City of Port Phillip Activity Centres Review

Future Directions Strategy Paper

City of Port Phillip January 2006

SGS
Economics & Planning

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1 Preamble

The aim of the City of Port Phillip Activity Centres Review is to prepare a comprehensive and innovative activity centre review for the municipality that responds to the uniquely localised character of neighbourhoods and their centres whilst catering for, and carefully managing, change.

The study objectives are:

- To provide an holistic understanding of the complex role and function of activity centres in Port Phillip – in terms of the network of centres and individual role and internal configuration of these;
- To establish an integrated strategic framework (inclusive of performance criteria) to direct and manage appropriate growth and change across the network of centres, and within centres;
- To provide a sound strategic basis to guide Council's on-going response to and implementation of 'Melbourne 2030'; and
- To define priorities for future Council projects and programs that will support a sustainable future for activity centres and Port Phillip in general.

This paper provides a summary of some of the key issues identified during the research phase of the Review and provides advice and direction on how to respond to future land use and development within Port Phillip's activity centres.

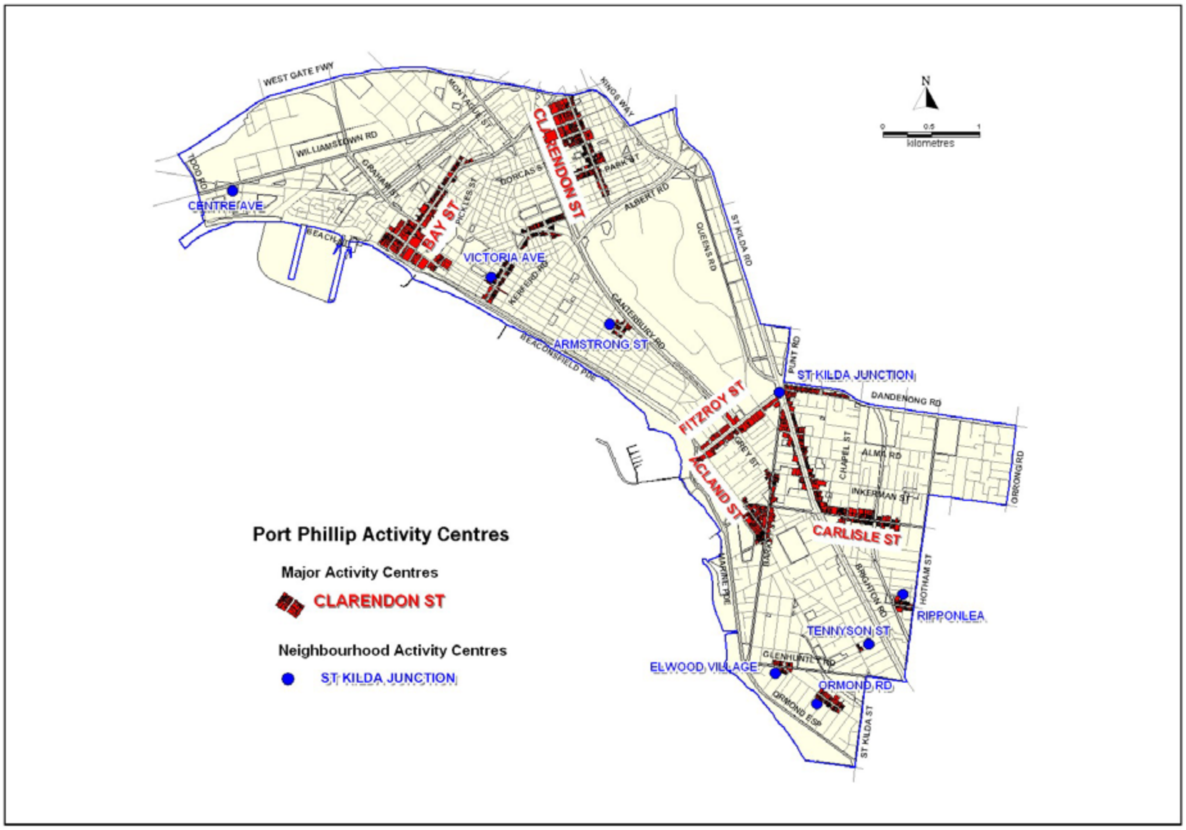
2 The System of Activity Centres in Port Phillip

2.1 Functions and Service Gaps

The traditional shopping strips which characterise the Major Activity Centres (MAC's) of Port Phillip (Figure 1) do not function as a 'network' in the sense that they have complementary retail offers. These centres are essentially independent of each other and continue to develop their own distinctive customer bases, with many of the MAC's drawing on catchments that extend well beyond the municipality.

For example, Fitzroy Street, St. Kilda, has a regional draw with entertainment venues and pubs, as well as backpacker and lodging establishments. Nearby Acland Street has a similarly regional draw for its food and cultural offerings. Clarendon and Bay Street, South Melbourne, as well as Carlisle Street, Balaclava, serve mainly the surrounding area with local goods and services. But each of these centres has unique characteristics, such as Carlisle Street's strong European ethnic influence. Bay Street and Clarendon Street serve their surrounding neighbourhoods of Port Melbourne and South Melbourne, respectively. Bay Street is oriented around Station Pier, and is the gateway for cruise and ferry-based visitors to Victoria. Bay Street features many cafes, shops and restaurants that cater to both local residents and tourists/boat passengers. Clarendon Street serves the densely populated South Melbourne area, with an emphasis on the heritage aspects of the neighbourhood, as well as the fresh food and produce associated with the South Melbourne Market and related vendors.

Figure 1. Port Phillip's Activity Centres



The last 20 years has seen a virtual reinstatement of the regional service role of many of the municipality's MAC's, a function that they had commanded through the late 19th century and the early 20th century prior to the accelerated, car based, suburbanisation of Melbourne. However, this regional role is now no longer dominated by mainstream retail operations. Rather it is generally driven by an aggregation of niche offerings in hospitality and entertainment.

Many of Port Phillip's Major Activity Centres can be viewed as rejuvenated and powerful economic engines, drawing in tourists and destination shoppers from overseas, interstate and country Victoria as well as Greater Melbourne (e.g. Acland Street, Fitzroy Street, Bay Street). However, from a services planning and sustainability perspective, there is considerable scope for improvement in the current 'network' of centres. In particular, many residents in the City do not enjoy convenient access to a local food / grocery facility; they are obliged to undertake longer, probably car based, shopping journeys for such necessities. For example, Figure 2 depicts the location of major supermarkets operating within the municipality (500 metre radius). What is evident is that that much of the municipality, and even some of Port Phillip's activity centres, are not well serviced (e.g. the Fitzroy Street MAC) in terms of daily convenience shopping needs.

Figure 2. Areas Beyond 0.5 km of a Major Supermarket in Port Phillip

It should be acknowledged that some of this ‘gap’ is filled by smaller supermarkets, such as IGAs, and other smaller convenience stores that are not shown on the map above. These types of retailers are often found in ‘corner store’ locations, or in smaller neighbourhood shopping centres. However, they do not offer the full range of goods and prices found at larger supermarkets. For large, ‘weekly’ type shopping trips, the map above indicates that many residents in Port Phillip may need to drive, or travel a considerable distance on public transit.

Plugging this and other ‘service gaps’ should be a priority in managing the centres network – both at the MAC and Neighbourhood Activity Centre (NAC) levels. Existing supermarket and convenience shopping facilities should be retained and improved wherever possible. Positive encouragement should be given to strengthening centres through the introduction of such facilities where neighbourhoods are underserved in terms of daily shopping needs. See Section 4 for a more specific discussion on available tools to encourage such development.

2.2 Overarching Principles for Development of Port Phillip's Activity Centres

2.2.1 Managing the Evolution of the Centres

While improving access to local food / grocery facilities should be one focus for change and development in Port Phillip's MAC's and NAC's, the important role of many of the municipality's MAC's as regional shopping and leisure destinations will mean that they will continue to see significant pressure for change and adaptation as niche demands evolve and as creative entrepreneurs open new markets.

Demographic shifts have occurred over the past several decades and continue to occur throughout Port Phillip, with a general trend toward a more affluent 'young professional' resident. This is usually associated with a smaller household of two persons or less, with a busy lifestyle and a high disposable income. Estimates show this trend will continue, as more and more young professionals seek locations close to Central Melbourne, and find Port Phillip's cultural and lifestyle offerings attractive.

Management of the Centres from a planning point of view needs to be open to such change and adaptation, while at the same time seeking to preserve the desirable socio-economic and cultural diversity that makes Port Phillip unique. Freezing the current retail offer or pre-empting market demands through land use regulation should be avoided. However, a number of key principles can be applied to ensure that these continuing development pressures contribute rather than detract from the vibrancy and cultural significance of these centres. In this report, we propose 11 key principles to this end:

These principles have been created to guide the policy directions for individual activity centres within the City of Port Phillip. They have been prepared with reference to the 'Four Pillars' - a phrase taken from the work of Jon Hawkes, whose "The Fourth Pillar of Sustainability: Culture's Essential Role in Public Planning" has been influential in framing the policy and planning framework (refer 'Background Paper for further detail). The principles are also strongly informed by Melbourne 2030's '*Direction 1 – A More Compact City*' and the *'Performance Criteria for Activity Centres'* included in Direction 1 (refer Background Paper).

It is proposed that these principles will serve as performance criteria when applied to the respective activity centres within the City of Port Phillip:

Retail Self Sufficiency

The research undertaken for this report stresses the need to ensure that Port Phillip's activity centres serve the weekly shopping and convenience needs of the local population. This was a strong theme that came through in the Resident Surveys (refer Section 11 of Background Paper). This is critical to ensuring that local people can use their local centres as not just places to get necessary goods and services but also to continue to build relationships with other local people.

On a separate note, it is accepted that there is a high degree of escape expenditure for higher order goods (e.g. department stores, household goods) within the municipality. This status quo is accepted on the understanding that Port Phillip does not have many large sites where such businesses could locate and furthermore, they are accessible in the neighbouring CBD and surrounding municipalities. That said, market demand for such retail may allow such development to occur on the few adequate sites that do exist, which are mainly located in the Port Melbourne / South Melbourne section of Port Phillip. Specific opportunities for retail development are discussed in more detail in following sections.

Local Self Containment in Personal Services

The 'In-Home' Survey revealed that 63% of respondents used Port Phillip's activity centres for personal services (e.g. visiting a hairdresser, video shop or dry cleaner). There is scope to further build on this proportion and new such businesses can help support some of the smaller and perhaps more marginal neighbourhood activity centres. This has the benefit of further building local employment opportunities and fostering local business.

Promoting Cultural Tourism

With community endorsement and Council's leadership, there is much value in celebrating the Port Phillip lifestyle. In this vein, tourism activities should have local links and celebrate the creativity and diversity of local people and be a showcase for the sustainability values that many in the City of Port Phillip hold dear.

Nurturing the Social Sense of Place – The Distinction between Places

This takes into account local quirks, ethnicity, and differences (e.g. cultural and income) and suggests that these are an important – and indeed iconic - part of Port Phillip's make up. To replace these characteristics with more homogenous and generic offerings is undesirable. Differences between Port Phillip residents, as well as between the various Activity Centres themselves, should be celebrated, promoted, and maintained. Each Centre is unique physically, in terms of building stock, historical period, and mix of uses, but is also surrounded by a unique type of resident. Though Port Phillip is increasingly becoming an affluent suburb characterised by the young professional, it remains in many ways a patchwork of ethnicities, lifestyles, ages, incomes, and cultures. This patchwork should be celebrated and maintained.

Nurturing the Aesthetic Sense of Place

Public places and spaces are an important part of the fabric of Port Phillip's activity centres and need to be preserved and improved. These public places include the streetscapes themselves, as well as gathering places such as the St. Kilda Esplanade and Bay foreshore, transit stations, squares, markets, and parks. They provide places for community interaction, reflection, learning and sense of place. It is important that the design of activity centres encourages integration and seamless movement, especially for pedestrians. This means that public spaces should be designed and oriented in a manner that allows adequate access for all users, and should be open and inviting. Structures and streets should not serve as walls or barriers, but gathering places in themselves. Centres need not necessarily be nodal, revolving around a central core or intersection: they can be integrated physically into surrounding streets and precincts. Indeed, most of Port Phillip's centres are more linear in nature, encompassing several blocks on one street, as well as portions of surrounding streets.

Principal Access to all Major Activity Centres to be Public Transport, Pedestrian and Cycling.

Growing gentrification in the City of Port Phillip is leading to increases in car ownership and use. It is therefore critical, on the grounds of environmental sustainability, that the subsequent planning for Port Phillip's activity centres be focussed on cars being a supplementary and not the primary form of transport. New and improved public transport, walking and cycling infrastructure servicing activity centres will help to realise this goal. Some examples include improved access to/from existing tram stops and train stations; additional tram networks and stops, improved bike and pedestrian networks on the foreshore and within the municipality, and better pedestrian/cycling/transit flows between the various activity centres.

Establish Activity Centres as Places of Work as well as Retail Services

Whilst retail and hospitality have traditionally featured strongly in terms of the composition of Port Phillip's activity centres, it is important to explore means by which further office and other employment generating uses within activity centres can come about. New residential development within Port Phillip's activity centres should also focus on providing the climate that encourages home-based businesses (e.g. broadband, flexible / communal shared meeting rooms). Additionally, opportunities for new office space, both in the form of new buildings and renovated/re-designed older buildings, should be examined.

Activity Centres as Manifestations of "Balance"

Addressing the 'Four Pillars of Sustainability' is essential in planning for Major Activity Centres. MACs are places that need to balance issues such as retail and commercial growth with diverse housing choice (including affordable or social housing), social and community needs, environmental sustainability, and cultural vitality/diversity. This theme of 'balance' is essential. Growth in one type of floor space, such as retail, or commercial, should always correspond to community needs, and should take into account all users/stakeholders. Residential growth should not come at the expense of lower income residents; construction and change should not come at the expense of the environment, and services should be enhanced and expanded to reflect increased demand. A balanced centre is a healthy centre.

Activity Centres as Examples of Environmental Sustainability

There are also several universal Environmentally Sustainable Development (ESD) principles, which should be taken into account as redevelopment opportunities arise in Activity Centres. For example:

- Water-sensitive Urban Design - ensuring that civic upgrade includes storm water treatment in the streets (i.e. landscaping) and underground - i.e. high quality treatment traps e.g. hydrocarbon traps;
- Individual site development - ensuring that all buildings (residential and non-residential) meet the environmental requirements of Council and for residential development, provide diverse housing types; and
- Improve the environmental performance of building design and layout particularly with respect to resource conservation (e.g. energy, water and materials).

Planning, development, growth, and construction of structures and spaces in Centres, as well as for the Centre as a whole, should always be done with resource efficiency in mind.

Housing Affordability

The importance of Centres as being accessible to all users has been noted. This is especially true in regards to housing affordability. Most areas in inner-Melbourne have seen dramatic rises in housing prices over the past several years, as inner-city living has become more desirable and demand has outstripped supply. This has been especially true in Port Phillip. Housing that is only available to the wealthy will result in a general homogenisation of the City and a loss of character and diversity. The Inner Regional Housing Statement (2005) makes several strong statements in regards to maintaining housing affordability, including:

“Prepare and implement structure plans for activity centres which include the identification of opportunities for well located, affordable, and social housing (maximising access to shops, services and transport for low income households.)”

The ‘Public Realm’ Embraces all Community Members

Design of public spaces should cater to the needs of all community members in order to be complete. This means that facilities, and design aspects, should take into account users of all sizes, ages, and disabilities. This is especially important in regards to children, the elderly, and the physically disabled. The Municipal Early Years Plan (2005) stresses the importance of maximising the inclusion of children in aspects of public spaces by providing child-friendly design elements, and child friendly infrastructure. Safety is an important aspect for all community users.

2.2.2 Guidelines for Centre Expansion

Performance Requirements

In terms of whether enlargement of the zoned area of a Centre is warranted by its projected retail demand, SGS's recommendation is that, in the first instance, boundaries should remain unchanged (based on the Business 1 Zone).

Site visits undertaken by SGS found that there was scope for enlargement in a few centres. However, the merits and worth of these opportunities cannot be reliably judged ahead of a particular development proposal. The relationships between the retail cores and their interface areas – generally to surrounding residential development – are too complex and affected by local nuances to be pre-empted by a broad brush zoning approach.

Secondly, land use regulation should, as far as possible, seek to intensify available built form capacity within existing zoned areas. These Centres are generally vibrant and well patronised. But again, our site inspections showed some Centres continue to suffer discontinuities in their retail or service frontages (e.g. Bay Street, Clarendon Street, Carlisle Street) and there still is considerable built stock and land parcels which are underutilised, notwithstanding the constraints of a built form and subdivision pattern dating back to the 19th century.

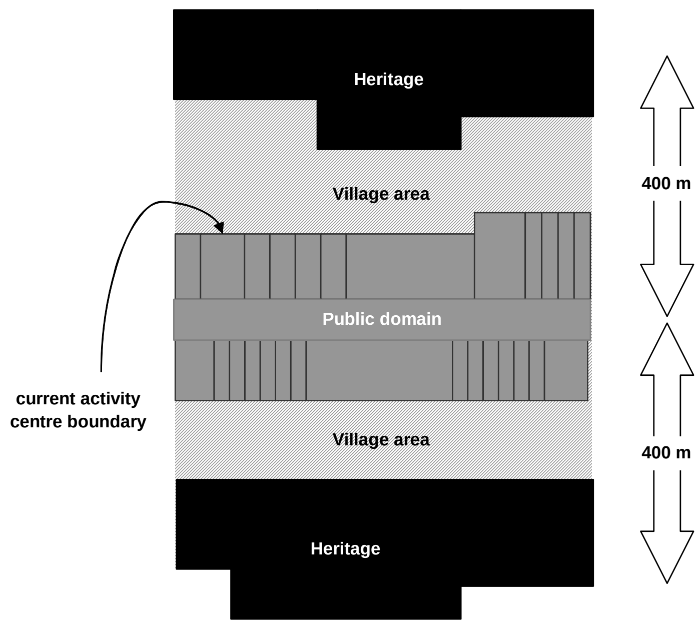
Having said this, SGS is not suggesting that Council should be closed to the idea of boundary changes to these Centres. There will be special circumstances where Council might wish to consider such propositions, but only when compliance with pre-notified criteria is clearly demonstrated. We define these criteria as follows:

Rezoning may be considered where the subject land:

1. Offers the opportunity for ***advantageous re-use of an historic building*** or the creation of a built form which will support a better interface between the existing retail area and surrounding heritage fabric;
2. Offers the opportunity for ***better functional linkages*** between existing elements in the Centre, for example, consolidating car parking for more efficient multiple use and freeing up development capacity elsewhere in the Centre as a result;
3. Enables ***better integration of known development opportunities*** into the Centre, in the same way, i.e. improved built form, complementarity of uses regarding car parking and providing a more favourable interface with surrounding heritage fabric;
4. Poses a significant opportunity for ***improved public gathering spaces*** (i.e. non commercial);
5. Would facilitate correction of ***known retail gaps and shortfalls***, principally, plugging deficiencies in the City's network of local food / grocery facilities.

Application of such criteria should be confined to what we have dubbed ‘village’ areas. These are areas which are within convenient walking distance of the MAC in question and which lie between the core public domain of the Centre (typically the active street frontage) and any surrounding heritage fabric. Figure 3 provides an example of the type of framework that we believe should be applied to Port Phillip’s MAC’s.

Figure 3. Planning Segments – Activity Centres



Capturing Betterment with the Expansion of Centres

Should Port Phillip Council move to rezone land to achieve one or more of the 5 beneficial outcomes noted above, and should such rezoning enable a set of higher rent yielding uses to occur on the land in question, SGS recommends that consideration be given to attaching a ‘community betterment levy’ clause to any such planning scheme amendment(s).

While the explicit betterment clause was removed from Victoria’s planning legislation when the Planning and Environment Act came in during the 1980’s, there is at least one precedent for betterment being taxed via conditions on rezonings. In 1996, the then Minister for Planning (Maclellan) approved changes to the Manningham Planning Scheme which allowed for significant expansion of Doncaster Shoppingtown, but the proponents were to pay Council some $4.6 million towards loosely specified infrastructure. This could not be construed as an infrastructure charge because there is no nexus between the development and some of the facilities cited in the rezoning condition. In our view the Minister knew that there would be a windfall gain to the owners of Shoppingtown upon approval of the rezoning and took deliberate steps to claw back some of this for community use.

The proposed community betterment levy for rezonings to enable expansion of Port Phillip's activity centres (or for any up-zoning for that matter) could follow the Doncaster Shoppingtown precedent. (See Appendix A) The Port Phillip condition could cite a range of community infrastructure items, including affordable housing, as potential uses of the levy.

2.2.3 Key Council/Regional Strategies

Several recent strategic Council and State documents are relevant to guide structure planning in relation to Port Phillip's Major Activity Centres. These are valuable for reference, and include:

- City Plan, 2005
- Municipal Early Years Plan, 2005
- Food Security in the City of Port Phillip, 2005
- Inner Regional Housing Statement (2005)
- Inner Metropolitan Action Plan, 2005
- Community Hubs Policy, 2005
- South Melbourne Central Structure Plan, 2005
- Sustainable Transport Framework (2003)

2.3 The Activity Centres and the Housing Objectives of Melbourne 2030

In the period 2001 to 2031 the population of Melbourne's Inner Region is expected to increase from 245,274 to approximately 405,1000 at an average annual growth rate of 1.7%. The number of households in the region is also expected to increase from 117, 947 in 2001 to 207, 500 in 2031, with average household size projected to decline from 2.08 to 1.9. (DSE)

Estimates based on Department of Sustainability and the Environment (DSE) housing capacity analysis show a projected population increase of 32,191 for the City of Port Phillip by 2030. Estimated dwelling capacity was multiplied by the average household size for the City of Port Phillip at the 2001 Census. (i.e. 1.9 persons per household.) This housing capacity analysis was undertaken to inform the Draft Inner Regional Housing Statement 2005.

Melbourne 2030 stresses the importance of focussing this housing growth into specific sites, mainly around activity centres. "Due to the complex fabric of the Inner Region, the categories used in Melbourne 2030 have been further defined by the inner Region into subcategories as follows:

- 'Major redevelopment sites or precincts' could accommodate around 44,300 net new dwellings over the next 30 years. This represents around 47.5% of the total projected household growth across the inner region.

These are defined by the Inner Regional Councils as “areas strategically located in proximity to Activity Centres and/or the Principal Public Transport Network, e.g., Mixed Use zones which were formally industrial areas.”

- Retail and Commercial Strips (Acland Street, Fitzroy Street, Carlisle Street, Clarendon Street, Bay Street) might accommodate around 6,800 new dwellings over the period 2001-2031. This represents about 7.5% of the total projected household growth across the Inner Region.

These areas were defined as those where land was zoned “specifically for business purposes, essentially comprising the major shopping strips within the region.”

- Established residential locations (existing/older residential areas in Port Phillip) may accommodate around 6,200 additional households over the next 30 years. This represents about 6.5% of the total projected household growth across the Inner Region.

The Inner Regional Councils delineate these locations as “Existing residential areas where significant change is not desirable”, i.e. locations with significant heritage value or an urban character so intact as to warrant additional planning controls.

With note of the above policy, Port Phillip faces several challenges in meeting the projected residential growth forecasts. It is already densely populated, and contains many heritage areas not suitable for more intensive development. The activity centres themselves are unlikely to be the major foci for housing consolidation in Port Phillip. These play a larger role as commercial centres and corridors, and are better suited as sites for further commercial development than residential development. Intensive residential development is occurring in the vicinity of Port Melbourne, both on former brownfield sites such as ‘Beacons Cove’ and also in rehabilitated industrial structures. Higher density residential development is occurring along and in the vicinity of the St. Kilda Road corridor, in Port Melbourne, and in the South Melbourne area, especially closer to the Kingsway/’City Wedge’ and Southbank. (‘South Melbourne Central’ area)

However, in areas such as St. Kilda East/Balaclava, St. Kilda, Elwood, Albert Park, and other ‘established’ areas, it is unlikely that intensive residential development will occur. These areas lack vacant or brownfield land, and contain many heritage buildings not suitable for redevelopment. ‘Character’ issues are also relevant in the older residential areas, where modern mid-rise or high-rise development may alter the streetscape and threaten the overall built scale and ‘feel’ of the precinct. Melbourne 2030 objectives would best be met, and thus it is most likely, that intensive residential development would be limited to the vicinity of train stations and/or major transit nodes in Port Phillip, as well as those areas where a higher-density precedent has already been set. This may indicate that areas around the Balaclava and Ripponlea train stations, which have been targeted for structural redevelopment, have potential for new residential development.

Some key objectives, as stated in the ‘Inner-Regional Draft Housing Statement’ (2005) indicate that Activity Centres are unlikely to be the prime foci for housing consolidation include:

- “To achieve housing growth in locations that have the capacity and propensity for change, and which will maximise economic, social, cultural, and environmental sustainability.”

  -This would preclude major residential development taking place in areas that physically, environmentally, and structurally cannot support it. This may be the case in and around existing Activity Centres that are heavily built out and lack adequate sites for new development.

- “To protect the heritage assets, neighbourhood character and amenity of established residential areas, which are fundamental to the liveability of the Inner Region.”

  -Much of Port Phillip contains such heritage areas, and the ‘village like’ scale of such shopping corridors such as Bay Street and Carlisle Street has been noted as key strengths.

- “To achieve a shift in the location of residential development away from established residential locations to strategic precincts.”

  -This limits development to areas with either vacant land, or industrial land suitable for development, neither of which is common in Port Phillip. Neighbourhoods such as Elwood, Albert/Middle Park, and historical South Melbourne are examples of such established residential neighbourhoods.

- “To ensure residential growth occurs where it will not compromise the overall economic capacity of the Inner Region, and the primary commercial/cultural role of activity centres.”

  -This would preclude much residential development from occurring in the vicinity of the major commercial areas in Port Phillip, and especially those Activity Centres, such as Fitzroy Street, Acland Street, and Carlisle Street, which have iconic cultural and entertainment value.

- “To ensure appropriate (affordable and relevant) housing is available to accommodate key worker groups of the Inner Region.”

  -This presents a challenge to development in Port Phillip, as recent trends have seen rising property values, rising incomes, and smaller households/housing units, forcing lower – income residents out of the area. Continued gentrification would make affordable housing more difficult to ensure.

In addition, Inner Regional Councils have existing policies, which strongly emphasise the "Protection of heritage, local character, and amenity." This implies that new residential development must:

- Respect the scale and character of surrounding development
- Maintain access to daylight and sunlight for neighbouring properties
- Minimise overlooking built structures,
- Ensure high onsite amenity for future occupants,
- Consider the potential future built form and land-use on adjoining sites.

Since the City of Port Phillip is almost completely built - out, and that almost any new residential development other than on infill or brown field sites would require the demolishing or rehabilitation of older buildings, these policies strictly limit development potential across the City. St. Kilda, Balaclava, and South Melbourne all generally have a low-rise, established character and scale. The only areas with significant potential for higher density and/or more vertical development are in the St. Kilda Road corridor, Port Melbourne, and those areas of South Melbourne near the Kingsway/City Wedge precinct, where such a precedent has already been established.

Specifically, the Inner Regional Council policy differs from 'Melbourne 2030' by shifting residential growth away from established urban areas and historical/culturally important Activity Centres. The [Councils] determined that

"Sufficient development opportunity exists within other strategically appropriate locations within the region to meet projected growth without the need to direct growth to, and potentially compromise, the heritage, character and amenity of [Port Phillip's] established areas."'

These growth trends and policies would indicate that though significant residential growth will occur across the city of Port Phillip through 2031, it will be spread out on available sites and areas that "can support and accommodate intensification" rather than centralised in and around the activity centres, which have less capacity for intensification.

Table 1. Estimated Population Increases in the Suburbs Nearest Designated City of Port Phillip Major Activity Centres, 2001-2031

Port Melbourne (Bay Street)	7,953
St.Kilda (Fitzroy Street)	6,729
St. Kilda (Acland Street)	2,356
East St. Kilda / Balaclava (Carlisle Street)	3,801
South Melbourne (Clarendon / Coventry Street)	11,352
Total	32,191

*Estimate August, 2004 (DSE)

Table 2. Anticipated Distribution of Additional Dwellings in the Inner Region, 2001-2031

Central Activities District (Central City and Docklands)	38.50%
Major Redevelopment Sites and Precincts	47.50%
Retail and Commercial Strips	7.50%
Established Residential Locations	6.50%

*Estimate August 2004 (DSE)

Table 1 above shows the anticipated population increases, across Port Phillip, by 2031. However, Table 2 shows where the Inner-Regional Councils anticipate this residential development will actually occur. The significant majority is expected to occur in Major Redevelopment Sites and Precincts, such as industrial areas or former industrial areas, infill sites/vacant lots, and general areas with high capacity for additional housing units. In Port Phillip, these areas are concentrated primarily in the Port Melbourne/South Melbourne vicinity. Only 7.5% of new residential development is anticipated in established retail and commercial strips, such as Acland, Fitzroy, and Carlisle Streets, and an even smaller percentage in established residential areas. Table 3 further illustrates this point. Capacity work undertaken by Inner Regional Councils estimates the capacity for new dwellings in Port Phillip established residential areas as only 3,150 through 2031, and in retail and commercial strips at only 1,850 through the same period.

Table 3. Potential Dwelling Capacity and Proposed Distribution for the Inner Region

	2001–06	*2006–11*	*2011–16*	*2016–31*	*Total potential capacity*
Established residential areas					
Melbourne	850	150	50	100	1,150
Port Phillip	1,550	450	400	750	3,150
Stonnington	220	170	100	150	640
Yarra	840	160	150	150	1,300
Sub-total	***3,460***	***930***	***700***	***1,150***	***6,240***
Strategic redevelopment sites					
Central Activities District	13,250	6,050	5,300	11,250	35,850
Retail & Commercial strips*					
Melbourne	-	-	-	-	-
Port Phillip	300	300	350	900	1,850
Stonnington	500	400	840	2,500	4,240
Yarra	250	130	100	200	680
Major redevelopment sites or precincts					
Melbourne	8,750	6,100	2,350	2,850	20,050
Port Phillip	6,300	1,000	1,200	2,800	11,300
Stonnington	650	650	640	1,200	3,140
Yarra	2,500	1,100	2,450	3,750	9,800
Sub-total	***32,500***	***15,730***	***13,230***	***25,450***	***86,910***
Total	**35,960**	**16,660**	**13,930**	**26,600**	**93,150**

* Includes residential opportunities within Business Zones

(Source: Based on preliminary capacity work undertaken by Councils)

2.4 Dealing with Bulky Goods Retailing

‘Bulky Goods’ retail is characterised by large, warehouse – type stores that sell ‘bulky’ items, i.e., generally too large to be carried away by a pedestrian. This sector includes retailers of furniture, whitegoods, electrical goods, hardware goods, floor coverings, household appliances and utensils, tools, gardening equipment, computers and audio-visual products and related goods that are driven by the size and composition of the regional population.

These activities occupy ‘utilitarian’ warehouse style facilities and are typically located in low - cost buildings in low-rent areas, usually on the suburban fringe or in industrial/semi-industrial areas. Bulky goods owners/operators seek locations away from the main centres in high accessibility, high profile locations such as on major arterials and at entry points to towns and suburbs. Typically, these stores require large sites with adequate car access, in the form of large car parks, and major thoroughfares.

Some examples of bulky goods retailers are home improvement/hardware stores such as Bunnings, Freedom Hardware, or Harvey Norman, and home design/furniture stores such as Ikea. These stores tend to be around 10,000 - 20,000 square metres or larger. Other large stores such as Rebel Sport and ‘JB Hi – Fi’ sell bulky items, such as camping equipment, or large entertainment/stereo systems. There are few examples of bulky goods retail in inner city and inner-suburban areas, one such example is the Victoria Gardens shopping mall, opened in 2003 in the City of Yarra.

Recent research has found that the demand for products for ‘Bulky Goods’ stores is increasing and this is reflected in the return on investment, especially in Melbourne. This trend indicates the importance of identifying any appropriate sites in Port Phillip with such development capability.

Port Phillip Bulky Retail Development Potential

The City of Port Phillip does not have bulky-goods related stores. Altona is the nearest bulky goods area to the west of the municipality and the Nepean Highway, Moorabin, to the southeast. This is largely due to the relatively high cost of land within a Melbourne metropolitan context and the lack of available sites to pursue this form of development.

Whilst Port Phillip does not have many large sites that are undeveloped that can be used for ‘Bulky Goods’ type businesses, investors are however still keen to pursue possibilities for new such investment. Though ‘Melbourne 2030’ seeks to discourage out of centre development, there are still a select number of sites within the municipality that could be the subject of planning scheme applications for ‘Bulky Goods’ related stores, both in and away from activity centres.

Inner-Regional Council Policy objectives, as discussed in the previous section, would limit opportunities for such retail in Port Phillip Activity Centres. The size and access requirements of a bulky goods store or warehouse would make such a store impossible in areas with significant urban form and established heritage/cultural value. These types of stores typically have large, regional catchments, and could change the nature/character of the surrounding area. The only potential areas for such retail would be in the same areas that are suitable for other types of intense development - industrial and former industrial sites, (i.e., brownfield sites), vacant lots, and sites with adequate access to major transportation networks. (Train lines, highways, etc) A limited selection of such locations exists, specifically in the Port Melbourne/South Melbourne vicinity, near the Kingsway/City Wedge/'South Melbourne Central' areas. However, this area is close enough to the major retail concentrations in the CBD that such development may face significant competition.

Other sites may be feasible along the portion of the Nepean Highway (Brighton Road) that runs through Port Phillip. This corridor is currently home to various auto dealerships and accessible to auto-based retail trips. The areas immediately adjacent to Brighton Road/Nepean Highway are not as intensively developed as they could be, and are not as sensitive to heritage/character/scale concerns as locations closer to established areas and Activity Centres may be.

Victoria Gardens as Example of Inner-Suburban Infill 'Bulky Goods' Retail Complex

Analysis was undertaken of the effect of Victoria Gardens, which contains major bulky goods anchor Ikea, on the City of Yarra's retail expenditure and shopping patterns. This presents one of the few examples of bulky goods type retail outlet development on an infill/brownfield site in Inner Melbourne. This shopping mall, consisting of around 48,500 sqm of retail, is the centrepiece of retail in the 'Victoria Parade Major Activity Centre'. Victoria Gardens was the main component of a large redevelopment of a brownfield site, strategically located on Victoria Street and a light rail line, and in the centre of a highly populated and affluent region of Melbourne's Inner-East.

Victoria Gardens has seen mixed success. Though significantly boosting expenditure in the City of Yarra, and correspondingly increasing turnover from surrounding areas into the City of Yarra, it faces problems from an urban amenities viewpoint. Though the centre is on a light rail/tram line, it is not within a short walk of a train station. (Both Burnley and North Richmond Stations are at least a 15 minute walk) Most shoppers come via car, and come for the specific purpose of buying goods at a particular store or anchor (especially Ikea) and then leaving. Thus, Ikea has seen high sales per square metre, but at the expense of the other stores in the centre.

In this sense, Victoria Gardens functions as a suburban shopping mall, not as an Inner-Urban 'town centre', as it was designed to be. Pedestrian access is also difficult, as it requires navigation around and through the series of enclosed and outdoor car parks surrounding the centre. These car parks also close Victoria Gardens off to the street, creating a bleak, walled façade. This does not enhance the streetscape, and adds little 'life' to the streets surrounding the centre. The complex is also poorly integrated into a mix of uses, and into the broader context of the 'Victoria Street Activity Centre'. There is no residential or office space adjacent or within the mall complex. This single-use of retail means that when the mall closes at night, most activity ceases, and the area becomes something of a 'dead zone'. Careful design would have integrated the shopping centre into the broader context of the Victoria Parade Major Activity Centre, and would have featured more of a 'town-centre' type of gathering place, rather than the auto-friendly, private realm of a misplaced suburban shopping complex.

'Bulky Goods' Retail Location Considerations

Acknowledging the DSE Out of Centre' guidelines, SGS would support consideration of the following priorities for preferred location of retail in regards to Activity Centres. Note that bulky goods are a low priority for location in/near an Activity Centre, for reasons listed below:

Highest Priority to be 'in-centre'.	- Shops less than 500 sq m - Supermarkets - Discount Department Stores - Department Stores

The rationale for the high priority is that these activities are frequently visited, are highly synergistic (multi-purpose trips) and are heavily relied upon by non-car users. They also relate well to other activity centre land uses such as commercial, recreation, leisure and cultural uses.

Second Priority to be 'in-centre'.	- Shops greater than 500 sq m - Large format 'category killers'

The rationale for this lesser priority is that such facilities are less frequently visited but they are relied upon by non-car users. A fringe location would be appropriate.

Third Priority for location 'in-centre'.	**- Large format 'bulky goods'.**

The rationales for this low priority is that they are infrequently visited, are often single purpose trips and are, by necessity, largely car-based.

This is not to say that in a new activity centre without land supply constraints all three levels would not be catered for.

3 Strategic Directions for the Port Phillip Major Activity Centres

The following section examines the function/role, strengths/weaknesses, growth/development potential, and a statement on the strategic direction for the five Major Activity Centres in Port Phillip. The growth potential takes into account the projected retail, commercial, and residential floor space in each activity centre.

Retail Analysis

SGS undertook some detailed economic modelling to arrive at individual retail forecasts for the municipality's major activity centres. To calculate the required retail floor space in the future, it was first assumed that Port Phillip would maintain its current market share within Victoria as the population grows. Population forecasts provided by the Department of Sustainability and the Environment were then used to calculate future expenditure for each Transport Zone in Melbourne and the forecasted growth in retail expenditure per capita was also used to predict future retail demand.

In order to estimate the required floor space within an activity centre, it is first necessary to determine the amount of turnover a shopping centre generates per sqm of floor space (known as the retail turnover density or RTD). It should be noted that the RTDs can vary substantially from centre to centre; for example, past studies have shown that the RTD's achieved in a regional shopping centre may be as high as $8,000 per sqm, whereas minor shopping strips can survive on an RTD of $2,000 due to the lower rents that prevail in such locations. In this case conservative RTDs were chosen, which are similar to modern enclosed shopping developments as this is primarily the form of retail development that will occur in the future.

Table 4. Retail Turnover Densities Applied in the Analysis

	RTD ($/sqm)
Supermarkets	8,000
Department Stores	2,500
Other Food	6,000
Clothing and Soft Goods	3,000
Household Goods	3,000
Other Retail	4,000
Hospitality and Services	3,000

SGS used the Retail Turnover Densities in Table 4 and the projected retail turnover to calculate the net demand for various types of retail floor space in Port Phillip. This represents the overall demand, but care should also be taken to accommodate the preferred floor space size of retail establishments. Fore example, individual full-line Supermarkets usually operate best at around 3,500 sqm, and "neighbourhood level" centres are generally accompanied by 10 or so specialty shops around 120sqm each.

Commercial Forecasts

In order to make a reasonable forecast of the potential demand for office floor space a number of issues need to be addressed. While there is a great deal of literature regarding the relationship between floor space demand and office employment, little (if any) literature exists regarding other land-uses. Reports which do exist are usually 'city-centric', in that they only relate specifically to the area under study and are therefore of little use in developing forecasts for other regions. For example, manufacturing firms in the Inner City may have more office workers as opposed to factory workers when compared to a suburban location. The problem is further complicated by the fact that the majority of reports simply state the number of jobs in industries that typically use commercial floor space (e.g. Finance & Insurance) and do not take into account that other industries (such as construction or agriculture) which may require commercial floor space as well.

A better method is to analyze floor space by occupation, as well as industry, for the area under study such as that adopted here. To determine the proportion of jobs that are based in offices, a review of land use and employment data needs to be conducted. The detailed methodology associated with such analysis performed by SGS for this report is included in Appendix B.

3.1.1 Synopsis of Commercial Floor space Forecasts

Table 5 provides the synopsis of the floor space forecasts across Port Phillip. These forecasts are based on the Australian Bureau of Statistics (ABS) employment statistics for the 2001 census, and the employment growth forecasts through 2011. SGS modelling assumes 25 square metres of office space, per employee.

Table 5. Synopsis of Floor space Forecasts, Port Phillip (C), 2001 - 2011

	2001 - 2006		2006 - 2011		2001 - 2011	
Method	Office Employment	Office Floor space	Office Employment	Office Floor space	Office Employment	Office Floor space
JTW Trend Based	5,829	152,282	7,230	188,816	13,059	341,099
GSP Trend Based	6,057	158,847	6,751	177,426	12,808	336,273
IO Model Based	5,808	152,226	6,408	168,222	12,215	320,448
Average	5,898	154,452	6,796	178,155	12,694	332,606

Hence, the City of Port Phillip is expected to demand around 320,000 to 341,000 square metres of additional commercial floor space in the period 2001 - 2011. This is roughly equivalent (in terms of floor space) to six additional 'Eureka Towers.' Of course this commercial growth would likely not come in the form of six high towers, but would be spread across Port Phillip according to the scale, space, and development opportunities that exist. This does not allow for withdrawal of existing office floor space for other purposes (e.g. residential).

Residential Forecasts

Population forecasts for Port Phillip Activity Centres are based on DSE estimates through 2031. The breakdown of where this residential growth is expected to occur is discussed previously in section 2.3.

Interconnectivity and Networks Between Centres

It should be acknowledged that there are some strong linkages between Port Phillip's activity centres, both large and small. Some of these linkages could be considered latent and not fully matured (e.g. Fitzroy Street and Acland Street). Some links are not immediately apparent whilst others are more obvious. These linkages are not necessarily made explicit, or for that matter acknowledged in Melbourne 2030. SGS recommends stronger linkages between the Acland Street and Fitzroy Street MAC's. There are also opportunities for stronger linkages between Carlisle Street (Balaclava/East St. Kilda) and the foreshore, as well as between Bay Street and Clarendon Street in Port Melbourne/South Melbourne.

Multiplicity of / Coordination of Roles and Functions

In preparing this Review, it has become increasingly apparent that there is a tension between the tourism roles of centres (e.g. beaches, music venues, restaurants, lodging) versus local needs (e.g. convenience retailing, personal services). This is being considered by the 'Inner City Entertainment Precinct Taskforce' (refer to Background Paper). The principles and opportunities and constraints highlighted in this section recognise these dual roles and seek to cater to both with a strong emphasis on incorporating 'local character' and 'identity' into the tourism experience of tourists visiting Port Phillip's Activity Centres.

Recent Initiatives / Development Approvals

Several recent key initiatives/development approvals are important to consider before evaluation of specific opportunities of each MAC. Consideration of these developments should be taken into account when reading the following sections:

- Balaclava railway station redevelopment proposal (East St. Kilda/Balaclava)
- 'Woodstock' rooming house community housing development. 30-34 Marlborough St., (East St. Kilda)
- 46 – 58 Marlborough Street, (East St. Kilda) – future designated community and private development site.
- Clarendon Street Coles Redevelopment (South Melbourne)
- Red Bears redevelopment (South Melbourne)'
- IGA Supermarket Development (Port Melbourne)

3.2 Acland Street Major Activity Centre

3.2.1 Role and Function

Acland Street is the most complex centre within Port Phillip, serving multiple roles for local residents and tourists. The tourist industry dominates the centre on weekends and evenings, especially from the spring to autumn. Fitzroy Street and Acland Street hold many similarities with the exception that Acland Street accommodates two major supermarkets, as well as a more diverse retail mix providing a wider range of shopping to meet the daily needs of local residents.

There has also been local debate as to the merits of removing motorised traffic completely from the Street. This follows on from advocates of walking such as Rodney Tolley from the UK, who has argued that malls provide improved cross-street retailing.

Within the City of Port Phillip there are no designated 'Principal Activity Centres', however, it is evident that Acland Street (the Triangle), and its surrounds, performs a 'principal' function for entertainment, drawing in people from all over Melbourne as well as overseas tourists. Acland Street provides the most appropriate centre in Port Phillip to be upgraded to a 'principal' activity centre status, should it be deemed desirable to do so. However, there is no real need to pursue the higher order classification: the centre can be permitted to grow further without formal acknowledgement of a higher order classification.

Approximately one third of the strip shopping centre and surrounding residential area is covered by heritage planning controls in the Port Phillip Planning Scheme. See Figure 4 below for a context map of the area.

Figure 4 Acland Street Precinct Commercial Area

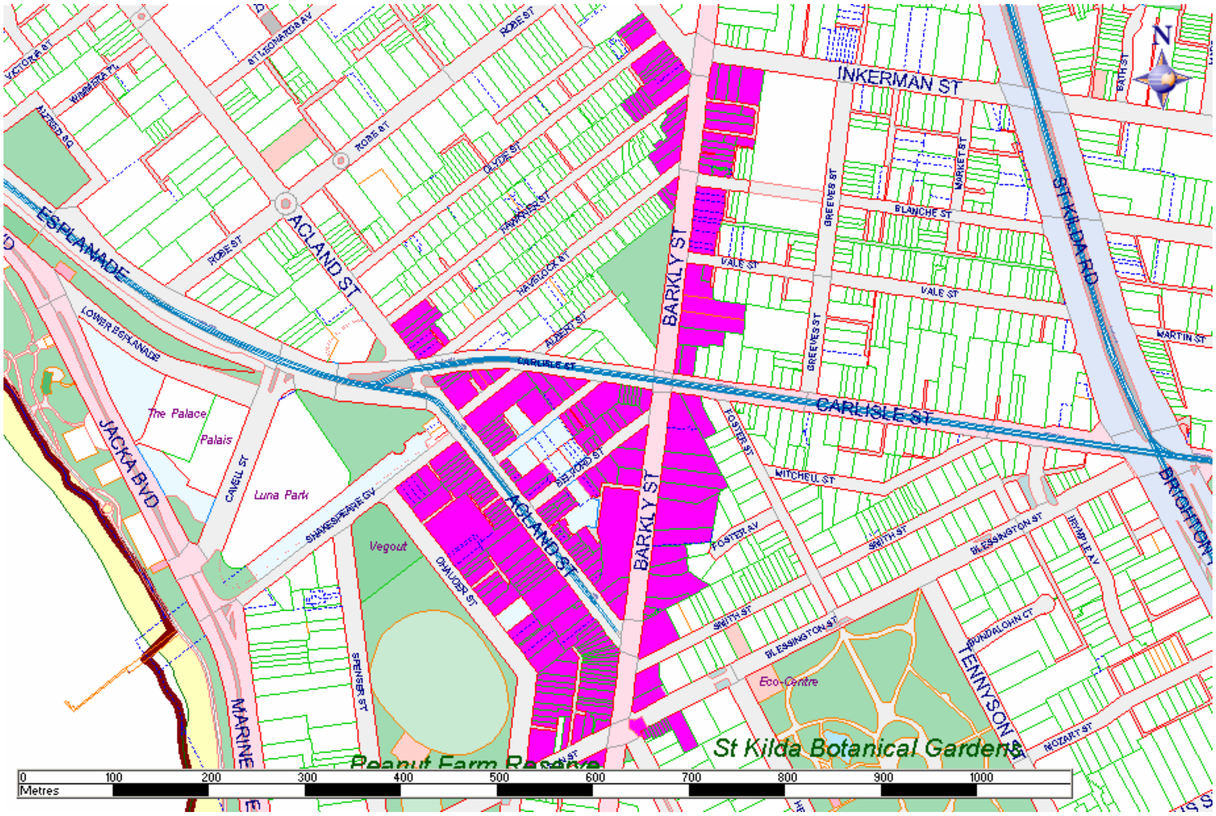


Table 6. Acland Street Retail Turnover 2001 (ABS, 2001)

	Supermar - kets	Department Stores	Other Food	Clothing and Soft Goods	Household Goods	Other Retail	Hospitality & Services	Total
Acland Street	$33.7m	$0.0m	$12.5m	$6.2m	$5.6m	$12.4m	$39.8m	$110.3m

As of 2001, Acland Street's strongest retail sector was 'Hospitality and Services', reflecting the street's strong presence of restaurants and bars. Also strong were 'Supermarkets,' indicating the presence of two full-service supermarket chains. (ABS, 2001)

3.2.2 Distinguishing Features and Connections

Acland Street has worn many hats historically, evolving from a bayside holiday destination to a bustling immigrant hub, to its current incarnation as a gentrified destination for food, drinks, and fun. Paralleling these phases has been a consistent presence in the vicinity of elements considered seedy by some, including drug use and the night - time sex trade. Acland Street's current retail mix is an eclectic and diverse blend of these historical hats – continental pastry shops rub shoulders with health food stores, major supermarkets, bars, trendy restaurants and a few still - present x-rated businesses.

Acland Street's multi faceted role is not a recent phenomenon, although the tourism function has become increasingly acute. In the 1970s, the Centre had a reputation as one of the few places where one could buy a decent coffee on Sunday. The street was dominated by cake shops and was frequented by East European Jewish migrants. This multi - use character is not without its conflicts as many local residents avoid Acland Street on Friday evenings, Saturdays and Sundays when tourists take over.

Acland Street's close proximity to icon destinations such as St Kilda Beach and Luna Park is also significant and there is substantial foot traffic between the street and these venues. The identity of the street is heavily interlinked with these attractions. The Street is also in close proximity to precincts frequented by sex workers.

Acland Street's large catchment overlaps with nearby Fitzroy Street, a few blocks north, as well as Carlisle Street, a few blocks east. Acland Street and Fitzroy Street are very much complementary of each other, operating as two distinct nodes of the general St. Kilda entertainment/cultural district. Visitors to Acland Street often come by way of Fitzroy Street, as the two streets abut the St. Kilda Esplanade and share a tram route. Acland Street is in similar proximity to the Carlisle Street commercial district, but overlaps less with this area. Carlisle Street is not thought of as a tourist or entertainment destination, and is not normally associated with St. Kilda and the bay foreshore. Over time, Acland Street and Fitzroy Streets have become more interconnected, as densification, new development, gentrification, and investment in the foreshore have made the general area more vibrant and attractive.

Strengths and Weaknesses

Strengths

Acland Street is a strong centre in many respects. It is well served by a public transit spine down the length of the street, which serves to animate the centre and provide accessibility. This includes both a tramway along Acland Street as well as bus services on Barkly and Carlisle Streets. It is well located in the centre of a densely populated precinct with residents of various income levels, ethnic and cultural backgrounds, as well as many hotel and backpacker hostel rooms. This provides constant street and pedestrian activity. Acland Street's close proximity to iconic St. Kilda Beach and its entertainment and cultural offerings add a festive and holiday flair to the district, especially in the summer months. There are many intact heritage buildings which complement the streetscape, including several from the art –

deco period. The street offers an eclectic and bohemian atmosphere, offering a diverse range of experiences. The ghosts of a former heavy Jewish immigrant presence combine with a current hipster/gentrified ambience to provide a unique vibe on the street.

Acland Street also has a scale which has a decidedly community/village like feel. This is enhanced by a diverse business mix, featuring many local goods and services, as well as major supermarket anchors. (Coles and Safeway) There are a variety of housing forms in the surrounding area, which has trended more expensive in recent years, but still offers a mix of price ranges, styles, and scales.

Weaknesses

Acland Street also faces several challenges as a MAC. There is heavy traffic congestion in the area, coupled with a lack of parking. This is especially the case during the summer months, and is augmented by the fact that there is no train line running through the neighbourhood. The tram network, though convenient, is somewhat unfriendly to pedestrians (especially at the Acland/Carlisle/Esplanade junction) and is also somewhat disconnected to other parts of St. Kilda and areas of the City. There is a lack of available sites for new development, as much of the area has heritage status and is also quite densely built, potentially limiting growth. Gentrification caused by rising rents and property prices pose a risk of pushing out the elements that make the area unique, and give the centre its aforementioned “vibe.” An Acland Street that loses its gritty flavour, in regards to being a mix of all spectrums of society, is a weakened Acland Street.

3.2.3 Growth Potential

Retail Growth Potential

Table 7 below shows Acland Street’s projected retail turnover in 2016. ‘Supermarkets’ and ‘Hospitality and Services’ are expected to remain the leading commodity sectors, respectively. Some growth is expected in the ‘Other Food’ and ‘Household Goods’ and ‘Other Retail’, while ‘Department Stores’ and ‘Clothing’ are expected to remain roughly flat. This indicates Acland Street’s continued specialty as a centre for food, in the form of supermarkets, restaurants, and bars. This also indicates that significant development of clothing stores and department store or ‘big box’ style retail is unlikely.

Table 7. Acland Street Projected Turnover, 2016

	Supermar-kets	Department Stores	Other Food	Clothing and Soft Goods	Household Goods	Other Retail	Hospitality & Services	Total
Acland Street	$49.2m	$0.0m	$18.1m	$7.1m	$10.1m	$19.2m	$44.0m	$147.7m

Table 8 below further illustrates the continued importance of Acland Street in the 'supermarket sector,' already the leading commodity group, and projected to show net growth of $15.4 million, 2001-2016.

Table 8. Acland Street Projected Net Retail Growth, 2001-2016

	Supermar-kets	Department Stores	Other Food	Clothing and Soft Goods	Household Goods	Other Retail	Hospitality & Services	Total
Acland Street	+$15.4m	+$0.0m	+$5.6m	+$0.9m	+$4.5m	+$6.8m	+$4.2m	+$37.4m

Table 9. Net Floor Space Demand with Current Market Share (2001 to 2016)

	Super-markets	Department Stores	Other Food	Clothing & Soft Goods	Household Goods	Other Retail	Hospitality & Services	Total
Acland Street	1,930	0	696	119	557	845	527	4,673

Based on the projected retail growth, Acland Street could feasibly see 4, 673 square metres of additional floor space by 2016, led by supermarkets, which have a potential for an additional 1,930 sqm.

Commercial Growth Potential

The City of Port Phillip is expected to demand around 320,000 to 341,000 square metres of additional commercial floor space in the period 2001 - 2011. (SGS Estimates, 2005) However, the bulk of this growth is expected in areas where large sites and/or higher - density opportunities are present. These are mainly limited to the areas where office space is currently concentrated in the City: The St. Kilda Road Corridor, and South Melbourne. Further commercial development is possible in the vicinity of Port Melbourne, but is unlikely in the Acland St./St. Kilda vicinity. This is due both to the lack of sites, and the function of the centre as regional entertainment and local retail.

Residential Growth Potential

Potential for residential growth is therefore limited, other than through innovative solutions on challenging sites, eg shop tops and air- rights over car parks.

3.2.4 Strategic Direction for the Centre

Distinction should be made between the parts of the Acland Triangle that are to be allowed, or even encouraged, to develop to service the tourism industry and those parts that are to be restricted for the daily needs of local residents and workers. There is a responsibility to ensure that the needs of local residents are met as a first priority. This can be done by using available statutory and non – statutory tools to encourage each part of the Triangle for each type of custom, not exclusively but predominantly. For some specific examples of some such tools, see the discussion in Section 4. The following are some possibilities:

- Allow Acland Street to develop as a tourist precinct, as it is largely now, but especially the west end of the street;
- Open up the Barkly Street and Carlisle Street legs of the Triangle more for uses to service the weekly needs of local residents;
- Reserve the east end of Acland Street (around the Acland Court complex) for local needs; and develop the Smith Street and Blessington Street components for similar uses; and
- Consider a reorganisation of the tram network and the design of the termini in the area to overcome some of the pedestrian / access difficulties, and increase the efficiency of tram connectivity through the district to connect to the broader tram network.

Key Sites for Change / Development

Acland Street holds no major sites that are vacant and can be readily developed. However, around the Triangle there are numerous sites where uses can be intensified or redevelopment could occur.

One of these sites is the car park in the middle of the Barkly / Acland / Carlisle Street triangle adjacent to Irwell and Belford Streets. The development of 'Other Retail' and 'Other Food' businesses on this site, two areas expected to show strong floor space demand, could be encouraged by Council through recruitment efforts and public/private partnerships. Opportunities for the development of affordable housing on or adjacent to this site should also be examined.

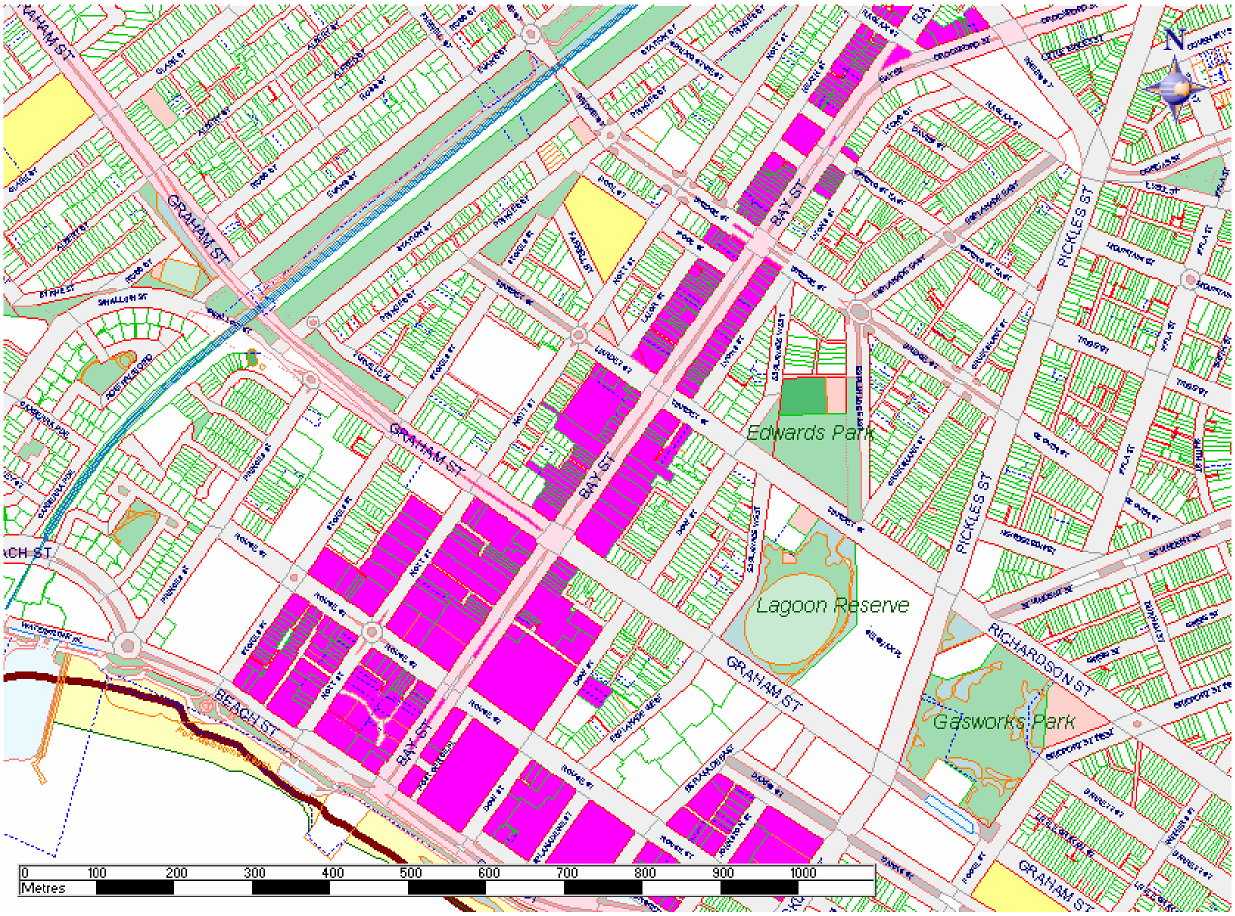
The historic theatre on the corner of Carlisle Street and Barkly Street is a wonderful building and over the years there have been numerous attempts to exploit its latent potential. It is now well used by the National Theatre as an education / training venue. However, the theatre as a catalyst for growth in the precinct has not been fully exploited and the ways by which the area can be developed for culture and the arts should be explored.

There is significant scope for broader linkage to a potential theatre, entertainment and arts function in the vicinity. This precinct includes the National Theatre, Palais Theatre, Memo Hall, Luna Park, Palace, foreshore events, Linden Arts Centre and Theatreworks and has strong potential for related economic development. Potential new complementary activities include: dance and music venues, cinemas, galleries, bars / nightclubs, boutique hotel(s), reception and conference facilities, cafes and some retail. Section 4 has a more in-depth discussion of tools available to encourage such development.

3.3 Bay Street Major Activity Centre

The Bay Street MAC (Figure 4) incorporates an area from Beach Street in the southwest to Ingles Street in the northeast. The Centre incorporates approximately 25,000 sq m of retail floor space. (ABS, 2001)

Figure 4. Bay Street Commercial Area



3.3.1 Role and Function

Bay Street is a strong mixed-use centre heavily linked with the new high - density residential development in Port Melbourne, where significant population growth is occurring and expected. Bay Street has a strategic and visible location adjacent to the foreshore and Station Pier, the main port of entry/departure for interstate and international cruise and ferry-based visitors.

Bay Street has a strong local convenience shopping 'offering,' but also plays a more regional role, catering to visitors and tourists with bars, cafes, and restaurants. It is a major 'community hub' with an emerging art theme, featuring galleries, studios, and workshops. Bars clubs, and music venues have also emerged, indicating a regional/metropolitan focus. Recent years have seen the emergence of a tourism and leisure precinct along the waterfront. Bay Street is also home to a concentration of business services firms.

Table 10. Bay Street Retail Turnover, 2001 (ABS, 2001)

	Supermar - kets	Department Stores	Other Food	Clothing and Soft Goods	Household Goods	Other Retail	Hospitality & Services	Total
Bay Street	$28.9m	$0.4m	$9.5m	$2.7m	$6.9m	$10.5m	$25.2m	$84.1m

Bay Street's strongest retail sector, as of 2001, was 'Supermarkets,' closely followed by 'Hospitality and Services.' This reflects the local importance of the centre for goods and services, as well as the regional draw of restaurants and bars.

3.3.2 Distinguishing Features and Connections

Bay Street between Ingles Street and Beach Street is Port Melbourne's main neighbourhood shopping centre, with a total of 154 businesses in 2002, as well as a number of offices. The retail businesses include a variety of retail outlets, personal and office services and several cafés, restaurants and pubs. Community and civic services are also centred on Bay Street and its adjoining side streets. The proliferation of businesses such as clothing stores (12), beauty salons (11), hairdressers (10), interior decorating shops (6), real estate agents (6), and travel agents (5), and eating establishments (43) point at an increasingly affluent demographic of the neighbourhood.

The Bay Street strip divides into three distinct components: The stretch between Ingles Street and Bridge Street is mostly defined by businesses that cater for everyday working and personal needs. The stretch between Bridge Street and Graham Street is more upmarket, with several specialty businesses. Coles Supermarket at the southwest corner of Liardet Street and Bay Street is a major retail anchor. The stretch between Graham Street and Beach Street, previously industrial land, has been largely converted into medium to high - density residential use, but has accommodated a number of businesses that cater for residents.

Retail floor space along Bay Street is predominantly located on its west side, with a much greater amount of office accommodation to the east. This condition gives the centre a strong one-sided retail pattern. Key community foci are the post office precinct, the library in Liardet Street, the community centre (strong social, welfare and recreational role) and the former Port Melbourne Town Hall. The area also has some office, entertainment and commercial uses. Access to Graham Street south of Bay Street is one way only.

With expanding residential development and tourism, there are some indications that the Bay Street shopping centre has turned the corner into Beach Street north side. In late 2004 this featured 6 businesses, primarily eating establishments, with views to the bay.

There are also opportunities for servicing residents from nearby Southgate residential developments. This target market could be a focus for the eastern end of the Bay Street activity centre.

Port Melbourne is included as one of the City of Port Phillip's Community Hubs (City of Port Phillip, Community Hubs Policy, February 2004).

3.3.3 Strengths and Weaknesses

Strengths

Bay Street has a distinctive 'urban village' atmosphere and feel. A number of heritage buildings provide character and an attractive streetscape. The Centre is the definition of "mixed use," with a diverse assortment of tenants, including food/retail/entertainment, with the presence of a major 'anchor' supermarket.

Day and night activity provides vibrancy, enhanced by the foreshore and Station Pier cruise/ferry arrivals and departures. The neighbourhood has seen the emergence of a nouveaux art scene, with galleries, studios, and workshops. There are a variety of new housing forms in adjoining streets, with a range of densities and price ranges. Notable is the large Beacon's Cove development, which has added many new residents to the area and contributes to the overall "village" feel of the precinct.

Weaknesses

However, this new housing construction and renovation of former industrial space, while adding to the Centre's vibrancy, has also made incursions into the heritage built form. Bay Street is fairly inaccessible via public transit, with a lack of a train line, and a lack of a foreshore-based transit connection to the St. Kilda area. There is insufficient retail activity along parts of the South side of Bay Street, creating a disconnect in the streetscape. There is also a fragmentation of movement/access between Station Pier itself and Bay Street, and a general lack of cohesion between different parts of Bay Street. Rising affluence and gentrification may also contribute to increasing car ownership and use, compounding traffic congestion and causing a deficit in on street parking spaces.

3.3.4 Growth Potential

Retail Growth Potential

SGS estimates show Bay Street will have a retail turnover of $138.4 million by 2016, lead by far by the supermarkets commodity sector. Also strong will be 'Hospitality and Services' and to a lesser degrees, 'Other Retail' and 'Other Food.'

Table 11. Bay Street Projected Turnover, 2016

	Supermar-kets	Department Stores	Other Food	Clothing and Soft Goods	Household Goods	Other Retail	Hospitality & Services	Total
Bay Street	$51.6m	$0.7m	$16.3m	$3.8m	$15.0m	$19.4m	$31.8m	$138.4m

Table 12. Bay Street Projected Net Retail Growth, 2001-2016

	Supermar-kets	Department Stores	Other Food	Clothing and Soft Goods	Household Goods	Other Retail	Hospitality & Services	Total
Bay Street	+$22.7m	+$0.2m	+$6.8m	+$1.0m	+$8.0m	+$8.9m	+$6.6m	+$54.3m

The strongest growth is projected to be in the supermarkets sector, with a net growth of $22.6 million. ‘Household Goods’ and ‘Other Retail’, though to a much lesser extent, will also see significant growth. ‘Department Stores’ and ‘Clothing’ will remain nearly stagnant.

Table 13. Net Floor Space Demand with Current Market Share (2001 to 2016)

	Super-markets	Department Stores	Other Food	Clothing & Soft Goods	Household Goods	Other Retail	Hospitality & Services	Total
Bay Street	9,076	94	2,726	418	3,206	3,578	2,630	21,727

This will lead to a floor space demand of 9,076 sqm for supermarkets, 3,578 sqm for ‘Other Retail’ and 3,206 sqm for ‘Household Goods.’ Total floor space demand by 2016 is projected to be 21,727 sqm. (Table 13)

Commercial Growth Potential

There is limited potential for new office space in those selected areas currently vacant, brownfield, or under-built. However, these areas are rare in the vicinity of Bay Street. Some opportunities may exist in the vicinity of the foreshore, as part of the Station Pier redevelopment and the proposed extension of Bay Street, and also along portions of the North side of the street, which is slightly less developed than the south side.

Residential Growth Potential

Residential development is occurring along the foreshore, and this is the most likely area for future residential growth. This is one of the areas in Port Phillip suitable for high density residential, especially with the re-development of Station Pier and the proposed extension of Bay Street.

3.3.5 Strategic Direction for the Centre

It is important to reconcile the issues between movement and commercial activity. Shopping experience needs to be such that people can also enjoy local cultural activities. Bay Street has three main functions: Firstly, it is a corridor to move within. Secondly, it directs movement beyond its boundaries. Thirdly, it is a rich source of urban experiences by virtue of the people that use and visit it socially or for shopping.

Shopping centres have increasingly become social centres - the foci of shopper interaction and leisure activities. Bay Street channels movement flows between local consumer attractions, including shopping-related events. This role can be built upon to support the development of commercial and retail land uses and services between the street and Station Pier.

The challenge is to develop a mix of activities, particularly at the ground level throughout the Bay Street–Station Pier link for increased pedestrian and visitor attraction and interest.

Strengthening links between Bay Street and Station Pier

A steady flow of customers and goods is essential to the survival of retail activity. Levels of foot traffic and the volume of sales fundamentally interrelate the issues of shopping, urbanity and mobility - how to facilitate people movement, be it by foot, or by other means. In Port Melbourne, Station Pier, Beach Street, the central retail core of Bay Street, Bay Street east and Bay Street west are all quite different from each other in terms of ambience and activity. There is an opportunity to interlink them to form a sequence of urban experiences.

The following proposals aim to strengthen the sense of connectivity to Bay Street for visitors arriving at Station Pier through:

- Developing a unified landscape theme and consistent street tree planting between Station Pier and Bay Street, including a stronger urban role for the foreshore promenade,
- Promoting evenly spread pedestrian activity and movement between the two destinations,
- Assessing the location and access to community facilities and local convenience shopping along major movement channels, and
- Strengthening undeveloped commercial and retail markets that can add value to the distribution of goods and services.

Increasing Shopping activity and visitor facilities and services

Port Melbourne is a regional tourist destination with a significant economic role for the City of Port Phillip and the broader Melbourne metropolitan area: Station Pier is a gateway to Melbourne for tourism-related leisure and entertainment activities - the Spirit of Tasmania and regularly visiting cruise liners make substantial contributions to the State economy.

It is important for Station Pier to cater for increasing visitor numbers and to provide relevant visitor facilities, services and shopping opportunities that support visitor numbers and demands. This precinct should:

- Be a readily identifiable place, where the enjoyment of space and some limited shopping builds on its cultural heritage,
- Have an improved Station Pier terminal, with spaces for a variety of commercial and retail activities that respond to visitor needs,
- Provide comfort and protection from the elements with seats, public amenities, visitor facilities and services,
- Provide service facilities such as ATM machines and Internet terminals, and
- Provide some limited retail that is not in direct competition with Bay Street.

It is also important to investigate how a market space could be provided at times of consumer saturation and activity, such as peak ferry-cruise arrival and departure hours, on weekends, or during the weekday lunch break.

Maintaining and extending the mix and integration of land uses and activity in Bay Street

Bay Street already has a rich mix of uses that create significant economic and social benefits. It should continue to offer a wide range of commercial and retail functions and access opportunities to maintain high levels of activity. Shopping is one of the basic building blocks of urbanity and providing for it is one of the best tools for achieving urban connectivity, access and cohesion and for encouraging active movement. The challenge for Bay Street is to develop a right retail mix including local convenience shopping and provisions for tourist and cultural activities, which would further diversify the existing economic and social opportunities.

It will be important to:

- Protect and enhance the Bay Street convenience retail core between Graham Street and Bridge Street;
- Discourage the expansion of the centre into adjacent residential areas not already facing an active frontage;
- Encourage new restaurants to locate within the shopping strip on the south side of Bay Street to increase its use and appeal and to supplement its primary retail function;
- Generally discourage new bar and pub uses, except in association with existing food and drink premises located on the ground floor;
- Encourage any new development to include retail and (or) restaurant spaces and to locate residential and (or) office uses above or behind the Bay Street ground floor frontage;
- Encourage increased residential densities in selected locations around Bay Street, to enhance economic viability and urban vibrancy;
- Encourage mixed land use between Dow Street and Nott Street;
- Investigate the potential of the Bay Street–Rouse Street intersection to become a strong activity node, and
- Encourage community uses as an integral aspect of Bay Street.

Protecting the local urban character and townscape image and managing future urban form

Bay Street is a traditional strip shopping centre, but also includes some residential, industrial and office uses. Most buildings from the street's Victorian and Edwardian past remain, but there has been some redevelopment and renovation, particularly on the south side of the street. Characteristic features are one and two - storey buildings built to the property line with verandas, the considerable width of the street, intersections to side streets at straight angles, a consistent streetscape, and Port Melbourne Town Hall is a visual and community focus.

Branding is a way of differentiating markets that result in selling image as much as products. Bay Street has its own distinct identity, which is the essential basis of its commercial and image branding, market differentiation and shopping experience. Careful management of the future evolution of the street in conjunction with Station Pier can add commercial and retail value. It is also important to develop appropriate venues, places, and environments that add symbolic value.

The future evolution of Bay Street relies on its role as a movement corridor, the channelling of activities and urban change. While changes are evident, all new development—infill, building recycling and redevelopment—should respect the street's established townscape character and heritage qualities, including its prominent historic buildings.

It is important to:

- Take advantage of Bay Street's remnant historic character,
- Retain streetscapes of local and State significance identified in the Port Melbourne Conservation Study,
- Encourage new viable development and a potential brand zone which strengthen the local sense of place,
- Respect the consistent two-storey scale and regular streetscape pattern created by consistent building frontage widths,
- Encourage the development of active street frontages, weather-protected pedestrian spaces and an innovative treatment of public space,
- Continue to highlight the landmark significance of the Town Hall clock tower in the streetscape and retain vistas to the building,
- Maintain street trees in Bay Street, particularly the Chinese Elms around the Town Hall,
- Offer safety, security, comfort and convenience and a high level of physical and visual amenity, and
- Retain views in Bay Street to the south towards the skyline and to the west to Hobsons Bay.

Managing local traffic, car parking and pedestrian movement

The aim of managing movement in Port Melbourne is to interconnect the now fragmented elements within the Bay Street to Station Pier commercial and retail corridor. Active movement is encouraged by providing facilities and activities that are complementary and accelerate the exchange of information and capital—from actual pedestrian paths to the virtual shopping channels online.

Beach Street currently has a purely functional role as a declared main road and the western end of Bay Street is an open, wide space dominated by cars and trucks, separating pedestrian movement between the foreshore and Bay Street. The Bay Street and Beach Street intersection is a pivotal point that visitors pass. There is potential to improve it to clearly communicate the entrance to and the role of the Bay Street shopping centre, and the width of Bay Street allows for improvements that provide functioning space for different types of movement. Council promotes Pickles Street as the preferred truck route.

The foreshore is a major arrival point to Melbourne from the sea and the foreshore is a leisure and entertainment attraction of metropolitan significance. Pedestrian access will be a priority, along with well-located facilities and services. The emerging leisure and entertainment industry requires improved links to facilitate continuous pedestrian flows and promenading.

It will be important to:

- Improve the Bay Street and Beach Street intersection with pedestrian priority,
- Develop a strong sense of entry from Beach Street to Bay Street, including identifying signage,
- Generally improve local circulation and pedestrian movement, with directional and informative signage at key locations,
- Provide an alternative pedestrian and shopping route to complement the Light Rail connection to Melbourne CBD,
- Require all new eating premises to comply with any Council Parking Precinct Plan,
- Require a parking analysis for all development proposals likely to result in increased parking needs, or seeking dispensation.
- Minimise the potential adverse traffic and car parking impacts on the amenity of residential areas next to new developments,
- Investigate the redevelopment of the Council-owned car park near the Coles Supermarket.
- Investigate the extension of the 109 light rail service along Beach Street to Bay Street and through to St Kilda along the waterfront.
- Be mindful of Port Phillip Bay commuter ferry services and ports at Bay Street and Station Pier.
- Consider parking limitation policies for new development.

Encouraging horizontal and vertical mixed use development

The Port Melbourne Mixed Use Area's urban structure offers many sites with street frontages that can be converted to mixed-use development. A main street location is likely to be the most successful. Management strategies can be developed to strengthen the mixed-use image of the west end of Bay Street and around the waterfront.

The uses of upper levels of buildings may vary—these are often influenced by ground level uses, the predominant uses along adjacent street portions, as well as property values and rental rates. For example, existing upper level residential use might transform into office use, and upper level restaurant and high-tech business use may be compatible with residential use. Especially along Bay Street, the retention of above-shop residences is highly desirable. It is important to consider how to develop local policy and management to:

- Encourage horizontal, ground floor mixed-use development, especially along Beach Street and the west end of Bay Street,
- Determine how a vertical mixed use of buildings can accommodate businesses, offices and restaurants,
- Offer opportunities to establish community uses, meeting rooms and recreation facilities in the upper levels of buildings,
- Encourage mixed use development at the rear lane frontages of Bay Street and Beach Street, and
- Identify opportunities to encourage home-based small businesses and workshops that do not detract from residential amenity.

There is a likelihood that Bay Street will begin to experience interest in businesses servicing a regional or metropolitan-wide customer base. Advanced business services and the 'tourism' business have the greatest potential to develop, with the latter particularly suited closer to the water towards the southern end of Graham Street around Molly Blooms and the Local Port pubs. There are many historic buildings in this precinct and larger scale retailing is now featured.

In developing the local economy and in relieving some of the tourism pressure in areas such as Fitzroy Street and Acland Street, encouraging some metropolitan tourism / entertainment functions could be useful in promoting the street. With this in mind it would be important to prevent any conflict between the local and tourist custom so as locals are not denied access to basic services in the process of servicing the wider trade area. Acland Street and Fitzroy Street have failed to address this to the point where locals avoid the streets on week-ends.

There is a need to redesign the Bay Street intersections to improve pedestrian crossings. The intersections on Bay Street seem to take on special significance bringing in shoppers from side streets.

Coles Supermarket Complex

The key site for the whole Bay Street Activity Centre is the Coles supermarket complex. It is a good example of how to integrate a supermarket into a traditional shopping street and very little can or needs to be done to improve it.

The fit out and maintenance of the shop fronts of individual shop units in the Coles complex and the streetscape surrounding it could be more inspiring. There is potential to reinforce the complex as the retail core with more tenancies trading extended hours (in line with supermarket). The first floor space in the complex could be converted to offices, clubs or alike to boost the functions and hours of the centre.

Bay Street is a system of individual blocks of shops. This is brought about by the significance of intersections discussed previously. In some cases, these blocks have had little new development and so are historically intact.

Pool Street, Lalor Street and Liardet Street Loop

This is an important block with potential for improvement and intensification:

- Pool St / Bridge St intersection with Bay Street signifies the end of higher quality retail and shops on Bay Street and shopping peters out beyond this point;
- Corner shops (West side of Bay) on Pool Street are Watsons Port Chemist (open Mon–Fri 9-5.30pm, closed Sat & Sun) and Commonwealth Bank. There are no returns of shop frontages into Pool Street: a lost opportunity;
- Lalor Street is opening up for residential along the rear of the Bay Street shop sites. It is a very quiet street that offers good residential accommodation. There are still a few shop rears that have not been developed for residential uses;
- Council is also pursuing the cultural development of a cinema in the former Port Melbourne library on Liardet Street;
- Liardet Street has a small pocket park: Olives Corner, which is a significant meeting place for gossip, especially for older men, possibly Greek or Italian. This could be developed and managed as a more active community meeting place for festival events or a small farmers market.

Bridge Street to Spring Street (old Town Hall now library)

This section of Bay Street is less appealing for businesses than the blocks further south. The west side contains lower status retailing and the lower appeal and status is likely to be reflected in lower shop rents. The East side of Bay Street is largely devoid of retailing north of Bridge Street. This is not a problem in itself but it may be timely to designate the east side for services (restaurants, business services, offices) and not retailing. This would encourage concentration of any retailing on the west side of the street, at least in the short term.

The precinct offers a potential for revitalisation and that would be a preferred option to opening up new shopping destinations elsewhere. The old and historic Town Hall is located on the west side of this section of Bay Street and it has been converted into a public library. Libraries are the most frequented cultural facilities in any community and they offer a basis for a range of small business that can exploit this drawing power. Shops retailing computers, computer services, books, music, stationary, coffee/ wine, and the like, can benefit from exposure to people who use the library.

Opposite the library is Caroll's Terrace (350-364 Bay Street up to corner Spring Street East) a fine but poorly maintained terrace of two storey shops with art deco features. It has roof top terrace for each unit, overlooking street. The shops currently accommodate cheap retailing but it has great potential as a catalyst for business revitalisation in the vicinity of the library.

North of Spring Street

There are some retail uses north of Spring Street that might provide good development opportunities.

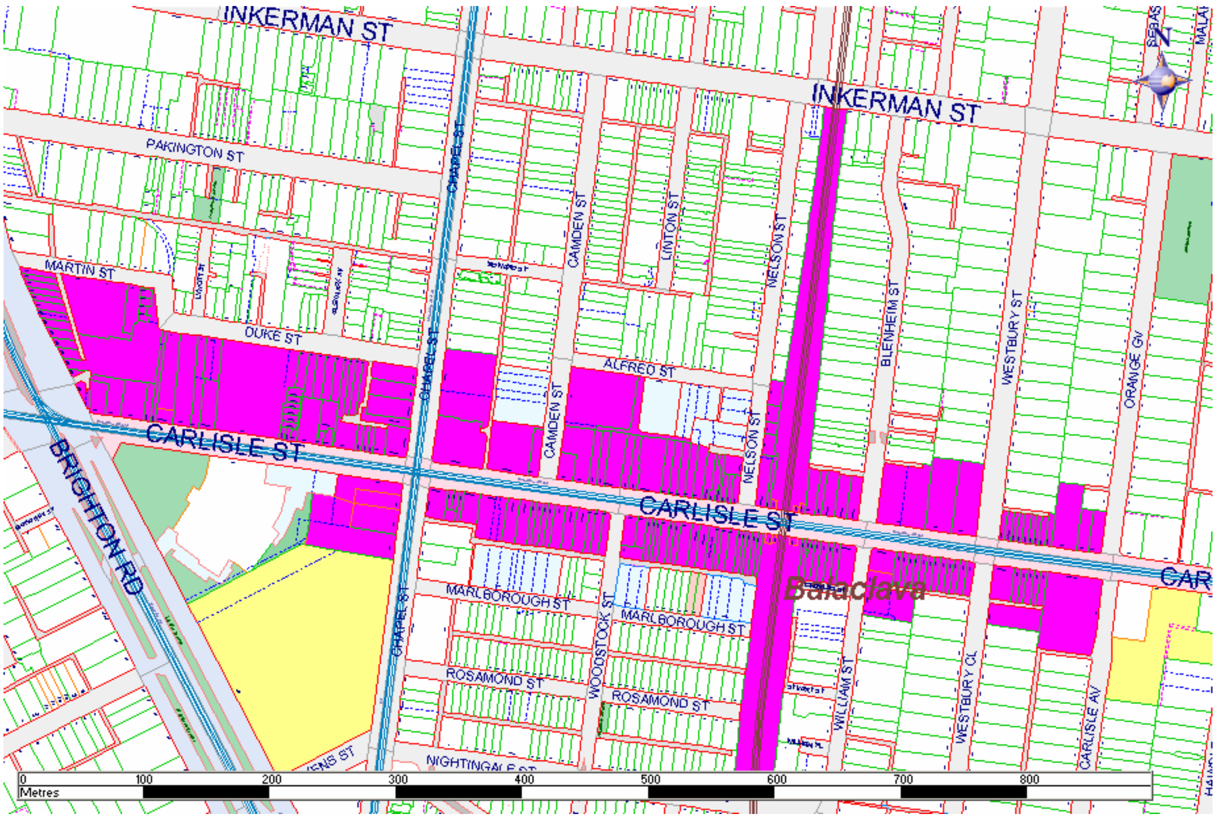
Opportunities for Affordable Housing

As Port Melbourne is one of the major foci for residential growth in Port Phillip, it will be important to encourage, where possible, affordable housing. The desirability of Bay Street and the Port Melbourne vicinity, in terms of its bayside amenity, lifestyle, and proximity to Central Melbourne, has been reflecting in increasing affluence and higher real estate values. Specific sites, where appropriate, should be earmarked by Council as reserved for affordable housing, in order to maintain a 'balanced' and inclusive sense of community.

3.4 Carlisle Street Major Activity Centre

The Carlisle Street MAC (Figure 5) generally follows Carlisle Street from St Kilda Road / Brighton Road in the west to Carlisle Avenue in the east. The Centre incorporates approximately 25,000 sq m of retail floor space. (ABS, 2001)

Figure 5. Carlisle Street Commercial Area



3.4.1 Role and Function

The primary role of Carlisle Street is 'local': serving local residents and employees with daily goods and services. There is little or no regional or metropolitan function and tourist activity at this centre, with the important exception of kosher food and groceries. These, together with specialist retailers, cater to the Melbourne – wide Jewish community. Carlisle Street is also the subject of preparation of a Melbourne 2030 aligned 'Structure Plan'.

Solley (2003, p.8) identifies high walk-in trade and tram trips:

- Walk = 31% (Fri); 51% (Sat)
- Bicycle = 1% (Fri); 4% (Sat)
- Tram = 22% (Fri); 11% (Sat)
- Train = 12% (Fri); 4% (Sat)
- Car = 27% (Fri); 30% (Sat)

Carlisle Street's local shopping function is an attractive alternative for those whose needs are not met by the retail mix of Acland and Fitzroy Streets.

Carlisle Street does not cater well for teenagers (few activities) who tend to use it principally as a transport interchange.

The presence of the Police Station provides an important community focus for the area. The Centre also features a number of Christian churches and the surrounding area also has a number of Synagogues. There are also several social services facilities, (e.g. Ardoch Youth Foundation, Masada Private Hospital). There are also some strong community connections due to the close proximity of St Kilda Primary School and the childcare centre.

Carlisle Street functions as an important civic hub and the St Kilda Town Hall and library on the western end of the street play a particularly important role.

The Carlisle Street Shopping Centre is mostly covered by heritage planning controls (i.e. Heritage Overlay #7) although a substantial amount of the abutting / nearby residential housing stock is not included in heritage controls.

A Council commissioned report, *'Carlisle Street Activity Centre – Future Directions and Opportunities'* made a number of observations about the Centre:

- It contains an estimated 176 business and community activities;
- It is primarily a retail centre with approximately 51% of activities in this category;
- Other significant representations are personal services, professional and business services, community facilities and an increasing representation of cafes and restaurants;
- Local businesses and residents were surveyed and there was a consensus that for the Centre not to become simply a mainstream 'suburban' strip;
- Customer surveys indicated that a significant number of patrons walked (40%) or caught public transport (28%) to get to the Centre. This represents a low level of car ownership; howeve,r increasing community affluence is leading to higher rates of car ownership in the area;
- The Centre was described during working groups for the research "to have an edge", to be cosmopolitan, an alternative centre, gritty, bohemian, busy, bustling, vibrant and eclectic. These images reinforce the importance of the Centre's independent nature and un-homogenised appeal.

A car parking study undertaken by GTA in November 2001 (Table 14) provided the following estimates of Commercial foor space and these demonstrate that within a Melbourne metropolitan context, it is a significant strip shopping centre:

Table 14. Carlisle Street Floorspace Breakdown (ABS, 2001)

Activity	Floorspace (sqm)
Retail / Shop	24,338
Restaurant / Café	1,480
Office Premises	9,716
Hotel	909
Medical Centre	762
Community Facilities	3,090
Total	**40,295**

Table 15. Carlisle Street Retail Turnover, 2001 (ABS, 2001)

	Supermar - kets	Department Stores	Other Food	Clothing and Soft Goods	Household Goods	Other Retail	Hospitality & Services	Total
Carlisle Street	$42.1m	$0.4m	$13.6m	$8.0m	$19.5m	$19.6m	$28.4m	$131.7m

Out of Carlisle Street's total retail turnover of $131.7 million in 2001, 'Supermarkets,' 'Hospitality and Services,' and 'Other Retail' were the three strongest sectors. (Table 15) This reflects Carlisle Streets strong role as a convenience centre for surrounding neighbourhoods, and also a centre for specialty retail such as kosher butchers and ethnic bakeries/pastry shops.

3.4.2 Distinguishing Features and Connections

Carlisle Street's most distinctive feature is its strong European ethnic flair, predominantly centred around the Jewish community. This adds a unique quality to the small businesses on the street, and the character of the street life. Friday evenings feature pedestrians rushing to complete their Sabbath shopping before sundown, and Saturdays feature pedestrians coming to and from services at one of the several synagogues in the surrounding areas. This ethnic community brought European culture with it, including cafes, pastry shops/bakeries, and specialty food stores. The Port Phillip website describes Carlisle Street as follows:

"You could be forgiven for thinking that you were in a different country after spending a few minutes walking around Carlisle Street, Balaclava. Everywhere, you'll hear the multilingual voices of the many cultures of European immigrants, many of whom have spent many decades living in Australia but still proudly uphold the language, dress and culture of their European homes. With this cultural diversity comes a cosmopolitan shopping precinct offering the best in home-style butchers, greengrocers, bakeries, and kosher foods. Here you'll find traditional craftsmen who can make you a pair of handmade shoes, fix your grandfather clock or tailor a fitted suit for you. This is one precinct well-serviced with banks, supermarkets, chemists and hair salons – a sure sign that the local community prefers to shop locally for their everyday needs. With European culture comes café culture, where coffee-making is regarded as an art. Long black, short black, latte, or cappuccino, the cafes in Balaclava are renowned for their coffee, cakes, bagels, and baguettes. But the vibe is definitely changing. First of the hip cafes was Wall 280. Pause, the Middle Eastern – inspired bar – restaurant, continued the trend. Then came Las Chicas, Café Quiet Earth, Hare and Tortoise, Café Qua, the Carlisle Wine Bar and MilkToast. More recently, Refresh, Rouge (formerly Lamzinis), Gattica and even a Pump Juice Bar have opened up. Well – serviced by both trams and trains, Carlisle Street is a short trip from the Melbourne Central Business District or the foreshore and worth the visit just for the cultural experience. (source – www.portphillip.vic.gov.au)

Carlisle Street is not well integrated into the greater St. Kilda area, (Acland, Fitzroy Streets) as St. Kilda Road functions as a wide, heavily trafficked barrier.

3.4.3 Strengths and Weaknesses

Strengths

One of Carlisle Street's greatest strengths is its cosmopolitan and alternative 'edge' in its business mix. Carlisle has retained a strong Eastern-European Jewish flair, and this is reflected in the many specialty food stores, such as kosher butchers and delicatessens, pastry shops, and cafes. This unique and specialised assortment of small businesses serves both the local community, and also has appeal to the larger region. Carlisle Street is a metropolitan destination for continental and kosher food and items, and is also known for high-quality European style cafes. Adding to this diverse tenant mix is a major supermarket acting as anchor, with a second, still significant speciality supermarket. Many intact heritage buildings add to the character, with a variety in the built form, scale, and era.

Carlisle is very well served by public transportation, with a tram line running down the spine of the street, and also train stations in the vicinity at Balaclava and Ripponlea. In this sense, it has an added advantage over St. Kilda and Port Melbourne in its accessibility to the CBD and the rest of the metropolitan train and transit network. The Centre also has seen a high proportion of visits by foot, adding to the vibrancy of the street and serving as a testament to the strong local focus.

Weaknesses

Traffic congestion is a concern, in part fuelled by rising affluence in the immediate and surrounding areas and a corresponding rise in auto ownership and use. The tram line also contributes to traffic congestion in the street. Geographically, the Centre is also quite spread out, stretching from St. Kilda Road east for many blocks, and lacking a definable "centre." This, as well as the fact that Carlisle Street MAC neighbourhood is known both as "Balaclava" and also as "St. Kilda East" causes something of an identity crisis for the Centre. Besides the ethnic focus, the centre lacks a strong, central identity.

The business mix presents limited activities for younger people, such as entertainment venues, bars, clubs, and other nightlife. Therefore, the evening/night street scene is relatively deserted. This is partly due to the proximity of/competition with major nightspots and entertainment precincts such as the St. Kilda area immediately to the West, and the Chapel Street district immediately to the North.

Gentrification of the area is occurring, pushed by rising property values surrounding the centre. This is forcing out low-income households, including many residents and small business owners of the ethnic community that give the street its unique character.

3.4.4 Growth Potential

Retail Growth Potential

Table 16. Carlisle Street Street Projected Turnover, 2016

	Supermar-kets	Department Stores	Other Food	Clothing and Soft Goods	Household Goods	Other Retail	Hospitality & Services	Total
Carlisle Street	$61.3m	$0.6m	$19.7m	$9.2m	$34.6m	$30.1m	$31.5m	$186.9m

Supermarkets are projected to dominate retail on the street by 2016, but ‘Household Goods,’, ‘Hospitality,’ and ‘Other Retail’ are also expected to be strong. (Table 16)

Table 17. Carlisle Street Projected Net Retail Growth, 2001-2016

	Supermar-kets	Department Stores	Other Food	Clothing and Soft Goods	Household Goods	Other Retail	Hospitality & Services	Total
Carlisle Street	+$19.1m	+$0.1m	+$6.0m	+$1.2m	+$15.1m	+$10.5m	+$3.1m	+$55.2m

Table 18. Net Floor Space Demand with Current Market Share (2001 to 2016)

	Super-markets	Department Stores	Other Food	Clothing & Soft Goods	Household Goods	Other Retail	Hospitality & Services	Total
Carlisle Street	3,191	20	1,006	201	2,521	1,747	518	9,205

Out of a total projected net floor space demand by 2016 of 9, 205 sqm, ‘Supermarkets’ led, with potentially 3,191 additional sqm. ‘Other Retail’ and ‘Other Food’ both have the potential for over 1,000 additional sqm of floor space. (Table 18)

Commercial Growth Potential

Carlisle Street does not currently serve an office-space function, besides the existing small services and small businesses that serve the surrounding community. It is not expected to require additional office space in the future, as there is a lack of available sites for development, and most office space in Port Phillip is concentrated further up St. Kilda Road. There is some potential for low or mid-rise mixed-use in the vicinity of Balaclava and Ripponlea train stations, should potential redevelopment occur at these sites. (In the case of Balaclava Train Station, a mixed – use redevelopment is proposed).

Residential Growth Potential

Some potential for residential development exists in the vicinity of Balaclava and Ripponlea train stations, but the scope is limited along Carlisle Street itself, as this street serves a retail and services function. The surrounding neighbourhood is highly built out and established.

3.4.5 Strategic Direction for the Centre

Actions to Take Consideration of Current Residents.

This is a relatively low-income area. Solley (2003, p.15) suggests that the area is going up in status: the percentage of low-income groups is falling with the higher income groups rising. This is possibly due to the overflow of people unable to afford residences in St Kilda and going to adjacent suburbs, which has implications for the planning and development of the Centre. Bringing the centre up-market (for example, better urban design) to satisfy new residents may accelerate the displacement of lower income groups.

Like all the MACs, careful attention should be given to the potential for affordable housing development in and around Carlisle Street. The J.V. Rooming House project currently under construction off Carlisle Street is a good example of the type of development that could be encouraged through a broad – based inclusionary zoning approach (as discussed in the Inner – Metropolitan Regional Housing Working Commission).

Efforts by Council and the local community, using tools such as tradespersons associations, could also encourage the maintenance of the diverse small business mix that currently lines the street, and an enhancement in retail offerings.

Identity of the Centre

A better identity for the overall centre is required. Identity for the centre is not well defined at present, except for the strong Jewish flavour in the street's eastern segment. The neighbourhood is commonly known as both Balaclava and East St Kilda. Identity reinforcement should focus on the function, business mix and urban form of the different precincts along the street. Mixed – use development in the vicinity of the train stations (Balaclava and Riponlea) could help contribute to identity reinforcement.

Redevelopment of Railway Station area

There is a major opportunity to improve the railway station as a public transport interchange. By providing some economic activity adjacent to the railway station there is a prospect of improving visibility and surveillance and revitalising this run down part of the street. This is arguably the key project to significantly improve public transport to / from this centre. Personal safety and access are both viewed poorly and noted as highly probable reasons to suppressing demand.

Balaclava Railway Station

The station is currently built above street, with up-ramps on both sides of the railway line. As the station is built on stilts above ground, the connections underneath look threatening and imposing to pedestrians. Pedestrian lanes connect though from the houses behind to Carlisle Street at both sides of the railway line. There are some derelict buildings along the alleys connecting to the station that could be developed with active frontages to improve visibility and personal security.

There is potential for integrated development where a 2-storey development serves as frontage to the ramps running to the station. The station is ripe for redevelopment with some residual commercial space. As noted previously, Balaclava Railway Station is currently slated for redevelopment.

Both the street and train stations are very well served with access to transit. There is a good connection between the tram and the train station, with the east-bound tram stop under the railway bridge. There is also a West bound tram stop on the corner of Westbury Street. Both of these could be situated under the bridge so that shelter could be provided. This would help make better connection between tram and train and opens the potential for a pedestrian crossing there.

The car parks on Nelson, Alfred, Camden and Malborough Streets offer some redevelopment opportunities. Some car park sites have been mooted as possible mixed-use development with associated car parking.

Draft City Plan

The Draft City Plan (November 2004) makes reference to transport and access improvements earmarked for Carlisle St (these are similar to those currently being implemented in Clarendon Street). These improvements include a current strategy to carry out tram stop access improvements in Carlisle St. Another opportunity for exploration is the possibility of strengthening the walking link between Carlisle St and Acland St shopping centres.

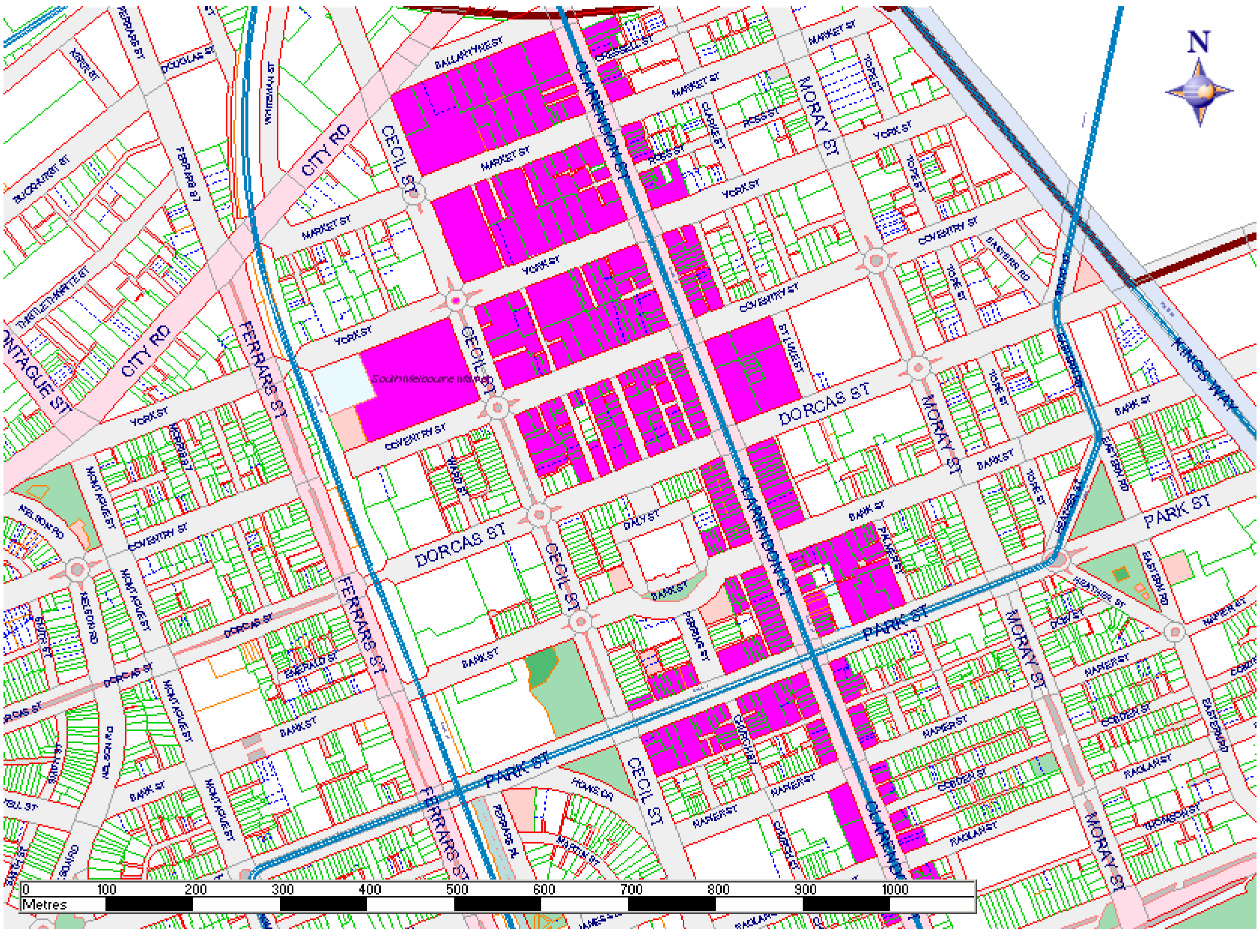
Opportunities for All Users

Council should use available tools to broaden the mix of retail/entertainment offerings on the street, to gain wider appeal for younger users. An identified weakness is the lack of night – time activity, with many youth and young adults heading elsewhere (St. Kilda, Chapel Street) for late night entertainment, eating, and drinking. Though bars and loud music can potentially negatively impact the quiet feel of the street, opportunities for younger area residents should be taken into account.

3.5 Clarendon Street Major Activity Centre

The South Melbourne Central Structure Plan (March 2004) defines the Activity Centre as extending west from Clarendon St to the South Melbourne Market, and takes into account the relationship between these two retail / activity foci. The Plan provides commentary on the wider area surrounding Clarendon Street and acknowledges that the commercial business activity outside the MAC plays a vital role in its functioning and success. The Centre incorporates approximately 22,000 sq m of retail floor space (Figure 6). (ABS, 2001)

Figure 6. Clarendon Street Commercial Area



3.5.1 Role and Function

The Clarendon Street Shopping Centre is one part of the South Melbourne Activity Centre. It acts as a 'local' centre serving local residents and employees with daily goods and services. The Centre has a wide range of shopping opportunities for daily needs, without obvious specialisation. The core component of the shopping district is Clarendon Street from Park Street to Coventry Street.

As noted earlier, Port Phillip Council initiated a Draft Structure Plan for this Major Activity Centre and the boundaries aligned with this document are represented in Figure 7.

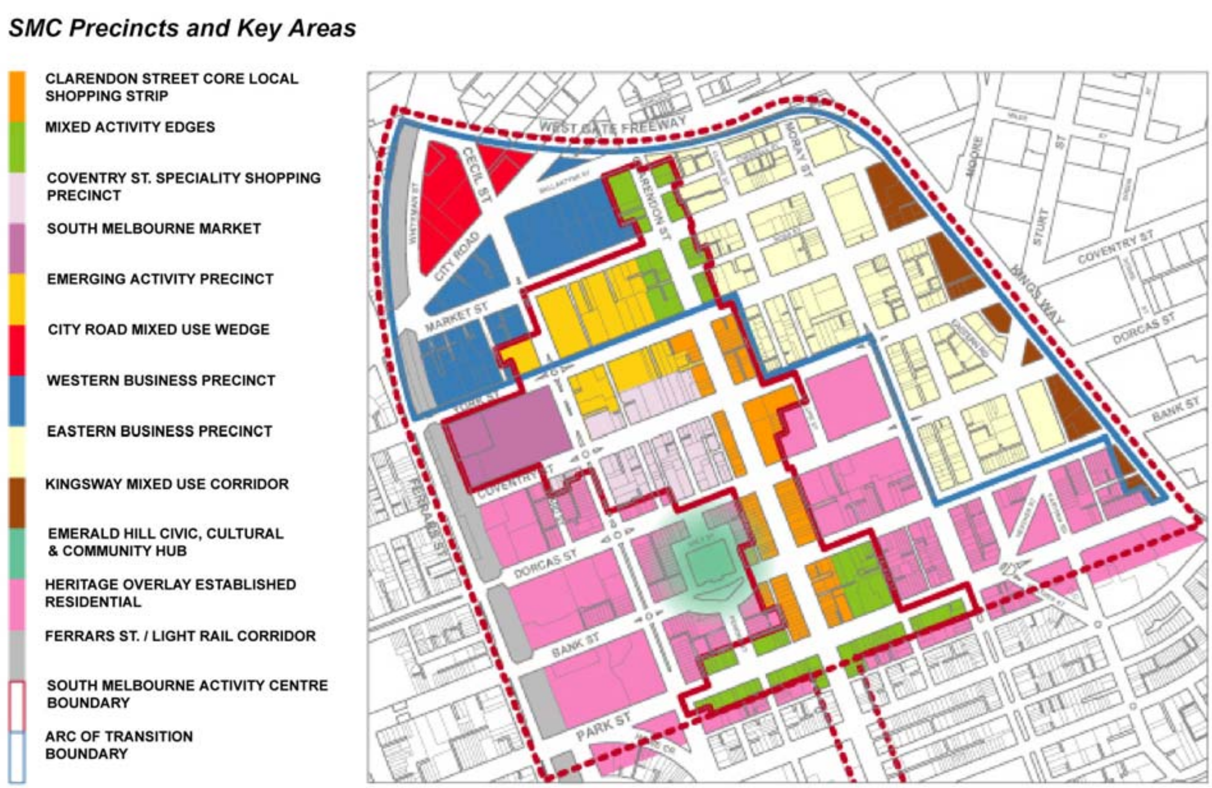
3.5.2 Distinguishing Features and Connections

As noted earlier, Port Phillip Council initiated a Draft Structure Plan for this Major Activity Centre and the boundaries aligned with this document are represented in Figure 7.

The Structure Plan notes that: “South Melbourne is the fourth largest employment hub within the metropolitan area and South Melbourne Central makes a significant contribution to Melbourne’s competitive position within the global economy. It enjoys a strategic inner city location that contributes to its economic strengths. While the area traditionally supports a diverse range of business and retail activity, new economic directions are strongly emerging, particularly in ‘advanced business services’” [1].

The Centre’s daytime vitality and night - time emptiness is a clear indicator of the impact of the worker population on the centre. There is significant potential to improve the night - time economy.

Figure 7. South Melbourne Central Structure Plan Precincts and Key Areas



Source: City of Port Phillip and Land Victoria Vicmap data. Copyright City of Port Phillip and Land Victoria.

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[1] South Melbourne Structure Plan, Section 3, p.78

There is a small indication on the fringe of the Coventry Street retail area (city side), in side streets and lanes of more specialist regional or metropolitan functions based on the designer ‘homeware’ products, but it is not major.

South Melbourne Market has a larger than local function, drawing on a regional trade catchment.

The west side of the core block on Clarendon Street has a collection of daily food, home and fashion goods with a Coles supermarket is on the east side. The east side is predominantly dominated by restaurants, banks and other services.

3.5.3 Strengths and Weaknesses

Strengths

Claredon Street is very accessible via public transit, with a tram line running the length of the street. Bus service is also available. The centre is home to the South Melbourne Market, which attracts shoppers/visitors from the greater region, and adds flair to the area. The retail mix, as noted, is diverse, and includes a major supermarket. The area is also one of the oldest neighbourhoods in Melbourne, and includes a number of heritage buildings. A high proportion of visits to the centre are by foot, and the surrounding area is heavily populated and diverse, both culturally and economically.

Weaknesses

South Melbourne Activity Centre is spread out, lacking a definitive ‘heart.’ This dispersed physical character and accompanying ‘out of centre’ development has the potential to undermine retailing in the heart of the centre, particularly on Clarendon Street. The area, like many others in Port Phillip, has experienced and continues to see gentrification, which could produce a more homogenous mix of residents, businesses, and retail offerings, and reduce affordability. Gentrification also can push out traditional small business, and long-time residents, with higher rents.

3.5.4 Growth Potential

Retail Growth Potential

Clarendon Street is projected to have a retail turnover of $222.9 million by 2016, dominated by ‘Household Goods,’ ‘Hospitality and Services,’ and ‘Other Retail’, respectively. This sets it apart from other Activity Centres in Port Phillip in its larger catchment and more regional role. ‘Household Goods’ type retail typically features larger stores on larger sites. Conversely, ‘Supermarkets’ are projected to have a turnover of only $26.1 million, reflecting a relative weakness in this sector. This may indicate that South Melbourne is better poised to serve a larger area than it is to serve the surrounding residents via goods and services.

Table 19. Clarendon Street Street Projected Turnover, 2016

	Supermar-kets	Department Stores	Other Food	Clothing and Soft Goods	Household Goods	Other Retail	Hospitality & Services	Total
Clarendon Street	$27.1m	$0.6m	$16.8m	$22.6m	$69.7m	$37.2m	$48.6m	$222.9m

Table 20. Clarendon Street Projected Net Retail Growth, 2001-2016

	Supermar-kets	Department Stores	Other Food	Clothing and Soft Goods	Household Goods	Other Retail	Hospitality & Services	Total
Clarendon Street	+$12.6m	+$0.2m	+$6.8m	+$4.7m	+$33.6m	+$15.8m	+$7.7m	+$81.4m

'Clothing,' 'Hospitality and Services,' and 'Other Retail' are forecasted to show strongest growth through 2016. (Table 20)

Table 21. Net Floor Space Demand with Current Market Share (2001 to 2016)

	Super-markets	Department Stores	Other Food	Clothing & Soft Goods	Household Goods	Other Retail	Hospitality & Services	Total
Clarendon Street	4,212	72	2,274	1,552	11,201	5,278	2,559	27,147

'Household Goods' has by far the highest potential for additional floor space by 2016, with a demand of 11,201 sqm. 'Other Retail' and 'Supermarkets,' at 5,278sqm and 4,212 sqm, respectively, show the next highest floor space demand. This reflects Port Phillip's pent up demand for 'Bulky Goods', and potentially, Discount Department Stores, as these sectors are currently not well represented in the City. For a more detailed discussion on 'Bulky Goods' development potential and location considerations in Port Phillip, refer to Section 2.4.

Commercial Growth Potential

South Melbourne is already a significant office location, and presents the best location in Port Phillip for further office growth. High-density commercial space could be considered a natural low-to medium scale extension of the high-rise Southbank office precinct to the north, and the St. Kilda Road office precinct to the east. Physically, this would act as a "stepping stone" down to the established urban form of South Melbourne. There are several heritage areas not suitable for intense development, but also a variety of sites that are currently under-utilised and could potentially be redeveloped. Refer to the previous discussion in Section 3.0 for more details on Port Phillip's office space growth potential.

Residential Growth Potential

South Melbourne has the best possibility for residential growth in Port Phillip. There are a number of sites with development potential, specifically along Clarendon Street, between the Westgate Freeway and Park Street. From an urban scale/design perspective, this can be thought of as a low to medium - scale natural extension of the existing high-density residential precincts to the north in the Southbank area and to the east along the St. Kilda Road corridor.

For specific floor space estimates, refer to the previous discussion about Port Phillip's general residential growth forecasts in Section 2.3.

3.5.5 Strategic Direction for the Centre

The South Melbourne Central Draft Structure Plan flags many actions to improve the functioning of the Clarendon Street Major Activity Centre. These are set out in detail around the following 6 themes:

1. Activity, Vitality and Diversity;
2. Supporting the Local Economy;
3. A Great Place to Live;
4. Culture and Community;
5. Movement Networks; and
6. The Built and Natural Environment.

Integrating South Melbourne Market better with Clarendon Street both in perception and physically will strengthen the functional role of the centre and make people aware that Clarendon Street is close to the market. It is common for major produce markets to draw from a wider trade area than the parent shopping district. The centre would benefit immensely from a redesign of the street to capture more of the benefit of the market as a magnet or destination. Coventry Street appears to be the most logical street to develop as a pedestrian and vehicle link.

An improved pedestrian shopping circuit generally would assist the centre in overcoming the complexity of pedestrian movement with small bundles of shops and businesses tucked away around corners. It can be interesting for tourists wandering around browsing but it is inefficient for traders and there is a loss of synergy between the individual components of the centre.

Consideration should be given to constructing the 400m 'missing link' tram track along Park Street, South Melbourne between Eastern Road to Kingsway. The link establishes a loop to five activity centres (Clarendon Street, Chapel Street, Carlisle Street, Acland Street and Fitzroy Street), the South Yarra railway station and the foreshore. The link significantly increases access to the Clarendon Street area from the eastern suburbs for a marginal infrastructure cost.

There is some potential for this district to develop a tourist business niche based on South Melbourne Market (as has Victoria Market) and the heritage environment. However, it is important that this is not provided at the expense of the local service function, as has occurred in Fitzroy Street and Acland Street.

The Cinemedia Archives & Library (Victorian Govt film library) is located on Park Street, near corner of Clarendon. There is a potential to exploit this location as it is inevitably visited by non-locals. The possibility of holding local films shows should be explored.

Key Sites for Change / Development

Coles supermarket is open 24 hours for 7 days/ week. It occupies a site with Henshall Chemist; Brumby's (bakery), Paul's Deli and Bargain Centre, all set back from Clarendon Street with a car park at the front. The architecture, open car park and footpath configuration of this development creates a major loss of elegance for Clarendon Street.

In recent times, the Coles Supermarket site has been the subject of a planning scheme permit application for shop fronts to be recreated along Clarendon St. This Coles is now undergoing redevelopment.

South Melbourne Market is a key component of the Clarendon Street / Coventry Street Activity Centre. The Draft Plan also notes that a $15 million upgrade is planned for South Melbourne Market as part of a maintenance programme for market activities. Emerald Hill is an existing cultural and arts hub based around the South Melbourne Town Hall.

South Melbourne Central's retail areas are expanding and former industrial areas are undergoing significant changes in uses to a range of business activity. One opportunity for exploration is the development of a public realm strategy to improve the streets in South Melbourne and reflect the change of uses occurring. A new civic space or urban plaza could be developed around the South Melbourne Town Hall, creating a much - needed local open space.

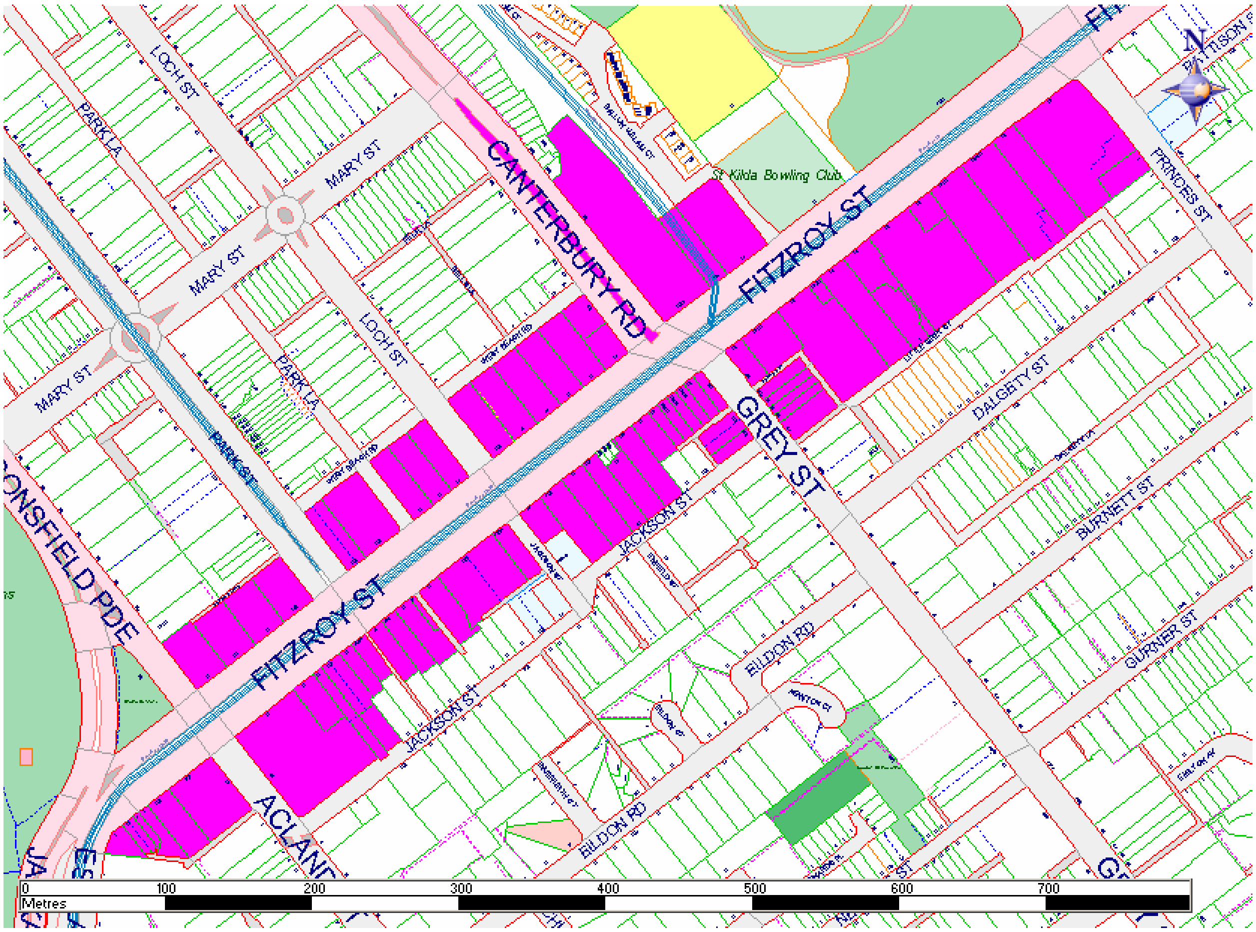
Opportunities for Affordable Housing

South Melbourne has been identified as a focus of significant future residential growth in Port Phillip. As such, it should play an important role in providing affordable housing for City residents. The area, though facing significant gentrification pressures, and generally trending toward higher income residents, has a historical precedent as a location for several public housing developments. Council should take advantage of available tools to encourage additional affordable housing development in strategic locations so that lower income residents are not priced out of the area.

3.6 Fitzroy Street Major Activity Centre

The Fitzroy Street MAC (Figure 8) includes an area from Princes Street in the northeast to The Esplanade in the southwest. It incorporates approximately 7,800 sqm of retail floor space. (ABS, 2001)

Figure 8. Fitzroy Street Commercial Area



3.6.1 Role and Function

Melbourne 2030 classified Fitzroy Street as a 'Major Activity Centre'. However, similarly to Acland Street, it could be suggested that it performs a 'Principal Activity Centre' function for entertainment and cultural tourism. Fitzroy Street is a regional / metropolitan tourist precinct. It is a metropolitan-wide destination for dining and entertainment activities (e.g. nightclubs, hotel music venues). It holds Melbourne's largest street festival (i.e. St Kilda Festival) that takes place over a weekend in February.

Although Fitzroy Street has a predominance of restaurants, takeaway food outlets, bars and clubs, there are ambiguities about its role. It does have a number of traditional local service functions. There are three pharmacies and four convenience supermarkets which are uses that are likely to be servicing a very local trade area such as the street's many boarding houses, cheap hotels and hostels (backpacker) that support the small transaction food outlets.

3.6.2 Distinguishing Features and Connections

There are a lot of permanent residents in the area but the activity centre struggles to service their needs in a meaningful way. It lacks a mainline supermarket. Of note, a David Jones Foodchain store opened in 2002 but closed in 2003. The store was designed to fill a hole in the market (e.g. catering to the needs of busy professionals) but it did not prove profitable. The concept traded on high quality food at relatively high prices. An IGA Supermarket is now located on the site.

Fitzroy Street is connected to Acland Street via the Esplanade and St. Kilda foreshore. Tourist visits to Fitzroy Street and to Acland Street often involve linkages between the two, and this link is served by tram service and easy pedestrian access.

The Fitzroy Street Major Activity Centre has a number of very important community facilities / venues that generate substantial activity.

The St Kilda Park Primary School is one of the most significant. The following text is taken from the school's website:

> St. Kilda Park Primary School, founded in 1881, is an inner suburban bayside school with a population of 306 children in 2003. It is situated on a quiet site, with parkland on two of its borders. The immediate physical environment of the school is an apt reflection of the diversity of the surrounding St Kilda neighbourhood – it embraces:
>
> - Low income housing abutting the school and parkland;
> - Medium to high density housing that has undergone significant redevelopment/upgrading in recent years – noting that St Kilda has the highest levels of population density of any Victorian municipality;
> - Extensive parkland with highly developed sporting facilities and active sports clubs;
> - A busy commercial/retail/entertainment strip;
> - Tourist destinations and associated backpacker and hotel style accommodation;
> - A number of welfare agencies catering for homeless persons.
>
> These elements influence the composition and character of the school community and a number of the special programs and activities of the school. A dominant value within the school community is tolerance of diversity. The school community also has for a number of years had a strong artistic orientation – this has been reflected in the priority accorded to the visual and performing arts. The proximity to Albert Park has enabled the school to encourage high levels of participation in sport / physical activity both within and outside school hours.

> The school community encompasses a wide range of socio-economic backgrounds. This spread is widening as the surrounding residential area becomes more affluent. While some 20 to 25% of the families are EMA recipients, in recent years there have been increasing numbers of children entering the private sector at year 7.
>
> The number of families with a Language Background other than English (LBOTE) is relatively small. However, this does not fully capture the broad range of cultural backgrounds represented at the school, many of which are families that use English at home. The school continues to have a small number of Koorie students. The school prides itself on celebrating and acknowledging its diverse community (source: www.skipps.vic.edu.au/profile.html)

Sporting facilities within the immediate area include the St Kilda Bowling Club, Junction Oval, tennis courts and good access to Albert Park.

The Australian Grand Prix is held at Melbourne's Albert Park in March each year. During the race period Albert Park is closed to the general public. This event draws many people to the St Kilda area and provides some additional trade to local businesses. Council's Sustainable Transport Unit works closely with the Australian Grand Prix Corporation to protect the local traffic area and minimise disruption to local residents and business.

The Fitzroy Street Major Activity Centre is also home to many live music venues, which help define Melbourne’s character as a cultured, liveable city. However, these venues can create a number of externalities for local residents. These off – site effects require active management.

Grey Street is home to the Salvation Army’s needle exchange service. The health care needs of street-based injecting drug users are not currently being met, according to a research report released in 2003 into the 48,000 contacts with clients of the Health Information Exchange at The Salvation Army Crisis Service in Grey Street St. Kilda. Drug users themselves identified an urgent need for primary health care service for street-based injecting users in the form of a GP and related nursing staff, counselling from experienced staff, and dental care, as those services most in demand among the target population.[2]

There is a range of other social services in the area, which contributes to activity in and around the centre. The Activity Centre is also home to some significant aboriginal places including the nearby heritage site at the corroboree tree and gathering places at Cleve and Catani Gardens.

Gentrification and redevelopment are making it harder for some residents to find affordable, accessible and suitable housing in the City of Port Phillip and St Kilda, in particular. The social

[2] (A) “Who’s Using? The Health Information Exchange and the Development of an Innovative Primary Health Care Response for Injecting Drug Users” by Dr. James Rowe, RMIT University Centre for Applied Social Research (5 August, 2003)
(B) Health Information Exchange (2003) Statistics – March 2003 (unpublished internal document)

consequences of neglecting the needs of lower income residents are significant and this is an area that Council has been pursuing with vigour.

3.6.3 Strengths and Weaknesses

Strengths

Fitzroy's status as one of Melbourne's iconic tourism/entertainment destinations, and its proximity to many attractions (St. Kilda Beach, Albert Park, Luna Park, entertainment venues, pubs) makes it a strong centre. The street has a tram line running down its length, and is also the point of terminus for the light rail line leading into the CBD. There are many heritage buildings intact on the street, including a collection of impressive old mansions that reflect St. Kilda's past as a seaside retreat for the wealthy. These buildings are varied in form, height, scale, and era, providing an eclectic mix. The proximity to Albert Park and the St. Kilda foreshore provides good access to open space. The street has an overall cosmopolitan feel, with a mix of local residents, tourists, international backpackers, and diverse ethnicities/cultures. Proximity to Acland Street MAC can be considered a strength, as these two centres are often thought of as part of a single 'St. Kilda' destination, and there is considerable pedestrian and visitor spill -over between the two.

Weaknesses

Fitzroy Street shares many of Acland Street's weaknesses. Traffic congestion and parking saturation are problems, augmented during peak summer season. The residential amenity of the street is potentially negatively - impacted by the entertainment venues and accompanying crowds. Physically, it is a long and spread-out centre, stretching from St. Kilda road all the way to the foreshore. The local amenity of the street is further weakened by a relative lack of local convenience shopping (no major supermarket). The centre is also limited by the lack of immediate sites with major redevelopment/development potential. Remnants of the once common night - time sex trade remain, with an associated negative connotation. Challenges associated with drug use are also present in the area. The transient nature of many of the local residents also presents a challenge in maintaining a true local identity for the centre. Many of those living on/near the street are backpackers/travellers, and also lower-income boarders, some with addiction problems or disabilities. These groups are part and parcel of St. Kilda life. Care must be taken that measures designed to otherwise improve the Centre do not result in the further marginalisation of these groups. Proximity to Acland Street can also be considered a weakness, as the prevalence of supermarket chains and 'local amenity retail' so close by may hinder such development on Fitzroy Street.

3.6.4 Growth Potential

Retail Growth Potential

Table 22. Fitzroy Street Street Projected Turnover, 2016

	Supermar-kets	Department Stores	Other Food	Clothing and Soft Goods	Household Goods	Other Retail	Hospitality & Services	Total
Fitzroy Street	$7.9m	$0.0m	$14.1m	$3.6m	$17.9m	$21.9m	$69.5m	$134.9m

Through 2016, retail turnover is projected to be strongest by far in the ‘Hospitality and Services’ sector, reflecting Fitzroy Street’s continuing role as a regional and metropolitan destination for backpackers, eating, drinking, and nightlife. (Table 22) Relatively strongly represented will be ‘Other Retail’ and ‘Household Goods.’ The local convenience food sector – especially ‘Supermarkets,’ are projected to show little turnover, at only $7.9 million, or roughly 6 percent of total turnover. This reflects a ‘service gap’ in terms of local amenity, and indicates (market) potential for growth in this sector.

Table 23. Fitzroy Street Projected Net Retail Growth, 2001-2016

	Supermar-kets	Department Stores	Other Food	Clothing and Soft Goods	Household Goods	Other Retail	Hospitality & Services	Total
Fitzroy Street	+$2.5m	+$0.0m	+$4.3m	+$0.5	+$7.9m	+$7.6m	+$6.5m	+$29.3m

Projected net retail growth on Fitzroy Street through 2016 is not expected to be strong. This reflects both competition with nearby Acland Street, which has more of a retail focus, and the fact that there is very little physical opportunity for additional development on the street. The strongest growth is forecasted to be in the ‘Household Goods,’ ‘Other Retail,’ and ‘Hospitality’ sectors, respectively.

Table 24. Net Floor Space Demand with Current Market Share (2001 to 2016)

	Super-markets	Department Stores	Other Food	Clothing & Soft Goods	Household Goods	Other Retail	Hospitality & Services	Total
Fitzroy Street	820	0	1,433	153	2,627	2,540	2,181	9,753

A demand of only 9,753 additional sqm of retail floor space is anticipated through 2016. Of this, most is expected to be in the ‘Household Goods,’ ‘Other Retail,; and ‘Hospitality and Services’ sectors. The 820 sqm expected in ‘Supermarkets’ indicates that it is more likely for a convenience-type supermarket, such as a ‘Citi Express’ to locate on the street, similar to the existing IGA, than it would be for a major supermarket anchor, such as Coles or Safeway. This could be due to the relative proximity of these chains on nearby Acland Street, as well as a lack of available sites for development.

Commercial Growth Potential

Like Acland Street, it is unlikely that Fitzroy Street will be the focus for significant commercial development. The street's overriding function is that of an entertainment, lodging, and food, drink, and convenience service centre. Furthermore, Fitzroy Street is limited in available sites. Albert Park, on the north end of the street, is not build-able. Many of the buildings lining the street are heritage buildings, including a collection of grand buildings reflecting the bygone era of St. Kilda's fashionable beginnings. The street is also in close proximity to a major regional office corridor along St. Kilda Road and Queen Street, further limiting the potential scope for office floor space growth.

Residential Growth Potential

Fitzroy Street is not expected to be a significant node for residential development, for similar reasons limiting commercial development. Additionally, the 'entertainment' nature of the street, with an emphasis on live music, late night bars and clubs, as well as the transient nature of the backpacker, boarding, and hotel establishments, would be unfavourable for significant residential growth. However, there is potential for residential development above existing businesses and structures. This would add to the vitality of the street, and help ensure a "mixed-use" future. This is discussed in more detail below.

3.6.5 Strategic Direction for the Centre

Maintenance of Status as Iconic Destination / Broaden Mix of Retail

Fitzroy Street's high level of recognition, on a national scale, as a centre for gathering, eating, drinking, music, and entertainment, has been identified as one of its greatest strengths. It would be undesirable for a future direction to move away from this role. That said, to improve the health of the centre, it will be important to encourage a broader mix of retail to develop on the street. An identified weakness is the relative lack of local amenity type retail, in comparison to other MACs in Port Phillip. As Fitzroy Street plays dual roles as a centre for visitors and temporary residents as well as a hub for a large permanent local community, it should offer the full range of necessary retail commodities for everyday life. Council can utilise various tools to help encourage such retail development, which are discussed in detail in Section 4.

Strengthen Links to Foreshore / Open Up Street as "Gateway"

Fitzroy Street faces a similar 'disconnect' between its core retail strip and the Port Phillip Bay foreshore as does Bay Street. The street should be seen as a natural "Gateway" to the Bay, and vice versa, a gateway from the foreshore to the City and the St. Kilda neighbourhood. Currently, access from the Fitzroy Street strip to St. Kilda Beach and the promenades/walking and cycling trails is fairly incongruous, with the busy and heavily trafficked Esplanade functioning as somewhat of a barrier. Improvements to pedestrian accessibility, and the encouragement of mixed-use development closer to the foreshore, would help Fitzroy Street better tie – in to its front yard, the Bay, as well as Acland Street and other iconic areas of St. Kilda.

Living above the shops

An exciting feature of Fitzroy Street is the amount of residential accommodation above and behind the shops. This consists of hotels/hostels, permanent residents and rooming houses for disadvantaged people. Along Fitzroy Street there are numerous entrances to spaces above the shop fronts. This is good for street life but there is a need for an overall strategy and design guidelines for them. In particular, entrances need to be kept active; otherwise they become neglected and dirty.

The City of Port Phillip has in the past undertaken pioneering studies into shop-top living. It is likely that Fitzroy Street has featured in these studies. This material should be revisited.

Key Sites for Change / Development

The street is fully developed or under development so that no single site stands out as unexploited potential.

George Hotel Corner (Fitzroy Street & Grey Street)

The George Hotel complex underwent renovation some years back and can be seen as a keynote building and entertainment destination. This was a welcome development, but its completion and success put pressure on the area surrounding the Fitzroy Street, Canterbury Road / Grey Street intersection. This is an intersection of major arterial roads serving east and west, with few meaningful alternative routes. It is currently a difficult intersection for pedestrians to negotiate, especially in evenings and weekends when the pavements are crowded with pedestrians and the Canterbury Road/ Grey Street route is in full flow.

Grey Street to Princes Street Block: South Side

This key block in Fitzroy Street has been quietly developing into a restaurant destination. The George Hotel is located at the west end of this block and its renovation has brought the block into the spotlight creating the potential for more development.

There is a substantial amount of hotel accommodation above and behind the street frontage that is an anchor for dining. The pavement is wide which has encouraged the already established al fresco dining. It may be a lost cause to try to re-invent this location for regular shopping (other than support for hotels).

If the Canterbury Road/ Grey Street traffic route problem cannot be resolved satisfactorily there may be advantage in making this block a separate restaurant destination from the restaurant opportunities closer to the water.

Maintenance and Enhancement of Affordable Housing Options and Community / Public Services

Fitzroy Street does have a selection of affordable housing in the vicinity, some of which is used as boarding houses, group homes, and other temporary housing. The area also does have a strong level of community / public services, as discussed previously in the chapter. In the face of quickly rising property values in the St. Kilda area, these locations will face mounting pressure for redevelopment. Council should use what tools it can to promote the maintenance of affordable housing options, and the creation of additional affordable housing on those sites where it is possible. Gentrification of the neighbourhood should not threaten the valuable community services that exist, and these should grow as the neighbourhood does.

4 Implementation Tools and Opportunities

There is value in Council investigating opportunities to take on more of a role as a strategic landlord. This would enable the redevelopment of key sites within the municipality's Major Activity Centres. It is also strongly recommended that Council pursue a place management model to assist with the holistic management of individual activity centres.

To implement desired actions to guide the future development of MACs, there are both statutory and non-statutory measures available to Council for use. Statutory measures are largely limited to zoning provisions that maintain desired density, land use mix, and scale of development in and around centres. This zoning framework is created and enforced at the Victorian level, and is fairly difficult to change once implemented into the planning scheme. Some specific statutory mechanisms relating to MACs are discussed below.

Non-statutory mechanisms available to Council for the guidance of future development of Centres include various means of public investment that can indirectly help spur development and strengthen streets and the surrounding vicinity.

4.1 Statutory Mechanisms for Implementation

4.1.1 Zoning and Community Serving Retail Uses

Under the Victoria Planning Provisions there is limited zoning control over the types of retail that can occur within a specific area such as an activity centre. Generally speaking retail is defined at a broad level and as such it does not distinguish between certain types of retail such as community serving retail. The Victoria Planning Provisions define retail in the following ways:

- **Retail Premises**: *land used to a) sell goods by retail, or by retail and wholesale; b) sell services; or c) hire goods.* This land use term includes Food and Drink Premises, Gambling Premises, Landscape Gardening Supplies, Manufacturing Sales, Market, Motor Vehicle, Boat, or Caravan Sales, Postal Agency, Primary Produce Sales, Shop, and Trade Supplies.
- **Restricted Retail**: *land used to sell or hire: a) automotive parts and accessories; b) camping equipment, c) electric light fittings; d) equestrian supplies; e) floor coverings; f) furnishings; g) furniture; h) household appliances; i) party supplies; j) swimming pools; k) videos; or l) office supplies.* This land use term includes Equestrian Supplies, Lighting Shop, and Party Supplies.

Within these definitions the Victoria Planning Provisions can specify certain uses, for example a zone can prohibit a retail premises but allow for one or more of the included land use terms to be exempted. For example retail premises prohibited other than food and drink premises. This would essentially block out all retail functions except food and drink premises. However the table of uses for zones within the Victoria Planning Provisions tend not to specify to that level, rather the zones are set up with a degree of flexibility in how they may be used.

Zones in which land uses are restricted to more community related retail are the residential zones, environmental living zone, and rural living zone. Under these zones retail can be restricted to community market, convenience shop, food and drink premises, plant nursery, convenience restaurant and take away shop. However this zoning by no means restricts the land use to these types of retail, as the zone can also be used for non-retail uses.

4.1.2 Overlays & Community Serving Retail Uses

The Victoria Planning Provisions have additional controls over land use through the use of overlays. Overlays can be applied for the following reasons:

- Environmental and landscape;
- Heritage and built form;
- Land management;
- Public acquisition;
- Airport environs;
- Environmental audit;
- Road closure;
- Restructuring subdivision;
- Development contributions; and
- City Link Project.

Whilst the Victoria Planning Provision Overlays have a high degree of land use control in these areas, there are no provisions for restricting certain types of retail.

4.1.3 Restaurants

The Victoria Planning Provisions allow for properties within a Business 1 Zone to be listed on a schedule to specify that a permit is required to use the land for a restaurant. Whilst this ensures the planning process assesses the suitability for a restaurant on specified land, there does not appear to be any grounds for refusal within the Victoria Planning Provisions in the context of restricting land to certain retail uses. Grounds for refusal can be made on affects to neighbouring properties through amenity disruption such as light spill, hours of operation and adverse traffic generation, however these considerations take greater effect on neighbouring residential use, not neighbouring businesses.

4.1.4 Overview

The efficacy of Victoria Planning Provisions for restricting land use to community servicing retail is somewhat limited. Whilst the statutory system offers some degree of control it also offers a high degree of flexibility. The planning scheme allows for more specific policy to be put into the Municipal Strategic Statement, however this can do little more than outline 'preferred' locations rather than restrictions on what type of uses can occur. Restricting land use for community servicing retail calls for a more innovative approach outside of the statutory land use system. Such an approach might include public ownership of land and tendering out the retail function for a certain community service. Alternatively incentives may be given for land owners that choose to use their land for community servicing retail. Another option identified by Flannigan is the use of 'special rates' through the Local Government Act[3]. Special rating has the potential to set up incentives or disincentives that may help council to achieve a higher proportion of community servicing retail businesses.

4.2 Non-Statutory Mechanisms for Implementation

There are several non – statutory measures Council can take to shape centres into the desired future directions. These include, but are not limited to:

- Infrastructure Investment
- Promotion / Management / Integration
- Investment Recruitment

4.2.1 Infrastructure Investment

This involves Council taking action to invest directly in infrastructure that may spur and encourage development and revitalisation of targeted areas in and around MACs. This can involve streetscape improvement, such as improved lighting, foot paths and overall street appearance, and landscaping/greenery. This can also include investments in the improvement of public amenity, such as benches/seating, disabled access, public facilities, phones, etc. Council can also commission public art to add to the streetscape, and the overall attraction of centres. This art could be unique to each centre, reflecting the diverse heritage and 'aura' of each MAC.

Pedestrian, cycling, and public transit use can be improved by Council's investment in improvements to existing and creation of new pathways and bikeways connecting various nodes in and around the MACs, and between the MACs themselves. Access to the tramways, busways, light rail lines, and train lines can be maximised by investment in pathways and ramps to stations; improved platforms and waiting areas, new and/or improved shelters, and facilities for parking both bicycles and cars for those who wish to "park and ride".

Infrastructure investment can also include creation of a customer service centre in each MAC, which would have information for visitors and also local residents about the surrounding area. Such centres could be considered "home base" of each MAC, and could function as a starting

[3] Flannigan, N. (2002: 206) 'Small Area Planning For Traditional Shopping Districts', *Urban Planning & Research*, Vol. 20, No. 2, pp. 205-217, 2002. Carfax Publishing

point for those visiting the centre for shopping or entertainment. Local residents and workers could use such centres as mediums for comments, updated community information, and message boards.

4.2.2 Promotion / Management / Integration

Council can also use tools to strengthen the MAC's by implementing promotion and marketing measures, as well as methods for management and integration of the MACs.

Promotion of the MAC's various offerings and strengths could be utilised in the form of print and media advertising, including lists of businesses and amenities, special events, and cultural offerings. This marketing could help expose a broad area of Metropolitan Melbourne, Victoria, and indeed Australia to the unique offerings and attractions in Port Phillip. This could be especially useful for those centres not traditionally thought of as "destinations," such as Balaclava, Port Melbourne, and South Melbourne. Public awareness of the many shops, restaurants, weekly, monthly, or annual events, and methods of access (transit, etc) to each centre could help the liveliness and development of the centres.

Centre promotion could also take the form of increased and improved signage in and around the Centres, indicating to local users and visitors alike where facilities, transit/parking, and various shops/attractions/venues are located. This signage could also help delineate the boundaries of each centre, so that users are aware when one centre ends and one begins. Each MAC could have a unique style of signage, just as each City in greater Melbourne has developed a unique 'theme' of signage it uses throughout its boundaries.

'Management' of the Centres is mostly done at the community level, but Council could appoint a 'Business Manager' for each Centre that would be a community liaison in issues relating to the business mix on MAC streets. Council could also form marketing committees with local residents and business owners to flesh out issues relating to the mix of retail and commercial activity on the street. These committees could recruit desired retail/businesses to locate/operate on MAC streets, and could hold regular community workshops to achieve consensus on the mix and 'feel' of each street. Council could help facilitate such workshops, by facilitating, and allowing usage of Council space.

4.2.3 Investment Recruitment

Investment recruitment is a tool that Council can use to encourage private sector investment/development in targeted 'opportunity sites' in each MAC. Though Council itself does not have authority or means to develop private-market projects, it can assemble land that is considered desirable for private sector development, and then sell the land to an appropriate entity. This can include targeted sites for intensification and/or redevelopment, such as parking lots, vacant lots, under-utilised or underdeveloped properties, buildings seen as eyesores or dilapidated, and sites near or adjacent to pedestrian, cycling, and public transit lines, stops and stations.

By forming a partnership with a development entity, Council can help ensure that the development that occurs is within the appropriate scope, scale, and character as indicated in the ‘future directions strategy,’ and desired by the community. A previous example of this occurring is the City of Melbourne’s partnership with VicUrban on the Docklands precinct. For a targeted site, Council could invite a private entity to propose a use for the site, then facilitate as the developer works closely with landowners, residents, and other community stakeholders to ensure that the development is appropriate, sustainable, and beneficial to the strength of the Centre and the community as a whole.

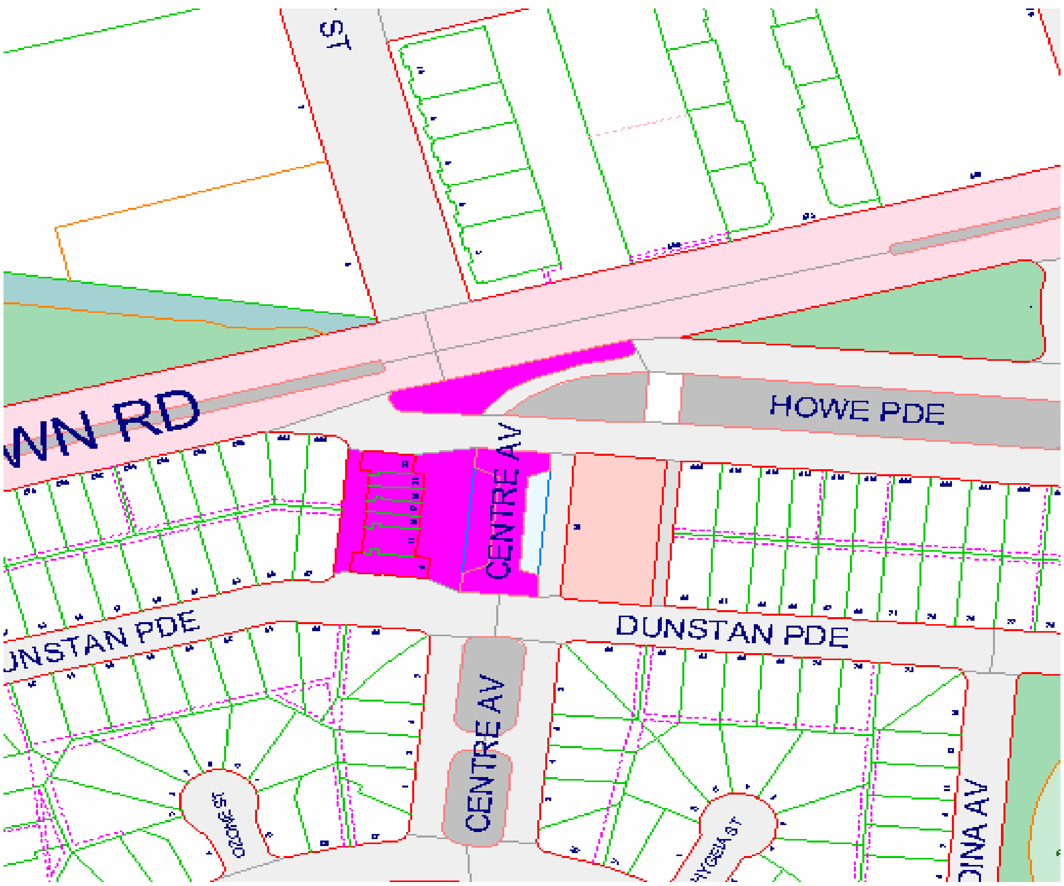
5 Profile of the Neighbourhood Activity Centres in Port Phillip

The following section recognises the role and physical structure of the various NACs, (neighbourhood activity centres) in Port Phillip. Distinguishing features and possibilities for improvement are also touched upon.

5.1.1 Garden City (Neighbourhood Activity Centre)

Garden City NAC is focussed around the retail and commercial strip along Centre Avenue between Howe Avenue and Dunstan Parade (Figure 9)

Figure 9. Garden City Commercial Area



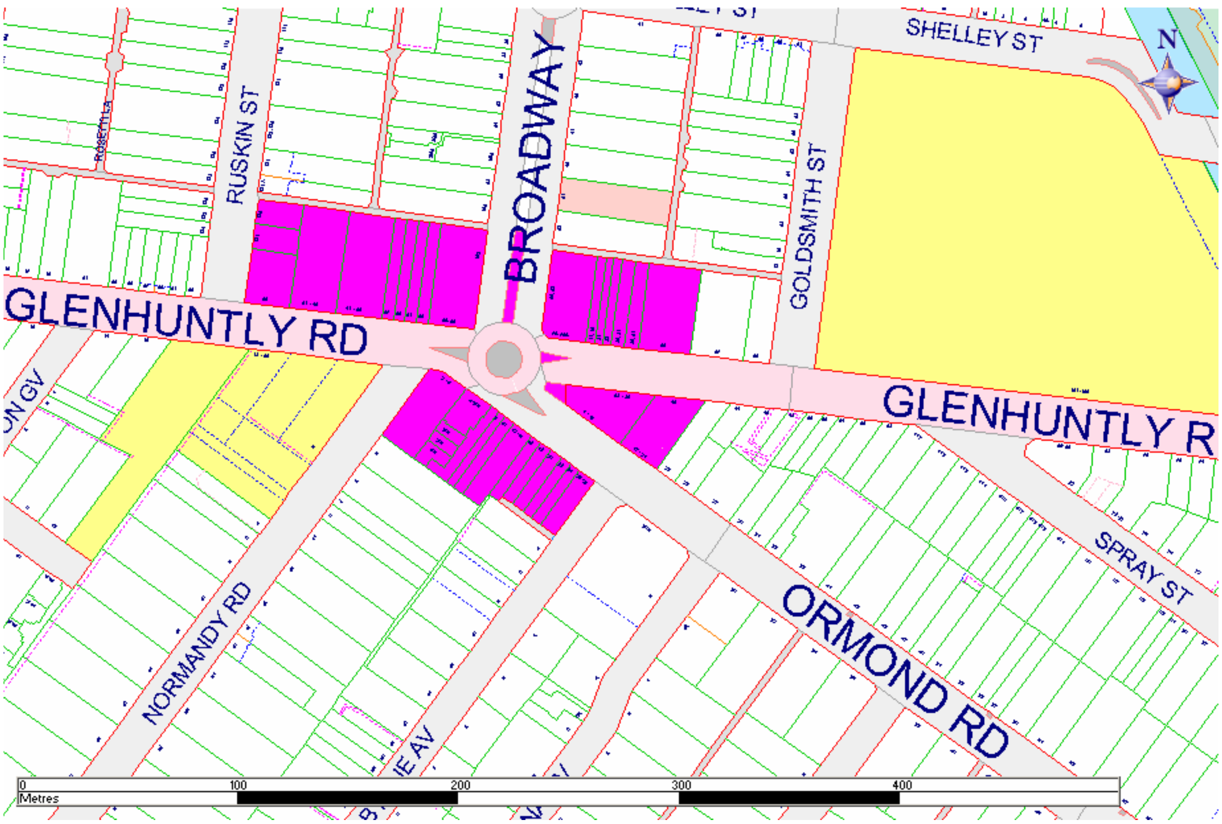
Garden City is a residential area 5 km southwest of Melbourne, and immediately west of Port Melbourne.

The Garden City Shopping Centre is a very small centre of 8 retail units serving the local community. It is probably set back too far from the main Williamstown Road to even pick up passing trade however the upshot of this is that it does minimise traffic noise for the trading environment. The list of tenants confirms this local classification. However, the presence of 4 units selling food ready-to-eat suggests that the local workforce is the main customers (lunch order) rather than the local residents.

5.2 Glenhuntly Road, Elwood (Neighbourhood Activity Centre)

The heart of this activity centre is focussed around the junction of Glenhuntly, Broadway and Ormond Roads in Elwood. (Figure 10)

Figure 10. Glenhuntly Road Commercial Area



This is a Neighbourhood Activity Centre servicing the needs of local residents for daily shopping needs. Unlike the Ormond Road activity centre, it does not seem to offer much for more substantial weekly shopping. For example, it does not have a supermarket other than a 7/11 on the corner of Normanby Road.

There is no indication that there is any substantial tourist or metropolitan-wide custom; tourist custom is even less likely than for Ormond Road.

A community market (Elwood Community Market) has recently been established by the Elwood Primary School on Glenhuntly Road. There is potential for it to become a genuine farmers' market, the concept of which is becoming increasingly popular across Melbourne. Elwood has the sort of population profile likely to support such a venture: Ormond Road already has an organic food shop and until recently it had two such shops.

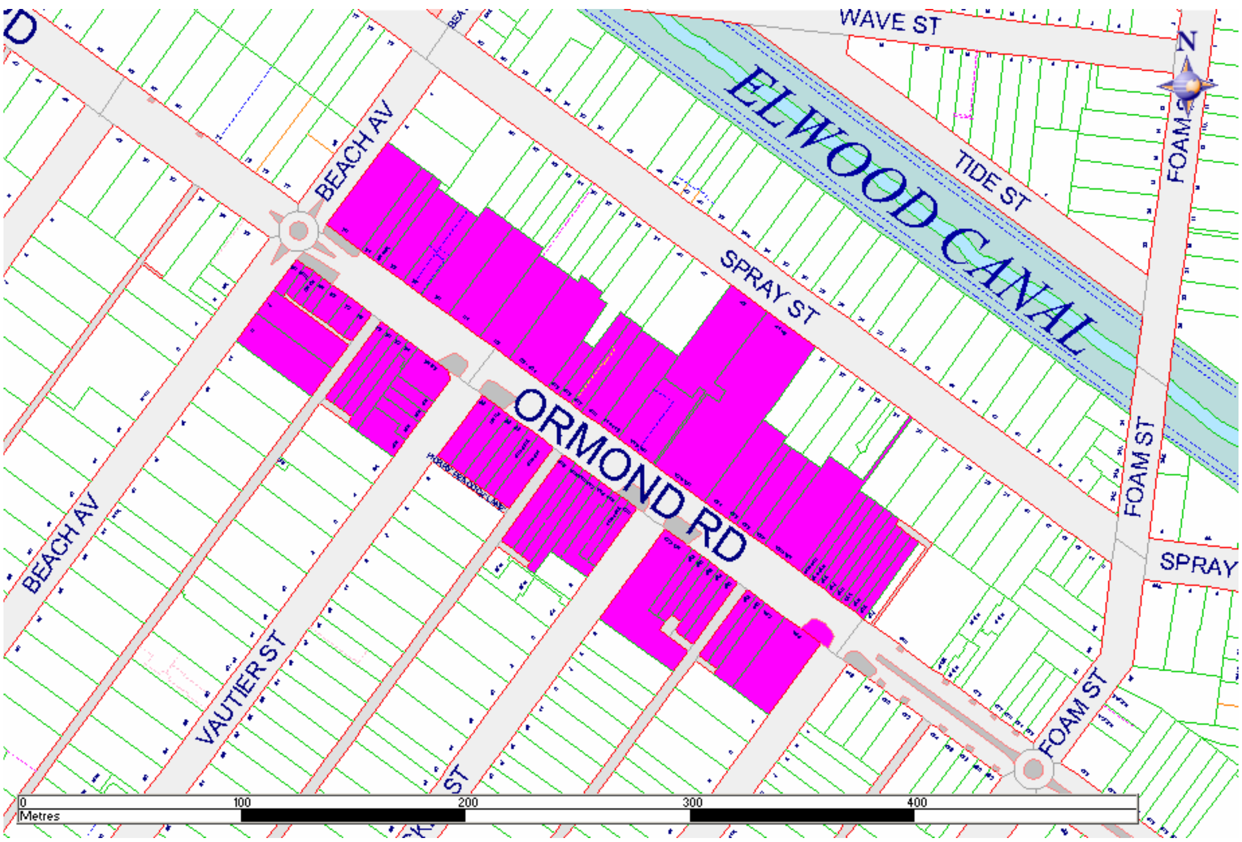
Both Elwood Activity Centres (Glenhuntly Road and Ormond Road) play an important role servicing beach activities (i.e. board shop, kite shop, fish and chips etc).

Similarly both centres include some significant educational institutions incorporating three local schools plus preschool sites that act as generators of activity (e.g. Elwood Primary School, St Columbus' Primary School, Elwood College).

5.3 Ormond Road, Elwood (Neighbourhood Activity Centre)

This centre extends from Beach Avenue in the northwest to Pine Avenue in the southeast. (Figure 11)

Figure 11. Ormond Road, Elwood Commercial Area



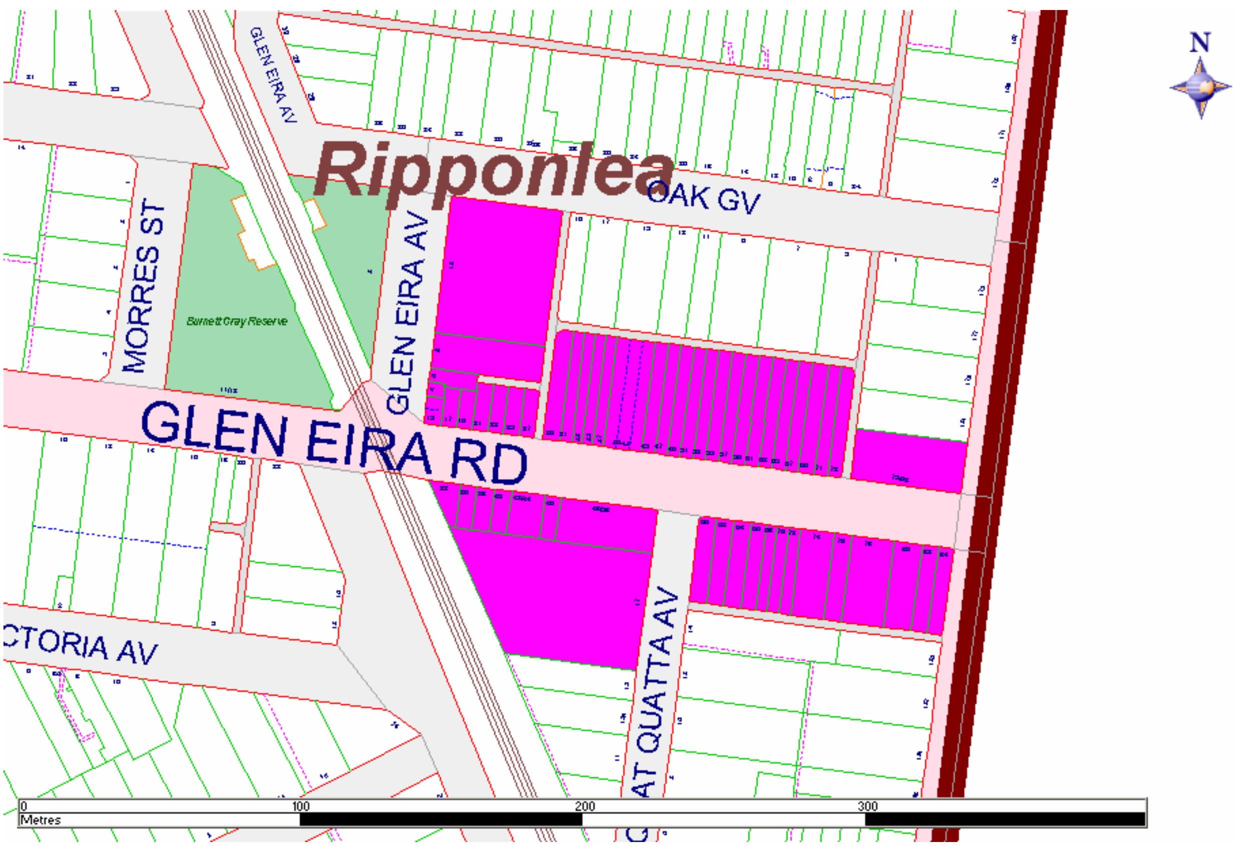
This is a Neighbourhood Activity Centre servicing local residents for daily and weekly shopping needs. There is little indication that there is any substantial tourist or metropolitan-wide custom. An analysis of the list of tenants confirms that there are few businesses that are likely to attract people from any great distance outside the local area of Elwood.

Elwood is a sophisticated and committed community of people who are enjoying a quality lifestyle in a relatively isolated area near to the bay. Residential property values have increased substantially over the last few years. The activity centre reflects this sophistication and commitment. For example, it has a Bendigo Community Bank, the first one set up in the inner metropolitan area. A new independent butcher shop opened in the centre recently. This is at a time when in other centres across Melbourne the tendency is for independent butchers on the streets to close in the face of competition from full line supermarkets.

5.4 Ripponlea (Neighbourhood Activity Centre)

Ripponlea NAC is concentrated along Glen Eira Road from the railway line to Acacia Street and Attley Grove. (Figure 12).

Figure 12. Ripponlea Commercial Area



The primary role of this centre is distinctly that of servicing the needs of local residents with daily and weekly needs, notably the Jewish community. However, some of the businesses are so specialist in Jewish products that they are likely to draw in some custom from a considerable distance.

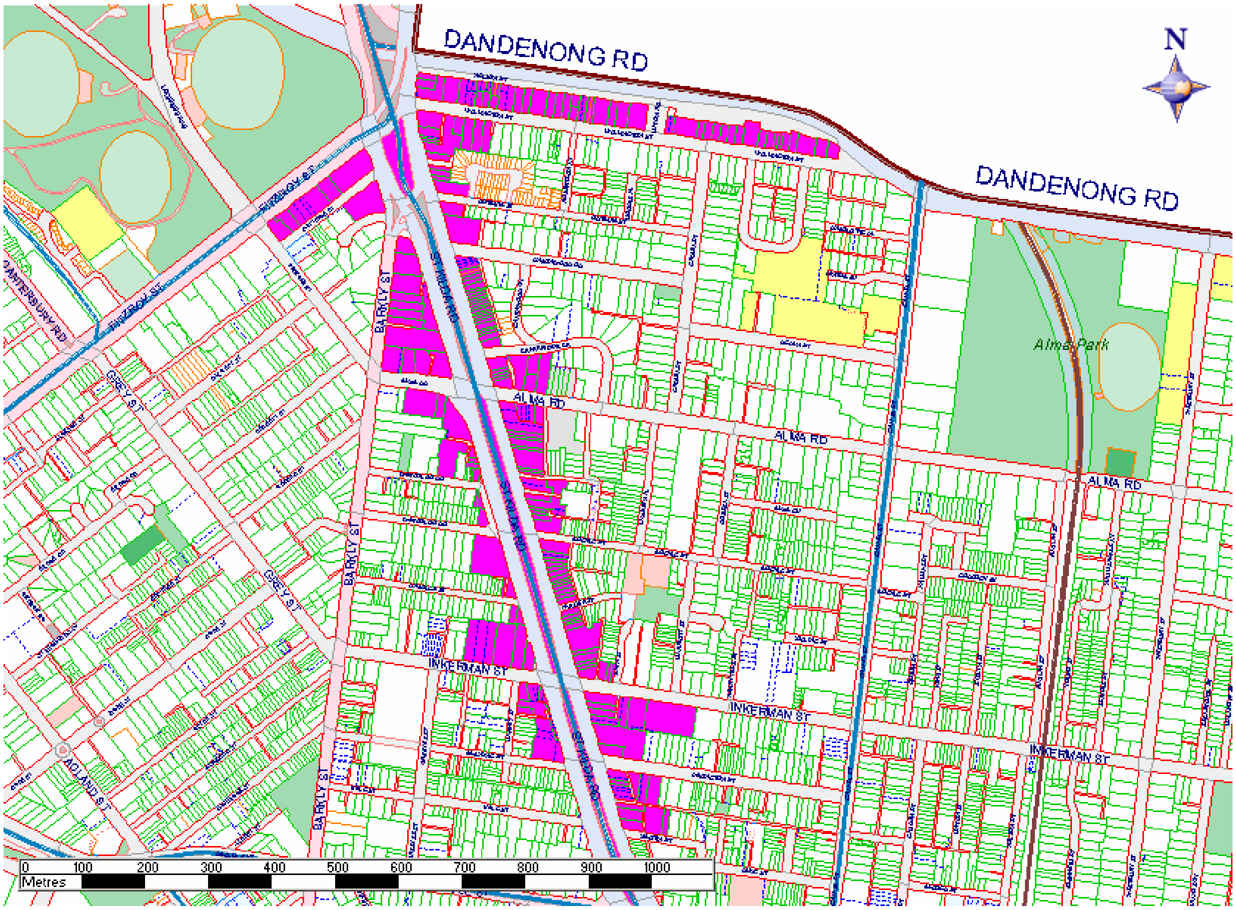
The local role is reflected in the business mix that is dominated by traditional small independent businesses; there are no large supermarkets and other chains. The centre has the sort of business mix that promoters of traditional linear shopping centres seek to develop. For example, the street has 2 greengrocers, 3 butchers, 2 fishmongers, a mini-supermarket (no major supermarket) and although there are a number of cafes and restaurants, they do not dominate the street scene as in other centres.

The reasons for this appealing mix are complex but the Jewishness of the area is likely to be a factor. The Jewish community is a relatively small consumer market so that it cannot be efficiently serviced by mass retailing and this allows small business entrepreneurs to thrive. For example, many of the food businesses are defined as being Kosher.

5.5 St Kilda Junction: East Side (Neighbourhood Activity Centre)

The Centre extends along the east side of St Kilda Road from Wellington Street to Alma Road. (Figure 13)

Figure 13. St Kilda Junction Commercial Area

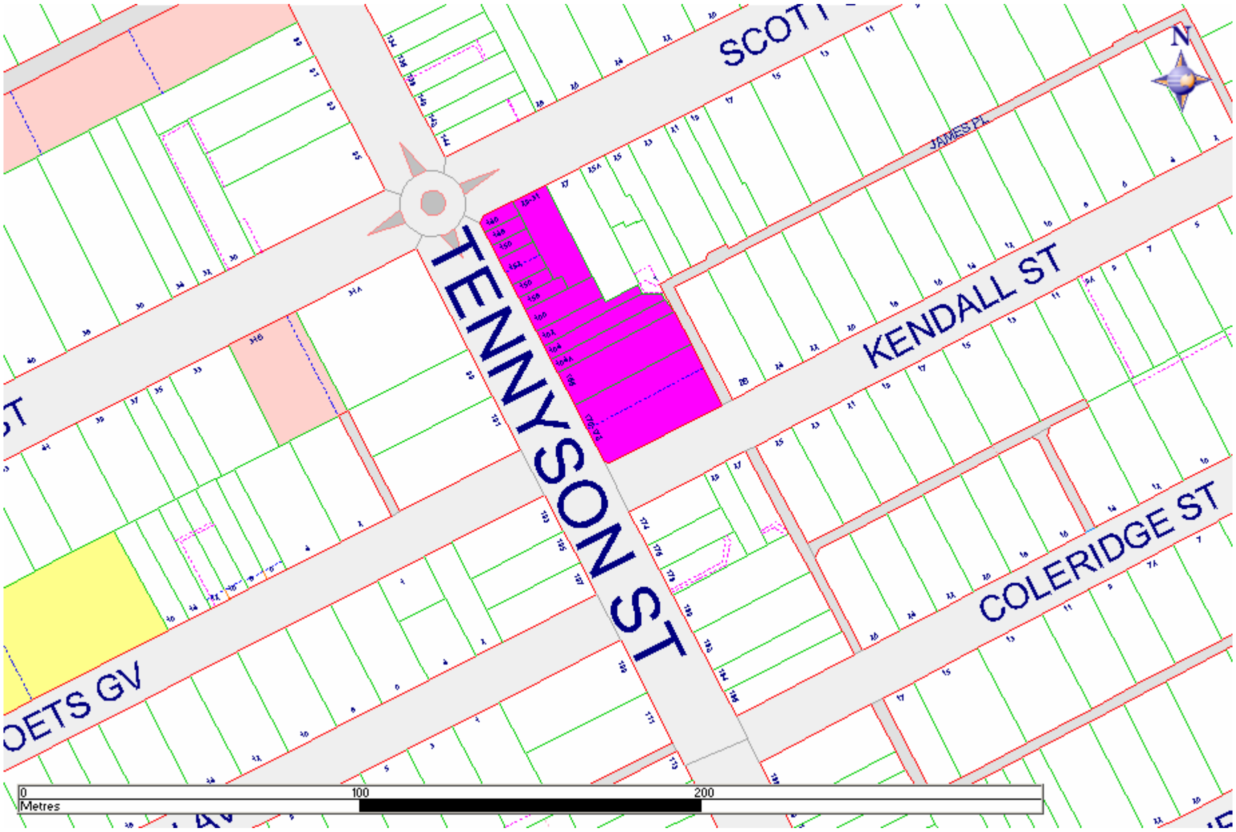


This centre does not have single, dual or triple roles. It is an eclectic mix of independent businesses without any coherent synergy between them. For example, the uses on the strip range from tattoo parlour to law firm and industrial pump distribution. Perhaps one defining synergy concerns the exposure offered by passing traffic. St Kilda Road is one of Melbourne's major arterials and a location along it provides great access to the whole Metropolitan area for any footloose businesses without a need to be in any particular neighbourhood. This presents once potential location where 'Bulky Goods' retail development may be feasible.

5.6 Tennyson Street, Elwood (Neighbourhood Activity Centre)

This NAC is concentrated along the east side of Tennyson Street from Scott Street to Kendall Street in Elwood. (Figure 14)

Figure 14. Tennyson Street, Elwood Commercial Area



This is a very small local centre with 14 tenancies only. However, it has a small supermarket `that is capable of supplying local residents with most of their daily convenience food requirements. This is supported by a bakery, a pharmacist, a liquor store (connected to the supermarket) a milk bar and a newsagency, which in combination should be able to supply most of what is included in a weekly shopping. There is no major employment centre in the area to boost lunchtime business.

5.7 Victoria Avenue, including Bridport Street, Albert Park, Neighbourhood Activity Centre

This includes the area generally bounded by Victoria Avenue from Beaconsfield Parade; Bridport Street to Madden Street and Dundas Place to Madden Street. Victoria Ave and Bridport Street are essentially two neighbourhood centres. The centres are depicted in Figures 15 and 16 below:

Figure 15. Victoria Avenue Commercial Area

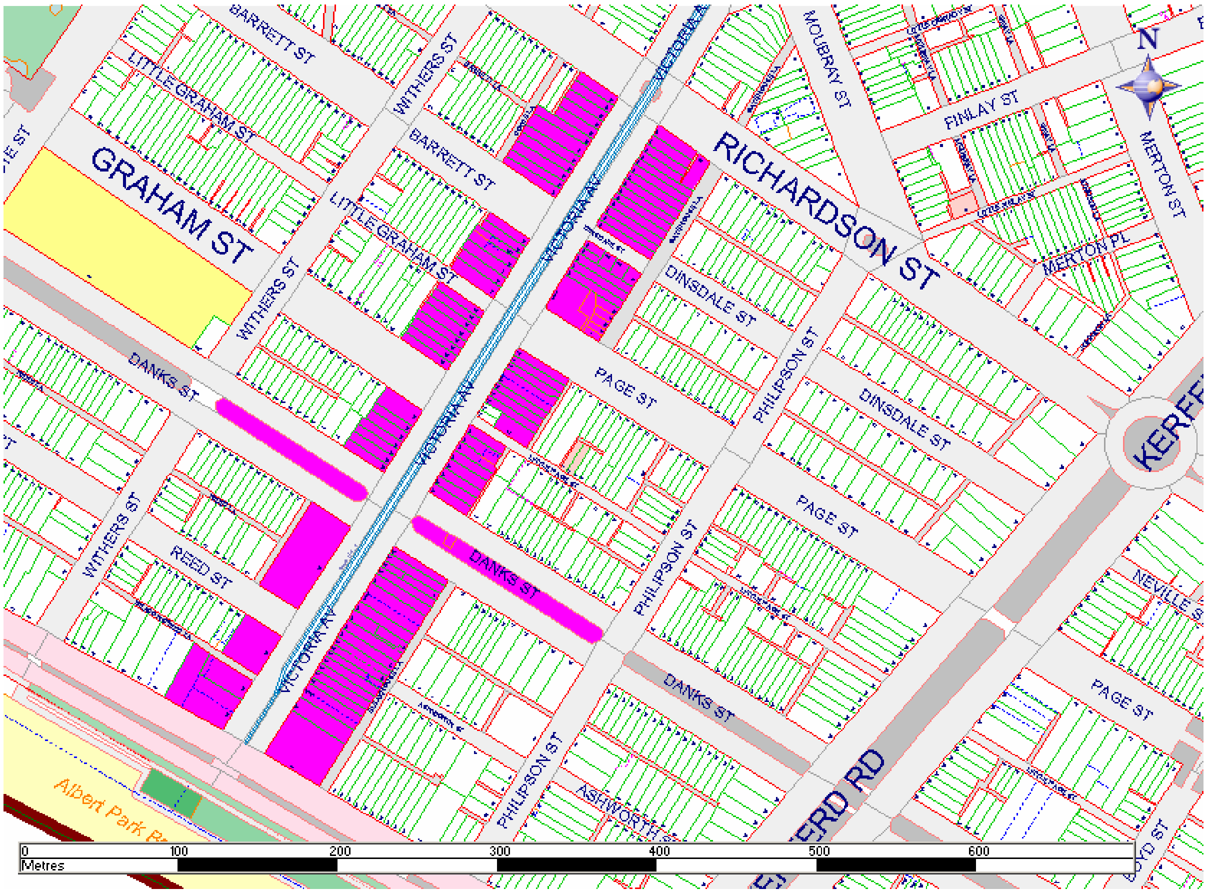
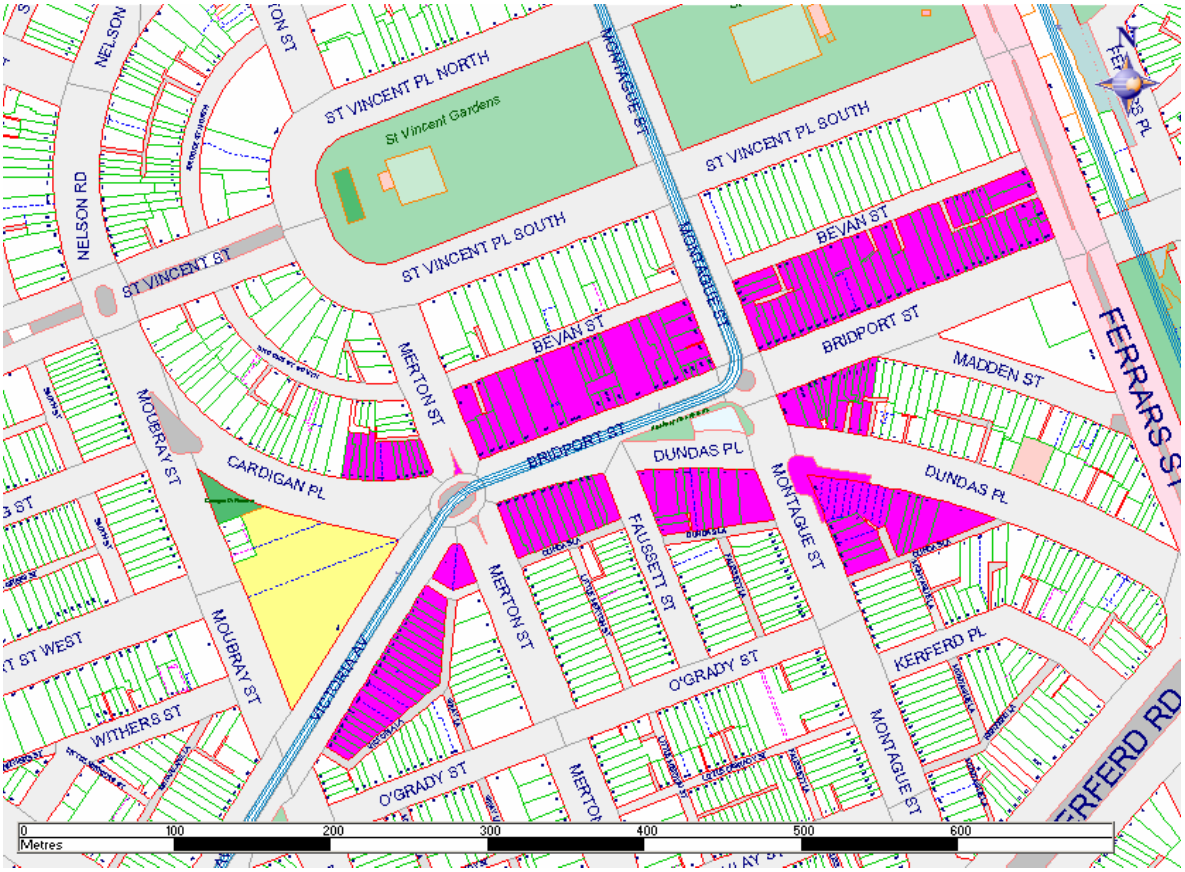


Figure 16. Bridport Street Precinct Commercial Area



This activity centre is not so much a centre but rather a 'linear' strip as it stretches for 1.2 kilometres along the South Melbourne Beach tram route running along Victoria Avenue.

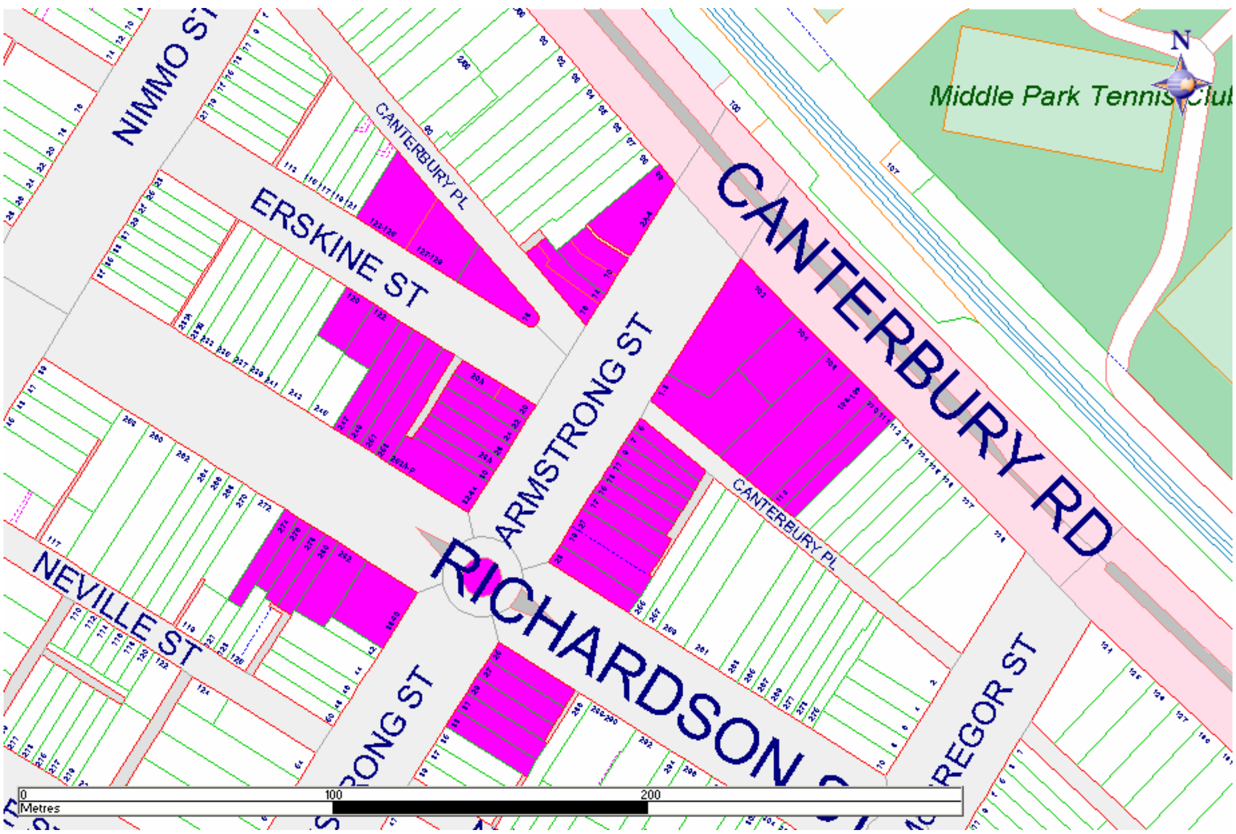
The triangle of Dundas Place, Montague Street and Bridport Street constitutes a more conventional centre form and is known as the Dundas Triangle. It has a local role although there are numerous restaurants, especially along Dundas Place, that attract some non-local customers. The shops in the Triangle are also local, supplying local residents with their daily needs. Some of these, such as Polkinghorn (butcher), are noted specialist shops that have some additional non-local drawing power. The North side of Bridport appears to carry more everyday goods and services that are less 'up market' but still essential. The East end of Bridport Street provides a 'lower end' offering (e.g. real estate agents, antiques, opportunity shops, etc). It also includes several offices (e.g. business consultants) serving a wider Melbourne metropolitan market.

Victoria Avenue has commercial businesses largely along the southeast side of the street. However, around Moubray Street there are a few activities on the northwest side. The whole agglomeration of shops does not function as a single entity. For example, many of the functions in the Dundas Triangle are duplicated along the length of Victoria Avenue. The business mix, including the restaurants, is essentially local but again this is interspersed with businesses that are non-local and footloose. The block at the south end of Victoria Avenue (from Beaconsfield parade up to Danks / Page Streets) does not provide a very diverse local service as it is predominantly occupied by restaurants, cafes and take-away food premises.

5.8 Armstrong Street, Middle Park (Neighbourhood Centre)

This centre is focussed along Armstrong Street, from Richardson Street to Canterbury Rd. in the Middle Park neighbourhood. The retail and commercial businesses also surround the centre on the side streets of Richardson Street, Erskine Street, and Canterbury Pl. (Figure 17)

Figure 17. Armstrong Street, Middle Park Commercial Area



The primary role of the Middle Park Centre is convenience retailing to service local residents and employees. There are no major employment centres nearby, however, apart from employees in the shops there is some office employment inside the centre that is serviced by the centre.

Although the centre has developed a reputation for shops that specialise in leisure activities for the many visitors who flock to this picturesque bayside suburb, the only shop that could possibly fit this description is 100 Canterbury Road, which hires bicycles, skates and such sporting equipment for use in Albert Park across the road. The hotel also adds value as a draw card for the area. However, there is no indication of a major tourism custom in the centre.

An inspection of the tenant list indicates that the centre has a wide range of goods and services on offer: these are distinctly local in their drawing power. There are a considerable number of restaurants and take-away food outlets and these appear to be increasing.

6 Appendix A – Manningham Planning Scheme Precedent for Community Betterment Levy

MANNINGHAM PLANNING SCHEME

LOCAL PROVISION

SCHEDULE 1 TO THE INCORPORATED PLAN OVERLAY

Shown on the planning scheme map as **IPO1**

WESTFIELD SHOPPINGTOWN DONCASTER CONCEPT PLAN, SEPTEMBER 1996

1.0 Permits not generally in accordance with incorporated plan

A permit may be granted which is not generally in accordance with the incorporated plan.

2.0 Conditions and requirements for permits

A permit must include the following conditions, as appropriate to the application:

Legal agreement

- No building or works may be commenced on the land until an agreement has been entered into between the owner of the land and the responsible authority under Section 173 of the Planning and Environment Act 1987. The agreement must include:
  - The provision or payment by the owner for the necessary roadworks on local roads as directed by the responsible authority in consultation with the owner.
  - The provision or payment by the owner for the necessary roadworks including any traffic control items on roads declared under the Transport Act 1983 as required by the Roads Corporation in consultation with the owner.
  - The provision or payment by the owner for the necessary infrastructure to support the development, including the establishment of landscaping and street trees in nearby streets.
  - A commitment by the owner to contribute to the investigation of opportunities for the provision of child minding or day care facilities in or nearby the shopping centre.
  - The provision or payment by the owner for the relocation of the existing library within the shopping centre or, if so directed by the Manningham City Council, payment by the owner to the Council to the value of such relocation to be applied to establishing a library elsewhere.
  - In addition to the above, a financial contribution by the owner to the Manningham City Council equivalent to the net present value of $4.6 million as at 10 April 1995 to be applied to the improvement of library, cultural, information technology and youth facilities on or in the vicinity of the development.
  - Details of the timing of any contribution.

7 Appendix B - Retail Uses Within Different Zones (Victorian Planning Scheme)

Business 1 Zone: *retailing, complimentary commercial, entertainment and community uses*

- Density can be controlled through maximum combined leasable floor areas for Office (other than Electoral Office), Shop, and Trade Supplies
- Requirement for permit can be added for a Restaurant if specified in schedule

	Permit Not Required:	Permit Required:	Prohibited:
	▪ Betting Agency ▪ Food & Drink Premises (other than Hotel, Restaurant, and Tavern) ▪ Restaurant (must not be on land specified in a schedule) ▪ Shop (other than adult sex bookshop)(must not exceed leasable floor area specified in a schedule) ▪ Postal Agency ▪ Trade Supplies (must not exceed leasable floor area specified in a schedule)	▪ Retailing Premises (other than Betting Agency, Food & Drink Premises, Postal Agency, Shop, and Trade Supplies) ▪ Hotel ▪ Tavern ▪ Adult Sex Bookshop (must not be within 200m of Residential Zone, Business 5 Zone, Hospital, Primary of Secondary School or Public Acquisition Overlay for any of these purposes)	▪

Business 2 Zone: *offices and associated commercial uses*

- Density can be controlled through maximum combined leasable floor areas for Office (other than Electoral Office), Shop, and Trade Supplies

	Permit Not Required:	Permit Required:	Prohibited:
	▪ Postal Agency ▪ Shop (other than adult sex bookshop)(must not exceed leasable floor area specified in a schedule) ▪	▪ Retail Premises (other than Postal Agency, Shop, and Timber Yard) ▪ Adult Sex Bookshop (must not be within 200m of Residential Zone, Business 5 Zone, Hospital, Primary of Secondary School or Public Acquisition Overlay for any of these purposes)	▪ Timber Yard

Business 3 Zone: *offices and manufacturing industries and associated commercial and industrial uses* ➢ Density can be controlled through maximum combined leasable floor area for Office and minimum leasable floor areas for Lighting Shop and Restricted Retail Premises (other than Equestrian Supplies, Lighting Shop and Party Supplies)			
	Permit Not Required: ▪ Postal Agency	**Permit Required:** ▪ Restricted Retail Premises (other than Equestrian Supplies, Lighting Shop, and Party Supplies) (must be in one occupation with a leasable floor area of at least the amount specified in schedule or 1000 square meters if none specified) ▪ Retail Premises (other than Postal Agency and Shop) ▪ Party Supplies ▪ Lighting Shop (must be in one occupation with a leasable floor area of at least the amount specified in schedule or 500 square meters if none specified) ▪ Equestrian Supplies ▪ Adult Sex Bookshop (must not be within 200m of Residential Zone, Business 5 Zone, Hospital, Primary of Secondary School or Public Acquisition Overlay for any of these purposes)	**Prohibited**: ▪ Shop (other than Adult Sex Bookshop, and Restricted Retail Premises)

<table>
<tr><td colspan="4">Business 4 Zone: mix of bulky goods and retailing and manufacturing industry and their associated business services
➢ Density can be controlled through maximum combined leasable floor areas for Restricted Retail Premises and Trade Supplies and minimum leasable floor areas for Lighting Shop and Restricted Retail Premises (other than Equestrian Supplies, Lighting Shop and Party Supplies)</td></tr>
<tr><td></td><td>Permit Not Required:
▪ Restricted Retail Premises (other than Equestrian Supplies, Lighting Shop, and Party Supplies) (must be in one occupation with a leasable floor area of at least the amount specified in schedule or 1000 square meters if none specified) (combined leasable floor area must not exceed any amount specified in a schedule)
▪ Equestrian Supplies (must not exceed leasable floor area for all Restricted Retail Premises or any amount specified in a schedule)
▪ Lighting Shop (must be in one occupation with a leasable floor area of at least the amount specified in schedule or 500 square meters if none specified) (combined leasable floor area must not exceed any amount specified in a schedule)
▪ Party Supplies (combined leasable floor area must not exceed any amount specified in a schedule)
▪ Trade Supplies (combined leasable floor</td><td>Permit Required:
▪ Adult Sex Bookshop (must not be within 200m of Residential Zone, Business 5 Zone, Hospital, Primary of Secondary School or Public Acquisition Overlay for any of these purposes)
▪ Convenience Shop
▪ Retail Premises (other than Shop and Trade Supplies)</td><td>Prohibited:
▪ Shop (other than Adult Sex Bookshop, Convenience Shop, and Restricted Retail Premises)</td></tr>
</table>

	area must not exceed any amount specified in a schedule)		

Business 5 Zone: *offices or multi-dwelling units with common access from the street*

➢ Controls not set through schedules

	Permit Not Required:	Permit Required:	Prohibited:
	▪	▪ Retail Premises (other than Landscape Gardening Supplies, Shop and Trade Supplies) ▪ Convenience Store ▪ Plant Nursery	▪ Shop (other than Convenience Store) ▪ Landscape Gardening Supplies (other than Plant Nursery) ▪ Trade Supplies

Residential 1 Zone: *Residential use at a range of densities*

➢

	Permit Not Required:	Permit Required:	Prohibited:
	▪	▪ Community Market ▪ Convenience Shop (must not exceed a maximum leasable floor area of 80 square meters) ▪ Food & Drink Premises (other than Convenience Restaurant and Take Away Food Premises) ▪ Plant Nursery ▪ Convenience Restaurant (must adjoin or have access to a Road Zone) ▪ Take Away Food Premises (must adjoin or have access to a Road Zone)	▪ Retail Premises (other than Community Market, Convenience Shop, Food & Drink Premises, and Plant Nursery)

Residential 2 Zone: *Residential use at medium and higher densities*

➢

	Permit Not Required:	Permit Required:	Prohibited:
	▪ As with Residential 1	▪ As with Residential 1	▪ As with Residential 1

Residential 3 Zone: *Height restricted residential use*

➢

	Permit Not Required:	Permit Required:	Prohibited:
	▪ As with	▪ As with Residential 1	▪ As with

	Residential 1		Residential 1

Low Density Residential Zone: *Low density residential that can treat and retail all wastewater on site in the absence of reticulated sewerage* ➢			
	Permit Not Required: ▪ As with Residential 1	**Permit Required:** ▪ As with Residential 1	**Prohibited**: ▪ As with Residential 1

Mixed Use Zone: *Residential, commercial, industrial and other uses that are complimentary to mixed use* ➢			
	Permit Not Required: ▪	**Permit Required:** ▪ Retail Premises (other than Shop and Trade Supplies) ▪ Shop (other than adult sex bookshop) (max leasable floor area must not exceed any maximum in schedule) ▪ Trade Supplies (max leasable floor area must not exceed any maximum in schedule)	**Prohibited**: ▪ Adult Sex Bookshop

Township Zone: *Range of commercial, industrial and other uses in small towns* ➢			
	Permit Not Required: ▪	**Permit Required:** ▪ Retail Premises (other than adult sex bookshop)	**Prohibited**: ▪ Adult Sex Bookshop

Industrial 1 Zone: *Manufacturing, storage and distribution of goods and associated uses that do not adversely affect the amenity of local communities* ➢			
	Permit Not Required: ▪	**Permit Required:** ▪ Retail (other than Shop) ▪ Restricted Retail (other than Equestrian Supplies, Lighting Shop, and Party Supplies) (must be in one occupation with a leasable floor area of at least the amount specified in schedule or 1000 square meters if none specified)	**Prohibited**: ▪ Shop (other than Adult Sex Bookshop, Convenience Shop, and Restricted Retail)

		▪ Equestrian Supplies ▪ Lighting Shop (must be in one occupation with a leasable floor area of at least the amount specified in schedule or 500 square meters if none specified) ▪ Party Supplies ▪ Adult Sex Bookshop (must not be within 200m of Residential Zone, Business 5 Zone, Hospital, Primary of Secondary School or Public Acquisition Overlay for any of these purposes)	

Industrial 2 Zone: *Manufacturing, storage and distribution of goods and associated uses separate and buffered from local communities* ➢			
	Permit Not Required: ▪	**Permit Required:** ▪ Retail (other than Shop) ▪ Equestrian Supplies ▪ Lighting Shop (must be in one occupation with a leasable floor area of at least the amount specified in schedule or 500 square meters if none specified) ▪ Party Supplies ▪ Adult Sex Bookshop (must not be within 200m of Residential Zone, Business 5 Zone, Hospital, Primary of Secondary School or Public Acquisition Overlay for any of these purposes) ▪ Convenience Shop	**Prohibited**: ▪ Restricted Retail ▪ Shop (other than Adult Sex Bookshop, Convenience Shop, Equestrian Supplies and Party Supplies)

Industrial 3 Zone: *Industrial uses that are compatible with local communities and can act as a buffer between local communities and Industrial Zones 1 or 2* ➢			
	Permit Not Required: ▪	**Permit Required:** ▪ Retail (other than Shop) ▪ Restricted Retail (other than Equestrian Supplies, Lighting Shop, and Party	**Prohibited**: ▪ Shop (other than Adult Sex Bookshop, Convenience Shop, and Restricted Retail)

		Supplies) (must be in one occupation with a leasable floor area of at least the amount specified in schedule or 1000 square meters if none specified) ▪ Equestrian Supplies ▪ Lighting Shop (must be in one occupation with a leasable floor area of at least the amount specified in schedule or 500 square meters if none specified) ▪ Party Supplies ▪ Adult Sex Bookshop (must not be within 200m of Residential Zone, Business 5 Zone, Hospital, Primary of Secondary School or Public Acquisition Overlay for any of these purposes)	

Glossary of Terms

Activity Centre
An activity centre is a concentrated collection of facilities where people shop, work, meet, relax and live. As opposed to retail centres, they are multifunctional and may contain commercial and recreational floor space as well as retail floor space.

Attractiveness Value
The attractiveness value is how highly the shopping centre is perceived by it customers after the size and convenience have already been accounted for. Such factors that influence attractiveness value are good management, retail mix, presentation, and close proximity to other facilities (such as a cinema).

Escape Expenditure
The amount of money lost to other retail centres not individually modelled in the analysis.

Expenditure Capture
Expenditure that is spent at retail centres inside the Study Area but originates from households outside the Study Area.

External Escape Expenditure

Escape expenditure attributable to other retail centres or stores that are located outside the Study Area.

Internal Escape Expenditure

Escape expenditure attributable to other retail centres or stores that are located inside the study area.

Major Activity Centre (MAC)

Provide the focus for services, employment and social interaction in cities and towns. They are where people shop, work, meet, relax, and live. Major Activity Centres are the second largest classification of Melbourne's Activity Centres, with large catchments, serving several neighbourhoods or an entire suburb. Major Activity Centres encompass a full range of retail services and public/community services, and many are also foci for employment, education, and recreation. Accessibility is an important aspect to MACs, and most are characterised by the presence of significant public transit routes. Greater Melbourne contains 82 Major Activity Centres.

Market Share

The market share of is the percentage of expenditure that is captured by a retail centre in a particular area.

Neighbourhood Activity Centre (NAC)

Neighbourhood Activity Centres play a similar role to Major Activity Centres, but on a smaller level. Whereas MAC's have catchments that can contain several thousands of people, and extend over relatively large areas of the city, Neighbourhood Centres provide goods and services primarily to the surrounding neighbourhood. These often take the physical form of a strip shopping centre. They are dominated by small businesses and local convenience shops, and offer some, but often not a full range of public services. NACs offer at least some public transport, but not to the scale of MACs. Greater Melbourne contains more than 900 Neighbourhood Activity Centres.

Principal Activity Centre (PAC)

Greater Melbourne contains 26 Principal Activity Centres. They share many of the characteristics and functions of a Major Activity Centre, but offer a more complete range of goods and services, and serve a larger area. Retail, entertainment, public service, cultural, recreational, or educational offerings in a PAC typically serve an area covering several suburbs. The mix of activities in these centres typically requires a high number of trips, and these centres are served by multiple public transit routes.

Retail Centre

A retail centre is a concentrated collection of retail stores, either as a shopping centre or a collection of adjacent shops on a road (a strip centre). Retail centres can be stand alone or part of an activity centre.

Retail Expenditure

The total amount of money spent on retail goods by consumers in a particular area.

Retail Turnover Density (RTD)

The amount of turnover attributable to each square metre of floorspace in a retail centre. RTD is commonly used as an indicator of how successful a retail centre is. A lower than average RTD shows that the centre is under performing compared to its peers. A high RTD represents a healthy centre, although a very high RTD may represent that there is an undersupply of retail floorspace in the surrounding area.

Trade Area

The area from which the retail centre's turnover is derived. Statistically speaking, Trade Areas are effectively infinite in size, but generally areas with high retail density and close proximity to the retail centre will generate more turnover for the retail centre than others.