and Barwon Heads, as well as an important destination for tourists and visitors during peak holiday periods.

Ocean Grove (Town Centre) Floorspace

Category	Ocean Grove TC
Food	5,070 m²
Non-Food	3,930 m²
Services	830 m²
Total	**9,830 m²**

Source: Essential Economics
Note: Occupied Retail Floorspace Only

Main Features and Issues

The Ocean Grove town centre experiences competition from the new Marketplace centre located on Shell Road. This new centre has reduced the pressures on the Town Centre in terms of parking and congestion, however this has also resulted in competitive impacts on traders in the town centre. Nevertheless, the town centre continues to be fully-tenanted, and offers a larger and more diverse range of goods and services than the Marketplace centre.

The town centre will continue to face growth pressures associated with continuing population and tourist growth in Ocean Grove, and in this context the physical constraints of the centre will require careful consideration. There is a current proposal for the development of a Country Target and adjacent specialties on the northern edge of the centre.

Drysdale

Location

Drysdale town centre is located approximately 18km to the east of Central Geelong, and is situated in the area generally to the west of the intersection of Geelong – Portarlington Road and Clifton Springs Road.

Role

Town Centre

Centre Description

The Drysdale town centre comprises of a number of separate retail developments broadly based around a “Village Green”. The overall centre contains approximately 7,460 m² of retail floorspace, and includes a Safeway supermarket which recently underwent an expansion and refurbishment. A wide range of community facilities are located in the centre, including a Library and Council Customer Service Office, CFA Station, bowling club, etc.

Drysdale Floorspace

Category	Drysdale
Food	4,210 m²
Non-Food	2,850 m²
Services	400 m²
Total	**7,460 m²**
Vacant	**300m²**

Source: Essential Economics
Note: Occupied Retail Floorspace Only

Main Features and Issues

The Drysdale Town Centre generally presents well and maintains the feel of a small country town. The centre no longer has the large number of vacancies noted in the previous Strategy, and the Safeway expansion means the centre has a strong anchor tenant.

There are issues relating to the disjointed layout of the centre which does not promote pedestrian flows and walkability. In view of the expected population growth in Drysdale and surrounds, including the Drysdale/Clifton Springs growth area to the west, it is likely the town centre will also undergo further expansion. The challenge will be to ensure that this growth and development of the centre is achieved in a way which further integrates the centre and which is sensitive to the desire for a "country town" feel as identified by stakeholders.

Queenscliff

Location

Queenscliff is located approximately 29km south-east of Central Geelong, and is situated on Hesse Street in the Borough of Queenscliffe.

Role

Town Centre

Centre Description

The attractive town centre in Queenscliff contains approximately 4,290 m² of retail floorspace. The centre serves a convenience role to local residents, and also serves large numbers of holiday-makers who visit Queenscliff each year. The tourist component of trade is reflected in the higher than normal share of non-food retailers for a centre of this size, as well as cafes and restaurants.

Queenscliff Floorspace

Category	Queenscliff
Food	1,980 m²
Non-Food	2,160 m²
Services	150 m²
Total	**4,290 m²**

Source: Essential Economics
Note: Occupied Retail Floorspace Only

Main Features and Issues

This centre is too small to provide a comprehensive range of shopping facilities and local residents also shop at centres such as Ocean Grove and Drysdale for many basic day-to-day and grocery items. The centre will need to compete with a growing and developing retail hierarchy across the Bellarine Peninsula over coming years. There may be some competition with new retail/commercial facilities which may be associated with the proposed Queenscliff harbour redevelopment, although that proposal is essentially oriented to harbour users and visitors.

Lara

Location

Lara town centre is located approximately 15km to the north of Central Geelong and is based around The Centreway, adjacent to Austin Park.

Role

Town Centre

Centre Description

The Lara town centre contains approximately 4,080 m² of retail floorspace and serves a convenience retail role for residents of Lara and surrounds. The main tenant is a small (undersized) Safeway which serves a basic top-up shopping role, although local residents must visit larger supermarkets elsewhere in order to do a major grocery shop. The centre is fully-tenanted, presents well and is successful in serving a town centre role. However, Lara has now outgrown the existing town centre and – because of the physical constraints associated with the existing layout - an Urban Design Framework has been underway to investigate options for expanding the town centre.

Lara Floorspace

Category	Lara
Food	2,310 m²
Non-Food	1,210 m²
Services	560 m²
Total	**4,080 m²**

Source: Essential Economics
Note: Occupied Retail Floorspace Only

Main Features and Issues

Lara is a fast-growing township and the recently-completed Lara Structure Plan proposes a township population capacity of around 13,500 people based on available residential land; this compares with an existing population in the town of around 10,500 people.

The UDF process currently underway proposes an expansion of the centre to include a full-line Safeway store of approximately 3,500m^2, as well as additional specialty stores and community facilities. This proposal would help to reduce escape spending from Lara, and ensure that local retail facilities match more closely the requirements of the town which is now maturing as a service centre, rather than simply a commuter area for trips to Geelong and Melbourne.

In the longer-term, if population growth exceeds current expectations, further consideration will be required in regard to the appropriate scale and location of retail development in the town.

Barwon Heads

Location

Barwon Heads town centre is located approximately 19km to the south of Central Geelong, and includes retail development along Bridge Road and Hitchcock Avenue.

Role

Town Centre

Centre Description

The Barwon Heads town centre is a small centre which contains approximately 3,510 m^2 of retail floorspace, including an IGA supermarket. The centre provides basic retail facilities to local residents as well as a range of goods and services to holiday-makers. The centre comprises scattered tenancies and is not an integrated town centre; however, in view of its small size and limited role, this lack of integration is not a significant issue.

Barwon Heads Floorspace

Category	Barwon Heads
Food	2,050 m^2
Non-Food	1,360 m^2
Services	560 m^2
Total	**3,510 m^2**

Source: Essential Economics
Note: Occupied Retail Floorspace Only

Main Features and Issues

The centre is experiencing an ongoing process of change as evidenced by a number of new 2-storey mixed residential/retail developments in Hitchcock Street. Over time, it is anticipated that such development will create a more continuous retail strip than is currently the case. However, the centre is not expected to increase its retail floorspace component substantially over coming years, and residents will continue to regularly use the larger centres in Ocean Grove and further afield. The potential closure and relocation of the Barwon Heads bridge may have implications for traffic flows through the centre, and potential impacts on traders will need to be considered if such a change occurs.

12.7 Homemaker Retail

Homemaker retail typically includes large format retailers with a tenancy size of 500m^2 and above, with typical tenancies in the range of 1,000m^2 to 3,000m^2 or even larger. This form of retail is now commonly referred to as homemaker retailing in view of the products which are typically sold in this format, and which include bulky merchandise and some homewares. Homemaker retailing typically serves a large regional catchment, and these traders typically seek to locate on large sites which offer significant exposure to passing traffic and which are accessible to the regional road network.

Homemaker retailing is in evidence in a number of formats, including stand-alone sites, or as small clusters of traders, or in extensive strip developments, or in integrated "homemaker centres". This section describes the main concentrations of homemaker retailing in the Geelong region which are located outside of the retail activity centres defined above.

Waurn Ponds Homemaker Retail and Surf Coast Highway

Location

The Waurn Ponds Homemaker Centre is located opposite the corner of Princes Highway and Pigdons Road, approximately 8km to the south west of Central Geelong. In addition, there are a range of homemaker retailers on the Surf Coast Highway (near intersection with Marshalltown Road) about 2km east of the Waurn Ponds Homemaker Centre site.

Role

Homemaker Retail

Description

The Waurn Ponds Homemaker Centre is currently the only integrated homemaker centre in the Geelong region and includes approximately 20,300 m² of retail floorspace, including major tenants such as Bunnings and Harvey Norman, as well as a wide range of other national brand tenants. The Surf Coast Highway homemaker retailers provide 6,000 m² of retail floorspace in a number of individual developments; most traders are independent operators.

Waurn Ponds and Surf Coast Hwy Homemaker Floorspace

Category	Waurn Ponds Homemaker Centre	Surf Coast Highway
Food	300 m²	500 m²
Non-Food	20,000 m²	5,500 m²
Total	20,300 m²	6,000 m²

Source: Essential Economics
Note: Occupied Retail Floorspace only, excludes non-retail and trade related components

Main Features and Issues

The Waurn Ponds Homemaker Centre is located just 600 metres to the west of the Waurn Ponds Shopping Centre and is currently the largest concentration of homemaker retail in the region. Adjacent to the existing centre is a substantial amount of land available for future development, including a site directly to the east which has Council approval for a homemaker development of around 6,500m^2.

The Waurn Ponds Homemaker Centre is well-placed to benefit from the population growth occurring in southern Geelong. The land available to the east allows for future expansion of the homemaker retailing offer at the centre, although it will be important to achieve a degree of integration between the existing centre and any new retail directly to the east so that the precinct functions as a single centre.

The Surf Coast Highway homemaker precinct now faces competition from Waurn Ponds, however the precinct remains well-placed to serve the Armstrong Creek growth corridor directly to the south. The potential for trade-based uses associated with nearby light industrial areas also needs to be considered for this precinct.

Geelong West Homemaker

Location

The Geelong West homemaker precinct is based around La Trobe Terrace and Gordon Avenue, approximately one kilometre to the west of Central Geelong.

Role

Homemaker Retail

Centre Description

The Geelong West homemaker retailers are typically located in stand-alone sites and occupy an area broadly based around the intersection of La Trobe Terrace and Gordon Avenue. Traders are largely independent discount-based operators, although Capt'n Snooze and Bedzone stores are represented. The overall provision involves approximately 6,000 m² of retail floorspace.

Geelong West Homemaker Floorspace

Category	Geelong West Homemaker Retail
Food	300 m²
Non-Food	6,000 m²
Total	6,300 m²

Source: Essential Economics
Note: Occupied Retail Floorspace only, excludes non-retail and trade components

Main Features and Issues

This precinct benefits from its exposure to passing traffic, central location and the proximity of Pakington Street and Central Geelong. Although there is little integration between homemaker traders, the precinct trades successfully in association with adjacent non-retail showroom uses such as car yards. The Geelong West precinct is likely to face competitive pressure from any future major new homemaker developments in the northern areas of Geelong.

Geelong Gateway Homemaker

Location

The Geelong Gateway homemaker retail precinct is located on the Princes Highway near the intersection with School Road, approximately 9km to the north of Central Geelong.

Role

Homemaker Retail

Centre Description

The Geelong Gateway homemaker retail precinct has approximately 10,800 m² of retail floorspace and includes a Bunnings Warehouse and Harvey Norman. Subway and Hungry Jacks food outlets are also represented, and there is a very small convenience store or mini-supermarket.

Geelong Gateway Homemaker Floorspace

Category	Geelong Gateway Homemaker Retail
Food	600 m²
Non-Food	10,200 m²
Total	10,800 m²

Source: Essential Economics
Note: Occupied Retail Floorspace only, excludes non-retail and trade components

Main Features and Issues

To the north of the existing homemaker development there is existing Council approval for a 16,000m² homemaker development. However, no construction work has commenced on the site and the final nature of development remains uncertain.

A factor creating uncertainty for the Geelong Gateway is the proposed HomeTown Geelong development located 5km to the south on the site of the former Ford Stamping Plant. Council has not made a decision (at the time of this report) regarding any preferred site for homemaker retailing in Geelong North.

Another issue of relevance is the proposal for an ALDI store to locate at Corio, opposite the Gateway site; the rezoning to allow the ALDI development was rejected at a Panel hearing. The potential for retailing in the Gateway precinct is therefore an issue requiring attention.

Geelong North Homemaker

Location

The Geelong North Homemaker precinct broadly includes homemaker retail scattered along the Princes Highway between Church Street in the south and North Shore Road in the north, approximately 4km north of Central Geelong. Also included is the Mitre 10 store located near the corner of Furner Avenue and Anakie Road in Bell Park and some individual traders in Thompsons Road.

Role

Homemaker Retail

Centre Description

The Geelong North homemaker precinct includes a total of approximately 16,600 m² of retail floorspace. There is a strip of homemaker retail including Rays Outdoors, Oz Design and Dick Smith Powerhouse located on the western side of the Princes Highway, directly opposite the proposed HomeTown Geelong site. Further to the north near North Shore Road are Freedom Furniture and Godfreys outlets. Much of the Princes Highway strip is serviced by a service lane and there is limited pedestrian access between the various tenants. The Mitre 10 store in Bell Park is located on a prominent standalone site.

Geelong North Homemaker Floorspace

Category	Geelong North Homemaker Retail
Food	200 m²
Non-Food	16,400 m²
Total	16,600 m²

Source: Essential Economics
Note: Occupied Retail Floorspace only, excludes non-retail and trade components

Main Features and Issues

The Geelong North homemaker offer benefits from the strong exposure offered by the Princes Highway. Although some of the tenancies would be considered sub-optimal in terms of their suitability for large format retail (including limited parking and access issues), their trading levels appear strong. The main issue for retail in this precinct is the proposed HomeTown Geelong homemaker development.

Moorabool/Fyans Homemaker

Location

The Moorabool/Fyans homemaker precinct is located at the southern edge of Central Geelong, and is concentrated in proximity to the corner of Moorabool Street and Fyans Street.

Role

Homemaker Retail

Centre Description

The Moorabool/Fyans precinct contains a total of approximately 7,900 m² of retail floorspace, including Mitre 10, Berkowitz and The Good Guys outlets. The precinct also includes a range of non-retail showroom and other uses.

Moorabool/Fyans Homemaker Floorspace

Category	Moorabool/Fyans Homemaker Retail
Food	400 m²
Non-Food	7,500 m²
Total	7,900 m²

Source: Essential Economics
Note: Occupied Retail Floorspace only, excludes non-retail and trade components

Main Features and Issues

The Moorabool/Fyans precinct is an edge-of-centre homemaker precinct which effectively integrates with other non-retail showroom and other commercial uses. The precinct's central location, proximity to Central Geelong and general accessibility, make it an alternative homemaker destination for Geelong residents. Major issues include the potential impacts associated with growth of homemaker retailing at Waurn Ponds, the HomeTown Geelong proposal, and the ability of the precinct to successfully respond and adjust to changing competition in view of its location in a well-established urban area and the land use restrictions attached to such a location.

12.8 Implications for the Geelong Retail Strategy

The Geelong Retail Strategy needs to reflect the hierarchy of retail centres as this hierarchy provides guidance in respect to the roles of different centres and the preferred location and extent of provision of different types of retail goods and services (as well as guiding the location of other activities such as commercial and community facilities which typically locate in these centres).

13 SUMMARY OF RETAIL ISSUES AND OPPORTUNITIES

13.1 Introduction

This Chapter identifies the issues and opportunities that have arisen through retail-economic analysis and research undertaken as part of the Geelong Retail Strategy 2006, and through consultation with stakeholders.

The consultation program comprised the following components:

- Two Retail Industry Workshops attended by a cross-section of key stakeholders from throughout the municipality
- Interviews with centre managers, traders, developers and other key stakeholders at individual centres
- Discussions with Councillors and Council officers
- Responses to a general call for submissions to the Strategy
- Survey program including household and in-centre interviews.

Key aspects identified in the subsequent sections are associated with planning, centre roles and identity, opportunities for retail growth, and centre management.

13.2 Centre Roles and Identity

Roles in the Retail Hierarchy

An understanding of the retail activity centre hierarchy is important as this helps in identifying the role of centres, their competitive and complementary aspects, and their potential for further growth and development. .

The hierarchy is based on the functions and catchments served by centres.

Non-retail roles of centres

It is important to appreciate the multi-facetted roles of centres, including the following:

- contribution to built form and the community's sense of place
- provision of non-retail activities, including business, community, civic, service industry, etc
- opportunities for commercial activities, including office space
- opportunities for social interaction
- functions associated with public transport, education and cultural activities
- opportunities for urban consolidation and achieving the principles of good planning

These aspects are considered in preparing the Geelong Retail Strategy.

Future Retail Roles and Development Opportunities

There are significant opportunities for growth in retail provision in the City of Greater Geelong and the surrounding region. However, the Strategy seeks to ensure that this overall growth is primarily focussed on specific locations, including:

- Central Geelong - the major retail centre serving the Geelong region
- Other higher order sub-regional centres (provided that growth can be accommodated) – Waurn Ponds, Belmont, Corio Shopping Centre
- Centres serving growth areas - such as newly developing suburbs on the southern fringe of the Geelong urban area including the Armstrong Creek growth corridor
- Opportunities at the neighbourhood level to serve new residents in areas of urban infill development and including medium/high density housing
- Identified locations for future homemaker development.

Where retail development is proposed for sites which are outside of specified locations, such proposals will need to meet strict retail assessment criteria.

Activity Centres as Drivers of Change and Innovation

While there is strong support for a retail strategy which concentrates retail activity in a defined hierarchy of activity centres, there is also a recognition that such a strategy should ensure that activity centres continue to evolve and change in response to retail sector dynamics and shifts in shopper preferences and shopping patterns. For example, some 10 or 15 years ago the growth and popularity of large format liquor outlets, the popularity of outlet centre retailing and homemaker centres, the advent of ALDI stores in the Australian market, and the increased popularity of street cafes, are among retail sector trends that were not previously foreseen. These and other new and emerging trends in the way retail functions need to be accommodated in the new Strategy.

It will be important for the Strategy to take a pro-active approach, and with an appropriate level of flexibility, in accommodating these types of trends, while not undermining the viability of existing businesses and centres. For example, where retail activity centres are under a single ownership structure, it is important that this ability is not undermined by restrictive covenants and other restrictive agreements where new retail formats are prevented from locating in such centres.

Geelong Bypass

The Geelong Bypass (Ring Road) project and its impact on the retail sector in Geelong has been identified as an issue which needs addressing. The Bypass itself is not considered to be a significant factor for the retail sector in Geelong, as it is not expected to substantially effect retail spending patterns within the Geelong region. There will be a minor reduction in tourist and visitor trade in some centres in urban Geelong, however this can be balanced against additional tourist trade that will visit the overall region as a result of this project. Likewise, the reduced traffic along the existing highway resulting from the Bypass may also have benefits for the amenity in some centres, including Central Geelong.

The key issue for the Geelong Bypass is the type of retail uses which are allowed to locate along the roads length, and this is dealt with in the Retail Strategy.

13.3 Centre Management Issues

There is a broad mix of property ownership structures in Geelong's activity centres, ranging from single or dominant ownership structures at centres such as Corio Shopping Centre, Waurn Ponds and Newcomb Central, to individual ownership structures in traditional strip shopping centres such as Pakington Street. Centres under a single ownership and management structure tend to have a competitive advantage over other centres in that the day-to-day management, operations and marketing processes for the single ownership centres are more easily organised and are more responsive to market conditions.

For this reason, where possible, an activity centre with multiple ownership structures should have an overall planning, management and marketing framework so businesses in the centre can effectively respond to commercial pressures and opportunities, and thus contribute to the centre's overall success.

However, the mere existence of a management structure does not assure ready success. A management system is only as good as the personalities involved, the level of commitment demonstrated towards the pursuit of common objectives, and the availability of financial resources to put the management structure in place.

In respect to management issues, specific matters raised by business associations include the following:

- The problem of having relatively few business people interested in committing time and effort towards centre management processes.
- The 'burn-out' that occurs in management groups.
- The need for businesses to get together and discuss common issues and concerns.
- The need to ensure broad representation of a centre on its management group, and to ensure all business areas and precincts have representation.
- The need for centres to pursue a self-help approach rather than simply relying on Council trying to do all things for all centres.
- The need for management groups to have a single point of contact with the Council organisation
- The need for different activity centre management groups to work together to achieve common goals.

Role for Key Stakeholders in Centres

The successful development of a centre relies on an effective partnership between the major players, and these include:

- Business operators
- Property owners
- Council

The Strategy will need to identify appropriate roles and responsibilities for each of these parties, recognising their specific skills and identifying the financial and human resources that would be required for the centre management tasks. Specific issues that will need to be addressed include the following:

- What is the most appropriate role for Council to play? Should it be a coordination and facilitation role, or a more interventionist role?
- What skills and resources does Council need to fulfil its role effectively?
- How best can Council influence appropriate development and investment in the activity centres?
- How can Council best meet the expectations of traders and other businesses in terms of the issues and aspirations they identify?
- What should Council expect from business associations and individual businesses or property owners in terms of input to centre management?

Funding the Management and Operation of Centres

It is important to ensure there are adequate financial resources for the coordinated management and development of a centre. In most cases, management and marketing initiatives in strip centres are pursued by seeking contributions from individual businesses on a voluntary basis. However, in many centres, especially the larger ones, this has been replaced by the introduction of a Special Rate or Special Charge scheme that is struck by Council following a request from the businesses, and the rate or charge is applicable to all businesses in the centre.

Yet, the introduction of a special rate or charge will not *necessarily* result in a successful centre. The funds have to be managed and directed in a carefully-budgeted fashion so as to deliver demonstrable benefit to all parties. Specific issues relating to special rate/charge schemes that need to be considered in this Strategy are:

- The recognition of the administrative workload of Council in the establishment, monitoring and renewal of a special rate/charge.
- The importance of a special rate/charge being actively sought by a group of businesses rather than being imposed on business by the Council.
- The recognition that the funds gained from a special rate/charge of less that $15,000 pa is unlikely to be worthwhile exercise.
- The consideration that schemes for special rates/charges may not be appropriate in all centres, and hence the need to identify alternative forms of support and assistance Council may provide.
- The need for a 'Business Plan' to be in place before the establishment of a special rate/charge so as to identify exactly how the funds will be allocated to commonly agreed future directions for a centre are.
- The need for performance measurement system to gauge the relative success of a special rate/charge scheme.
- The need for an inclusive, thorough and participatory process towards the introduction of a special rate/charge.
- The need for professional financial management, transparent and auditable processes by the group overseeing the funds.
- The need to establish an equitable basis through which to apply the scheme, recognising the variety of business types, locations and operational characteristics in a centre.
- The benefits of employing a retail activity centre coordinator to assist in the expenditure of the funds rather than relying totally on the voluntary work of a committee.

Coordinating the Delivery of Programs and Policies

The implementation and management of this Strategy will rest with Council. Effective implementation of the Strategy will require a coordinated approach by a number of Council departments, and there will be a need to ensure the consistent reflection of the Strategy in all relevant Council policies and programs. At the present time there are many individuals and departments involved in the planning process as it relates to activity centres and retailing. Concerns have been raised during the consultation process that the existing Strategy is not being consistently applied, resulting in a perception of *ad hoc* retail development in the municipality. There is also some confusion among trader groups and individual retailers as to what is the most appropriate way to inform Council of issues relating to centres, including centre management and retail issues.

Specific issues that will need to be addressed include at least the following:

- Which department in Council is best placed to 'lead' and 'put into effect' the implementation process?
- How best can services be provided to retail activity centres in a logical and strategic fashion?
- Who should be the first point of contact for the business associations or individual businesses seeking assistance?
- What Council resources will be required to implement the strategy?

13.4 Urban Design Issues

Building Renewal in Older Centres

Like any buildings, those in retail centres need to be well-maintained and in some cases renewed over time in response to typical 'wear and tear'. Redevelopment of building stock can also ensure that contemporary floorspace requirements are accommodated and allow for additional floorspace - particularly above shops - which can enhance the overall vibrancy and safety of the centre.

However, fragmented property ownership in the older centres, combined with the need to protect the existing built form character and the amenity of adjoining residential properties, can limit the financial feasibility of reinvestment in activity centre building stock. This appears to be the situation in Central Geelong in respect to numbers of buildings that have deteriorated and are no longer meeting amenity standards.

On a positive note, the recent upsurge of interest in living in activity centres provides an important new opportunity to facilitate the renewal of older buildings, by promoting redevelopment incorporating shop-top dwellings and renovated ground floor retail space.

Street Design and Management in Older (strip) Centres

Most of the successful older centres sit astride a busy road. However, while the through-traffic is a primary reason for the success of these centres, it is also detrimental to the appeal and safety of the public realm for shoppers and also acts as a constraint to the reliability of road-based public transport.

In some centres, the opportunity exists to find an acceptable balance between traffic, public transport and pedestrians, by utilising spare road capacity between intersections more effectively. For instance, footpath widening and central medians can increase pedestrian space, improve safety for crossing pedestrians, and give greater priority to public transport.

Pedestrian Amenity

Some centres - whether old or new - offer a poor outdoor environment for people using these centres. Carparks located in a sea of bitumen are typically unshaded, can be surrounded by predominantly blank walls and/or loading docks, and lack clear routes for pedestrians. Apart from reducing the attractiveness and safety of these areas for pedestrians, large areas of at-grade carparking can also adversely affect the connectivity between adjoining precincts within a centre.

The outdoor environment can be enhanced to some degree by new footpaths, signage, landscaping and shade structures. However, an integrated approach is required, and with input from local businesses and property owners and from shoppers and others who use the centre on a regular basis.

Land Use Mix in New Centres

The planning and development of new activity centres must incorporate the principles of good design, and this includes allowance for an appropriate mix of activities which reinforce the retail functions. For example, the mix may comprise professional and community services, other commercial office space and residential accommodation.

It is also important to ensure that new traders can enter the retail market where they can be physically accommodated in a new centre, and not prevented from such a location. In this regard, the use of restrictive covenants and other measures designed to prevent competitive retailers entering markets must be avoided. Such constraints undermine activity centre policy and the principles of National Competition Policy. A policy needs to be in place which ensures that there are opportunities for new and emerging retailers to establish in activity centres.

Fragmentation

Some activity centres in Geelong suffer from fragmentation, where retail premises are separated from each other by vacant buildings, non-retail uses, car parking or other physical barriers. Vacant premises, in particular, create a negative image and, together with large expanses of car parks, discourage shoppers from walking between the shops, and this can be a constraint on the overall performance of the centre.

Improved economic performance will lead to a reduction in the number of shop vacancies. However, fragmentation should be avoided and this can be achieved by consolidation and infill of sites and through sensitive streetscape works, rather than permitting the dispersal of activities.

13.5 Retail Activity Centre Hierarchy

There is broad support for the retail centres hierarchy which serves the Geelong region. The consultation program confirms strong support for the important **regional** role of Central Geelong, and people recognise that this role continues to evolve. For example, today Central Geelong has a lesser role in supermarket shopping compared with earlier years, yet the centre now enjoys a wider role as a leisure destination and as a centre for commercial and professional services.

There is also support for the **sub-regional** role of Corio Shopping Centre, Waurn Ponds and Belmont, although some observers see the role of these centres as competing with Central Geelong and therefore challenging the viability of retailing in this important centre. Another issue is associated with the potential for the development of new sub-regional centres to serve Geelong's urban growth areas, in particular south-eastern Geelong and the Bellarine Peninsula in the medium-term. In addition, there is long-term potential for a new sub-regional centre to serve the Armstrong Creek growth area. The Strategy addresses these concerns by ensuring that the sub-regional centres do not undermine the significant retail role of Central Geelong. Nevertheless, there is also a need to recognise that as urban Geelong continues to expand, there will be a continuing need to provide retail and other facilities in existing and new activity centres, and this will include the development of sub-regional centres, where appropriate, and in a timely manner.

The important role of **Neighbourhood** and **Town Centres** is recognised, but a key message from the consultation process is that many in the community who live on edge of the Geelong urban area or in the smaller townships have to travel significant distances in order to access relatively basic goods and services. These issues associated with equity and accessibility are addressed in the Strategy which highlights the need to ensure an adequate and timely provision of retail facilities (and other activity centre facilities) at the neighbourhood level and in the smaller townships.

Homemaker Retailing has been an area of rapid growth in Geelong in recent years, and there is considerable interest in current proposals for this form of development. To a large extent, planning for homemaker retailing has mainly occurred on a case-by-case basis, reflecting the significant new growth in this form of retailing and also the lack of a strong planning policy for assessing these permit applications. This situation has contributed to perceptions of *ad hoc* planning decisions. The Strategy provides support for homemaker retailing, having regard for industry trends, retail growth, available sites and current proposals.

Importantly, the Strategy also provides criteria for the assessment of proposals for **out-of-centre developments**, noting that while there is a continuing need to support activity centres there is also a need to recognise new and expanding forms of retail activity. This includes **outlet retailing**, which is a specific area of retail activity that has been experiencing significant growth in Australia in just the last few years.

13.6 Other Issues Raised by Stakeholders

Among other issues raised in consultations are the following:

- provide a 'one stop shop' to facilitate contact between the retail industry and Council.
- encourage Council to adopt a more proactive approach to appropriate retail development rather than *ad hoc* and 'reactive' responses
- ensure greater recognition of the leisure/entertainment role of the retail sector
- encourage higher-density residential development adjacent to and within activity centres
- ensure that the unique 'character' of Town Centres is maintained
- maintain green wedges between towns on the Bellarine Peninsula

- resolve issues through a structured application process which reduces the potential for planning conflicts at VCAT and Panels
- address the perception that homemaker retail increasingly sells products that are competitive with activity centres, and therefore undermine the planning process
- ensure that there are local neighbourhood shopping facilities which meet local needs for basic goods and services and therefore reduce household travel requirements
- avoid the lack of integration between retail components in the planning and development of activity centres

These issues are addressed in the City of Greater Geelong Retail Strategy 2006.