

CONFIDENTIAL**19. ITEMS IN CONFIDENCE****19.1 Possible Development Plan Amendment – Brighton and Hove District Centres (Report No 44/09)**

Council officers remaining: Mr Donaldson, Mr Walker, Mr Hodge and Ms Thomas, Ms Aukett

C100209/076

Councillor Heysen moved and Councillor Beh seconded that, pursuant to Section 90(2) and 90(3)(m) of the Local Government Act 1999 the Council order that the public be excluded from attendance at the meeting, with the exception of Council officers and any other visitors permitted to remain, after taking into account the relevant considerations under Section 90(3), on the basis that it will receive, discuss or consider the following:

- information relating to a proposed amendment to a Development Plan under the *Development Act 1993* before a Plan Amendment Report relating to the amendment is released for public consultation under that Act.

CARRIED

On 25 November 2008, Elected Members attended a confidential briefing by planning consultants Connor Holmes, acting on behalf of the owners of the Brighton Shopping Centre, regarding a potential review of existing Development Plan policies for the District Centre A and B Zones in Brighton and Hove. The preliminary development concept for the Brighton Shopping Centre presented at the briefing would require an amendment to the Development Plan to allow for the expansion of retail development within the District Centre B Zone and the realignment of the Zone boundary.

A formal request has now been received from Connor Holmes for Council to consider commencing a Development Plan Amendment (DPA) to formally review the policies of the District Centre A and B Zones in Brighton and Hove and facilitate the future expansion of the Brighton Shopping Centre.

C100209/077

Councillor Deakin moved and Councillor Huckstepp seconded:

1. That Connor Holmes be advised that Council gives 'in-principle' support to commencing a developer funded Development Plan Amendment for the District Centre A and B Zones in Brighton and Hove and that the following process be followed:
 - a. Council requests that Bellek Pty Ltd enter into a Memorandum of Understanding with the City of Holdfast Bay identifying an agreed planning/policy direction through a draft Statement of Intent which identifies an appropriate project time-line for the preparation of a Development Plan Amendment and confirms the objectives, outcomes and working relationships, and incorporates an agreement for the owners of the Bellek Pty Ltd to pay the reasonable costs of investigations and expenses associated with the preparation of the Amendment.
 - b. Council requests that Bellek Pty Ltd initiate the preparation a draft "Statement of Intent" setting out the justification for the Development Plan Amendment and an outline of the proposed planning/policy changes to be investigated, for Council's consideration.

CARRIED

RELEASED

13 JUN 2017.

ORDER TO RETAIN DOCUMENTS IN CONFIDENCE

C100209/078 Councillor Beh moved and Councillor Heysen seconded that pursuant to Section 90(2), 90(3)(m) and 91(7) of the Local Government Act 1999:

1. The Council orders that the documents and minutes relating to Report No: 44/09 with the exception of Resolution No: C100209/077 for going into confidence be kept confidential and not available for public inspection on the basis that they deal with information relating to a proposed amendment to a Development Plan under the *Development Act 1993* before a Plan Amendment Report relating to the amendment is released for public consultation under that Act, under Section 90 (2) and 90(3)(m) of the Act.
2. This resolution will be reviewed on or before 30 June 2010 by the Council.

CARRIED**RELEASED**

13 JUN 2017

CONFIRMED

Tuesday 24 February 2009

**MAYOR**

ITEM NUMBER: 19.1

CONFIDENTIAL REPORT NO: 44/09

10 February 2009

Pursuant to Section 83 (5) of the Local Government Act 1999 the Report attached to this agenda and the accompanying documentation is delivered to the Council Members upon the basis that the Council consider the Report and the documents in confidence under Part 3 of the Act, specifically on the basis that Council will receive, discuss or consider:

- information relating to a proposed amendment to a Development Plan under the *Development Act 1993* before a Plan Amendment Report relating to the amendment is released for public consultation under that Act.

Confidentiality of this document will remain until the resolution is reviewed on or before 30 June 2010 by the Council.

Confidential Reports may be handed back to Administration at the close of the Council meeting for confidential disposal.

If Members choose not to return them, it is their responsibility to ensure the items are secured or disposed of in a confidential manner.

CONFIDENTIAL

REPORT TO: COUNCIL

DATE: 10 FEBRUARY 2009

SUBJECT: POSSIBLE DEVELOPMENT PLAN AMENDMENT – BRIGHTON AND HOVE DISTRICT CENTRES

STRATEGIC PLAN/
CORPORATE PLAN
OBJECTIVE/S: STRATEGIC PLAN: OBJECTIVE 4.5 – CITY DEVELOPMENT

WRITTEN BY: LISA TREGILGAS
STRATEGIC PLANNER (POLICY)

EXECUTIVE SUMMARY

On 25 November 2008, Elected Members attended a confidential briefing by planning consultants Connor Holmes, acting on behalf of the owners of the Brighton Shopping Centre, regarding a potential review of existing Development Plan policies for the District Centre A and B Zones in Brighton and Hove. The preliminary development concept for the Brighton Shopping Centre presented at the briefing would require an amendment to the Development Plan to allow for the expansion of retail development within the District Centre B Zone and the realignment of the Zone boundary.

A formal request has now been received from Connor Holmes for Council to consider commencing a Development Plan Amendment (DPA) to formally review the policies of the District Centre A and B Zones in Brighton and Hove and facilitate the future expansion of the Brighton Shopping Centre.

RECOMMENDATION

That the Committee recommends:

1. That Connor Holmes be advised that Council gives 'in-principle' support to commencing a developer funded Development Plan Amendment for the District Centre A and B Zones in Brighton and Hove and that the following process be followed:
 - a. Council requests that Bellek Pty Ltd enter into a Memorandum of Understanding with the City of Holdfast Bay identifying an agreed planning/policy direction through a draft Statement of Intent which identifies an appropriate project time-line for the preparation of a Development Plan Amendment and confirms the objectives, outcomes and working relationships, and incorporates an agreement for the owners of the Bellek Pty Ltd to pay the reasonable costs of investigations and expenses associated with the preparation of the Amendment.
 - b. Council requests that Bellek Pty Ltd initiate the preparation a draft "Statement of Intent" setting out the justification for the Development Plan Amendment and an outline of the proposed planning/policy changes to be investigated, for Council's consideration.

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REPORT DETAILS

Background

Previous Reports and Decisions

While Council has not previously considered any reports specifically pertaining to the potential redevelopment of the Brighton Shopping Centre, the review of Development Plan policies for the Brighton and Hove District Centre was canvassed in the draft Statement of Intent (SOI) for a Centres and Retailing Development Plan Amendment (DPA), presented to Council on 10 June 2008 (refer to Report 236/08). At that time, Council subsequently resolved the following:

"That the item be adjourned until after the completion of the Residential Coastal and Residential Foreshore Zones and Miscellaneous Amendments Development Plan Amendment."

Therefore, while the Centres and Retailing DPA remains a planning policy priority through the recent Section 30 Development Plan review, no further work has been undertaken in relation to a broad review of Development Plan provisions for Council's commercial centres.

Key Issues Discussion

Proposal

A letter from consultants, Connor Holmes, formally requesting that Council commence a DPA to review the current Development Plan policies of the District Centre A and B Zones in Brighton and Hove was received on 11 December 2008 and is located at Attachment 1 for Members' consideration.
Refer Attachment 1

Connor Holmes have also undertaken a preliminary feasibility study regarding the future development of the Brighton Shopping Centre which provides a preliminary concept proposal and a retail and socio-economic analysis of the identified catchment area. A copy of the work undertaken by Connor Holmes is located at Attachment 2 for Member's information.
Refer Attachment 2

The request from Connor Holmes seeks Council's 'in-principle' endorsement to initiate a DPA process, with reasonable costs associated with DPA investigations and expenses incurred by the council to be borne by the site owners.

While the final scope of the proposed DPA has not been determined, it is envisaged that the area to be considered by the DPA would include the existing District Centre A and B Zones which stretch along Brighton Road between Addison Road, Hove and Oleander Street East, South Brighton. There are also a small number of properties currently located in the Residential Zone proposed to be included in the DPA. The location and extent of the study area is provided as Attachment 3 for Members' reference.
Refer Attachment 3

In addition to reviewing the policies of the District Centre A and B Zones, the proposed DPA would also investigate the appropriateness of realigning the boundary of the District Centre B Zone to include three (3) residential properties located to the immediate west of the Brighton Shopping Centre. These properties have recently been purchased by the owners of the Brighton Shopping Centre with a view to expanding the site area of the shopping centre as part of a future comprehensive redevelopment. If DPA investigations concluded that this is an appropriate course of action subject to appropriate policies to manage this interface, all adjoining or adjacent residents and property owners affected by the rezoning would be consulted on a draft DPA as a statutory requirement, and would be given the opportunity to present any submissions at a formal public meeting.

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It is important to note that, through an externally funded DPA, the site owners are paying to expedite the DPA process, not to achieve a predetermined outcome. While the overall scope of the DPA requires general agreement between the site owners and Council through the SOI, the DPA must be undertaken as a legitimate 'arms-length' process with no influence from the owners or external parties other than through the legislated provisions available to all interested parties, and under strict contractual agreements to ensure transparency. While final endorsement of the DPA is the responsibility of the Minister for Urban Development and Planning, Council has a significant level of influence in determining the policy directions and outcomes of the DPA.

Suggested DPA Process

The process for initiating an externally funded DPA would be similar to the recent Seacliff Park DPA, which is currently being undertaken jointly with the City of Marion and funded by the site owners. A formal agreement was established through a 'Memorandum of Understanding' (MOU) with the site owners to guide the DPA process in relation to the agreed scope of the DPA, costs and reimbursement of expenses, preparation of documentation, engagement of consultants and communication between parties.

Should Council agree to the preparation of a DPA for the District Centre A and B Zones at Brighton, it is recommended that Administration draft an MOU between Council and the owners of the Brighton Shopping Centre to formalise the scope of the proposed DPA and all procedural matters, including the responsibilities of each party. The draft MOU would then be subject to a legal review prior to being presented to Council for endorsement.

Once procedural and project management agreements are in place, a draft SOI would be prepared by Connor Holmes, acting on behalf of the site owners. The SOI would cover the scope of the DPA and outline the likely investigations to be undertaken in policy formulation. Council's Administration would work closely with the consultant in the preparation of the SOI and any work undertaken by the consultant would need to be reviewed to ensure the protection of Council's and the community's interests.

Following approval of the SOI by the Minister for Urban Development and Planning, Administration would prepare a detailed project brief and contract an independent consultant to prepare and coordinate the finalisation of the DPA including investigations, policy drafting and review of public submissions. As the majority of the work would be undertaken by a consultant, it is not envisaged that this project would have a significant impact on internal staff resources.

Financial Sustainability Impact

Budget

A budget of \$40,000 was allocated in the 2008/09 budget to commence investigations for a Centres and Retailing DPA. However, given the more narrowed scope of the proposed DPA and Council's other identified planning policy priorities, it is considered more appropriate that the expenses incurred to prepare the DPA be borne by the site owners.

Some recurrent funds will be required to seek a thorough legal review of the draft MOUs and associated documentation to ensure the protection of Council's interests throughout the DPA process.

Full Life Cycle Costs

Given that Council's involvement will be at a strategic and "policy level" only, no significant ongoing costs are foreseen.

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Conclusion

It has been more than 15 years since the policies of the District Centre A and B Zones in Brighton and Hove were subject to a broad review and, during this time, there has been no significant private investment within the study area. As a result, the retail and commercial facilities within the District Centre A and B Zones have become fragmented and dated, which is likely to impact on their ability to compete with nearby centres which are being modernised and expanded. With a proposal for a significant private investment within the study area, which may act as a catalyst for the revitalisation of the precinct, it is considered appropriate and timely that the District Centre A and B Zones be reviewed. The proposal by Connor Holmes to initiate a DPA that will be funded by the owners of the Brighton Shopping Centre presents Council with an opportunity to undertake an important policy initiative, without a significant financial or resource burden.

It is therefore recommended that Council give 'in-principle' endorsement to commencing an externally funded DPA and that the recommended actions be undertaken to initiate this process.



**R A THOMAS
GENERAL MANAGER
CITY SERVICES**

Ref No: 2580-005

10 December 2008

Mr Rob Donaldson
Chief Executive Officer
City of Holdfast Bay
PO Box 19
BRIGHTON SA 5048

SCANNED	
DATE	11/12/08
DOC. NO.	
BUSINESS CONTAINER NO.	8103
City of Holdfast Bay	



Development Advisors

ITEM NO: 19.1 REPORT NO:
44/09
Attachment: 1 1

Dear Rob

RE: PROPOSED REDEVELOPMENT - BRIGHTON SHOPPING CENTRE

As you are aware, we are acting on behalf of the owners of the Brighton Shopping Centre, located at 525 to 529 Brighton Road, Brighton.

The owners of the shopping centre are proposing to demolish the existing centre which is fragmented and dated, and replace it with a new, integrated, functional centre.

The proposal involves the land covered by the existing centre, as well as additional properties to the south and west of the subject site that are under the same ownership as the Brighton Shopping Centre. The properties to the west of the site are currently zoned Residential. The subject site and the properties to the south are zoned District Centre B.

Connor Holmes has previously prepared a Position Paper in relation to the project that contained preliminary retail analysis and outlined the general intention of the owner. We recently presented the concept to the Elected Members and have to date received a favourable response to the proposal.

We therefore write in order to formally initiate a Development Plan Amendment (DPA) for the rezoning of the adjoining sites, as well as to review the Brighton District Centre Zone as a whole.

Our client is willing to enter into an agreement with Council so that the preparation of the DPA is 'developer funded'.

We look forward to assisting you with this project and await your further advice and direction.

Yours sincerely
CONNOR HOLMES PTY LTD

CATHERINE ORFORD
Development Advisor

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ITEM NO: 19.1 REPORT NO:
Attachment: 21 44/09

CONNOR
HOLMES

BRIGHTON SHOPPING CENTRE

POSITION PAPER

Prepared for
MCINTYRE ROBERTSON SCARBOROUGH

September 2008



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APPENDIX 1 Concept proposal

APPENDIX 2 Catchment Area and Surrounding Centres



1. INTRODUCTION

This position paper provides a preliminary analysis of the prospects of success of the proposed expansion and redevelopment of an existing retail centre, known as the Brighton Shopping Centre, located on Brighton Road at Brighton.

The proposal involves the land covered by the existing centre, as well as additional properties to the south and west of the subject site. The properties to the west of the site are currently zoned Residential. The subject site and the properties to the south are zoned District Centre B.

This paper seeks to:

- describe the subject land;
- provide an overview of the proposal;
- describe the relevant planning policy framework and provide a preliminary assessment against these provisions;
- demonstrate the need for additional retail floor space based on expenditure and floor space available within the catchment;
- provide a preliminary analysis of the likely impact of the proposed facility on the trading circumstances of nearby shopping facilities; and
- describe issues surrounding the rezoning of residential properties to facilitate the proposal.

It is emphasised that this report is preliminary in nature. Further detailed investigations will be required if the project proceeds.

2. SUBJECT LAND

The Brighton Shopping Centre is located 525 – 529 Brighton Road, Brighton, as illustrated on the map below. The extent of the existing shopping centre is outlined in red. The existing zone boundary is marked in blue.



The land is primarily within the District Centre B Zone, although part of the carpark is within the Residential Zone.

The existing centre comprises a freestanding Foodland supermarket adjacent to Brighton Road as the anchor tenant (Photo 1), along with seventeen (17) specialty shops in an L-shaped building (Photo 2). The tenants include two bakeries, a butcher, florist, chemist, butcher, dry cleaner, green grocer and gift shop. The existing supermarket has a retail floor space of 1143sqm, and the specialty shops a retail floor space of approximately 1,381sqm, providing a total retail floor space of approximately 2524sqm.

Ninety six (96) parking spaces are currently provided in two separate parking areas, linked by a driveway. The carpark is accessible from either Edwards Street (Photo 3) or Brighton Road.

The rear of the specialty shops directly adjoins the side boundaries of dwellings fronting Rutland Avenue, which terminates at the shopping centre boundary (Photo 4). The residential properties are within the Residential Zone. The properties on the corner of Edwards Street and Brighton Road are within the District Centre B Zone.

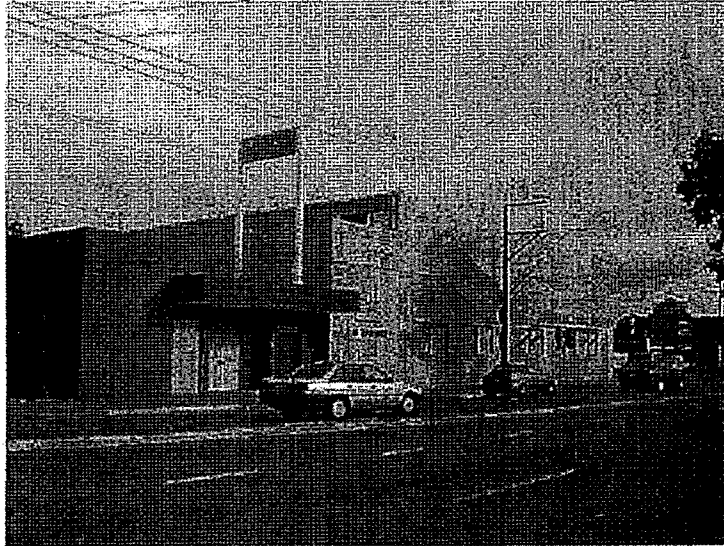


Photo 1 – Foodland supermarket, viewed from Brighton Road

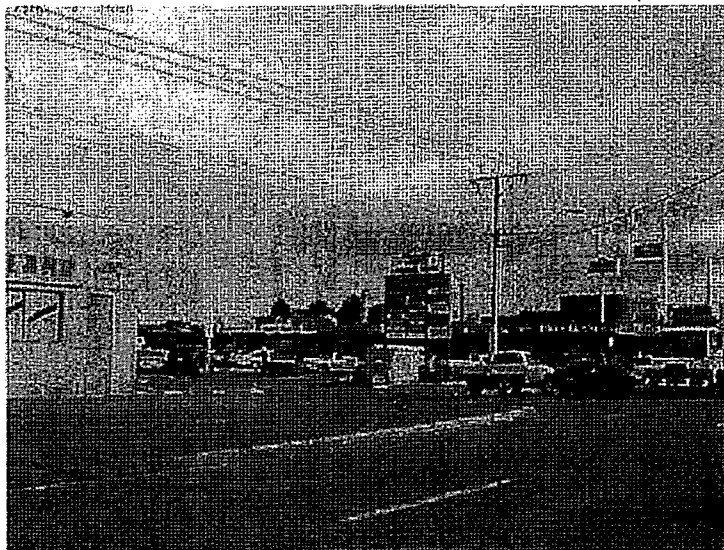


Photo 2 – Specialty shops, viewed from Brighton Road



Photo 3 – Edwards Street carpark

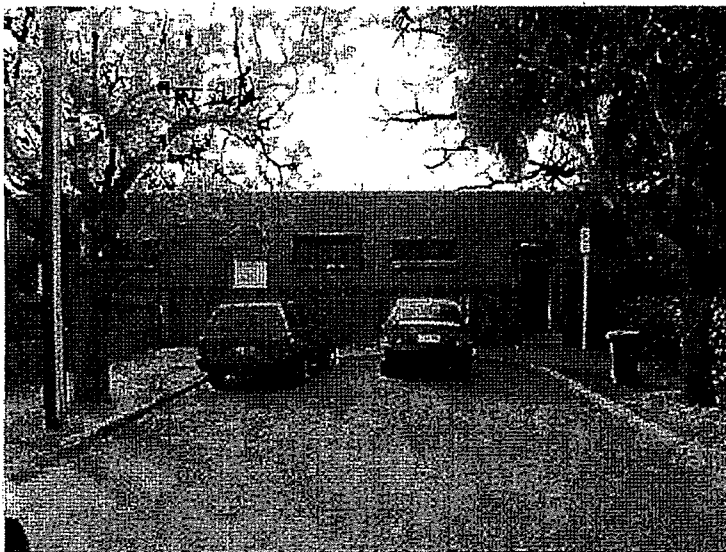


Photo 4 – rear of specialty stores, viewed from Rutland Ave

3. OVERVIEW OF THE PROPOSAL

A preliminary concept for the redevelopment of the Brighton Shopping Centre has been developed for discussion purposes (Appendix 1). The main components of the proposal include:

- demolition of all existing buildings on the site;
- construction of a new shopping centre with a retail floor space of 3650 m² (an overall increase of 1126sqm) comprising:
 - supermarket of 2130 sqm (increase of 987sqm);
 - specialty shops totalling 960 sqm;
 - mini major such as Go Lo of 560 sqm (overall increase in non supermarket retail floor space of 139 sqm).
- consolidated car park providing 145 spaces (increase of 49 spaces);
- new supermarket loading dock accessed from Edwards Street, separate from the customer parking area.

The proposed redevelopment would incorporate an additional two properties located on the corner of Edwards Street and Brighton Road (shaded blue on the plan below), currently used as a motor repair station and dwelling. It would also include three residential properties to the west of the site, shaded red. These three properties are zoned Residential, and would need to be rezoned to facilitate the proposed development. The proposed new zone boundary is shown below (dashed blue line). This aspect of the proposal is discussed in Section 11 of this report.





4. POLICY FRAMEWORK

The retail hierarchy is established by the Planning Strategy for Metropolitan Adelaide (December 2007) at the broadest level and is detailed through the policies and structure plans contained within each Council's individual Development Plan.

4.1 Planning Strategy for Metropolitan Adelaide

The Planning Strategy for Metropolitan Adelaide broadly defines the roles of the various levels of centre within the retail hierarchy. They are further particularised in the Development Plan.

The retail hierarchy is as follows:

- **Central City Activity Centre**

The primary hub of business and government, providing employment opportunities, tourist destinations and a comprehensive range of services and facilities, including public transport, recreation and entertainment.)

Serves the entire metropolitan area

- **Regional Activity Centre**

Provides major employment, retail, commercial, administrative, entertainment, education, health, cultural, tourism, recreational facilities, open space and housing.

Serves a catchment of 60,000 + people

- **District Activity Centre**

Provides multi-purpose and major employment centres with a wide but not complete range of retail, commercial, administrative, entertainment, recreational facilities and housing.

Provides small-to-medium sized offices particularly providing services to the district, banks, consulting rooms, personal services establishments, service trade premises, petrol filling stations, motor repair stations, hotel, tavern, recreation and entertainment facilities, including cinemas and theatres, mini-major department stores and supermarkets, speciality shops, retail showrooms, convenience stores, bulky goods retail outlets, cafes and restaurants.

Adjacent major public transport route and primary roads.

Serves a catchment of 10,000 – 60,000 people.

- **Neighbourhood Activity Centre**

Serves the surrounding neighbourhood and incorporates a mix of uses, goods, services and community facilities serving the daily to weekly needs of the neighbourhood in locations which minimise the need for people to travel. They should provide convenience goods as well as a limited range of more frequently required comparison goods and a narrow range of facilities.

Serves a catchment of 5,000 – 10,000 people.

- **Local Activity Centre**

To provide local shopping and community facilities to serve the daily needs of the local community generally located within walking distance of homes.

Serves the population within walking distance of the centre.

The Brighton Shopping Centre is part of a designated District Centre that extends along Brighton Road both north and south of its intersection with Sturt Road.

The Centre appears to be a traditional strip shopping area that developed over time, which has then been overlaid with a District Centre zoning. The District Centre in its totality (Zones A and B) includes two supermarkets and numerous small shops, banks, a post office, restaurants, a hotel and offices, all spread along Brighton Road for a distance of approximately 2.5km. The zone generally extends only one property width back on either side of Brighton Road, allowing for only very limited expansion or redevelopment of the retail facilities.

4.2 Holdfast Bay (City) Development Plan

The Development Plan provides the planning policy framework under which Council must assess any future Development Application. The Development Plan reflects the retail hierarchy contained within the Planning Strategy and designates Regional, District, Neighbourhood and Local Centres.

As previously mentioned, the Brighton Shopping Centre (BSC) is part of a larger District Centre that is split into two zones, District Centre A and District Centre B. The BSC is within the District Centre B Zone, the provisions for which are as follows:

Objective 1: *A zone accommodating commercial, office, recreational and community facilities to serve the needs of the Brighton district community.*

Development of the District Centre B Zone should generally be commercial, office and other activities complementary to supporting and reinforcing the District Centre A Zone retail function. Development generally should be small to medium-scale, having particular regard to matters of design and townscape including choice of materials, siting of buildings, relationship with adjoining buildings, landscaping, and residential privacy. Development should provide adequate off-street car parking and promote the integration of car parking areas to minimise the number of access points to Brighton Road and make more efficient car parking provision. Special consideration should be given to pedestrian safety and convenience.

PRINCIPLES OF DEVELOPMENT CONTROL

- 1** *Development undertaken in the District Centre B Zone should be commercial, office, recreational and community facilities.*
- 2** *Further retail development should not take place in the District Centre B Zone, although comprehensive redevelopment of existing shops may occur, provided such development contributes to amenity and character, provides sufficient off-street car parking and improves the pedestrian environment without significantly increasing floor space.*



The existing shopping centre serves a retail function which is not entirely consistent with the objective of the zone which calls for primarily commercial, office, recreational and community facilities, with the District Centre A zone (centred around the Brighton Road/Jetty Road intersection) providing the core retail function. However, the Brighton Shopping Centre provides a substantial amount of retail floor space (approximately 2524 sqm) and is a long established use underpinned by high levels of turnover indicating high demand. The centre serves the day to day shopping needs of the surrounding population.

Principle of Development Control 2 above states that comprehensive redevelopment of existing shops may occur, provided certain conditions are met.

The proposed development, involving the redevelopment of an existing retail centre in order to improve its functionality, car parking, access and appearance, clearly meets the first part of the PDC. The second part of PDC 2 requires such redevelopment to:

1. contribute to amenity and character
2. provide sufficient off-street parking
3. improve the pedestrian environment
4. not significantly increase floor space

Any future Development Application for the proposal will need to involve a comprehensive assessment against these criteria. However, they are addressed in brief below in relation to the preliminary proposal.

Amenity and character

The existing Brighton Shopping Centre is dated, fragmented and unattractive when viewed from Brighton Road and Edwards Street. Incorporating the two properties on the corner and undertaking a comprehensive redevelopment of the centre will greatly improve its appearance and functionality and enables the centre to address the corner, creating a much more attractive street frontage.

The impact of the shopping centre on the residential zone to the west of the subject land will improve as a result of the proposal, as the plan allows for a landscaped buffer along that boundary which currently does not exist. Incorporating three residential properties into the shopping centre boundaries will shift the boundary of the centre westwards, but this will have minimal impact on the adjoining residential properties.

Off-street parking

The proposed redeveloped centre will have a total retail floor area of 3650sqm and provides 145 carparking spaces, a rate of 4.0 spaces per 100sqm of retail floor space.

However, the City of Holdfast Bay Development Plan bases its carparking requirement for a shop on total floor space, requiring 1 space per 15sqm of total floor space. The proposed total gross floor area of the new development will be 3751sqm, equating to a requirement for 250 spaces.

The existing centre, with a total retail floor area of 2524 sqm (total gross floor area of 3076sqm) and 96 carparking spaces, provides parking at a rate of 3.1 spaces per



100sqm of floor space. The proposal is therefore an improvement on the current situation in terms of parking provision.

An assessment against the Development Plan provisions reveals that 205 spaces would be required for the existing development, so there is currently a shortfall of 109 spaces.

Under the new proposal, the shortfall is 105 spaces (250 required, 145 provided), again, providing an improvement in the carparking rates compared with the current situation.

Preliminary traffic advice has been sought and will continue to be provided throughout this process.

The existing parking area is split into two distinct areas, one accessible from Edwards Street and the other from Brighton Road. The two carparks are linked via a two way driveway between the Foodland supermarket and the speciality shops. The proposed development will consolidate the parking areas providing a much safer, logical and functional solution.

Pedestrian environment

The existing centre is currently fragmented, with the supermarket being within a separate freestanding building, only accessible from the speciality stores across a vehicular access between the two parking areas.

The proposed redeveloped centre is a much more cohesive design that allows for easy and safe pedestrian access between shops. The reconfigured centre also allows for a high degree of visibility from Brighton Road, improving surveillance and pedestrian safety.

Floor space increase

The existing centre has a retail floor space of 2524 sqm, whilst the proposed redeveloped centre will have a total retail floor area of 3650 sqm, an increase in floor area of 1126 sqm or 31%. The increased supermarket size is the primary cause of the increased floor area. The extent of the proposed increase in floor space is relatively minor, particularly in proportion to the District Centre in its totality.

5. CATCHMENT AREA

In order to determine demand for a particular retail centre and amount of retail floor space that is supportable (based on population characteristics, income and retail expenditure), it is necessary to establish a geographic catchment area.

The establishment of the boundaries of the catchment area are a function of the scale and purpose the centre serves, the quality and type of facilities that will be provided within the centre, the accessibility of the centre and the nature and location of competing centres.

As mentioned, the existing Brighton Shopping Centre is part of a larger District Centre that encompasses a significant portion of properties along Brighton Road both north and south of its intersection with Sturt Road (extending for approximately 2.5km). The catchment area that has been identified, illustrated in Appendix 2, is limited to the Brighton Shopping Centre itself, rather than the District Centre as a whole. The catchment is based on the proposed redeveloped centre, not the existing centre.

For the purpose of this paper, both primary and secondary catchment areas have been identified.

The resident population of the identified primary catchment for the BSC is 14,075 persons at the 2006 census, and 11,350 for the secondary catchment (25,425 persons in total).

Most of this population is concentrated to the south and north of the site, primarily due to the north/south arterial of Brighton Road providing relatively easy access to the Brighton Shopping Centre. The presence of Marion Shopping Centre to the east of the site limits the extent of the catchment in that direction, as does Glenelg (a District Centre) to the north. Those south of the centre, but residing north of the Marino Conservation Park, are more likely to use the Brighton Shopping Centre rather than the Hallett Cove shopping centre due to the physical barrier of the foothills and the limited services available at Hallett Cove. In addition, the natural direction of travel is generally towards the Adelaide CBD (ie northwards along Brighton Road) rather than southwards. This may change in future due to the redevelopment of the Hallett Cove Shopping Centre, due for completion at the end of 2009. However, it is likely that the Hallett Cove Centre will draw mainly from suburbs south of the foothills such as Hallett Cove, Sheidow Park and Trott Park.

The Brighton Shopping Centre has a reasonably high level of accessibility, being located on a major arterial road (Brighton Road), near the intersection of another heavily trafficked arterial road (Sturt Road).

The primary catchment area extends generally between 600m and 3km in any direction which reflects a driving time to the proposed centre of up to approximately 5 minutes and walking time of approximately 40 minutes. Passing trade can also be expected from traffic movements along Brighton Road.

Based on all of these factors (combined with the boundaries of ABS Collector Districts), a primary and secondary catchment area for the proposed centre has therefore been identified and is as shown in Appendix 2.



6. EXISTING CENTRES

The map in Appendix 2 identifies existing centres which are proximate to the site and which may exert some influence on the proposed development. Most of these are within the identified catchment area, but some are larger centres outside of the Brighton Shopping Centre catchment such as the CBD and Marion Shopping Centre.

6.1 The Adelaide CBD

At the highest centre level, the CBD provides for high order shopping, entertainment, cultural activities and specialist services and facilities. The CBD is approximately 12km from the site and approximately 20% of employed residents of the City of Holdfast Bay travel to the City of Adelaide for work. As such, it is considered that the CBD is likely to have only a moderate influence on retail patterns within the identified catchment area. The Brighton Shopping Centre primarily services daily and weekly food shopping needs that are generally not met by the CBD (other than perhaps the Central Market).



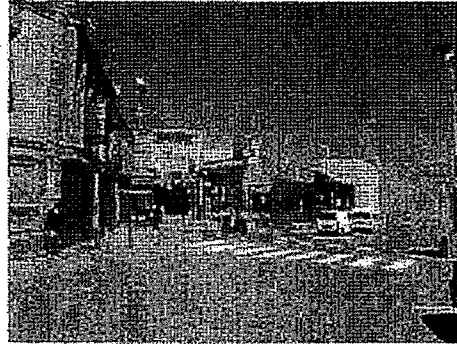
6.2 Regional Centres

At the regional level, Marion Regional Centre is the designated regional centre serving the catchment area (Map reference No. 1, Appendix 2). It is located approximately 2km from the site and incorporates Westfield Marion Shopping Centre. Table 1 summarises floor space composition and key retailers within Marion Regional Centre.

Table 1: Marion Regional Centre Floor Space Composition & Key Retailers

Floor Space Type	Total Floor Space	Key Retailers
Food Retail	16,331	<ul style="list-style-type: none"> • David Jones (13,815 m²) • Myer (13,796 m²) • Bunnings (9,915 m²) • Big W (7,948 m²) • Target (7,100 m²) • Kmart (7,050 m²) • Woolworths (4,440 m²) • Coles (3,602 m²) • Harris Scarfe (2,997 m²)
Non-food Retail	93,347	
Total Retail Floor Space	109,678	
Commercial	16,149	
Vacant	844	
Total Floor Space	126,671	

Source: Planning SA Retail Database 2007



The Marion Regional Centre is expected to have a strong influence on the catchment area as it incorporates two large full-line supermarkets that would meet the daily and weekly food shopping needs of the surrounding population, including the BSC catchment. However, due to the size of the Marion centre and actual or perceived access and parking issues, it is likely that a large number of shoppers would avoid doing their weekly shopping at Marion, preferring smaller, more accessible centres such as the Brighton Shopping Centre.

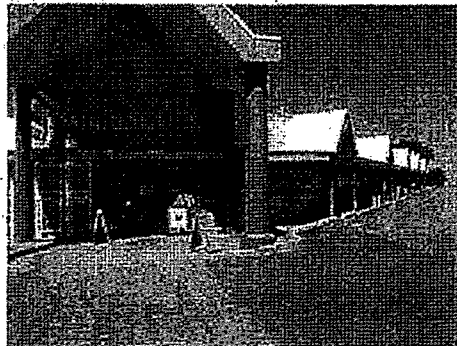
6.3 District Centres

The Hallett Cove District Centre is likely to have a minor influence within the catchment area. Table 2 summarises floor space categories and key retailers within Hallett Cove District Centre.

Table 2: Hallett Cove District Centre Floor Space Composition & Key Retailers

Floor Space Type	Total Floor Space	Key Retailers
Food Retail	5,010	• Foodland (3,115 m ²)
Non-food Retail	3,806	• Rainbow Garden
Total Retail Floor Space	8,816	Centre (840 m ²)
Commercial	768	• Salvos (575 m ²)
Vacant	227	
Total Floor Space	9,811	

Source: Planning SA Retail Database 2007





Hallett Cove District Centre incorporates Hallett Cove Shopping Centre which is currently being redeveloped. At the completion of the development (end of 2009) the centre will become more attractive, particularly to the population within the southern part of the BSC catchment area. However, it is anticipated that the Hallett Cove centre will draw customers mainly from the areas south of the foothills such as Hallett Cove, Sheldow Park and Trott Park.

6.4 Neighbourhood Centres

There is one neighbourhood centre within the primary catchment area, located north of the subject site on Brighton Road (Map reference No. 2). There are five other neighbourhood centres within the secondary catchment, including one which is partially located within the primary catchment on Seacombe Road (Map reference No. 3). The neighbourhood centres located at Brighton Road, Seacombe Road and Diagonal Road (Map reference No. 4) are thought to have a moderate influence on the catchment area and the floor space composition and key retailers within these centres are detailed in Tables 3, 4 and 5 below. The other three neighbourhood centres, located in the secondary catchment, are not thought to have any significant influence as they offer limited services (less than 1,000m² of retail floor space) and are located close to the catchment area boundary.

Table 3: Brighton Road Neighbourhood Centre - Floor Space Composition

Floor Space Type	Total Floor Space	Key Retailers
Food Retail	1,485	<ul style="list-style-type: none"> • Foodland (1,208m²) • Paul Munns Garden Centre (591m²)
Non-food Retail	2,842	
Total Retail Floor Space	4,327	
Commercial	1,268	
Vacant	366	
Total Floor Space	5,961	

Source: Planning SA Retail Database 2007



Table 4: Seacombe Road Neighbourhood Centre- Floor Space Composition

Floor Space Type	Total Floor Space	Key Retailers
Food Retail	1,505	<ul style="list-style-type: none"> • Foodland (980 m²) • BWS (305 m²)
Non-food Retail	480	
Total Retail Floor Space	1,985	
Commercial	328	
Vacant	0	
Total Floor Space	2,313	

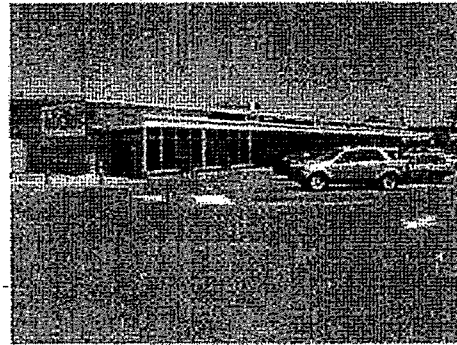
Source: Planning SA Retail Database 2007



Table 5: Diagonal Road Neighbourhood Centre– Floor Space Composition

Floor Space Type	Total Floor Space	Key Retailers
Food Retail	3,198	<ul style="list-style-type: none"> • Coles (2,943 m²) • Blockbuster Video (391 m²)
Non-food Retail	1,413	
Total Retail Floor Space	4,611	
Commercial	1,859	
Vacant	0	
Total Floor Space	6,470	

Source: Planning SA Retail Database 2007



6.5 Local Centres

There are no local centres within the primary catchment area. The four local centres which are located in the secondary catchment area are not thought to exert any significant influence, given that the closest of these is around 1km from the subject site and no supermarket facilities are provided in these centres.

6.6 Other Centres

A Residential Activity Node (RAN) Zone exists along part of Brighton Road, Jetty Road and around the Brighton and Hove Railway Stations.

The Jetty Road and Brighton Road areas of this zone include a substantial amount of retail floor space, Tables 6 and 7 below identify floor space composition and key retailers in the RAN Zone and surrounding Zones along these roads, such as the Residential and Light Industry Zones.

**Table 6 Jetty Road, Brighton**

Floor Space Type	Total Floor Space	Key Retailers
Food Retail	1,180	Predominantly cafes, restaurants and gift shops
Non-food Retail	755	
Total Retail Floor Space	1,935	
Commercial	50	
Vacant	0	
Total Floor Space	1,985	

Source: Planning SA Retail Database 2007

Table 7 Brighton Road

Floor Space Type	Total Floor Space	Key Retailers
Food Retail	1,072	<ul style="list-style-type: none"> • Seaclyff IGA (406 m²) • Sovereign Antiques (691 m²)
Non-food Retail	5,044	
Total Retail Floor Space	6,116	
Commercial	2,362	
Vacant	397	
Total Floor Space	8,875	

Source: Planning SA Retail Database 2007

6.7 Subject Centre

The BSC is located within the Brighton Road District Centre, which is split into District Centre Zones A and B. The subject site is located within the latter. Tables 8 and 9 provide floor space composition and key tenant details for these two Zones.

Table 8 District Centre A

Floor Space Type	Total Floor Space	Key Retailers
Food Retail	4,375	<ul style="list-style-type: none"> • Coles (1,370 m²) • Charlies Restaurant (1,072 m²)
Non-food Retail	3,310	
Total Retail Floor Space	7,685	
Commercial	1,276	
Vacant	399	
Total Floor Space	9,360	

Source: Planning SA Retail Database 2007

Table 9 District Centre B

Floor Space Type	Total Floor Space	Key Retailers
Food Retail	3,168	<ul style="list-style-type: none"> • Foodland (1,143 m²) • Mitre 10 (1,493 m²)
Non-food Retail	4,677	
Total Retail Floor Space	7,845	
Commercial	2,523	
Vacant	430	
Total Floor Space	10,798	

Source: Planning SA Retail Database 2007



7. HOUSEHOLD AND PERSONAL EXPENDITURE CHARACTERISTICS

Household expenditure characteristics are a function of a range of factors, most notably household income, but also household structure and age characteristics.

Analysis of household expenditure characteristics assists in determining demand for retail floor space within a particular catchment.

At the 2006 Census, the primary catchment area exhibited an income profile higher than the metropolitan average. Average household income within the primary catchment area has been calculated at approximately \$65,000 per annum, compared with a metropolitan average of approximately \$58,900 per annum. The income profile of the secondary catchment is very closely aligned with the metropolitan average at \$59,100.

The average household retail expenditure in Metropolitan Adelaide in 2003/04 was \$23,726. Over the period June 2004-June 2008, retail turnover has increased by 24.3% in South Australia. Around 3.9% of this growth can be attributed to population increase and 13.7% to inflation. The remaining growth of 6.7% represents real growth in retail spending. Current average household retail expenditure is therefore estimated at around \$28,500 per annum.

As the primary catchment area has a higher household income profile compared with the metropolitan average, a higher rate of expenditure should be applied. Households with a lower income spend a higher proportion of their income on retail goods and services than more affluent households. Therefore, while the average income within the primary catchment area is 10% greater than the metropolitan average, this does not translate to a 10% increase in expenditure.

An analysis of income quintile data from the most recent ABS Household Expenditure Survey, suggests that an appropriate estimate of retail expenditure within the primary catchment is 106.5% of the metropolitan average, or \$30,400 per household per annum.

The secondary catchment has an income profile which is approximately the same as the metropolitan average, therefore a household expenditure rate of \$28,500 is considered appropriate.

Based on the identified catchment area and the foregoing analysis of expenditure levels, the total retail spending capacity of the primary and secondary catchments is estimated at \$179.8 million and \$127.7 million per annum respectively.

Additionally, the proposed centre is expected to capture some passing trade along Brighton Road, a primary north-south route between the southern suburbs and the Adelaide CBD.

8. PENETRATION LEVELS

Analysis of penetration levels can determine how much retail spending will occur at once centre rather than another. It is a function of factors such as the nature and quality of facilities, accessibility of the centre, the amenity of the centre (including parking availability), the availability of alternative shopping facilities and the level at which the shopping centre operates and is therefore able to draw patronage.

Establishment of penetration levels is largely derived from the observation and experiences of other centres, having regard to the unique influences of a particular locality. Empirical evidence demonstrates that the majority of food expenditure occurs at the Neighbourhood and District Centre levels.

The main competitors for food expenditure within the catchment area have been identified as

- Hallett Cove District Centre;
- Brighton Road Neighbourhood Centre;
- Seacombe Road Neighbourhood Centre; and
- Diagonal Road Neighbourhood Centre.

It has been mentioned that Hallett Cove District Centre may exert a stronger influence on the southern portion of the catchment area in the future (following redevelopment). In terms of the three neighbourhood centres identified above, only one (Diagonal Road) contains a full-sized supermarket. It is noted that this centre is on the periphery of the catchment area. Within the subject centre zones (District Centre A & B), the main competition for food expenditure will come from the stand-alone Coles supermarket which is located north of the BSC on Brighton Road. Based on these considerations, a penetration level of 30% of primary catchment and 10% of secondary catchment food expenditure is nominated for the proposed centre.

In terms of non-food expenditure, empirical evidence demonstrates that the majority of this expenditure occurs at the CBD, Regional and District Centre levels. Given the relatively high accessibility of the CBD and Marion Regional Centre as well as the limited comparison good shopping opportunities within the Brighton Road District Centre, it is suggested that the BSC is likely to attract a relatively low share of non-food expenditure within the catchment. An overall penetration level of 10% of non-food retail expenditure has therefore been nominated for the primary catchment and 3% for the secondary catchment.

The relationship between food and non-food expenditure levels changes according to income level. Households with higher incomes tend to spend a proportionally lower amount on food compared with non-food retail. Given the income profile of the catchment area, a split of 36% food and 64% non-food is estimated. This figure has been derived from the ABS Retail Expenditure Survey and is based on the amount spent on individual items rather than the type of retail establishment these items are purchased at.

Retail establishments which are generally classified as food retail, such as supermarkets, usually offer a significant range of non-food items such as cleaning products, personal hygiene products, clothing lines, flowers, cards, etc. As such, the retail expenditure split between food and non-food given above understates expenditure at these 'food' retail establishments. To remedy this, a split of 50% food and 50% non-food expenditure is applied (Table 10).

Table 10: Expenditure per Annum Resident Population

Expenditure Category	Total Catchment Expenditure	Subject Shopping Centre Penetration	Subject Shopping Centre Expenditure
Primary Catchment			
Food Retail	\$90M	30%	\$27M
Non-Food Retail	\$90M	10%	\$9M
Secondary Catchment			
Food Retail	\$64M	10%	\$6M
Non-Food Retail	\$64M	3%	\$2M
Total Catchment			
All	\$308M	14%	\$44M

The subject site fronts a major arterial road, namely Brighton Road. The annual average daily traffic estimates on Brighton Road between Seacombe Road and Sturt Road is 35,500 (DTEI, 2008). Passing trade is expected to add an additional 5% to the above expenditure figures. Total expenditure including passing trade is shown in Table 11.

Table 11: Total Expenditure per Annum

Expenditure Category	Proposed Centre Expenditure
Food Retail	\$35M
Non-Food Retail	\$12M
Total	\$47M

It is anticipated that the proposed redeveloped centre would not be built until approximately 2010. Employing a fairly conservative estimate of 1.5% real retail growth per annum, total centre expenditure is estimated at \$49 million in 2011 and \$53 million in 2016. Key factors which could influence BSC expenditure in the future include:-

- population growth/decline;
- real retail expenditure growth/decline; and
- additional centre developments/redevelopments within the locality.

The estimates given above hold the first and third of these factors constant and only consider expenditure growth.

Beyond the planned redevelopment of the Hallett Cove Shopping Centre, Connor Holmes is not aware of any plans for new potentially competing centre development or redevelopment of existing centres in this area.

9. TURNOVER LEVELS

The following table identifies the types of retail floor space proposed in the centre and provides an estimate of the turnover level required to underpin a successfully trading centre.

Table 12: Estimated Turnover Levels

Retail Category	Proposed Floor Space	Nominated Turnover per sqm	Total turnover per annum
Supermarket	2,310sqm	\$10,000	\$23M
Specialty	960sqm	\$6,000	\$6M
Mini-Major	560sqm	\$4,000	\$2M
Total			\$31M

Many factors can influence shopping patterns and affect expenditure and penetration levels. In broad terms, however, the foregoing analysis indicates that the estimated BSC turnover of \$31 million can be easily achieved by the proposed shopping centre redevelopment, with more than double this level of expenditure available.

The existing Foodland supermarket is well patronised, having high turnover levels underpinning its strong economic viability. However, its relatively limited size and aged appearance suggests that there is likely to be a significant amount of escape expenditure that could be recaptured through the redevelopment of the centre.

10. IMPACT ON OTHER CENTRES

The ability to redevelop the Brighton Shopping Centre will depend not only on the Development Plan provisions and economic viability of the centre, but also on the potential impact the redevelopment of the centre will have on existing nearby retail centres.

We would anticipate that Council, in considering such a proposal, will be keen to see a demonstrated need for the additional retail floor space (established in the preceding chapters) and that the redevelopment of the centre will not have a significant detrimental impact on the trading levels and therefore the economic viability of nearby shopping facilities.

Both the primary and secondary catchments are not particularly well served by modern, full sized supermarket facilities. The Coles supermarket to the north of the subject centre (within the District Centre A Zone) has a floor space of 1,370sqm. Further north, the Hove Foodland has a floor space of 1208sqm, compared with the larger, full line supermarkets (Woolworths and Coles) within the Marion Regional Centre having retail floor areas of 4,440 m² and 3,602 m² respectively.

The catchment areas of all of these supermarkets would overlap that of the subject centre and would be its primary competitor in terms of neighbourhood weekly shopping needs and retail expenditure. There is sufficient expenditure within the catchment to support all of these facilities. The increase in floor space at the Brighton Shopping Centre (1126 sqm or 31 %) is unlikely to result in any significant impact on turnover at these competing centres.

The smaller centres within and on the edge of the catchment will have minimal influence on the proposed redeveloped centre and vice versa.

Significant escape expenditure to Marion Regional Centre is likely to be occurring due to the generally poor quality and smaller size of supermarkets within the catchment area. The proposed centre is likely to recapture a proportion of this escape expenditure.

11. PROPOSED REZONING

As previously described, the proposed redevelopment of the centre involves extending the centre westwards over three existing residential properties, being:

- No. 10 Edwards Street;
- No. 1 Rutland Avenue;
- No. 2 Rutland Avenue.

The proposed rezoning also involves one non-residential property, currently used as part of the Brighton Shopping Centre carpark. The affected property is:

- No. 8 Edwards Street.

The map below indicates the four properties affected with yellow stars, the proposed new zone boundary is the dashed yellow line. The blue dashed line is the existing zone boundary.



The merits of and issues surrounding the proposed zone boundary shift would need to be investigated in detail as part of a Development Plan Amendment process. However, a number of factors would be considered including:

- The potential impact of the proposed zone boundary shift on the adjoining residential properties to the west, north and south;
- Traffic movement and parking implications for Rutland Avenue and Edwards Street;
- The benefits of increasing the area covered by the District Centre B zone, in terms of the function of the centre.

Incorporating No. 8 Edwards Street into the DCeB Zone is logical as that allotment is already used as a carpark.

A preliminary assessment suggests that the impact on adjoining properties would be minimal, provided appropriate buffers and design principles are adopted in any future redevelopment of the centre. Traffic and parking conditions within Rutland Avenue would be unlikely to change, and conditions within Edwards Street could be improved.

The proposed rezoning could be pursued with Council on the basis of the Development Plan Amendment being developer funded.

12. CONCLUSION

There are a number of factors involved in determining whether or not the proposed redevelopment of the existing Brighton Shopping Centre will be supported by Council.

These include:

1. Whether the demand for retail facilities and expenditure within the catchment justifies further expansion of retail floorspace at this location;
2. Whether or not the proposed redeveloped centre is likely to have an unreasonable impact on other existing retail centres within the catchment;
3. Whether the proposed redevelopment is appropriate in terms of the relevant Development Plan provisions relating to the District Centre B Zone;
4. Whether the proposed rezoning of adjoining properties is justified in terms of improving retail facilities within the area and the functionality of the Brighton Shopping Centre (particularly in relation to access and carparking);
5. Whether the proposed redevelopment and associated rezoning is appropriate in terms of the potential impacts on surrounding land uses.

It is hoped that this paper will provide the impetus for discussion around all of these issues.

The projected turnover levels broadly suggest that the proposed centre is supportable from an economic perspective.

Preliminary research undertaken in relation to other existing centres within the catchment suggests that there is likely to be minimal impact on the trading levels of these centres.

Compliance with the Development Plan will need to be further explored, but an initial assessment suggests that the provisions will be largely met or can be met. Specialist traffic advice may be required.

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APPENDIX 1

CONCEPT PROPOSAL

District Centre A and B Zones- Brighton and Hove

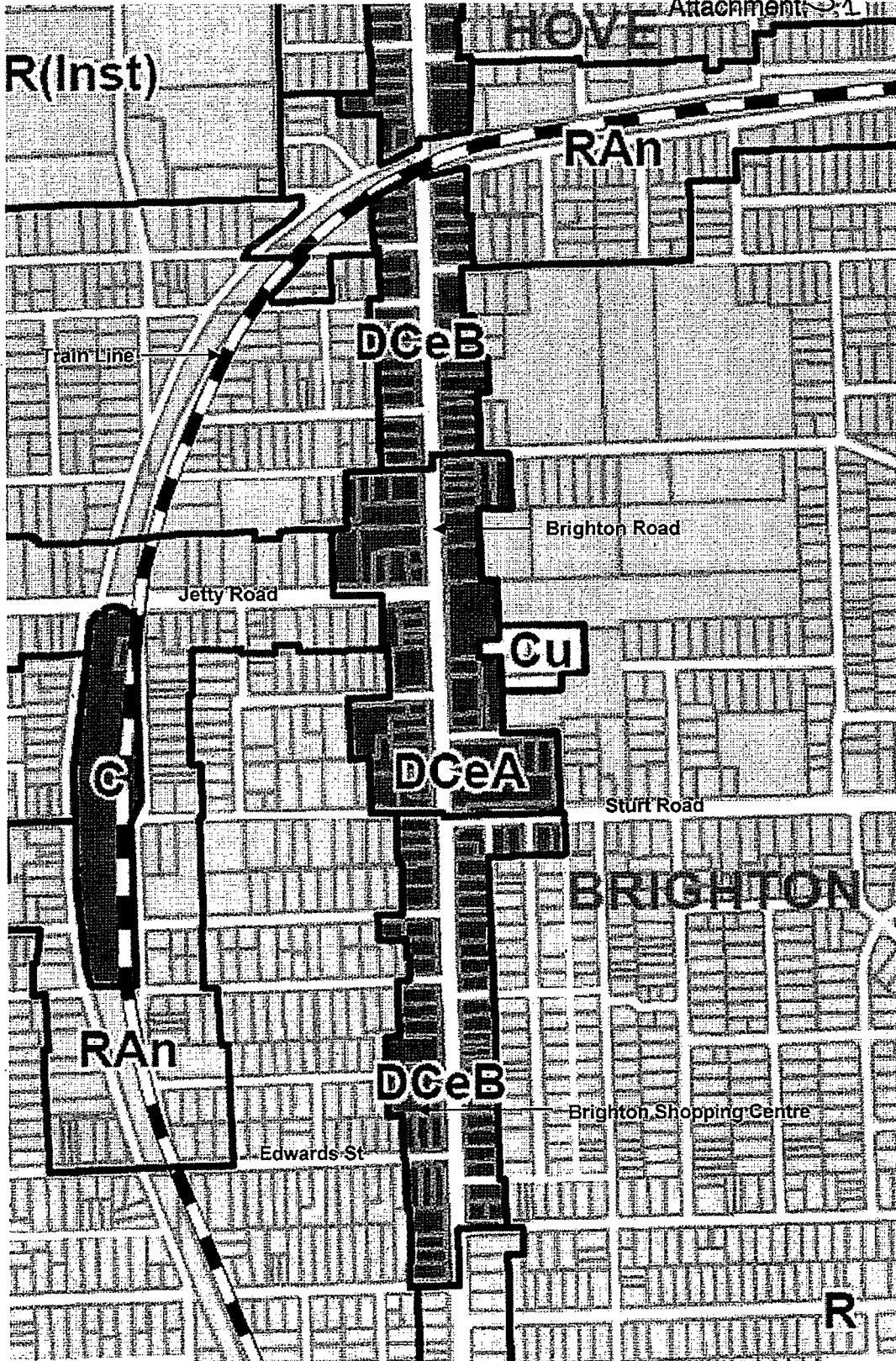
Location Map

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44/09

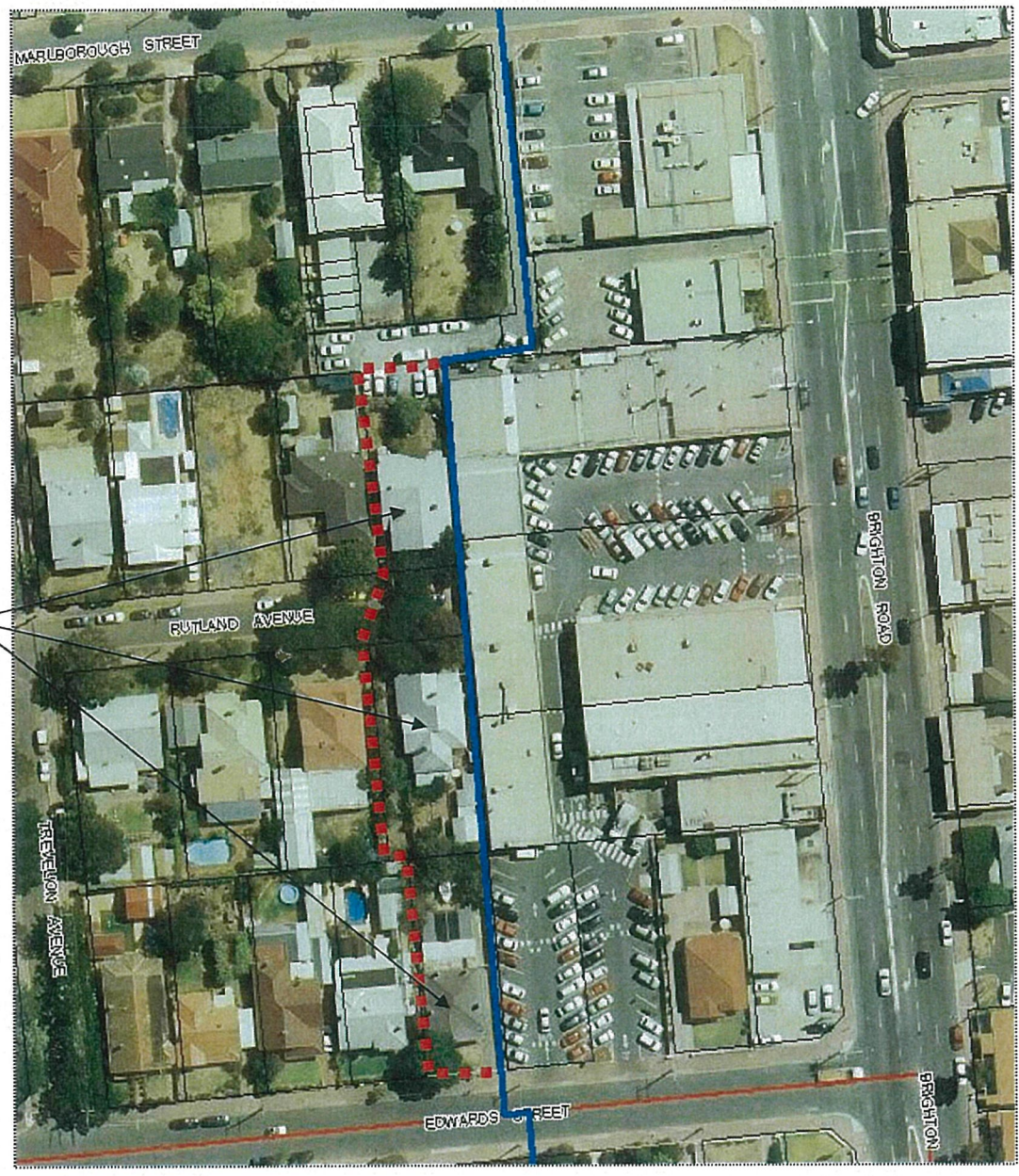
Attachment 3.1



DCeB-	District Centre B Zone	C-	Commercial
DCeA-	District Centre A Zone	Cu-	Community
R-	Residential Zone	R(Inst)-	Residential
RAn-	Residential Activity Node Zone		Institution Zone

Brighton Shopping Centre Potential District Centre B Zone Boundary Realignment

Residential Properties Owned by Brighton Shopping Centre



— Existing District Centre B Zone Boundary

■ ■ ■ ■ Potential Boundary Realignment