

Corio Retail Needs and Catchment Assessment

1 March 2011

Prepared for Cerermira

Quality Assurance

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This document is for discussion purposes only unless signed and dated by the persons identified.

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1 Introduction

MacroPlan Australia has been commissioned by Cerermira to prepare an economic and retail needs study. The study will assess the indicative sizing and floorspace mix for retail related uses on the subject site adjoining the existing Aldi supermarket Corio on the Princes Highway in Corio.

1.1 History of the Site

The Aldi Supermarket is located on the south western corner of the intersection of the Princes Highway with Broderick Road, Corio.

The subject site was previously subdivided when the Aldi supermarket was approved. The supermarket was built in 2006 after going through an Amendment and Planning Permit process within the Greater Geelong Planning Scheme Amendment C91 and Planning Permit Application 406/2004 and was approved via a Ministerial decision in July 2006.

The development included a use of a single storey supermarket with a total floor area of 1,503 square metres and an ancillary car park capable of accommodating 104 vehicles.

No specialty or support retailing was delivered as part of the project.

1.2 Details of the Proposal

This assessment reviews the proposed development which is currently planned to provide convenience retailing at Corio. The proposed retail will expand adjacent to the existing Aldi supermarket to provide specialty retail.

Table 1. Proposed Development

MacroPlan Assumption	
Total Floorspace	3,450m ²
Gross Lettable Area	3,100m ²
Major Tenant	1,100m ²
Specialty Floorspace	2,000m ²

Source: *Insite Architects, MacroPlan Australia (2011)*

The landowners of the adjoining site have identified a significant under provision of local and specialty retail goods and services, intend to deliver a vibrant, mixed use employment precinct adjacent to the existing stand-alone supermarket.

In this instance, the appropriate quantum and mix of retail floorspace is a highly important component of a neighbourhood precinct, resulting in:

- Convenience and amenity options for local workers and residents;
- Creation of employment;
- Increased walkability and decreased car use requirements;

- Improved development viability; and,
- Creation of activity anchors which can flow through the rest of the precinct.

1.3 Summary

The proposed development is consistent with the defined role and function of a Neighbourhood centre within the various relevant strategic intentions and policy directions.

It can be argued that this is not currently being delivered with the existing retail provision. Residents of Corio currently have no local fresh food / grocery alternative, no post office, restaurant or catering options and very limited commercial services.

The addition of 3,100m² of total retail GLA floorspace includes a likely allocation of non-core retail (e.g. real estate agents, small commercial office etc). However, for land allocation and planning purposes it may be appropriate to include this provision within the total floorspace.

On completion, the proposed development would create a more balanced and efficient neighbourhood centre, delivering residents a greater range and choice of retail goods and services without impacting or undermining the wider retail hierarchy of centres.

1.4 Subject site

The subject site is located in Corio and adjoins the existing Aldi supermarket at 465 Princes Highway. The site is surrounded by three street frontages, including Fairbain Drive to the west, Pearce Street to the north and Broderick Road to the east.

This analysis has assumed the proposed site forms part of an effective expansion to the existing Aldi supermarket to allow for an increase provision of convenience, local retailing and business services for the surrounding local residential catchment. The site is currently zoned for Residential.

Figure 1. Proposed Site



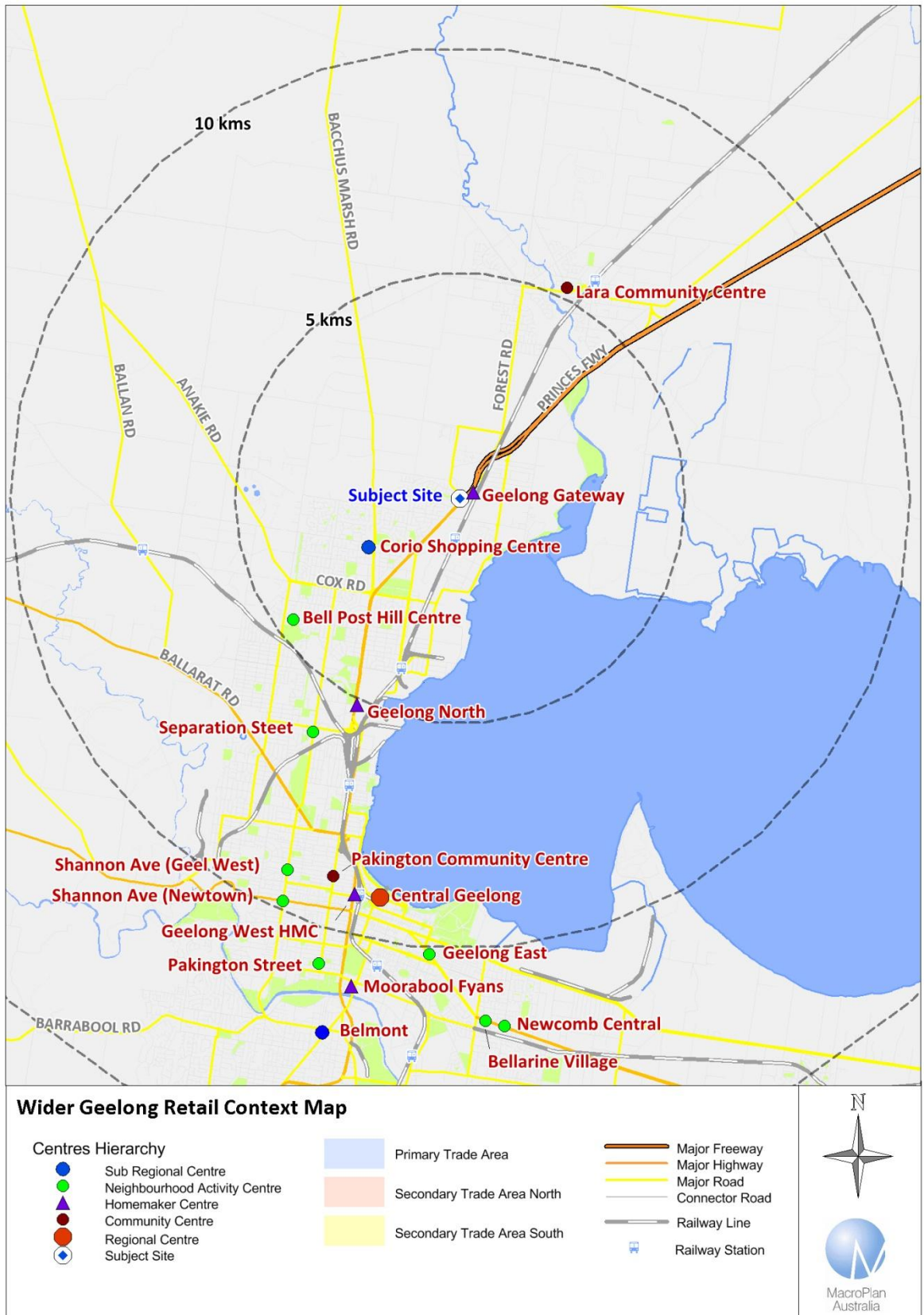
Source: NearMap, MacroPlan Australia (2011)

The site is currently zoned Residential and has good access to provide a convenient food, retail and business offer on the Princes Highway.

1.5 Retail Context in Corio

This section reviews the surrounding existing and planned competitive environment within which a retail centre at the subject site would operate. Retail centres within the Corio area form a typical retail hierarchy as outlined in the Geelong Activity Centres Strategy. The map below provides the retail hierarchy surrounding the subject site.

Figure 2. Wider (northern) Geelong Retail Hierarchy



Source: Geelong Activity Centre Strategy (2006)

1.5.1 Regional Centre - Geelong CBD

The Geelong Central retail centre contains over 115,000m² of retail floorspace including a Myer, a number of discount department stores, supermarket, specialty retail and higher order office and services.

It sits as the top of the retail hierarchy in the wider Geelong context, however, in the Victorian context is noted as a Regional Centre.

1.5.2 Sub-regional Centre - Corio Village

Corio Shopping Centre is the sub-regional centre serving the northern suburbs of Geelong and Lara.

The centre contains approximately 29,500m² of retail floorspace including a Kmart DDS, Coles and Safeway supermarkets.

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

1.5.3 Neighbourhood Centre - Bell Post

Bell Post shopping centre contains approximately 4,600m² of retail floorspace, including a Safeway supermarket, which has recently been re-opened following a full refurbishment.

The following table summarises other key competitive centres as identified within the Geelong Activity Centres Strategy.

1.5.4 Lara Town Centre

The Lara Town Centre currently provides for 2,000m² of retail floorspace including a Woolworths supermarket and some supporting specialty shops.

The master plan for the town centre envisages an expansion to the town centre to provide for a new full line supermarket, specialty retail shops and community areas.

The current retail provision in Lara is around 2,000 m², with town centre expansion expected to deliver an additional 4,000 m².

Table 2. Activity Centre Hierarchy (within 10km)

Centre	Hierarchy Classification	Indicative Floorspace (m ²)	Distance from Site (km)
Geelong Gateway	Homemaker Centre	24,000	0.1
Corio Shopping Centre	Sub - Regional Centre	29,500	2.5
Bell Post Hill Centre	Neighbourhood Activity Centre	4,600	4.8
Lara Community Centre	Community Centre	2,000	5.1
Geelong North	Homemaker Centre	10,000	5.1
Separation Street	Neighbourhood Activity Centre		6
Shannon Ave (Geel West)	Neighbourhood Activity Centre		9
Pakington Community Centre	Community Centre	5,400	9
Geelong West	Homemaker Centre	5,000	9.1
Shannon Ave (Newtown)	Neighbourhood Activity Centre		9.1
Central Geelong	Regional Centre	115,000	9.8

Source: *Geelong Activity Centre Strategy, MacroPlan Australia (2011)*

2 Retail Economic Analysis

This section details the retail-economic analysis of the potential for future retail development in Corio, and considers how this can be accommodated while maximising community benefit.

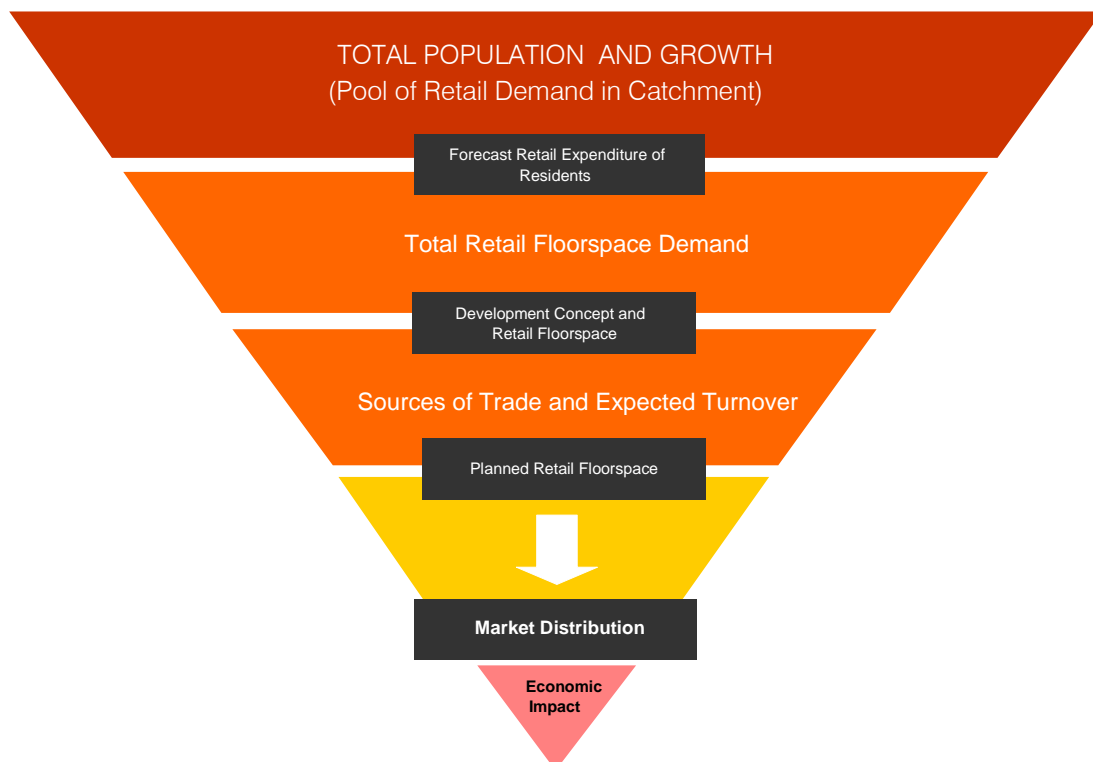
The analysis includes an independent assessment of the overall potential for retail development in Corio over the period 2010 to 2021 and at full capacity of the area.

The analysis is focussed on the requirement of local and neighbourhood activity centre type floorspace within the catchment, and considers any opportunity to accommodate further retail development within the existing Aldi supermarket activity node in Corio.

2.1 Methodology

Measuring retail demand is complex and limited by the availability of industry-wide data. An expenditure based approach and use of economic modelling is widely accepted as the most appropriate methodology for measuring and assessing retail demand and supply. The figure below outlines our demand model methodology for this assessment.

Figure 3. Retail Methodology



Source: MacroPlan (2011).

The key steps involved are detailed in the following key sections:

- **Trade Area.** Defining the area from which the existing centre current draws the majority of its trade, acknowledging the position the centre is expected to perform within the hierarchy of centres.

- **Population.** A population projection for each trade area sector has been prepared, building on the latest small-area data provided by the ABS, and considering strategic planning and potential residential densities of the area.
- **Retail Expenditure.** Estimates of current and future retail expenditure has been prepared by each defined trade area for the period 2010 to 2020.
- **Market Share Potential.** Estimates of the turnover achieved and the potential for the proposed development to capture market share has been assessed in order to present a summary of current and potential retail provision (i.e. incorporating current shortfalls in retail floorspace provision)

This analysis has been prepared for the years 2010 and 2020, to examine the potential to capture a greater share of retail spending by trade area residents, and used these estimates to prepare forecasts of future supportable retail floorspace.

2.2 Trade Area

The trade areas are defined based upon the competing supply in the area, geographical, statistical and development boundaries.

In terms of trade area sectors, MacroPlan has analysed three key sectors that the centre will draw trade, namely the primary, southern secondary and northern secondary sectors.

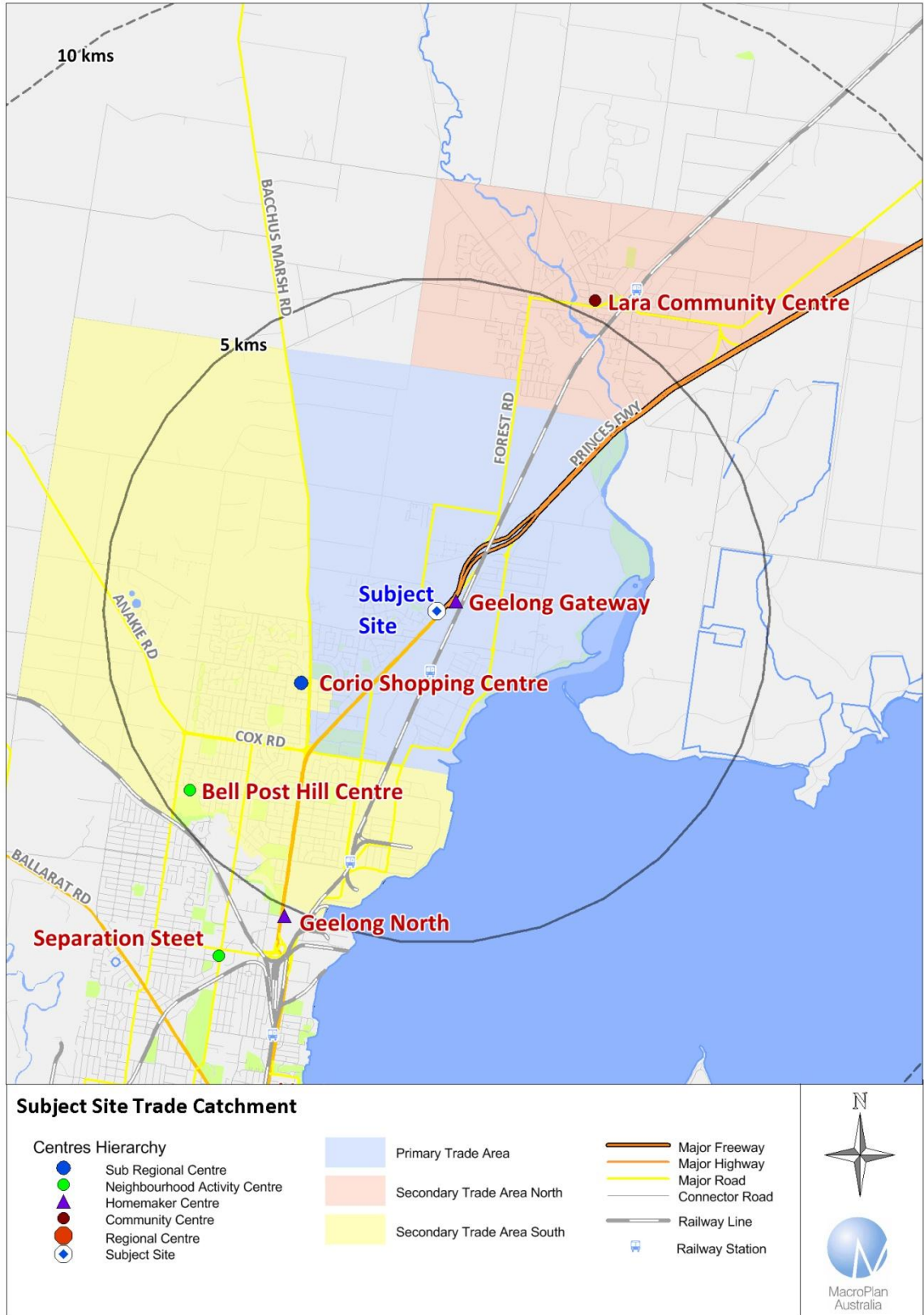
The primary catchment is constrained by Canterbury Road (north), Bacchus Marsh Road (west), St Georges Road (south) and the water barriers such as Corio Bay and Hovells Creek (east). It contains a large amount of residential in the south west and industrial and landfill to the east.

The southern secondary catchment is constrained by Evans Road (west), the rail line and Cowies Creek (south and west) and Corio Bay (east). The catchment contains residential to the south east and rural land to the west of the Geelong Ring Road.

The northern secondary catchment incorporates town of Lara and is bordered by Windermere Road and McIntyre Road (north), O'Hallorans Road (west), and the Princes Freeway (south east). The catchment has a large amount of residential and residential/rural land.

The trade areas are displayed in the catchment map below.

Figure 4. Map of Catchment Area



Source: MacroPlan Australia (2011).

2.3 Population Projection

2.3.1 Approach

All demographic forecasts rely on a variety of historical information. Forecasting is therefore influenced by a wide range of economic and social trends. Due to the developing nature of the region, the sources of future retail demand will be derived from two distinct groups:

- Existing residents residing in established residential areas including Corio, Lara, Norlane and Bell Post Hill.
- New and potential residents attracted to the release of UGZ land in the northern trade area sector from residential broadhectare release and estates such as expected in Lara, Lovely Banks and Corio North.

As such, the trade area population forecasts have involved consideration of the following information sources:

- 2006 ABS Census of Population and Housing.
- ABS Regional Population Growth, Australia (Cat No. 3218.0).
- ABS Department of Health and Ageing population forecasts for Statistical Local Areas.
- MacroPlan Australia assumptions in regards to developable land and dwelling stock.

Table 3. Trade Area Population Forecast

	2010	2015	2020	2025	2030
Estimated Resident Population					
Primary Trade Area	6,806	7,034	7,287	7,417	7,514
STA - South	21,501	22,222	23,020	23,432	23,737
STA - Lara	11,495	11,881	12,308	12,528	12,691
Main Trade Area	28,306	29,256	30,307	30,849	31,251
Average Annual Change (No.)					
		2010-15	2015-20	2020-25	2025-30
Primary Trade Area		46	51	26	19
STA - South		144	160	82	61
STA - Lara		77	85	44	33
Main Trade Area		190	210	108	80
Average Annual Change (%)					
		2010-15	2015-20	2020-25	2025-30
Primary Trade Area		0.7%	0.7%	0.4%	0.3%
STA - South		0.7%	0.7%	0.4%	0.3%
STA - Lara		0.7%	0.7%	0.4%	0.3%
Main Trade Area		0.7%	0.7%	0.4%	0.3%

Source: ABS Department of Health and Ageing, MacroPlan Australia (2011)

2.4 Retail Expenditure

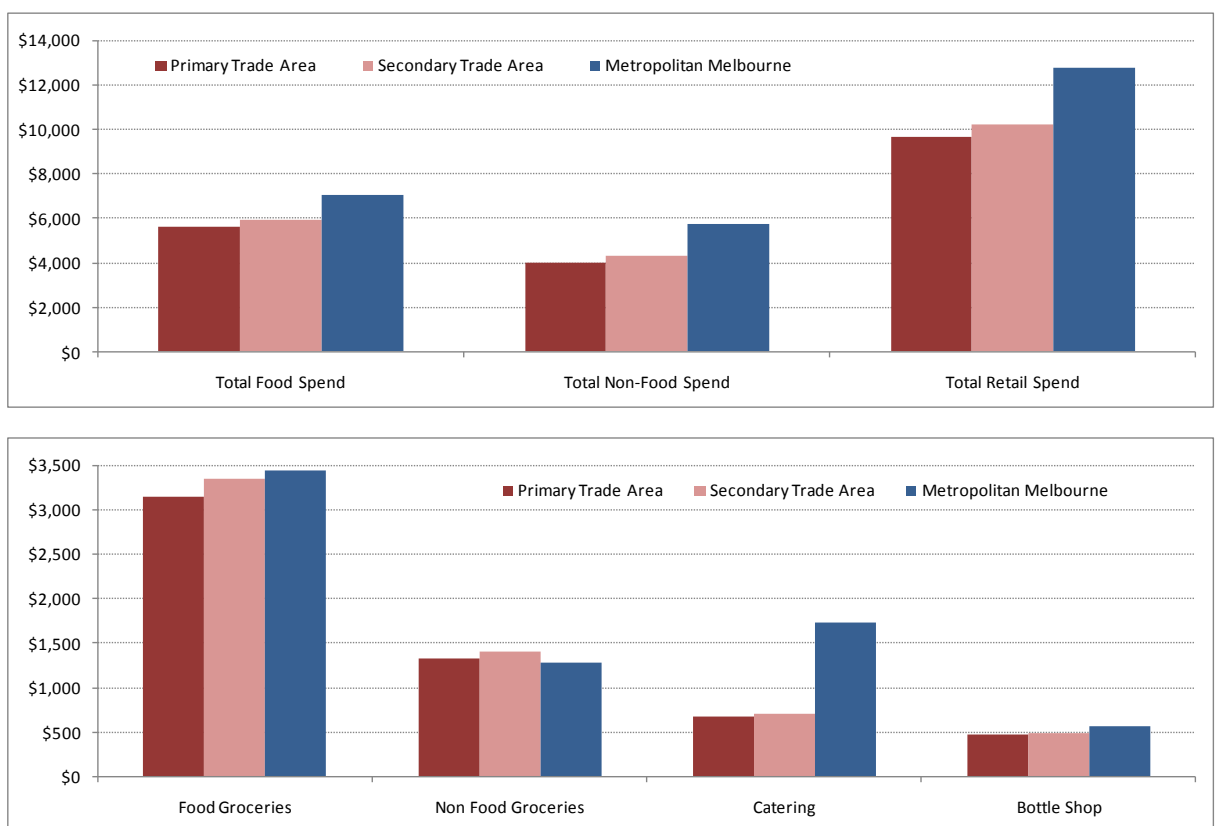
To calculate the total retail expenditure generated by the population outlined above, MacroPlan has applied CCD-level per capita retail expenditure data across the trade area sectors. To account for a changing demographic as the area establishes, a wider Wyndham LGA average has been applied.

These expenditure levels are based on information provided by MarketInfo data for 2009, generated by MDS Market Data Systems. The MarketInfo 2009 database has been generated by combining and updating data from the Population Census and the ABS Household Expenditure Survey (HES) on a micro level, using microsimulation modelling techniques.

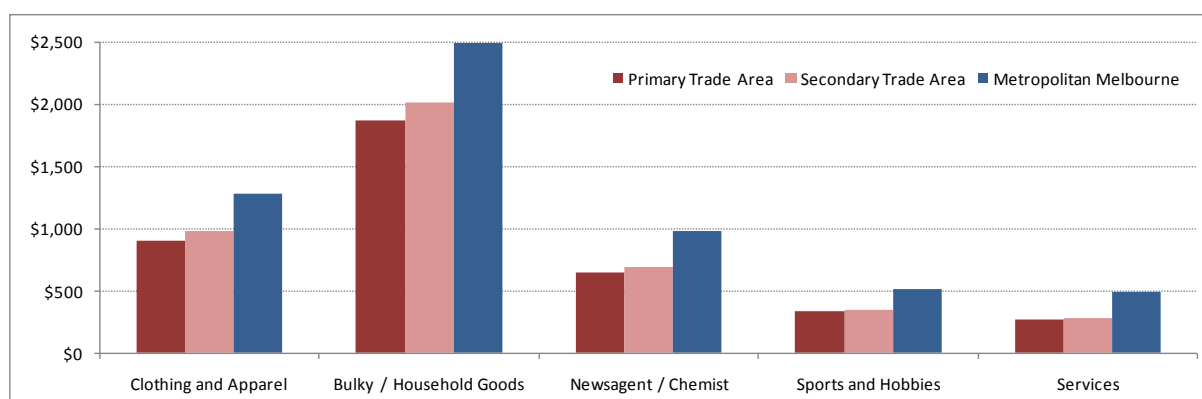
The MarketInfo 2009 database contains all 38689 Census Collectors Districts (CCD), with an average CCD containing 200 households. A CCD typically consists of one to three street blocks. The MarketInfo 2009 database contains all variables that are contained in the Population Census and the HES¹.

For the Trade Areas defined above, the following per capita expenditure levels, by specific retail category, have been used:

Figure 5. Catchment Retail Expenditure Per Capita by Type



¹ Hellwig, O, <http://www.marketdatasystems.com.au/> accessed on 14/11/2010



Source: MarketInfo (2010) and MacroPlan Australia (2011)

Average retail expenditure by trade area residents is estimated at around \$10,700 per capita in 2010, and this is approximately 15% lower than the average for metropolitan Melbourne.

Applying the food and grocery retail expenditure levels to the estimated population for the trade area defined above, MacroPlan has estimated the following total expenditure.

Table 4. Retail Expenditure by Category, Food and Grocery

	Primary Trade Area	STA - South	STA - Lara	Main Trade Area
Retail Expenditure (\$m) - Food and Grocery				
2010	\$30.4	\$102.1	\$56.3	\$188.8
2011	\$31.0	\$104.2	\$57.4	\$192.5
2012	\$31.6	\$105.9	\$58.3	\$195.8
2013	\$32.1	\$107.8	\$59.3	\$199.2
2014	\$32.6	\$109.6	\$60.4	\$202.6
2015	\$33.2	\$111.5	\$61.4	\$206.1
2016	\$33.8	\$113.4	\$62.5	\$209.7
2017	\$34.4	\$115.5	\$63.6	\$213.6
2018	\$35.0	\$117.7	\$64.8	\$217.5
2019	\$35.7	\$119.8	\$66.0	\$221.5
2020	\$36.3	\$122.0	\$67.2	\$225.5
2021	\$37.0	\$124.2	\$68.4	\$229.7
2022	\$37.5	\$125.9	\$69.4	\$232.8
2023	\$38.0	\$127.7	\$70.3	\$236.0
2024	\$38.5	\$129.4	\$71.3	\$239.2
2025	\$39.1	\$131.2	\$72.2	\$242.5
2026	\$39.6	\$133.0	\$73.2	\$245.8
Expenditure Growth (\$m) - Food and Grocery				
2010-11	\$0.6	\$2.0	\$1.1	\$3.7
2011-16	\$3.4	\$11.3	\$6.2	\$20.9
2016-21	\$3.2	\$10.8	\$5.9	\$20.0
2021-26	\$2.6	\$8.7	\$4.8	\$16.1
2010-26	\$9.2	\$30.8	\$17.0	\$56.9

Source: MacroPlan Australia (2011)

Similarly, applying all retail categories to the population in the Main Trade Area, MacroPlan has estimated the following retail expenditure levels.

Table 5. Main Trade Area Retail Expenditure

	Primary Trade Area	STA - South	STA - Lara	Main Trade Area
Retail Expenditure (\$m) - Total Retail				
2010	\$65.6	\$220.4	\$142.3	\$407.3
2011	\$67.1	\$225.3	\$145.5	\$416.4
2012	\$68.4	\$229.7	\$148.4	\$424.7
2013	\$69.8	\$234.3	\$151.4	\$433.3
2014	\$71.1	\$238.9	\$154.5	\$442.0
2015	\$72.6	\$243.7	\$157.7	\$451.0
2016	\$74.0	\$248.6	\$160.9	\$460.1
2017	\$75.6	\$253.8	\$164.3	\$470.0
2018	\$77.2	\$259.2	\$167.9	\$480.0
2019	\$78.8	\$264.7	\$171.5	\$490.3
2020	\$80.5	\$270.3	\$175.2	\$500.8
2021	\$82.2	\$276.0	\$179.0	\$511.6
2022	\$83.5	\$280.6	\$182.0	\$520.2
2023	\$84.9	\$285.2	\$185.1	\$528.9
2024	\$86.3	\$290.0	\$188.2	\$537.9
2025	\$87.7	\$294.8	\$191.4	\$546.9
2026	\$89.2	\$299.6	\$194.7	\$556.1
Expenditure Growth (\$m) - Total Retail				
2010-11	\$1.5	\$4.9	\$3.2	\$9.1
2011-16	\$8.4	\$28.2	\$18.6	\$52.8
2016-21	\$8.1	\$27.4	\$18.1	\$51.4
2021-26	\$7.0	\$23.6	\$15.7	\$44.5
2010-26	\$23.5	\$79.2	\$52.4	\$148.8

Source: MacroPlan Australia (2011)

2.5 Market Share Analysis

The retail strategy for Geelong has not defined the Aldi in Corio as an activity centre, with the development of this strategy preceding the centre development.

With a national supermarket anchor, the Corio Aldi could be defined as either a Neighbourhood Centre or Town Centre under the City of Greater Geelong Retail Strategy 2006. The retail hierarchy description is detailed in the Figure below and highlights that a centre of their type with a supermarket can generally provide up to 10,000 - 15,000m² of retail floorspace.

Table 6. 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 100,000m ²	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	15,000m ² to 35,000m ²	Discount department store(s), mini major(s), supermarket(s) and specialties
Community Centre	1	Around 40,000 people	10,000m ² to 25,000m ²	Supermarket(s), mini major(s) and specialties
Neighbourhood Centre	10	8,000 to 25,000 people	2,500m ² to 10,000m ²	Supermarket (small or full line), primarily convenience oriented specialties
Town Centre	6	5,000 to 25,000 people	1,500m ² to 15,000m ²	Supermarket, mini major(s), specialties
Local Shops	numerous	Up to 5,000 people	Up to 1,000m ²	Convenience and service retail
Homemaker Retail		At least 100,000 people	5,000m ² to 50,000m ²	Large restricted retail type tenants

Source: *Essential Economics, MacroPlan Australia (2011)*

As such, a market share analysis for the market penetration and sources of trade that should be directed to 'neighbourhood' type floorspace within the catchment has been undertaken. Generally around 30% of floorspace demand within an area is directed to Neighbourhood Activity Centres.

An examination of the retail demand and market share performance at Corio Aldi is presented in the Figure below. This analysis is based on the preparation of estimates of the market share of trade area spending that is currently and also that should be ideally retained at the site supporting the supermarket, including an allowance for expenditure from beyond the defined trade area is also accounted for to provide an estimate of the total demand for the precinct.

The available expenditure retention is then divided by an average Retail Turnover Density (RTD) to identify the required floorspace that should be delivered within a centre to fulfil its role.

Table 7. Market Share and Floorspace Analysis, 2010

2010	Food Retailing	Food Catering	Non-food	Total Retail
<u>Retail Expenditure</u>				
Primary Trade Area	\$30.4	\$4.6	\$27.4	\$62.4
STA - South	\$102.1	\$15.1	\$92.7	\$210.0
STA - Lara	\$56.3	\$11.0	\$67.7	\$134.9
Main Trade Area	\$188.8	\$30.7	\$187.8	\$407.3
<u>Market Share</u>				
Primary Trade Area	15.0%	5.0%	5.0%	9.9%
STA - South	10.0%	2.0%	2.0%	0.0%
STA - Lara	5.0%	0.0%	2.0%	3.1%
Main Trade Area	9.3%	1.7%	2.4%	5.6%
<u>Retained Expenditure</u>				
Primary Trade Area	\$4.6	\$0.2	\$1.4	\$6.2
STA - South	\$10.2	\$0.3	\$1.9	\$12.4
STA - Lara	\$2.8	\$0.0	\$1.4	\$4.2
Main Trade Area	\$17.6	\$0.5	\$4.6	\$22.7
<u>Beyond Trade</u>				
Proportion from beyond trade area	5%	5%	5%	5%
Total Turnover	\$18.5	\$0.6	\$4.8	\$23.8
<u>Retail Turnover Density (\$ per m2)</u>				
Average RTD	\$8,000	\$4,000	\$5,000	\$6,991
<u>Retail Floorspace</u>				
Supportable Retail Floorspace	2,309	139	961	3,410
Corio Aldi	1,450			1,450
Balance (over / under supply)	859	139	961	1,960

Source: MacroPlan Australia 2011

The analysis for the future potential of the site is provided in the following tables. This analysis has considered the extent to which the retail sector for the MAC should be able to increase market penetration as the centre establishes.

For a retail centre that provides a supermarket anchor, this level of market share and performance is poor and does not represent an efficient retail centre, or an efficient use of an important retail anchor that supports and drives local community travel patterns.

The introduction of an appropriate level of supporting retail will increase the efficiency and market penetration of the centre. The following table undertakes a market share analysis for the Aldi Centre with the proposed development in 2015.

The market shares would be expected to increase from a current low level of 5.6% in 2010, to around 7.9% in 2015, which represents a better performance for a centre with a supermarket anchor, albeit non full line discount offer.

This estimate is confirmed against the planned retail floorspace within the proposed development and shows there is an improvement in the floorspace provided at the centre, however the proposed development, due to site constraints, does not fulfil the entire market gap.

Table 8. Market Share and Floorspace Analysis, 2015

2015	Food Retailing	Food Catering	Non-food	Total Retail
<u>Retail Expenditure</u>				
Primary Trade Area	\$33.2	\$5.0	\$30.8	\$69.0
STA - South	\$111.5	\$16.5	\$104.3	\$232.3
STA - Lara	\$61.4	\$12.0	\$76.2	\$149.6
Main Trade Area	\$206.1	\$33.5	\$211.3	\$451.0
<u>Market Share</u>				
Primary Trade Area	20.0%	10.0%	10.0%	14.8%
STA - South	15.0%	5.0%	3.0%	8.9%
STA - Lara	5.0%	0.0%	2.0%	3.1%
Main Trade Area	12.8%	4.0%	3.7%	7.9%
<u>Retained Expenditure</u>				
Primary Trade Area	\$6.6	\$0.5	\$3.1	\$10.2
STA - South	\$16.7	\$0.8	\$3.1	\$20.7
STA - Lara	\$3.1	\$0.0	\$1.5	\$4.6
Main Trade Area	\$26.4	\$1.3	\$7.7	\$35.5
<u>Beyond Trade</u>				
Proportion from beyond trade area	15%	15%	15%	15%
Total Turnover	\$30.4	\$1.5	\$8.9	\$40.8
<u>Retail Turnover Density (\$ per m2)</u>				
Average RTD	\$8,839	\$4,420	\$5,524	\$7,567
<u>Retail Floorspace</u>				
Supportable Retail Floorspace	3,440	344	1,611	5,395
Corio Aldi	1,450			1,450
Balance (over / under supply)	1,990	344	1,611	3,945
Proposed Development	1,400	250	1,450	3,100
Net Balance (including development)	590	94	161	845

Source: MacroPlan Australia 2011

Accounting for the proposed additional 3,100m², there remains an opportunity to provide a total of 5,400m² at the centre (including the Aldi supermarket) to ensure the centre delivers sufficient floorspace.

3 Findings and Conclusions

Activity centre location, role and function

The purpose of this report is to demonstrate the need for further retail floorspace within Corio, to understand the appropriate timing for future retail floorspace.

This report has been prepared for Cerermira for submission to the City of Greater Geelong.

In MacroPlan's opinion, the existing Aldi supermarket does not adequately serve residents of the surrounding catchment. The provision of additional local convenience retail will improve the overall effectiveness of the existing centre and create numerous net community benefits across the local community and broader Corio area.

Demand analysis

This growth and the lack of available sites within existing activity centres in Corio and the catchment area has led to the approval of the Corio Aldi as a standalone supermarket with no supporting retail.

MacroPlan forecasts that the trade area will grow at an average of just over 170 new residents or approximately 0.6% per annum. By 2020, the MTA will have passed a population critical mass of 30,000 persons. Growth is forecast to be strongest over the initial period to 2015, at 0.7%.

The retail expenditure pool within the MTA for food and grocery retailing is currently \$189 million, with total retail \$407 million. This expenditure pool is expected to grow at an average rate of 2.0% per annum over the period to 2020. By 2012, the food and grocery retail expenditure pool will have grown by about \$7 million, with total retail growing by \$17.5 million.

This is a significantly expenditure pool for a small catchment area that offers a limited range of retailing options.

At the time of this assessment, there were two key centres serving the PTA and STA – South trade area, namely Corio Village and Bell Post Centre. Lara is also a town centre serving the STA – Lara catchment, and is expected to be relatively self-sufficient within its own catchment. However, given work flows and the lack of a discounted supermarket offer in Lara, a continued leakage to the Corio Aldi and other centres is likely to continue.

With regard to food and grocery retailing, the primary trade area only accommodates the Aldi Corio, which represents around 6% of total food and grocery retailing turnover of the catchment

The PTA and STA-South in particular, have considerable retail leakage, and demonstrate clear market gap potential to retain some of this food and grocery and convenience retail expenditure leakage within the catchment.

The proposed development at the subject site amounting to a maximum of 3,100m² of retail would contribute to this sustainable community outcome and still allow for continued expenditure flows to higher order centres and new centre development (i.e. Lara).

When taken in isolation, the requirement for food and grocery, convenience and local commercial floorspace will evolve over time and is expected to demand up to 5,400m² of floorspace at the site based on a market share for local retailing at 7.9%. This level of demand is achievable and further enhanced by the existing travel patterns and visitation to the existing Corio Aldi.

Market Gap

Corio Village Shopping Centre is the largest centre serving the catchment, with the Corio Aldi providing a popular alternative for discount supermarket goods, and as such continues to attract strong visitation from a local catchment.

The analysis has also revealed that the stand-alone Aldi Supermarket does not adequately serve residents of the surrounding catchment it serves. The centre should provide for a wider mix of local convenience retail needs to improve the effectiveness of the centre and limit the requirement for residents to visit multiple centre to undertake basic shopping needs.

Our detailed catchment and retail needs analysis highlights a market gap between the current supermarket floorspace and the total requirement from the resident catchment for basic convenience retail shopping.

Table 9. Floorspace Potential

Main Trade Area	2010	2015
Retail Expenditure (\$M)	\$407.3	\$451.0
Market Share (%)	5.6%	7.9%
Retained Expenditure (\$M)	\$22.7	\$35.5
Proportion from beyond trade area (%)	5%	15%
Average RTD (\$ Per Sq.m)	\$6,991	\$7,567
Supportable Retail Floorspace (M2)	3,410	5,395
Corio Aldi	1,450	1,450
Proposed Development		3,100
Balance (over / under supply)	1,960	845

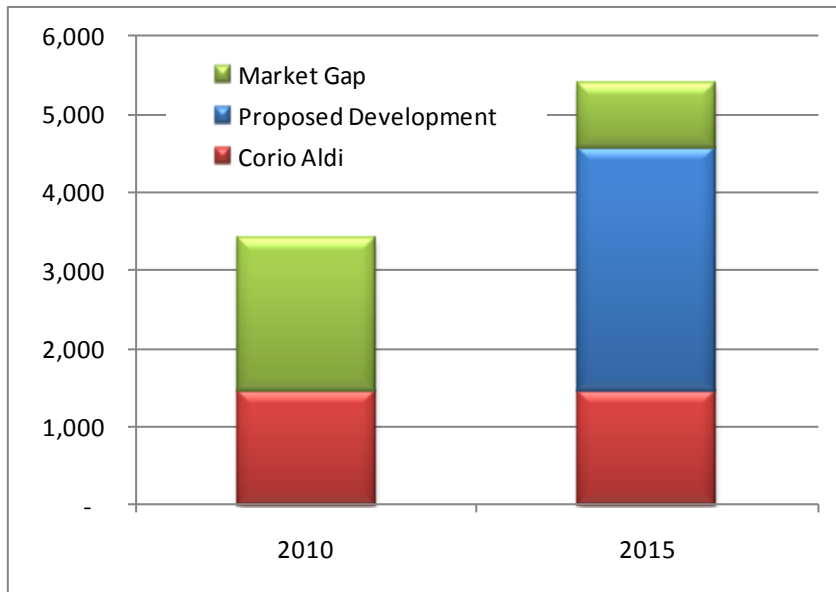
Source: MacroPlan Australia (2011)

Conclusion

In summary, there appears to be an opportunity for an expansion of convenience retail and commercial needs to support the Corio Aldi, both in terms of total floorspace quantum and a wider mix of uses that focus on convenience and local retailing.

The actual floorspace required to achieve an efficient convenience centre is larger than the proposed development, with demand for around 5,400m², whilst the proposed development, due to site constraints, is only expected to provide an additional 3,100m². With sufficient demand no adverse impacts on retail centres within the hierarchy are expected to result from the proposed development.

Figure 6. Floorspace Potential Summary



Source: MacroPlan Australia (2011)

Many of the tenancies proposed in the retail mix are complementary in nature to the existing Aldi supermarket and would serve residents who are currently travelling to the Aldi for their food and grocery retail needs. As such, there are likely to be increased multi-purpose trips as consumers undertake their major supermarket shop at the adjacent Aldi while undertaking other local and convenience retail shopping and utilising the services at the proposed development.

The encouragement of additional retail and commercial development at the subject site has strong support based on the identified market gap and the visitation / travel patterns to the Corio Aldi.

The proposed retail development will also deliver net benefits to the local residents within the catchment, across the broader region, as well as the local economy. These include economic (employment, investment), social (household savings, wider choice, improved road safety from less/shorter trips) and environmental (pollution, run-off, wear & tear) benefits.

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