

Business & Economic Development Advisory Committee

Minutes

4 July 2023

Our Vision

*A City which values its heritage, cultural diversity,
sense of place and natural environment.*

*A progressive City which is prosperous, sustainable
and socially cohesive, with a strong community spirit.*

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City of
Norwood
Payneham
& St Peters

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VENUE Mayors Parlour, Norwood Town Hall

HOUR 6.16pm

PRESENT

Committee Members Mayor Robert Bria (Presiding Member)
Cr John Callisto
Ms Amanda Grocock
Ms Amanda Pepe
Mr Ben Pudney
Mr Joshua Baldwin
Ms Rebecca Thomas
Ms Trish Hansen

Staff Keke Michalos (Manager, Economic Development & Strategy)
Stacey Evreniadis (Economic Development Co-ordinator)
Tyson McLean (Economic Development Officer)
Eleanor Walters (Manager, Urban Planning & Sustainability)

APOLOGIES Cr Grant Piggott, Cr Victoria McFarlane, Mr Matt Grant

ABSENT Nil

TERMS OF REFERENCE:

The Business & Economic Development Committee is established to fulfil the following functions:

- *To provide high-level independent expert advice to the Council on economic development matters and employment growth opportunities in the City of Norwood Payneham & St Peters and to have oversight of the continued implementation of the Council's Economic Development Strategy.*
- *To identify issues, opportunities, and initiatives which impact on business and economic development in the City of Norwood Payneham & St Peters.*
- *To provide advice to the Council and recommend actions, including the conduct of studies associated with business and economic development, as required, in order to facilitate the identification of opportunities, issues, strategies and actions.*
- *To assist the Council to facilitate and promote economic growth and development in the City of Norwood Payneham & St Peters.*
- *To provide advice to the Council as required, to facilitate the creation of business networks (both within South Australia and Australia), which provide benefits for the City of Norwood Payneham & St Peters and the business sector.*
- *To provide strategic direction and leadership to ensure that members of the business community are able to participate in the development and implementation of the City's business and economic development outcomes.*
- *Conduct forums to identify and articulate relevant information in respect to services and activities in the City of Norwood Payneham & St Peters that contribute to the City's economic growth.*
- *Advocate and work actively with State and Federal Governments and their agencies, the private sector and relevant peak bodies on key economic priorities which deliver positive outcomes for the City and the community.*
- *Consider and advise the Council on medium and long term matters relevant to business and economic development within the City of Norwood Payneham & St Peters.*

1. CONFIRMATION OF MINUTES OF THE BUSINESS & ECONOMIC DEVELOPMENT ADVISORY COMMITTEE MEETING HELD ON 4 APRIL 2023

Cr Callisto moved that the minutes of the Business & Economic Development Advisory Committee meeting held on 4 April 2023 be taken as read and confirmed. Seconded by Ms Amanda Grocock and carried unanimously.

2. PRESIDING MEMBER'S COMMUNICATION

Nil

3. STAFF REPORTS

3.1 PROGRESS REPORT ON THE 2021 – 2026 ECONOMIC DEVELOPMENT STRATEGY

REPORT AUTHOR: Economic Development Coordinator
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4616
FILE REFERENCE: qA109047
ATTACHMENTS: A - D

PURPOSE OF REPORT

The purpose of this report is to provide the Business & Economic Development Advisory Committee, with a progress report on the implementation of the *2021-2026 Economic Development Strategy*.

BACKGROUND

The *2021-2026 Economic Development Strategy*, is designed to guide economic development within the City, identify the priority areas for the five (5) year period and articulate the Council's role in supporting business and economic development.

The *Draft 2021-2026 Economic Development Strategy* is based on research, and its development is based on sector workshops and consultation with the business sector. The results were presented to the Business & Economic Development Committee at its meeting held on 16 June 2020. At that meeting, the Committee endorsed the Draft Strategy as being suitable to present to the Council for its consideration and endorsement to be released for community consultation and engagement.

Subsequently, the *Draft 2021-2026 Economic Development Strategy* was presented to the Council at its meeting held on 6 July 2020. At that meeting, the Council endorsed the *Draft 2021-2026 Economic Development Strategy* as being suitable to release for community consultation and engagement.

Following the conclusion of the consultation period, the results of the consultation and the revised final document, were presented to the Committee and subsequently to the Council for its endorsement. At its meeting held on 6 October 2020, the Council endorsed the *2021-2026 Economic Development Strategy*. The *2021-2026 Economic Development Strategy* and the *2021 – Year 1 in Review* documents can be accessed via the Council website. The *Economic Development Strategy 2022 – Year 2 in Review* document will also be placed on the Council website, following its endorsement by both the Committee and subsequently the Council.

This report provides an update on the key Strategies and Actions that have progressed since the last Committee meeting.

RELEVANT STRATEGIC DIRECTIONS & POLICIES

The *2021-2026 Economic Development Strategy* is the Council's "blueprint" to guide the growth of the City's economy for a five (5) year period. The Strategy sits within the Council's decision-making framework and has been developed to align with other key strategic and policy documents.

The key strategies that have been used to inform, or that will work in conjunction with the *2021-2026 Economic Development Strategy* are listed below:

- *The 30-Year Plan for Greater Adelaide*
- *Norwood, Payneham and St Peters (City) Development Plan*
- *CityPlan 2030: Shaping Our Future – Mid Term Review 2020*
- *Kent Town Economic Growth Strategy 2020 - 2025*
- *Norwood Parade Precinct Annual Business Plan*
- *Smart City Plan*

FINANCIAL AND BUDGET IMPLICATIONS

At its meeting held on 6 June 2022, the Council endorsed the Norwood Parade Precinct Annual Business Plan for the 2022-2023 financial year.

Subsequently, at its meeting held on 4 July 2022, the Council adopted the *Annual Business Plan, Budget and Declaration of Rates for 2022-2023*, which includes the following in respect to The Parade Precinct Separate Rate and the Economic Development Precinct Management budgets:

- A total budget of \$215,000 is to be collected through The Parade Precinct Separate Rate for the 2022-2023 financial year for the primary purpose of marketing and promoting The Parade, Norwood; and
- a total budget of \$97,750 be allocated by the Council to continue to deliver the Economic Development agenda in the 2022-2023 financial year.

In addition, *Raising the Bar Adelaide 2022* and the *Eastside Business Awards 2023*, received separate funding as part of the Council's 2022-2023 Budget.

The Council's 2022-2023 Economic Development Budget has been used to deliver the final Actions listed in Year 2 and to commence the delivery of the Year 3 Actions of the Strategy. Some of the Year 3 and Ongoing Actions that have progressed since the last Committee meeting are set out in **Attachment A**.

A total budget of \$100,000 to deliver the Economic Development Agenda in the 2023 – 2024 financial year, has been included in the Council's draft 2023 – 2024 Budget, which will be considered and endorsed by the Council in early July 2023. The intent is that this budget will be used to fund the remaining Actions in Year 3 and commence the Actions in Year 4 of the Strategy as well as deliver any other initiatives determined by the Committee and the Council.

EXTERNAL ECONOMIC IMPLICATIONS

The successful delivery of the *2021-2026 Economic Development Strategy* may be impacted by the broader economic environment and world events, although Australia's and more specifically the City of Norwood Payneham & St Peters' economy has shown resilience over the past three (3) years. With that said, the current interest rate is sitting at 4.1%, which is the highest rate that Australians have experienced over the last eleven (11) years, and there have been twelve (12) interest rate increases since May 2022. Economists forecast that Australians may see another rate rise of a quarter of a percent in the coming months, before stabilising in September or October this year.

In June 2023, the State Government released its 2023 – 2024 State Budget, which allocated substantial funding to areas such as health, housing and child protection and primarily focused on addressing the cost-of-living concerns. Whilst households receive some respite in this Budget, unfortunately this does not carry through to businesses. Businesses continue to face cost pressures, including wage growth, while being impacted by lower consumer demand.

Economic Development Staff continue to support business owners and operators through face-to-face meetings and by providing them with information to help them navigate through this challenging time.

SOCIAL ISSUES

Economic development impacts on both the business sector and the local community. Whilst the key focus of this Strategy is on the business sector, the two (2) are intrinsically linked and the prosperity of the local economy relies on creating a holistic environment where people want to invest, work, do business, live, shop and socialise.

CULTURAL ISSUES

The City is a culturally rich and diverse place, with a strong identity, history and "sense of place". Cultural and creative activity is increasingly recognised as important components of economic growth. Economic growth and sustainability through employment, vibrancy and growth are all important factors in achieving cultural vitality.

RISK MANAGEMENT

In establishing the Strategic Framework for the *2021-2026 Economic Development Strategy*, the Council took into account the economic and demographic profile of the City, the views of the business community and partners and the key influences and trends that have, and will, impact on the City's economy. In doing so, the Council has ensured that the Strategy appropriately addresses the wide range of opportunities and challenges facing businesses and economic growth in the City. The Council will continue to work with the business community to ensure that the Strategies and Actions remain relevant and beneficial.

ENVIRONMENTAL ISSUES

A vital component in meeting the aspirations of current and future businesses located in the City of Norwood Payneham & St Peters, is ensuring that issues relating to environmental sustainability are considered together with economic sustainability. A sustainable environment impacts on business investment decisions and is a key asset in the success of local businesses. The Council will continue to promote programs aligned with environmental actions, as well as look to introduce initiatives with a sustainable focus that encourage and promote a circular economy.

RESOURCE ISSUES

The *2021-2026 Economic Development Strategy* has been prepared by the Council Staff, however it will require additional support, from both internal and external resources to ensure its timely implementation. The Economic Development Staff continue to work with Staff across the organisation to deliver the Actions in the Strategy.

DISCUSSION

The implementation of the *2021-2026 Economic Development Strategy* commenced in January 2021 and to ensure that it is delivered in a timely manner, Council staff have developed a reporting structure that is presented to the Business & Economic Development Advisory Committee at each of its meetings, for the purpose of tracking the progress of the Strategy's implementation and to provide direction and guide the staff in its implementation.

The table contained in **Attachment A**, outlines progress on the Actions under each of the four (4) key themes that are currently being delivered in Year 3 of the Strategy or are 'Ongoing' Actions for the duration of the five (5) year Strategy. It should be noted that only the Actions that have recently been completed, commenced or progressed since the last Committee meeting have been included.

The information in the table, whilst detailed, should be read in conjunction with the *2021-2026 Economic Development Strategy* to obtain a better understanding of the individual Action and the Objective that the Council is proposing to achieve.

Similar to the *Economic Development Strategy, 2021 – Year 1 in Review* document, an *Economic Development Strategy, 2022 – Year 2 in Review* summary document has been prepared, which is contained in **Attachment B**.

CONCLUSION

The *2021-2026 Economic Development Strategy* recognises the leadership role of the Council in setting a clear direction for economic development within the City and in supporting the business sector. Developing the Strategy with clear direction and focus provides the foundation for the Council to implement successful actions and initiatives and establish partnerships with different stakeholders (i.e. Federal and State Governments, developers, businesses and residents) in order to ensure the successful longevity of the City's business and economic sector.

RECOMMENDATION

That the Committee endorses the *Economic Development Strategy, 2022 – Year 2 in Review* document as being suitable to present to the Council.

Ms Rebecca Thomas moved:

That the Committee endorses the Economic Development Strategy, 2022 – Year 2 in Review document as being suitable to present to the Council.

Seconded by Mr Ben Pudney and carried unanimously.

3.2 KENT TOWN PRECINCT OCCUPANCY LEVELS ANNUAL ASSESSMENT 2022

REPORT AUTHOR: Economic Development Officer
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4512
FILE REFERENCE: qA109047
ATTACHMENTS: A – B

PURPOSE OF REPORT

The purpose of this report is to present the results of the inaugural assessment of the occupancy levels within the Kent Town Precinct to the *Business & Economic Development Advisory Committee*.

BACKGROUND

The Council commenced monitoring the occupancy rates within The Parade Precinct in 2020, following the release of the *Adelaide Retail High Street Overview*, a bi-annual report produced by JLL Australia, which analyses the vacancy rates of Adelaide's major high street precincts, including The Parade, Norwood. A copy of the most recent edition of the *Adelaide Retail High Street Overview (1Q23)* is contained in **Attachment A**.

Following the release of the JLL report, discrepancies were identified by staff in the methodology (i.e. scope of tenancies measured) and parameters which are used to assess the vacancy rates within these mainstreet precincts and in particular, The Parade, Norwood. As a result, an annual assessment of The Parade Precinct's occupancy levels is now undertaken by Council staff.

In recognition that occupancy levels provide a strong measure of how a precinct is performing and provide an indication of the likely demand in the rental market, it was determined that a similar assessment should also be undertaken for Magill Road. This would provide a better understanding of the overall health of the Precinct, as well as creating a complete database of businesses that exist, therefore enabling more targeted marketing and promotion. The analysis also enables trends to be identified and assumptions to be made, and if and when necessary, actions to be taken.

At its meeting held on 4 April 2023, the *Business & Economic Development Advisory Committee* (the Committee) was presented with the inaugural *Activity Precincts Occupancy Report 2022* which contained all of the occupancy data (as well as some other key statistics) for both The Parade and Magill Road. Following consideration of the matter, the Committee resolved the following:

1. *That the Activity Precincts Occupancy Report 2022 contained in Attachment B, be received and noted by the Committee.*
2. *That the Committee notes that an annual assessment of The Parade and Magill Road's occupancy levels, together with other key Activity Precincts over time, will be undertaken, with the results of the assessment to be presented back to the Business & Economic Development Advisory Committee through the annual Activity Precincts Occupancy Report.*

In February – March 2023, staff commenced the process of undertaking an occupancy assessment for the Kent Town Precinct. The purpose of this assessment was to establish a base line for future assessments. The Committee will note that the Kent Town Precinct occupancy results do not feature as part of the *Activity Precincts Occupancy Report 2022*, however moving forward, the intent is that Kent Town data collection will also be undertaken at the same time as The Parade and Magill Road. This is scheduled to occur towards the end of each calendar year to ensure consistency of reporting and data collection as part of the overall methodology. The data collected will be presented as part of the *Activity Precincts Occupancy Report*, which will be updated and released annually.

RELEVANT STRATEGIC DIRECTIONS & POLICIES

The relevant Strategies contained in the *2021-2026 Economic Development Strategy* are outlined below:

Dynamic & Diverse City

Outcome: Support the growth and viability of the City's business sectors based on their competitive strength and strategic priority.

Strategy: Focus on the support and growth of the City's priority sectors.

- *Action 1.1.9 – Continue to monitor location trends and employment numbers as majority of employment in the Professional, Scientific & Technical Services industry is in Kent Town and its surrounds.*

Destination City

Outcome: Increase the number of people who live, work and visit the City and enhance the community well-being of existing residents, workers and visitors.

Strategy: Support the City's vibrant mainstreet precincts.

- *Action 2.2.3 – Monitor vacancy rates on The Parade by undertaking annual audits.*

Innovative City

Outcome: Attract and maintain competitive businesses with the capacity for resilience and ongoing sustainability, innovation and growth.

Strategy: Facilitate communication, education and networking programs to support businesses.

- *Action 3.3.1 – Continue to grow the business database and communicate on a regular basis, including a process to identify new businesses.*

DISCUSSION

The current *Activity Precincts Occupancy Report 2022*, contains the data for The Parade and Magill Road Precincts, as well as high level information on what elements contribute to creating successful precincts and mainstreets. This report is designed in a way which will not only allow data for other key precincts (i.e. Kent Town) to be included, which will result in a more comprehensive report over time, but the individual precinct data can be easily extracted as standalone documents. A copy of this report which was presented to the Committee at its meeting held on Tuesday, 4 April 2023 is contained in **Attachment B**.

Prior to outlining the results of the Kent Town occupancy assessment, it is important to briefly understand and provide a comparison of the occupancy levels for both The Parade and Magill Road. This information will also form useful background information for the Committee Workshop that will occur as part of this meeting.

The Parade

The assessment, which was undertaken on Tuesday, 13 September 2022, and encompasses the entire Parade Precinct, which extends from Fullarton Road to Portrush Road, identified the following:

- 373 tenancies within The Parade Precinct;
- 345 tenancies were occupied by a business; and
- 28 tenancies were vacant (9 more than in 2021), which equates to an occupancy level of 92.5% (as compared to 94.8% in 2021).

Table 1 below highlights the tenancy mix within The Parade Precinct:

TABLE 1: TENANCY MIX OF THE PARADE PRECINCT – 2022

Sector	Number	Percentage (%)
Retail	101	29.3%
Dining & Entertainment	70	20.3%
Professional	65	18.8%
Medical, Health & Wellbeing	55	16.2%
Hair/Beauty	35	10.1%
Training/Employment	9	2.6%
Community	5	1.4%
N/A (i.e. Leased signage but no business yet)	5	1.4%

Magill Road

The assessment, which was undertaken on Friday, 28 October 2022, and encompasses the entire length of Magill Road, which extends from Fullarton Road to Portrush Road (both sides of the road), and from Portrush Road to Glynburn Road (northern side only), identified the following:

- 215 tenancies (excluding residential) within the Magill Road Precinct;
- 202 tenancies were occupied by a business; and
- 13 tenancies were vacant (5 more than in 2021), which equates to an occupancy level of 94% (as compared to 95.3% on 2021).

Table 2 below highlights the tenancy mix within the Magill Road Precinct:

TABLE 2: TENANCY MIX OF THE MAGILL ROAD PRECINCT – 2022

Sector	Number	Percentage (%)
Retail	79	39.1%
Medical, Health & Wellbeing	33	16.3%
Dining & Entertainment	32	15.8%
Professional	31	15.3%
Hair/Beauty	23	11.4%
Community	3	1.5%
Training/Employment	1	0.5%

Kent Town

Kent Town was selected as the next Precinct to be monitored based on its growing business profile and its importance as a key cultural, creative and professional sector employer within the City of Norwood Payneham & St Peters.

The assessment undertaken by Council staff encompasses the entire suburb of Kent Town, which is bordered by North Terrace (to the North), Hackney Road (to the West), Dequetteville Terrace (also to the West) and Fullarton Road (to the East). A map of the Precinct will be included in the *Activity Precincts Occupancy Report 2023*. The assessment undertaken by Council staff was conducted on Friday, 17 February and Friday, 10 March 2023 and all details from this assessment are correct as of that date.

The assessment conducted by Council staff identified the following:

- 357 tenancies within the Kent Town Precinct;
- 332 tenancies were occupied by a business; and
- twenty-five (25) vacant tenancies within the Kent Town Precinct, which equates to an occupancy level of 93%.

Part of this Precinct also contains a residential component, which although located within this Precinct, does not form part of this analysis.

Table 3 below highlights the tenancy mix within the Kent Town Precinct:

TABLE 3: TENANCY MIX OF THE KENT TOWN PRECINCT – 2023

Sector	Number	Percentage (%)
Professional	180	50.4%
Retail	60	16.8%
Medical, Health & Wellbeing	48	13.4%
Dining & Entertainment	19	5.3%
Community	11	3.1%
Hair/Beauty	8	2.2%
Training/Employment	6	1.7%

Table 4 below, further segregates the 'Retail' and 'Professional' sectors into sub-sectors to enable a deeper understanding of these high-level sectors. Retail is segregated into 'Product', which is inclusive of businesses that specialise in homewares, furniture, grocery stores, toys etc and 'Clothing'. The Professional sector is segregated into 'Technical' which includes architects, graphic design, IT, builders, marketing agencies etc, 'Financial', which includes accountants, banks, brokers etc, and 'Real Estate'.

TABLE 4: RETAIL AND PROFESSIONAL SECTOR BREAKDOWN FOR THE KENT TOWN PRECINCT – 2023

Sector Breakdown	Number	Percentage (%)
Retail – Product	58	96.7%
Retail – Clothing	2	3.3%
Professional – Technical	118	65.5%
Professional – Financial	43	23.9%
Professional – Real Estate	19	10.5%

As can be seen by the data contained in **Table 4**, Kent Town is dominated by 'Professional – Technical' businesses, which is very much in alignment with the look and feel of the Precinct and its identification as the creative hub of the City of Norwood Payneham & St Peters. The second largest sector is the 'Retail – Product' followed by the 'Medical, Health & Wellbeing' sector. These three (3) sectors dominate the business makeup of this Precinct. Combined, these three (3) high levels sectors (Professional, Retail and Medical, Health & Wellbeing) contribute to 80.6% of the business tenancy mix.

As more data is collected over time, a greater analysis of trends in Kent Town will occur, allowing for more informed assumptions and decisions to be made.

Overall Comparison

It is also important to compare The Parade, Magill Road and Kent Town against other mainstreets and business precincts within Metropolitan Adelaide and around Australia. **Table 5** below, indicates how The Parade, Magill Road and Kent Town compare against the other mainstreets identified in the JLL Australia report. In the absence of sufficient available data for Precincts similar to Kent Town, the mainstreet data has been used. Moving forward, Staff will seek to obtain other data that is more comparable:

TABLE 5: RETAIL HIGH STREETS OCCUPANCY LEVELS COMPARISON

Street	Most Recent Figure	Time Period	Source
Prospect Road, Prospect	94.7%	1Q23	JLL
Hindley Street, Adelaide	88.7%	1Q23	JLL
Rundle Street, Adelaide	91.7%	1Q23	JLL
King William Road, Goodwood	95.3%	1Q23	JLL
O'Connell Street, North Adelaide	92.7%	1Q23	JLL
Jetty Road, Glenelg	92.7%	1Q23	JLL
The Parade, Norwood	96.7%	1Q23	JLL
The Parade, Norwood (NPSP)	92.5%	4Q22	Staff
Magill Road (NPSP)	94%	4Q22	Staff
Kent Town (NPSP)	93%	1Q23	Staff

Notes: (NPSP) refers to data collected by the City of Norwood Payneham & St Peters. All other data is provided by JLL Australia.

As shown in **Table 5** above, all three (3) Precincts perform extremely well against other Metropolitan Adelaide mainstreets, especially given the total area of all three (3) Precincts in comparison to these other mainstreets.

It is also important to compare the tenancy mix of each Precinct against that of other Precincts of similar scale within Metropolitan Adelaide and from around Australia. **Table 6** below, depicts the tenancy mix for the Brunswick Precinct in Victoria and whilst the categories stated are slightly different to what is used for The Parade, Magill Road and Kent Town, a general understanding can be obtained.

TABLE 6: TENANCY MIX FOR THE BRUNSWICK PRECINCT IN VICTORIA (265 BUSINESSES) - 2022

Tenancy Category	Percentage
Cafes & Restaurants	30%
Fashion	15%
Pubs & Bars	10%
Other Retail	8%
Hair & Personal Services	8%
Health Care	7%
Other	7%
Grocery & Fresh Food	6%
Recreational	5%
Homewares	4%

As set out in **Table 6**, the Brunswick Precinct is dominated by its dining businesses with cafes, restaurants, pubs and bars accounting for over a third of all businesses.

Table 7 below, depicts the tenancy mix for Jetty Road, Glenelg, which is a mainstreet within Metropolitan Adelaide. Again the categories used are slightly different, but provide enough of an understanding to undertake a comparison.

TABLE 7: TENANCY MIX FOR JETTY ROAD (330 BUSINESSES) – 2022

Tenancy Category	Percentage
Services	33%
Hospitality	31%
General/Homewares	16%
Fashion & Jewellery	13%

As set out in **Table 7**, Jetty Road has an even mix of businesses within its Precinct. It is interesting to note that 'Service' related businesses comprise the most businesses within the Precinct, especially when Jetty Road is marketed as the State's premier seaside shopping and dining destination. It is also interesting to note that 'Dining & Entertainment' within The Parade Precinct equates to 20.3% compared to 33% within the Jetty Road Precinct.

When comparing these two (2) Precincts against The Parade, Magill Road and Kent Town, it is clear that both Magill Road and Kent Town are dominated by one (1) category of business, similar to the Brunswick Precinct, however, the dominant business category is in line with what each Precinct is associated with (Magill Road - retail products such as homewares and furniture and Kent Town - professional businesses). The Parade has a more diverse range in its tenancy mix, which as a destination mainstreet precinct, it needs to have to be able to cater for a more diverse demographic and greater visitation number.

OPTIONS

Not Applicable.

CONCLUSION

For a precinct the geographical size of Kent Town, it is acknowledged that an occupancy rate of 93% indicates that it is performing well. As a City fringe business precinct, Kent Town has for many years performed well, however anecdotally the restrictions placed by both the State and Federal Governments during the COVID-19 Pandemic benefitted precincts such as Kent Town and its occupancy rates as businesses moved away from the CBD and into City fringe locations such as Kent Town. As more assessments are undertaken, a better picture of the trend occurring within the Kent Town Precinct will be formed allowing for more informed decisions to be made regarding the future direction for Kent Town.

COMMENTS

Whilst it is acknowledged that a low vacancy rate is a positive representation of the health of a Precinct, research has shown that when vacancy rates fall below 5%, the rental market is considered to be in a good state. This can unfortunately lead to landlords subsequently increasing rents, which in turn can have a negative impact on the tenancy mix. It also means that landlords can afford to be selective about the type of tenants that they place in individual tenancies. For example, the JLL Australia measure for The Parade indicates that The Parade is close to being 'at capacity' in terms of leased tenancies, which can start to have a negative impact on the Precinct. It discourages businesses from looking to open within the Precinct due to the difficulty of finding a tenancy and it can cause stagnation with the tenancy mix with an inability to adapt or shift quickly. Staff will continue to monitor this activity to identify any such patterns or issues, should they arise. These results will be presented to the Committee and subsequently the Council.

RECOMMENDATION

1. That the Committee notes that an annual assessment of The Parade, Magill Road and Kent Town, together with other key Activity Precincts over time, will be undertaken, with the results of the assessment to be presented back to the Business & Economic Development Advisory Committee through the annual Activity Precincts Occupancy Report.
 2. That the Committee notes that the Kent Town Precinct Occupancy data will be incorporated into the *Activity Precincts Occupancy Report 2023*, in addition to the preparation of a standalone document, similar to that for The Parade and Magill Road.
-

Ms Amanda Grocock moved:

1. *That the Committee notes that an annual assessment of The Parade, Magill Road and Kent Town, together with other key Activity Precincts over time, will be undertaken, with the results of the assessment to be presented back to the Business & Economic Development Advisory Committee through the annual Activity Precincts Occupancy Report.*
2. *That the Committee notes that the Kent Town Precinct Occupancy data will be incorporated into the Activity Precincts Occupancy Report 2023, in addition to the preparation of a standalone document, similar to that for The Parade and Magill Road.*

Seconded by Ms Trish Hansen and carried unanimously.

4. STAFF PRESENTATION

Staff outlined the background, opportunities and challenges associated with The Parade, Kent Town, Glyde and Stepney, to assist the Committee in identifying the Council's economic development priorities for the next 18 months.

5. OTHER BUSINESS

5.1 Economic Development Priorities

Mr Joshua Baldwin moved:

- 1. That the Business & Economic Development Advisory Committee recommends to the Council that its economic development priorities over the next eighteen (18) months are the development of a 3-Year Strategy for The Parade and the undertaking of the Kent Town Project.*
- 2. That the Business & Economic Development Advisory Committee strongly recommends to the Council that it considers the implementation of The Parade Masterplan as its number one priority as part of its review of the Long-term Financial Plan.*

Seconded by Ms Amanda Pepe and carried unanimously.

6. NEXT MEETING

12 September 2023

7. CLOSURE

There being no further business the Presiding Member declared the meeting closed at 8.58pm.

Mayor Robert Bria
PRESIDING MEMBER

Minutes Confirmed on _____
(date)