

Mildura Retail Strategy 2000

Prepared for
Rural City of Mildura

by
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with
Research Planning Design Group

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Mildura Retail Strategy

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INTRODUCTION

Background

The Rural City of Mildura has commissioned Essential Economics Pty Ltd to prepare a Retail Strategy which will guide the on-going development of the retail sector in urban Mildura.

It is approximately ten years since detailed strategic planning has been undertaken for retailing in Mildura. In the late 1980s, comprehensive planning strategies and planning schemes were prepared for both the (then) City of Mildura (1987) and the Shire of Mildura (1987). These projects included reference to the hierarchy of retail centres serving the Mildura region, and provided retail floorspace growth projections, combined with recommendations for proper and orderly planning.

It is now timely for the Mildura Rural City Council (established in 1996) to review the strategic base for retailing in the municipality.

Study Objectives

The Study objectives, as presented in the project Brief, outline the following main tasks to be completed through the course of the study:

- 1 To identify and address issues associated with retailing in Mildura
- 2 To assess the current provision of retail floorspace
- 3 To determine likely retail floorspace demand to around 2015
- 4 To review and update Council's 'Retail Policy Framework'
- 5 To document recommended alterations to Council's new Planning Scheme
- 6 To provide Council with a Retail Strategy that provides guidance in the provision of new retail floorspace

Project Outline

The Mildura Retail Strategy is presented here in two parts:

Part A provides background research regarding the existing and forecast retail situation in the region served by retail facilities in Mildura. Part A contains chapters which address:

- 1 the **regional context** for retailing in Mildura, including identification of the trade area served by the Mildura retail sector
- 2 an examination of **retailing in Mildura**, including descriptions of the various retail precincts

- 3 details regarding **population levels and forecasts** in the trade area
- 4 analysis of **tourist visitation levels** and their contribution to retail spending in the trade area
- 5 current **planning policy** applicable to retailing in Mildura - including State level and local level policies
- 6 analysis of the **demand and supply for retail facilities** in Mildura, including estimates of existing levels of escape spending
- 7 estimates of **future demand for retail provision** based on population forecasts and real growth in retail spending per capita, and analysis of the potential for retail expansion in Mildura
- 8 **identification of the issues** for the Strategy to address

Part B of the report contains the updated Retail Strategy for Mildura, comprising the following chapters:

- 1 a **Vision** for the future operation of the Mildura retail sector
- 2 **strategic considerations** which need to be appreciated when planning for retail development in Mildura
- 3 **policy directions** which are supported in the Strategy, for application by Council
- 4 **statutory planning outcomes**, including zoning changes, updates to the Municipal Strategic Statement and local policy sections
- 5 a process for **assessing applications** for retail development
- 6 a process for **monitoring and reviewing** the Retail Strategy
- 7 outline of the steps required to **implement** the Mildura Retail Strategy

Consultation has been an important part of the study process, and the views of stakeholders are contained in Part A, Section 8 (Issues). These views were recorded in interviews with individuals and organisations, as well as a survey of traders. An Appendix provides a listing of people and organisations involved in the consultation program.

Land Use Definitions

This section provides definitions of land use terms used throughout the Mildura Retail Strategy. It is important to note that there are significant discrepancies between the land use classifications used when preparing a retail-economic analysis for a retail strategy - which are based on standard ANZSIC classifications of industry sectors - and those land use terms referred to in Victorian Planning Schemes. The retail-economic analysis is based on the ANZSIC definitions in order to use datasets such as the ABS Retail Census, and because this definition allows a more realistic assessment of shopping activity, as opposed to other “shop-front” activities such as bank transactions, purchase of travel services, etc.

Throughout this report the use of the term “retail”, when describing land use, floorspace, retail potential, etc, relates to the ANZSIC classifications described below. This term can be further categorised according to the *type* of retail use, such as **food** retailing, **non-food** retailing and **retail services**, and these categories are also defined below.

When the analysis contained in the Retail Strategy is incorporated in the Mildura Planning Scheme (refer Part B, Chapter 4), standard Planning Scheme definitions are required in order to set floorspace limits in schedules to zones, etc. In this case, there are a number of different terms which are commonly used to define land uses, such as **retail**, **shop**, **restricted retail**, etc. These terms are also described below, and further explanations are provided in the relevant text.

ANZSIC Classifications

Retail:

Refers to total shopfront retailing, as defined in the ABS Retail Census, and based on ANZSIC classifications of industry sectors.

The relevant ANZSIC categories are industry sub-division 51 *Food Retailing* (see below), sub-division 52 *Personal and Household Good Retailing* (referred to in this report as Non-food retailing – see below) and sub-division 59 *Selected Personal Services* (referred to in this report as Retail services – see below).

ANZSIC classifications are developed on the basis of identifying groupings of businesses which carry out similar activities; businesses are categorised according to the *predominant* activities carried out by each business.

Food retail:

Includes businesses such as supermarkets and grocery stores, and businesses primarily involved in the sale of specialised food products.

Non-food retail:

Businesses which are involved in the retail sale of personal and household goods, including department stores and shops

selling clothes, shoes, soft furnishings, furniture, houseware, appliances, recreational goods, etc. Also includes household equipment repair services.

Note: for the purposes of the Retail Strategy, the definition of Non-food retail does not include *marine equipment* retailing and *garden supplies* retailing, since the inclusion of floorspace data for these uses distorts the analysis by including large areas of land which are not really part of a “shopfront” environment, but which are used mainly for display and storage.

Retail services:

Refers to selected personal services typically undertaken at shopfront locations, such as cafés and restaurants, optometrists, video hire outlets, laundries and dry cleaners, hairdressers and beauty salons, film processing outlets and shops offering personal and household goods for hire.

Land use terms used in Victorian Planning Schemes

Retail:

Refers to land used to sell goods by retail, or by retail and wholesale, and land used to sell services or to hire goods.

Includes activities such as *shops* (see below), food and drink premises and trade supplies, which are generally all included in the ANZSIC-based definition of *Retail*. Also includes land used for gambling premises, gardening supplies, manufacturing sales, motor vehicle, boat and caravan sales, market, post office and primary produce sales.

The definition of retail land use in Victorian Planning Schemes is clearly much wider than the definition of *Retail* used by the ABS, and that used in the retail analysis presented in the Mildura Retail Strategy.

Shop:

Refers to land used to sell goods and services by retail and to hire goods, but excluding other types of *Retail* land uses listed above.

Includes *Restricted Retail Premises* (see below), as well as supermarkets, department stores, convenience shops, video shops, hairdressers and beauty salons, bottle shops and adult sex bookshops.

Generally, all shop uses can be categorised as *Retail* in terms of the ABS classifications (see note below relating to restricted retail uses); however, there are other ABS *Retail* uses which are not included in the definition, such as food and drink premises, trade supplies, and so on.

Restricted Retail:

This is a subset of *shop* use, and refers to land used to sell or hire auto parts and accessories, camping equipment, electric light fittings, equestrian supplies, furniture, furnishings and floor coverings, household appliances, party supplies and swimming pools.

The term *Restricted retail* is commonly interchanged with “peripheral sales”, which describes retail (ie ABS defined) uses which typically require large sites and are located away from traditional shopping centres. However, the *restricted retail* definition includes uses not defined as retail in the analysis presented in the Strategy, including the sale of auto parts and accessories, and the sale of swimming pools.

Acknowledgements

We acknowledge the valuable assistance provided to the consultants by Council staff, particularly Mr Michael Kirsch (project officer for the study), and the traders, property owners, community representatives and other stakeholders in Mildura.

**PART A:
RETAIL SITUATION AND OUTLOOK**

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Introduction

Part A provides background information in support of the policy directions presented in Part B as the Mildura Retail Strategy. This section includes the following components:

- an analysis of the current situation in the Mildura retail sector in view of the regional context and the significant changes which are occurring in the retail sector;
- an assessment of the roles, functions and features of the key precincts under study;
- an analysis of population levels and forecasts and socio-demographics in the region;
- a broad analysis of tourism and its contribution to the retail sector;
- a description of the policy background for retail development in Mildura;
- an analysis of retail floorspace supply and demand, escape spending and potential for future retail development;
- an analysis of the types of future retail development likely to be required, and identification of potential locations for retail expansion; and
- identification and discussion of the key issues which need to be addressed in the Retail Strategy.

1 Regional Context

1.1 The Role of Mildura in the Retail Hierarchy

Mildura is the major centre serving the needs of people living in and visiting the north-western part of Victoria and adjoining areas in NSW and South Australia. The facilities and services provided in Mildura to serve this wide catchment are extensive, and include shopping, entertainment, professional and business services, health and education, civic and government services, and so on.

When we speak of 'Mildura' in terms of its retailing function in this regional context, we are referring to the several components which are:

- the Mildura Central Business District or 'City Heart',
- the Mildura Centre Plaza, and
- the 15th Street peripheral sales outlets.

In its regional shopping role, Mildura serves a catchment which covers a wide area extending towards Broken Hill in the north, Riverland to the west (in South Australia), towards Swan Hill in the east, and south beyond Ouyen. This catchment is illustrated in Figure 1. The specific Primary and Secondary trade areas within this broad regional catchment are described in section 1.2 below.

The extent of the trade area is reflected in the regular trips - usually weekly, fortnightly or monthly - that many rural households make to Mildura for their shopping and other requirements and services. In some instances, bus shopping trips are organised from Broken Hill and the Riverland, and this is reflected in the comments and responses by traders during the consultation phase of the study.

Another indicator of the retail 'pull' that Mildura enjoys is the popularity of its bulky goods retailing role, which is now well-established along parts of 15th Street.

1.2 Trade Catchment Served by Mildura

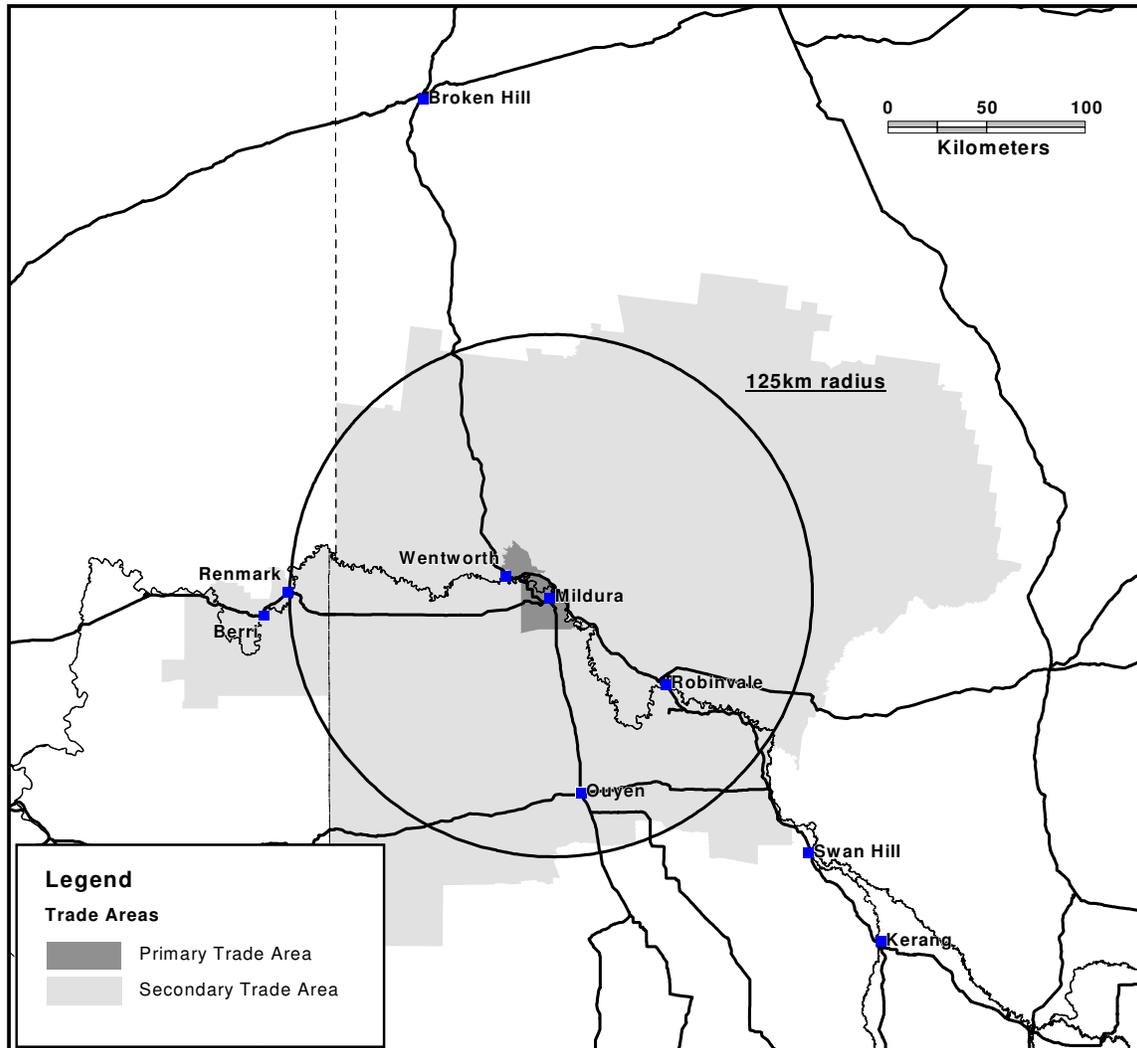
As noted, retailers (and many other service-providers) in Mildura serve an extensive catchment. We have identified two components to this regional catchment, and these are described below and illustrated in Figure 1.

- the Primary Trade Area (PTA), which includes all of urban Mildura and the nearby townships of Irymple, Merbein, Red Cliffs and Wentworth (in NSW); and

- the Secondary Trade Area (STA) which comprises the balance of the regional catchment, namely the balance of the Rural City of Mildura and the areas extending to Broken Hill (NSW) and into the Riverland (SA).

Section 3 of this report provides our estimates of existing and forecast population figures for these trade areas, as well as socio-economic information. These form important inputs to the preparation of the Mildura Retail Strategy.

Figure 1: Retail Trade Areas



2 On-going Changes in Retailing

In the past ten years there have been significant changes in virtually all variables that have an impact on retailing in Mildura. For example, just some of the trends include the following:

- Mildura's population growth has continued to take place, although there has been no significant change in population numbers in the outlying parts of the regional catchment.
- There is continuing growth in real retail spending on a per capita basis ie, quite apart from price inflation.
- The retail industry has experienced many changes and this reflects the very dynamic characteristic of this important industry sector, with new trends in convenience retailing, peripheral sales, factory outlets, e-commerce, and so on, as well as new retail business entrants seeking market share.
- Competition for retailers has increased - compared with past years, we now spend more of our disposable income on items like entertainment, eating out, holidays and travel, gambling, and the like.
- There are trends for larger retail floorspace modules, whether in free-standing retail outlets (as in peripheral sales) or in supermarkets and specialty shops in enclosed centres and strip centres.
- The locational attributes of retailers differ depending on the type of retail function, even though all retailers are operating within the retail hierarchy of centres and are competing for the same disposable dollar.
- Importantly, the amalgamation of the former City and Shire has enabled a more strategic assessment of retailing, while the development of the new planning scheme has highlighted the need for a comprehensive review of retailing and the preparation of a Retail Strategy to guide the ongoing development of the retail sector.

These and other trends associated with retailing have an influence on the type, size, location and viability of retailing today. And although planning strategies were put in place some ten years ago to provide guidance in retail planning and associated urban development in and around Mildura, it is now time to review the trends and where they are leading, and to prepare a new retail strategy to guide decision-making by retailers, property developers, Council and other stakeholders.

3 Retailing in Mildura

3.1 The Retail Hierarchy Serving the Mildura Region

Residents of the Mildura Region are served by a retail hierarchy which consists of the following elements (detailed descriptions of these components are provided in Sections 3.2 to 3.6 below):

- **Mildura CBD (City Heart):** comprises an estimated 62,000 m² in retail floorspace, with around 230 shops; is the regional shopping centre serving the Region, and the principal location for a wide variety of retail and non-retail facilities and services
- **Mildura Centre Plaza:** operates as a sub-regional centre in the hierarchy; has total provision of approximately 16,000 m² in retail floorspace, with around 40 tenants; provides a convenient location for a range of weekly grocery shopping functions and comparison shopping at the Target discount department store
- **15th Street precinct:** supports the regional status of Mildura's shopping offer by providing an array of bulky goods outlets and other peripheral sales stores to serve the wider Mildura Region; comprises around 20 locations categorised as retail outlets, with floorspace of approximately 25,000 m²; also has a range of trade-related outlets and accommodation establishments
- **Small town centres:** these include Irymple, Merbein, Red Cliffs, Ouyen, Wentworth and other centres further afield; the centres have important functions in serving the needs of the immediate township population (and sometimes with a component of passing trade for those located on major highways); generally they comprise small-scale grocery facilities and a range of convenience retailing; often they have wider functions in providing a selection of professional and business services (banks, post office, etc)
- **Neighbourhood/local centres:** urban Mildura has a range of small neighbourhood centres which provide retail services to a walk-in catchment in the surrounding suburbs; these centres range in size from just 3 or 4 shops, to around a dozen shops with floorspace provision of up to 1,500 m² or so
- **Local shops:** numerous single local shops are provided to support the convenience retail needs of local residents (generally comprising a pedestrian catchment); these include shopping facilities located at petrol filling stations

This retail hierarchy is illustrated in Figure 2.

A brief summary of the retail hierarchy is provided in Table 1; detailed descriptions are presented in the subsequent sections.

Figure 2: Retail Hierarchy in Mildura

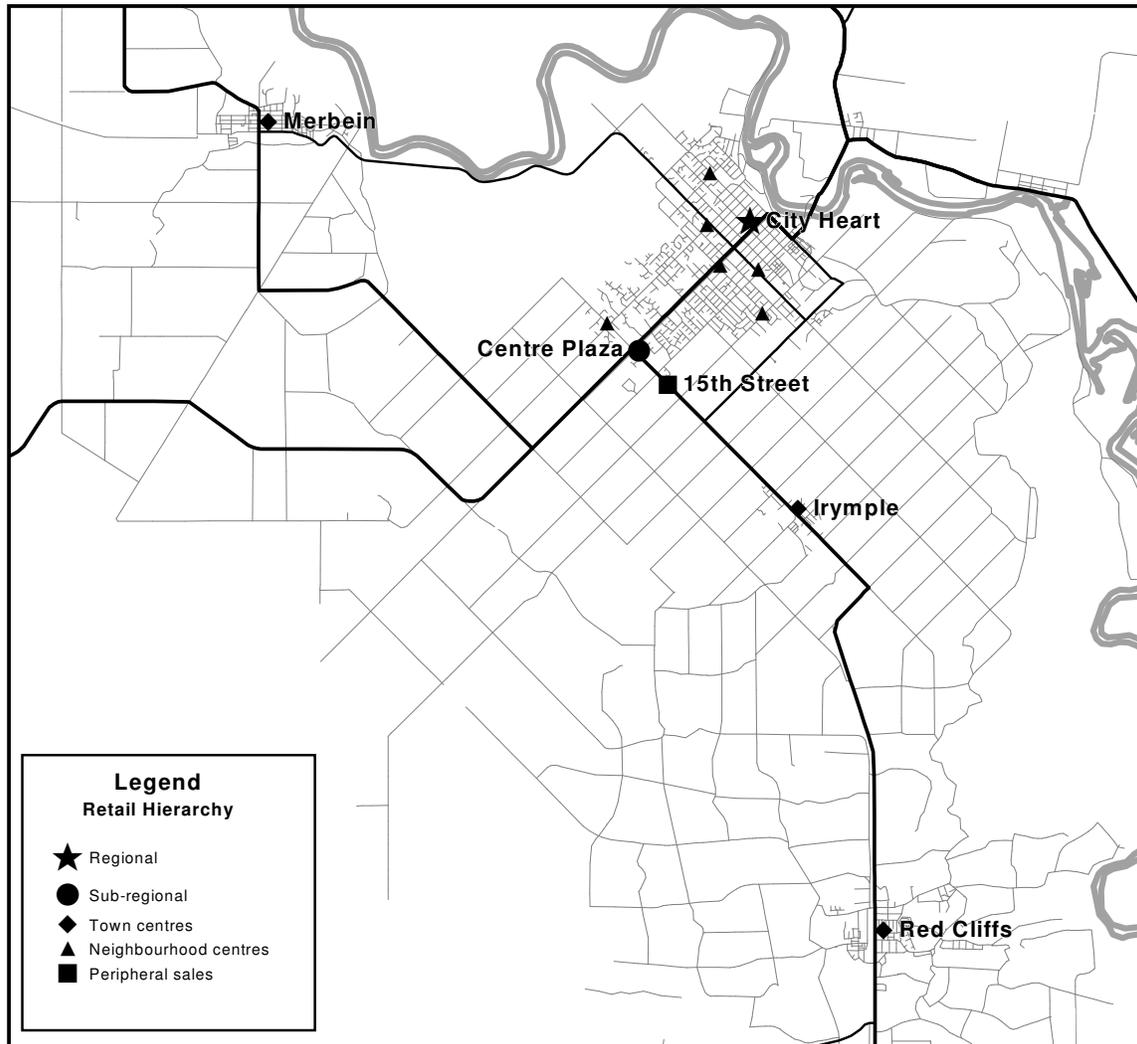


Table 1: The Retail Hierarchy serving residents of the Mildura Region

Place in the Hierarchy	Centre	Features
<u>Regional Centre</u>	Mildura CBD (City Heart)	Long-established principal shopping centre (approx. 62,000 m ²); supermarkets (4); discount department store (Kmart); specialty shops (for comparison shopping); convenience shops (chemist, newsagent, etc); wide range of retail and non-retail services; entertainment; restaurants, cafés, hotels/motels; professional and business services; serves a wide regional catchment. Includes Visitor information centre. Generates significant share of sales from tourists and other non-residents (eg visitors from outside the trade catchment).
<u>Sub-Regional Centre</u>	Mildura Centre Plaza	Retail centre of 16,000 m ² . Principal tenants are discount department store, Safeway, plus range of small shops. Serves a main catchment comprising Urban Mildura.
<u>Peripheral Sales Precinct</u> (Restricted Retailing, or 'bulky goods')	15 th Street restricted retail outlets	Numerous 'bulky goods' outlets including Harvey Norman, Capt'n Snooze, Ray's Tent City, etc). Serves a regional catchment.
<u>Small Town Centres</u>	Irymple Merbein Red Cliffs Wentworth Ouyen other more distant centres	Town centres which serve residents of the surrounding small townships, plus some passing (tourist) trade. Traders typically include a small supermarket plus a range of small convenience outlets (chemist, newsagent, etc), service outlets (dry cleaner, etc) and non retail services (solicitor, etc)
<u>Neighbourhood Centres</u>	7 neighbourhood/local centres throughout urban Mildura; largest located at 12 th Street/Deakin Avenue	Typically include small supermarket or grocery outlet, plus several convenience shopping outlets (chemist, newsagent, etc) and retail services (hairdresser, dry cleaning, etc). Serve surrounding neighbourhood catchments of up to 5,000 residents in Mildura context
<u>Local Shop / Corner Shop</u>	Numerous	Typically a general store or milk bar / take-away food outlet. Provides day-to-day needs such as milk, bread, newspaper. Serves a walk-in catchment of about 1,000 people

3.2 Mildura CBD / City Heart

This is the traditional retail focus for Mildura. Known today as City Heart, this area is easily identifiable with its grid-pattern streets, well-established pattern of shops, and range of commercial, civic and other uses.

The trade area served by these facilities and services is extensive, as previously described, and contains an estimated 95,000 residents and attracts significant numbers of tourists (see Chapter 5 below).

The centre has total occupied retail floorspace of around 61,900 m², as shown in Table 2 below. A further 1,700 m² of built floorspace is vacant (as at March 2000), which represents a relatively low vacancy rate of around 3% (retail centres typically have vacancy rates in the order of 4-7% if they are operating successfully). However, in addition to these vacant premises, there are a number of vacant (empty) sites located throughout the City heart which have potential for retail development. Further discussion regarding the opportunities for accommodating new retail development at City Heart is provided in Section 7.4.

Table 2: Retail Provision at Mildura City Heart

Retail category	Locations	Floorspace, m ²
Supermarkets/grocery	5	9,820
Other food shops	23	1,760
Total Food	28	11,580
Discount department store (DDS)	1	5,800
Clothing and footwear	49	11,795
Furniture, houseware and appliance retailing	41	13,210
Recreational goods	18	4,615
Other personal & household goods	34	5,145
Household equipment repair	4	380
Total Non-food	147	40,945
Cafés & restaurants	24	5,925
Other retail services (hairdressers, photo processing, video hire, etc)	35	3,450
Total Retail Services	59	9,375
TOTAL RETAIL	234	61,900

Source: Essential Economics, March 2000

Anchor tenants for the City Heart include the Kmart and three full-line supermarkets; comprising Coles, Woolworths and Fishers IGA. A fourth small supermarket is located at City Walk Plaza, on the corner of Lime Avenue and 8th Street. The Coles

and IGA stores are currently undergoing store expansions which will provide a wider choice in merchandise at modern retail facilities. Other key retail tenants are the Home houseware store (with associated garden nursery), Dimmeys (a small discount department store), and a range of national brand stores which are mostly located in the retail core near Langtree Mall.

Overall, the City Heart appears to be trading successfully, as indicated by the current vacancy rate (2000) and latest available official statistics (Retail Census data for 1991/2), and confirmed through consultation with traders. Nevertheless, traders identify a number of important weaknesses and threats to the City Heart, including issues regarding car parking, streetscape qualities, shading for pedestrians, and so on. These issues are further discussed in Chapter 8.

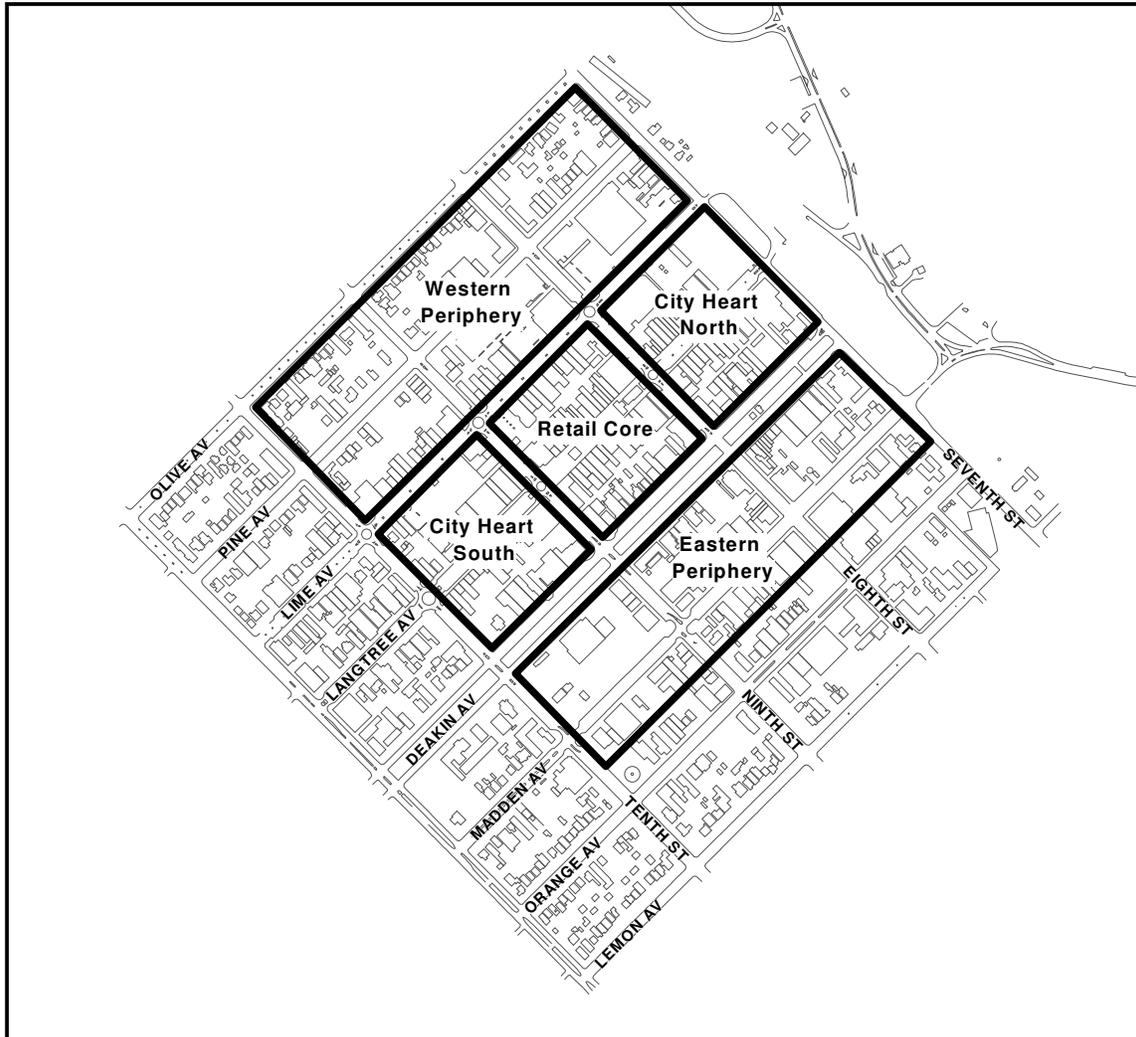
A number of separate precincts can be readily identified at City Heart, each of which has particular characteristics and plays a different role in providing retail services to customers. The precincts are identified in Figure 3, and their key features are described in the following paragraphs. Table 3 below provides a breakdown of retail provision by precinct and by retail type (refer Table 2 for description of retail types).

Table 3: Retail Floorspace Provision by Precinct

	Retail and Business Core	City Heart North	City Heart South	Western Periphery	Eastern Periphery	Total City Heart
<u>Food</u>						
Floorspace	745 m2	2,050 m2	5,135 m2	3,540 m2	110 m2	11,580 m2
Number of premises	9	10	4	3	2	28
<u>Non-food</u>						
Floorspace	12,965 m2	2,240 m2	7,785 m2	13,780 m2	4,175 m2	40,945 m2
Number of premises	66	13	21	39	8	147
<u>Services</u>						
Floorspace	2,490 m2	5,205 m2	645 m2	960 m2	75 m2	9,375 m2
Number of premises	19	22	8	9	1	59
<u>Total Occupied Retail Floorspace</u>						
Floorspace	16,200 m2	9,495 m2	13,565 m2	18,280 m2	4,360 m2	61,900 m2
Number of premises	94	45	33	51	11	234
<u>Vacant premises (built premises)*</u>						
Floorspace	480 m2	1,440 m2	405 m2	1,040 m2	290 m2	1,735 m2
Number of premises	4	11	6	3	4	28
Vacancy Rate	2.9%	13.2%	2.9%	5.4%	6.2%	2.7%

Source: Essential Economics (2000) * vacancy rate excludes empty sites available for retail development - see text p13

Figure 3: Precincts at Mildura City Heart



Retail and Business Core

The retail core can be defined as the two street blocks bounded by 8th Street, Deakin Avenue, 9th Street and Lime Avenue; it has total retail floorspace of approximately 16,200 m², as shown in Table 3. This precinct includes the Langtree Mall, which runs between 8th and 9th Street and is the main focus for national brand retailers and independent specialty outlets. The Mall, and the stretch of 8th Street running between Lime Avenue and Deakin Avenue, are the retail areas which attract the highest property rents, according to estate agents consulted as part of this study.

This retail core has a primary role in providing the higher-order shopping needs for the catchment population; however, the precinct is also characterised by some lower-order shopping located in the Mall, including Crazy Prices and Cheap as Chips discount merchandise stores. Other key retailing activities include the provision of a number of take away food stores and eat-in cafés to serve shoppers and workers.

This precinct also houses the main concentration of business and professional services, located along Deakin Avenue. Tenants here include numerous legal services (barristers and solicitors) which are associated with the law courts on the eastern side of Deakin Avenue, training consultants, banks, accountants, etc.

Lime Avenue offers a variety of mostly non-food merchandise and retail services, and includes street-frontage stores as well as two arcades located between 8th and 9th Streets.

City Heart North

The City Heart North precinct is bounded by 7th Street, Deakin Avenue, 8th Street and Lime Avenue, and is the focus for a range of mostly entertainment-related retail and non-retail facilities. Total occupied retail floorspace is approximately 9,500 m² (refer Table 3).

Key uses include Mildura Grand Hotel (on 7th Street, between Deakin Avenue and Langtree Avenue) and a range of restaurants and bars located on Langtree Avenue. Deakin Avenue has a mixed land use, comprising a number of office businesses, restaurants and some retail shops.

A key vacant site of approximately 4,500 m² is located on 7th Street, between Langtree Avenue and Lime Avenue. This site is comprised of two lots, and is strategically located in relation to the potential Riverside development area in the vicinity of the Mildura Rail Station; it has previously been identified as a potential location for a hotel development.

On Lime Avenue the major commercial activity is provided at the City Walk Plaza arcade on the corner of Lime Avenue and 8th Street. This development houses a number of shops including a small supermarket and associated liquor shop, and a range of mostly fresh food retailers. There are two vacant blocks used as car parks located on Lime Avenue between 7th and 8th Streets; opportunities have been

identified in the *Mildura Urban Design Framework* (David Lock Associates, July 1999) to consolidate car parking in this location.

This is a strategic precinct given its location opposite major redevelopment opportunities associated with the riverfront; a description of the Mildura Urban Design Framework, including the opportunities identified for the Riverside precinct, is provided in Section 6.6.

City Heart South

City Heart South comprises the land bounded by 9th Street, Deakin Avenue, 10th Street and Lime Avenue, and has approximately 13,600 m² in occupied retail floorspace. The precinct operates as a secondary retail location with a range of mostly non-food retail stores (in addition to the two supermarkets), and includes:

- a Fishers IGA supermarket located on Deakin Avenue (approx. 2,300 m² following the store expansion);
- a range of mostly small and relatively poorly performing retail properties located on Langtree Avenue (including 6 vacant premises);
- a Woolworths supermarket (approx. 2,700 m²) on the western side of Langtree Avenue;
- a Home housewares store with garden nursery; and
- significant areas of car parking facing Lime Avenue associated with the Woolworths supermarket

Further to the south of this precinct (between 10th and 11th Streets) land is zoned B5 in order to encourage office business use; this precinct has developed as a key location for new office accommodation, including professional business services and medical services.

Western periphery

The western periphery comprises land between 7th Street and 10th Street, west of Lime Avenue, and includes approximately 18,300 m² of occupied retail floorspace.

This area is characterised by a greater level of consolidation of building lots, so that retail premises in this location generally comprise in excess of 250 m² each. The key tenants are Coles supermarket (approx. 3,300 m² following the expansion), which is located on the corner of 8th Street and Lime Avenue; and Kmart discount department store (approx. 5,800 m²) located north of 8th Street, between Lime Avenue and Pine Avenue.

The precinct is also a key location for consolidated car parking areas, which have been developed to serve customers of Kmart and Coles. Consultation undertaken through the course of this study indicates that customers prefer to access on-street

car parking closer to the retail core rather than parking in this western precinct and walking to shops located near Langtree Mall. However, there are opportunities which are identified in the Mildura Urban Design Framework to improve the amount and configuration of car parking in these precincts, associated with streetscape and urban design improvements; these opportunities are discussed further in section 6.6.

Retail development occurs on both sides of Pine Avenue, and along 8th Street as far as Olive Avenue - this is the extent of the Business Zone in Mildura CBD. Throughout this western precinct there are a number of under-utilised or vacant parcels of land, generally comprising blocks of up to around 400 m². Prospects for future retail development in this area are examined in Chapter 7.

Eastern periphery

The eastern periphery refers to land on the eastern side of Deakin Avenue, extending eastwards to Orange Avenue, which is the extent of the Business Zone. Land on the western side of Orange Avenue and beyond is included in a B5 zone, although there is scattered retail activity, mostly associated with service business or trade-related uses (these uses are not included in our analysis of the Mildura City Heart).

Land fronting Deakin Avenue has developed as a civic precinct, with Council offices and law courts providing the main focus of activity. To the south of 9th Street, there are entertainment uses such as the Bowling Club, Working Mans Club, associated restaurants, etc.

Further towards 7th Street are a variety of uses, including car sales, accommodation and some retail and office business activity.

Scattered retail development is located on Madden Avenue and surrounding streets and comprises approximately 4,400 m² in retail floorspace, although this is mostly lower-order activity (shoe repairs, electrical repairs, etc), or tenants which serve particular markets (office supplies, paint supplies, etc).

A number of key development sites are located in this precinct; these include the former McEwans store (which is now the location for a Rivers warehouse/retail centre), the Mildura Hotel and the vacant site adjoining the Hotel.

A key issue for the Strategy will be the treatment of this eastern part of the CBD in the planning scheme, and whether the existing B2 and B5 Zones should be changed to encourage a greater degree of retail activity.

3.3 Mildura Centre Plaza

The free-standing Mildura Centre Plaza operates as a sub-regional centre in the retail hierarchy, with a primary catchment which includes the southern parts of urban Mildura, and a main trade area extending across urban Mildura. The centre also caters for tourists staying at accommodation facilities in the local area. The centre comprises a total of approximately 15,740 m² in occupied retail floorspace and this includes:

- a large Target discount department store (DDS) of 8,740 m²
- a Woolworths supermarket of 3,170 m²,
- some 37 specialty shops totalling 3,830 m²

Details regarding the retail provision at Centre Plaza are provided in Table 4.

Table 4: Retail Provision at Centre Plaza

Retail Category	Locations	Floorspace, m ²
Supermarkets/grocery	1	3,170
Other food shops	7	550
Total Food	8	3,720
Discount department store (DDS)	1	8,740
Clothing and footwear	8	975
Furniture, houseware & appliance retailing	5	835
Recreational goods	3	245
Other personal & household goods	7	645
Total Non-food	24	11,440
Cafés & restaurants	2	245
Other retail services (hairdresser, photo processing, video hire)	5	335
Total Retail Services	7	580
TOTAL RETAIL	39	15,740

Source: Centro Properties

There are currently 3 vacant premises at Centre Plaza, with combined floorspace of 180 m². Non retail uses occupy a further 300 m² of floorspace, bringing total gross leasable floorspace at the centre to approximately 16,220 m².

The Mildura Centre Plaza is planned to be refurbished by Centro Properties, including reduced floor area of the Target discount department store, the introduction of a second supermarket and a food court, and additional specialty shops. Currently the Centre Plaza is limited to a maximum 15,961 m² leasable floorspace under the Planning Scheme, and so an amendment to the Planning Scheme is required in order to facilitate any expansion to the centre. Sections 7 and 8 of this Strategy examine the opportunities for expansion at this centre, including recommended changes to the floorspace limits set in the schedule to the applicable zone.

Expansion of Mildura Centre Plaza would require additional car parking to be provided to serve customers to the centre; the adjoining vacant land to the east of the centre (commonly referred to as the 'Vidovich' land) provides an opportunity to expand the centre eastwards by accommodating car parking on part of this property. The Vidovich land has remained vacant for many years, however Council has recently granted approval for the construction of approximately 8,000 m² of bulky goods stores on the site, which is a permitted use under the applicable Business 4 Zone.

In refurbishing the Centre Plaza, it will be important to ensure that the redevelopment of the property and the potential development of the adjoining (vacant) land is achieved in a harmonious manner in terms of attracting suitable land uses, providing connectivity and an attractive pedestrian/shopper environment, and having regard for the landmark quality of this site at the entrance to urban Mildura.

3.4 Fifteenth Street Precinct

The 15th Street precinct has developed over the last few years as the primary location for bulky goods retailing and other types of peripheral sales premises. Key tenants include:

- Billy Guyatts
- Bunnings
- Captain Snooze
- Carpet Choice
- Carpet Court
- Glory Box furniture
- Harvey Norman
- Rays Tent City
- Spotlight

These shops serve a wide regional catchment which extends into NSW and South Australia.

The commercial strip accommodates approximately 20 premises which can be classified as retail outlets - these have combined floorspace of approximately 25,500 m², as shown in Table 5 below. Note that in the case of Bunnings, it is estimated that

approximately 3,500 m² is defined as "retail", with the balance, including timber yard component, mainly serving trade customers.

Table 5: Retail Provision at 15th Street Precinct

	Locations	Floorspace
Supermarkets/grocery	-	-
Other food shops	5	660
Total Food	5	660
Discount department store	-	-
Clothing and footwear	-	-
Furniture houseware and appliance retailing	12	22,200
Recreational goods	2	1,620
Other personal & household goods	-	-
Total Non-food	14	23,820
Cafés & restaurants	-	-
Other retail services (hairdresser, photo processing, video hire, etc)	1	1,000
Total Retail Services	1	1,000
Total Retail	20	25,480

Source: Essential Economics
 Note: excludes Mildura Centre Plaza

The commercial zone currently runs from Deakin Avenue to Benetook Avenue on the north side, and from Deakin Avenue to Etiwanda Avenue on the southern side. A key issue for the Retail Strategy is the extent to which the existing commercial zone can accommodate the expected future demands for peripheral sales activity, and the location and direction for an expansion to the Business 4 Zone if required. An analysis of demand is presented in Chapter 7, and this issue is further discussed in Chapter 8.

3.5 Township Centres

There are a number of small township centres which serve the day-to-day needs of residents in the local area. These centres include:

- Irymple: which comprises around 750 m² at 7 shops on the north side of the Highway

- Merbein: around 2,000 m² of retail floorspace, including a small Fishers IGA supermarket
- Red Cliffs: around 30 shops, with total floorspace of approximately 4,800 m²
- and other townships further afield, including Wentworth (approx 6,500 m²); Ouyen, etc

These township centres generally involve relatively small levels of retail floorspace, mostly offering convenience retail merchandise and services such as daily groceries, newsagents, chemist, hairdresser, take away food, etc.

The retail functions of the township centres are under increasing competition from larger centres such as the Mildura CBD and Centre Plaza, which offer a far wider range of retail merchandise and non-retail services, and which are relatively accessible to these residents in outlying townships.

In some cases these centres offer a range of non-retail services, such as post office, banks, etc; these services are also increasingly under pressure, and in many instances the townships have lost these facilities.

3.6 Neighbourhood and Local Centres

There are 6 key neighbourhood and local centres which serve localised catchments in the Mildura Urban area. These centres are located at:

- 13th Street/Deakin Avenue
- 8th Street/Ontario Avenue
- 11th Street/Walnut Avenue
- 11th Street/San Mateo Avenue
- 15th Street/Walnut Avenue
- 13th Street/Etiwanda Avenue

Many of these centres comprise just a few shops (such as take away, general store, hairdresser), with total floorspace of around 300 m²; the largest of the neighbourhood centres is located at Deakin Avenue/13th Street, and comprises 10 shops including a small supermarket/general store and a range of convenience retailers (chemist, café, take away, florist, etc). Total floorspace at this centre is approximately 1,300 m². In total, we estimate that these neighbourhood and local centres, combined with other single corner shops and convenience outlets, have retail floorspace of around 10,600 m².

A further 750 m² of retail floorspace is provided at retail shops which are located in industrial zones in the proximity of 11th Street, Etiwanda Avenue and San Mateo Avenue.

A summary of the distribution of floorspace in the Main Trade Area is provided in the following Table 6.

Table 6: Retail Floorspace in the Mildura Main Trade Area

Location	S'mkts/ groceries	Other food	Total food	Discount Dept't stores	Other nonfood	Total nonfood	Retail services	Total retail
Primary Trade Area:								
Mildura City Heart	9,820	1,760	11,580	5,800	35,145	40,945	9,375	61,900
Centre Plaza	3,170	550	3,720	8,740	2,700	11,440	580	15,740
15th Street	-	660	660	-	23,820	23,820	1,000	25,480
Urban Mildura - Other	4,980	1,060	6,040	-	4,000	4,000	1,350	11,390
Wentworth*	3,100	900	4,000	-	2,100	2,100	400	6,500
Total PTA	21,070	4,930	26,000	14,540	67,765	82,305	12,705	121,010
Secondary Trade Area:								
Mildura (S) - Pt B	400	-	400	-	-	-	-	400
Walpeup (S)	1,600	400	2,000	-	2,950	2,950	500	5,450
Swan Hill (S)	3,800	2,300	6,100	-	7,850	7,850	600	14,550
Balranald (A)	700	600	1,300	-	850	850	500	2,650
Berri (DC)	7,600	2,800	10,400	-	8,100	8,100	1,300	19,800
Barmera (DC)	1,500	1,500	3,000	-	4,200	4,200	1,200	8,400
Loxton (DC)	2,600	2,100	4,700	-	8,300	8,300	900	13,900
Paringa (DC)*	400	100	500	-	150	150	50	700
Renmark (M)*	4,750	1,100	5,850	-	10,000	10,000	1,400	17,250
Total STA	23,350	10,900	34,250	-	42,400	42,400	6,450	83,100
Total Main Trade Area	44,420	15,830	60,250	14,540	110,165	124,705	19,155	204,110

Source: Essential Economics floorspace surveys 2000; ABS Retail Census 1991/2 (updated where possible)

Notes: Data is based on Essential Economics floorspace surveys for City Heart, Centre Plaza, Fifteenth Street and other centres in urban Mildura; ABS and other data are used for Wentworth and centres in the STA; Urban Mildura is the Victorian Part of the PTA - it comprises the former Mildura (C) and Mildura (S) Pt A

* Consultant estimates have been used for floorspace breakdown (unpublished data in ABS Retail Census)

3.7 Retail Performance

Retail performance data, based on the ABS Retail Census 1991/2, is provided in Table 7. Figures are provided for Victoria and country Victoria for comparison purposes, and average sales data is quoted in average 1991/2 prices.

While the information is somewhat dated, the relative positions of the municipalities comprising the trade area are unlikely to have changed dramatically over the period.

The Table indicates that as a whole the Main Trade Area has a relatively under-performing retail sector (based on 1991/2 data) when compared against Victorian and Country Victorian averages, with average sales of \$2,130/m² compared to \$2,650/m² (Victorian average) and \$2,270/m² (country Victorian average). It is important to recognise that the State and Country averages are influenced by large concentrations of highly-performing floorspace in metropolitan Melbourne and (for the Country averages) large regional centres such as Geelong, Ballarat, Bendigo, etc.

In fact, when we look at the official Retail Census data for the former City of Mildura, which approximates most of the urban area of Mildura, we note that average sales at food shops are significantly higher than the State average, at \$4,820/m² in Mildura compared to 3,920 m² for Victoria. This is a reflection of the concentration of weekly grocery shopping in urban Mildura which serves a wide catchment in the surrounding rural region. The former City of Mildura figures are also much closer to the State average in non-food and retail services. Although more recent data (since 1991/2) is unavailable, we would expect that the City of Mildura would continue to have average sales at non-food shops that are close to or above the State average, when we consider the significantly improved range of household shopping available at peripheral sales outlets on 15th Street (and which is in line with state-wide trends for peripheral sales shopping). In food shopping, retail provision has also improved with the expansion of two of the supermarkets located in City Heart.

Table 8 provides more detailed Retail Census data for the former City of Mildura, and shows that there were (as at 1991/2) a total of over 2,400 persons employed at retail establishments in the (former) City. This figure includes full-time and part-time employees, and serves to highlight the importance of the retail sector for the on-going economic health of the region (and this is recognised in Mildura's Municipal Strategic Statement and other Council policy).

Table 7: Average Retail Turnover Densities, Retail Census data (1991/2) for the Main Trade Area (average sales in 1991/2 dollars)

	Food			Nonfood			Services			Total		
	No.	m ²	\$/m ²									
Primary Trade Area:												
Mildura (C)	97	19,900	4,820	192	63,500	1,810	79	12,700	1,060	368	96,100	2,330
Wentworth (A)	15	4,000	2,300	16	2,100	1,790	7	400	430	38	6,500	2,020
Mildura (S) - Pt A	34	6,600	2,210	48	4,400	2,540	19	2,000	670	101	13,000	2,080
Total PTA	146	30,500	3,920	256	70,000	1,850	105	15,100	990	507	115,600	2,290
Secondary Trade Area:												
Walpeup (S)	12	2,000	2,700	16	2,950	1,140	8	500	2,150	36	5,450	1,800
Mildura (S) - Pt B	3	400	2,290							3	400	2,290
Swan Hill (S)	23	6,100	2,520	25	7,850	1,210	11	800	1,250	59	14,750	1,750
Balranald (A)	10	1,300	2,600	10	850	1,240	7	500	1,010	27	2,650	1,860
Berri (DC)	25	10,400	2,270	49	8,100	1,720	18	1,300	1,400	92	19,800	1,990
Barmera (DC)	18	3,000	3,150	17	4,200	980	12	1,200	900	47	8,400	1,740
Loxton (DC)	22	4,700	2,770	31	8,300	1,230	11	900	1,170	64	13,900	1,740
Patinga (DC)	6	500	3,600	1	150	1,000	1	50	1,000	8	700	2,860
Renmark (M)	22	4,600	4,080	38	8,800	1,430	18	1,400	840	78	14,800	2,200
Total STA	141	33,000	2,780	187	41,200	1,330	86	6,650	1,170	414	80,850	1,910
Total MTA	287	63,500	3,330	443	111,200	1,660	191	21,750	1,050	921	196,450	2,130
Victoria	-	-	3,920	-	-	2,300	-	-	1,330	-	-	2,650
Non-metro Victoria	-	-	3,520	-	-	1,810	-	-	1,140	-	-	2,270

Source: ABS Retail Census 1991/2

Table 8: Retail Census Data (1991/2), former City of Mildura (1991/2 dollars)

Retail type	Locations	Total Employment	Turnover (\$ 000s)	Floorspace m ²	\$/m ²
Supermarkets/grocery	21	488	\$63,717	11,200	\$5,690/m ²
Other food	76	473	\$32,225	8,700	\$3,700/ m ²
Total Food	97	961	\$95,942	19,900	\$4,820/ m²
Department stores *	2	180	\$25,000	13,000	\$1,920/ m ²
Clothing and footwear	65	282	\$26,985	13,700	\$1,970/ m ²
Furniture houseware and appliance	42	205	\$31,549	23,100	\$1,370/ m ²
Recreational goods	23	181	\$13,947	6,000	\$2,320/ m ²
Other personal & household goods	57	222	\$16,733	7,600	\$2,200/ m ²
Household equipment repair	5	17	\$811	700	\$1,160/ m ²
Total Non-food	194	1,087	\$115,025	64,100	\$1,790/m²
Cafés & restaurants	25	199	\$6,618	6,700	\$990/ m ²
Other retail services	54	187	\$6,889	6,000	\$1,150/ m ²
Total Retail Services	79	386	\$13,507	12,700	\$1,060/m²
Total Retail	370	2,434	\$224,474	96,700	\$2,320/m²

Source: ABS Retail Census 1991/2; * unpublished data – consultant estimates

3.8 Consumer Research

The needs and wants of consumers and their perceptions of existing shopping facilities are an important factor in the future development of Mildura's retail sector, and need to be taken into account in the preparation of a Strategy to guide retail development.

A significant body of quantitative and qualitative research has been recently undertaken as part of the **Market Gap Analysis Study** and **Mildura Retail Demand Study** (Market Equity, 1997). These studies were based on the following research:

- focus group research with household consumers and business consumers;
- interviews with stakeholder groups (trader groups, centre management, State Government agencies, etc);
- a household telephone survey of 300 residents of the Rural City of Mildura;
- a survey of 220 "regular Mildura shoppers";
- a survey of 50 "remote area shoppers" – ie those living outside the municipality but within 200km of Mildura; and
- a survey of 75 businesses.

The following paragraphs provide a summary of the key results arising from the research, with particular emphasis on those results which provide input to the Retail Strategy. Note that the survey coverage does not align with the defined Mildura Retail Trade Area, and the survey of residents in the Rural City of Mildura is likely to underestimate the importance of regional facilities such as 15th Street and the City Heart for the wider Trade Area population.

Shopping patterns

- Residents of the Rural City of Mildura purchase grocery items on a frequent basis (77% of the resident survey respondents purchase these items at least once a week), while 'other items' are purchased less frequently (only 15% of residents shop weekly for these items) or on a "needs basis" (38% of respondents).
- City Heart is the principal shopping location for all types of purchases, with 44% of residents shopping at City Heart for groceries, and 45% shopping there for other items.
- Mildura Centre Plaza is also a key shopping location, attracting 38% of surveyed residents for their grocery purchases, and 37% for other items.

- The 15th Street precinct is an important location for purchasing large household items, and this is shown by the survey results which indicate that for these items 30% of respondents shop at “other local shops” (ie excluding the City Heart and Mildura Centre Plaza).
- Mildura generally retains a large proportion of shopping expenditure, according to the survey data, and this is due in large part to the distance involved in shopping at alternative locations, and the similarity between what’s offered at Mildura and at other locations.
- Expenditure “leakage” occurs in association with business and holiday trips, mainly to large metropolitan centres such as Melbourne and Adelaide.
- Purchases which are made outside Mildura generally involve specialty items such as clothing (particularly women’s and children’s clothing) and footwear, as well as some large purchases (eg furniture) where particular brands are not available locally, or where a wider range of products is required. There is a perceived lack of high quality brand items.

Perceptions of shopping in Mildura

- Generally the survey results indicate a high regard for the overall quality of shopping in Mildura, with a total of 87% rating it positively, and 43% rating the overall quality of shopping in Mildura as very good.
- In general, there is a perception that prices are equal to or slightly higher in Mildura compared with other locations, and this perception is held most strongly for items such as women’s and children’s clothing, and other specialist products.
- The results of the focus group research indicate that residents are generally satisfied with local shopping facilities. Areas where satisfaction is lower include the availability and convenience of customer parking, customer service levels, and the variety of shops available. In particular, increased parking in the CBD is seen as an important step in improving the local shopping environment.
- The perceived lack of parking is also shown in the household survey results, with 23% of respondents rating the availability of parking as “poor”, and 22% rating parking as “fair”.

The overall thrust of the consumer research indicates that Mildura residents are generally happy with the retail hierarchy which operates in the region; however, there are indications that a wider range of products are required to reduced expenditure leakage, particularly in specialty shops and national brand outlets. The lack of convenient car parking is a particular issue for the City Heart.

4 Population Levels and Forecasts

4.1 Estimated Resident Population

Mildura serves a region with a total resident population estimated at 95,160 persons in 2000. Population levels and recent trends in the various Statistical Local Areas (SLAs) which comprise the region are summarised in Table 9 and the growth rates are shown in Table 10.

Table 9: Estimated Resident Population in the Trade Area, 1996 to 2000

Statistical Local Area	Population (persons)			
	1996	1998	1999	2000
Mildura (RC) - Pt A	41,130	42,650	43,450	44,250
Wentworth (A)*	5,490	5,450	5,420	5,400
Primary Trade Area	46,620	48,100	48,870	49,650
Mildura (RC) - Pt B	4,680	4,580	4,500	4,430
Swan Hill (RC) - Robinvale	3,940	3,980	4,000	4,020
Swan Hill (RC) Bal*	3,640	3,570	3,530	3,490
Wentworth (A) - Bal	1,700	1,690	1,680	1,670
Berri & Barmera (DC) - Barmera	4,450	4,390	4,400	4,390
Berri & Barmera (DC) - Berrie	6,910	7,090	7,020	7,060
Loxton Waikerie (DC) - East	7,390	7,550	7,520	7,560
Renmark Paringa (DC) - Paringa	1,760	1,840	1,810	1,830
Renmark Paringa (DC) - Renmark	7,920	7,910	7,950	7,960
Unincorp. Riverland	170	160	160	160
Balranald (A)	2,930	2,960	2,940	2,940
Secondary Trade Area	45,490	45,720	45,510	45,510
Total Region	92,110	93,820	94,380	95,160

Source: ABS Regional Population Growth; Essential Economics (estimates for 2000)

Note: * includes part of the SLA - population figures have been estimated on the basis of the share of population in each part of the SLA as measured by Census data at the Census Collection District level

Almost one-half of the regional population lives in the Mildura Rural City Council area (44,250 persons or 47% of the region's total), with the balance living in the smaller settlements and rural parts of the region.

In terms of the regional trade area, we note that the **Primary Trade Area** component comprises the Mildura Rural City and part of the Wentworth Shire, and totals an estimated 49,650 persons, the vast majority of whom (approximately 90%) live in the Mildura municipality. This PTA has been increasing in numbers at an average annual rate of 1.6% since 1996, although all of this growth has been taking place in Mildura; the Wentworth figure is static.

The **Secondary Trade Area** contains an estimated 45,510 residents. This figure has remained static over the past few years, and the various SLAs have experienced either negative population growth, or only very marginal growth.

Overall, population numbers in the Mildura region (comprising both the PTA and the STA) have been increasing at an average annual rate of 0.8%, which compares with the lower average annual growth rate of 0.5% for the whole of Regional Victoria.

Table 10: Average Annual Population Growth Rates in the Trade Area, 1996 to 2000

Statistical Local Area	Average Annual Growth (%)		
	1996 - 1998	1998 - 1999	1999 - 2000
Mildura (RC) - Pt A	1.8%	1.9%	1.8%
Wentworth (A)*	-0.4%	-0.5%	-0.4%
Primary Trade Area	1.6%	1.6%	1.6%
Mildura (RC) - Pt B	-1.1%	-1.9%	-1.3%
Swan Hill (RC) - Robinvale	0.4%	0.7%	0.5%
Swan Hill (RC) Bal*	-1.0%	-1.1%	-1.0%
Wentworth (A) - Bal	-0.4%	-0.5%	-0.4%
Berri & Barmera (DC) - Barmera	-0.6%	0.3%	-0.3%
Berri & Barmera (DC) - Berri	1.3%	-0.9%	0.5%
Loxton Waikerie (DC) - East	1.0%	-0.4%	0.6%
Renmark Paringa (DC) - Paringa	2.4%	-1.6%	1.0%
Renmark Paringa (DC) - Renmark	-0.1%	0.5%	0.1%
Unincorp. Riverland	-2.1%	-1.8%	-2.0%
Balranald (A)	0.6%	-0.9%	0.1%
Secondary Trade Area	0.2%	-0.5%	0.0%
Total Region	0.9%	0.6%	0.8%

Source: ABS Regional Population Growth; Essential Economics (estimates for 2000, based on DoI forecast growth patterns)

Note: * includes part of the SLA - population figures have been estimated on the basis of the share of population in each part of the SLA as measured by Census data at the Census Collection District level

4.2 Population Forecasts

Population forecasts prepared for the Mildura region show that recent trends are expected to continue, with growth continuing to occur in the Mildura Rural City Council area, while the other SLAs in the trade area will continue to experience static or declining growth rates.

Table 11: Forecast Population in the Trade Area, 2000 to 2015

Statistical Local Area	Forecast population (persons)			
	2000	2005	2010	2015
Mildura (RC) - Pt A	44,250	47,040	49,460	51,940
Wentworth (A)*	5,400	5,310	5,240	5,160
Primary Trade Area	49,650	52,350	54,700	57,100
Mildura (RC) - Pt B	4,430	4,250	4,110	3,990
Swan Hill (RC) - Robinvale	4,020	4,000	3,990	4,020
Swan Hill (RC) Bal*	3,490	3,400	3,330	3,250
Wentworth (A) - Bal	1,670	1,650	1,620	1,600
Berri & Barmera (DC) - Barmera	4,390	4,290	4,170	4,040
Berri & Barmera (DC) - Berri	7,060	7,050	6,930	6,790
Loxton Waikerie (DC) - East	7,560	7,390	7,090	6,790
Renmark Paringa (DC) - Paringa	1,830	1,840	1,790	1,750
Renmark Paringa (DC) - Renmark	7,960	7,780	7,490	7,190
Unincorp. Riverland	160	150	130	130
Balranald (A)	2,940	2,940	2,940	2,860
Secondary Trade Area	45,510	44,740	43,590	42,410
Total Region	95,160	97,090	98,290	99,510

Source: Department of Infrastructure, Victoria in Future (2000); ABS Regional Population Growth; NSW Dept Urban Affairs; Planning SA

Note: Table 10 applies forecast growth rates (Dol) to base 1999 estimates of population prepared by the ABS
* includes part of the SLA - population figures have been estimated on the basis of the share of population in each part of the SLA as measured by Census data at the Census Collection District level; forecasts have been applied on the basis of current population shares in each part of the municipality

2000 - 2010

As shown in Table 11, the PTA is expected to experience an increase of 5,050 persons (net) between 2000 and 2010, all of which is forecast to be located in Mildura Rural City; Wentworth SLA is expected to experience a *decline* in numbers. For the STA, the forecasts indicate that there is likely to be a continuing decline in population numbers. Overall the region will experience a net increase of some 3,130 people over the period 2000 to 2010, reaching 98,290 persons in 2010.

To 2015

Taking a forecast to 2015, the figures show that the whole region will reach 99,510 persons by 2015, although the growth will be occurring virtually entirely in Mildura, with only a very slight increase in Robinvale. All other SLAs are expected to experience a marginal decline in population numbers. These forecasts are summarised in Tables 11 (numbers) and 12 (growth rates).

In terms of the PTA, population in 2015 is expected to reach approximately 57,100 persons, while the STA is forecast to have a population level of approximately 42,410 persons.

Table 12: Forecast Average Annual Growth Rates, 2000 to 2015

Statistical Local Area	Average Annual Growth (%)		
	2000 - 2005	2005 - 2010	2010 - 2015
Mildura (RC) - Pt A	1.2%	1.0%	1.0%
Wentworth (A)*	-0.3%	-0.3%	-0.3%
PTA	1.1%	0.9%	0.9%
Mildura (RC) - Pt B	-0.8%	-0.7%	-0.6%
Swan Hill (RC) - Robinvale	-0.1%	-0.1%	0.1%
Swan Hill (RC) Bal*	-0.5%	-0.4%	-0.5%
Wentworth (A) - Bal	-0.2%	-0.4%	-0.2%
Berri & Barmera (DC) - Barmera	-0.5%	-0.6%	-0.6%
Berri & Barmera (DC) - Berri	0.0%	-0.3%	-0.4%
Loxton Waikerie (DC) - East	-0.5%	-0.8%	-0.9%
Renmark Paringa (DC) - Paringa	0.1%	-0.5%	-0.5%
Renmark Paringa (DC) - Renmark	-0.5%	-0.8%	-0.8%
Unincorp. Riverland	-1.3%	-2.8%	0.0%
Balranald (A)	0.0%	0.0%	-0.6%
STA	-0.3%	-0.5%	-0.5%
Total Region	0.4%	0.2%	0.2%

Source: Department of Infrastructure, Victoria in Future (2000); ABS Regional Population Growth; NSW Dept Urban Affairs; Planning SA

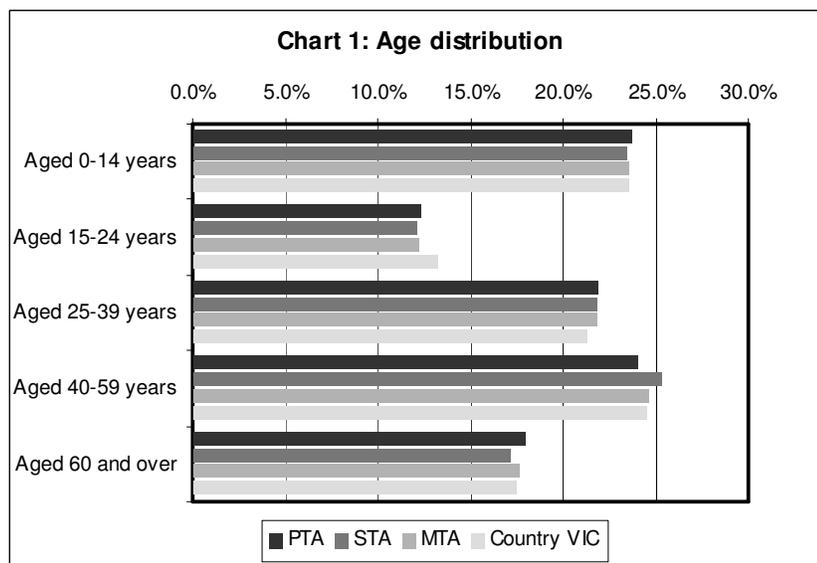
Note: Table 10 applies forecast growth rates (Dol) to base 1999 estimates of population prepared by the ABS
 * includes part of the SLA - population figures have been estimated on the basis of the share of population in each part of the SLA as measured by Census data at the Census Collection District level

4.3 Socio-economic Features

Socio-economic features of the Primary and Secondary Trade Areas are illustrated in the following graphs. A summary of the key features is provided below:

Age distribution

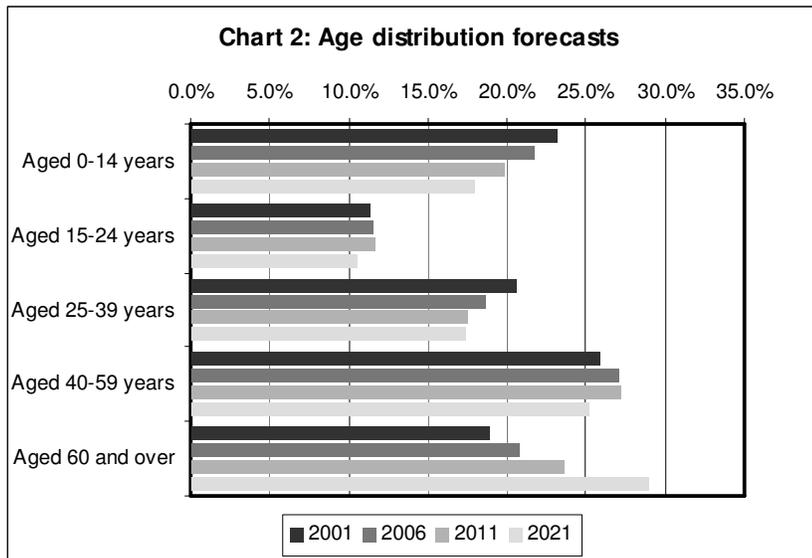
- Chart 1 shows that the Mildura Trade Area has a very similar age distribution to that of Country Victoria as a whole
- the STA has a slightly lower proportion of persons aged 60 and over, while the PTA has a slightly higher-than average proportion of aged persons; this reflects the fact that older persons tend to move into regional centres to access aged support services



Source: ABS, Census of Population and Housing 1996

Age distribution forecasts

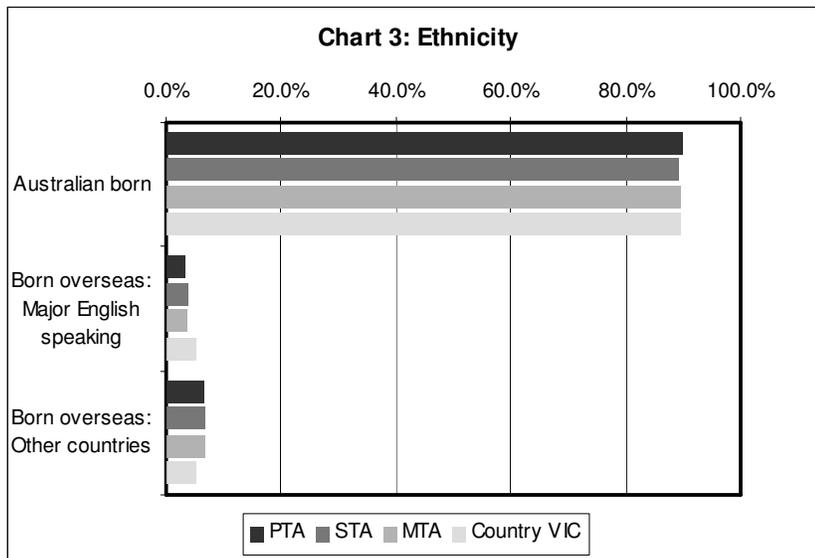
- Chart 2 below provides forecasts of age distribution to 2021 for the Rural City of Mildura
- the graph clearly shows that there is expected to be a significant ageing of the population over the next 20 years; the proportion of the population aged over 60 years is expected to rise from 19% (in 2001) to 29% (in 2021) over the period
- this trend is accompanied by a reduction in the proportion of young school aged children (age group 0 - 14 years) from 23.1% (in 2001) to 17.9% (in 2021)
- these forecast trends in age distribution are not confined to Mildura, and are representative of similar trends throughout Victoria (and, indeed, interstate)



Source: Department of Infrastructure, Victoria in Future (2000)

Ethnicity

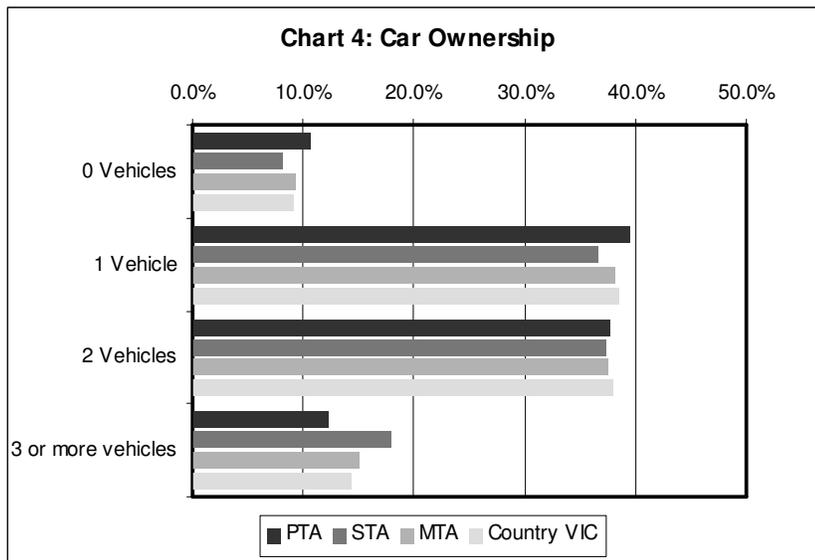
- Chart 3 below provides an illustration of the ethnicity of the trade area population, as indicated by place of birth
- the Chart shows that the majority of the population in the trade area is Australian born (around 90%), and that the ethnicity patterns in the Mildura trade areas are very similar to those exhibited throughout Country Victoria



Source: ABS, Census of Population and Housing 1996

Car ownership

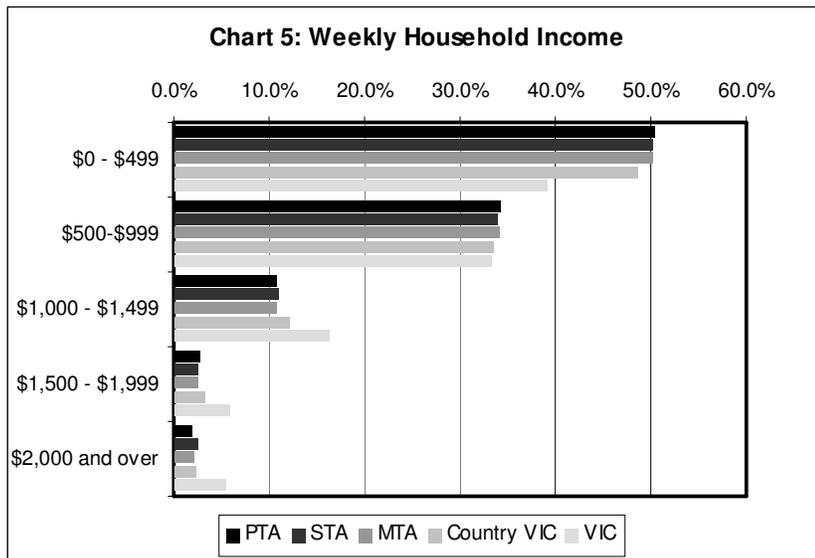
- Car ownership patterns are shown in Chart 4, which shows that there is a higher degree of car ownership in the STA compared to the PTA and Country Victorian averages. Around 55% own at least 2 cars in the STA, compared to around 50% in the PTA
- this reflects the necessity of good access to transport for people living in rural areas, and the fact that farms often have a requirement for vehicle(s) in addition to the family car(s)



Source: ABS, Census of Population and Housing 1996

Household income

- Chart 5 below provides an indication of the relative household income levels in each of the components of the trade area; comparisons are also provided for Victoria and Country Victoria
- the Chart shows that Mildura has a relatively low level of household income compared to the State and Country averages - over 50% of households in the MTA earn less than \$500 per week, compared to 48.5% in country Victoria and just 39% in Victoria as a whole
- a smaller percentage of households in the trade area earn high weekly incomes (ie in excess of \$2,000 per week) - just 1.9% of households in the PTA, compared to 2.4% of country Victorian households and over 5% of all Victorian households
- the small differences in the numbers of households earning very high and very low incomes between the PTA and STA suggest that people with low incomes tend to gravitate to central Mildura in order to look for a job or to obtain income assistance



Source: ABS, Census of Population and Housing 1996

Summary

In summary, the Mildura Trade Area population displays many of the characteristics of rural and regional Victoria, including a high proportion of Australian born residents, an ageing population, relatively good access to private vehicles and lower household incomes when compared to the State average.

These demographic and socio-economic characteristics are built into the MarketInfo model that we use for estimating the level of retail spending in the trade area, which is provided in Chapter 7.

5 Visitor Numbers to the Region

5.1 Introduction

Mildura is located in the Mallee tourism sub-region, as identified by Tourism Victoria, and is incorporated in both the Murray tourism product region and the Murray Outback tourism product region. The Mallee sub-region includes Mildura, Swan Hill and Kerang, and overlaps with the Victorian part of the Mildura Retail Trade Area (refer section 1.2). Mallee is actively marketed as both a short-break and extended holiday destination, offering visitors a variety of historic and nature-based experiences, as well as providing for other activities ranging from wineries to boating and fishing.

This section outlines the tourism role of Mildura (including particular reference to the City Heart) and provides estimates of visitor numbers and their contribution to retail expenditure in the region. The information refers to people who are visiting the region as tourists, on business, visiting friends and relatives, or passing through. In this context, the definition of "overnight visitors" refers to people who have an overnight stay in the region, and who live more than 40km away, while "day-trippers" are defined as tourists who spend more than 4 hours in the region and who travel for a round trip distance of at least 50km.

The Mildura Retail Trade Area extends beyond the Mallee tourism sub-region, and includes parts of NSW and South Australia, as described in section 1.2. These are also key tourism regions, providing access to Broken Hill and the NSW Living Outback tourism region (which includes the whole of the western part of NSW), and to the Riverland tourism region of South Australia. Tourism figures relating to these parts of the Mildura Retail Trade Area are also provided in this chapter, where data is available.

5.2 Key Tourism Features in Mildura

Mildura is a key attraction in the Mallee tourism sub-region, and is described as 'a riverside oasis in the outback'. Located on the Murray River, Mildura has built upon the natural assets of Murray-Darling river system, which is one of the world's largest. Indigenous tourism, special events, arts-related industries and wineries are among the city's key tourism assets.

The Mildura CBD is a draw-card for visitors to the Mallee sub-region. The CBD offers extensive facilities and services for all types of visitors, ranging from accommodation to shopping and restaurants, cafés and bars, as well as easy access to attractions such as golfing, houseboats and galleries; and it is also the main focus for business and civic functions.

Shopping is a primary activity for visitors to the region, and this is shown by Tourism Victoria data (*Victorian Regional Travel and Tourism Survey, 1995*) which indicates that 22% of day trippers to the Mallee sub-region undertake shopping activity, and 53% of overnight visitors shop in the Mallee. The primary locations for shopping by visitors are the Mildura City Heart and Mildura Centre Plaza. City Heart offers specialty shopping, restaurants, entertainment and a wide range of other non-retail services, while Mildura Plaza is a popular place for people from nearby visitor accommodation to come and shop for their day-to-day needs.

5.3 Visitor Numbers

The Mallee sub-region attracts an estimated 780,000 overnight visitors, and an estimated 310,000 day-trippers, based on information provided by Tourism Victoria for 1995 and 1998, and updated to 2000 on the basis of tourism growth forecasts prepared by the Tourism Forecasting Council.

It is important to note that more recent information provided by Tourism Victoria (based on 1998 visitor survey data) does not include data on visitation at the *sub-regional* level; that is, the data only shows total domestic tourism activity to the Murray Outback product region, which includes both the Mallee and Wimmera sub-regions. Our estimates of visitation to the Mallee sub-region are derived from data for the Murray Outback product region level for 1998 and detailed data at the sub-regional level for 1995.

A significant proportion of day-trippers to the Mallee sub-region (52% of day-trippers in 1995) are “intra-regional” visitors – that is, they live in the surrounding region, but are still defined as tourists for the purposes of the Tourism Victoria data.

The Living Outback region of NSW extends well beyond the boundary of the Mildura Retail Trade Area, and includes the whole of the western outback region of NSW. This tourism region attracted an estimated 503,000 overnight visitors in 1999, and a further 288,000 day trips (data provided by Tourism New South Wales). The Mildura Retail Trade Area covers only a small part of this tourism region, and is likely to attract only around 10% or less of these visits, mainly attracted to Wentworth which is located in close proximity to Mildura.

The Riverland tourism region of South Australia aligns closely with the South Australian part of the Mildura Retail Trade Area. This region attracted an estimated 296,000 overnight visitors in 1999, and a further 293,000 day trips (data from South Australian Tourism Commission).

5.4 Retail Expenditure by Visitors

Estimates of retail expenditure by tourists are shown in Table 13 for the overnight and day-trip visitor markets. The calculations refer only to the Mallee sub-region, since

detailed visitor numbers and expenditure data is not available for the interstate parts of the Mildura Retail Trade Area.

These estimates provide valuable information as input to the retail-economic analysis presented in Chapter 7. However, there are limitations to the use of this data, since the Mallee sub-region does not properly align with the Mildura Retail Trade Area; in fact, the Mallee sub-region only covers the Victoria part of the trade area, and includes Swan Hill and Kerang, which lie outside the defined trade area. Also, as noted above, a proportion of “day-trippers” are residents of the trade area, which means that their retail spending is already captured in our calculations as “available spending” by catchment residents (refer Chapter 7).

Overnight visitors to the Mallee sub-region spend an estimated \$51.5 million pa on retail goods and services, as shown in Table 13. In addition, day-trippers contribute an estimated \$9.3 million per annum to the retail sector in the Mallee sub-region. Together, these tourism sectors contribute \$60.8 million per annum in retail spending (noting that some of this “visitor” spending is in fact spending from within the Mildura Trade Area).

We would expect that the total contribution of tourism spending to the whole of the Mildura Retail Trade Area to be considerable greater than shown in Table 13, when spending by tourists to the Riverland region of South Australia and the NSW part of the trade area are included.

The estimates in Table 13 are derived from Tourism Victoria’s assessment of visitor expenditure in Victoria’s regions (published in 2000, from 1998 data) and updated to account for detailed data on expenditure items in the 1995 Regional Travel and Tourism Survey. The spending figures relate to retail goods and services, and includes spending at shops, restaurants and cafés, take away food, etc. Spending on accommodation, transport, entrance fees and similar costs are excluded, as are pre- and post-trip expenses.

Mildura is likely to attract the great majority of the tourist retail expenditure flowing to the Mallee sub-region, given its role as the primary location for tourism services.

Table 13: Broad Estimates of Visitor Retail Spending in the Mallee Tourism Sub-region, 2000

	Overnight Visitors	Day-trippers
Estimated Number of Overnight Visitors	780,000	310,000
Average Spending per visitor on all items	\$200	\$78
Average Spending per trip on shopping	\$22	\$17
Average Spending per trip on food and drink	\$44	\$13
Average Spending on Retail goods and services per visitor	\$66	\$30
Estimated Total Spending on Retail (shopping and food/drink)	\$51.5 million pa	\$9.3 million pa

Source: Broad estimates prepared by Essential Economics, based on Tourism Victoria estimates of regional expenditure (1998 data), and data at the sub-regional level (Tourism Victoria 1995)

The estimates show the importance of overnight and day-trip visitors to Mildura and the Mallee sub-region. Mildura's attractiveness as an overnight and day-trip destination is likely to continue in view of the relatively large distance that visitors have to travel. This in turn will foster retail spending, with likely increases in overnight stays and day trips leading to growth in retail sales.

Total retail sales in the Mildura Trade Area are estimated at approximately \$537 million pa (refer Section 7.2). The spending of visitors to the Mallee sub-region, at approximately \$61 million, therefore accounts for 11% of total sales, and this is a significant share (noting the limitations in using this tourist expenditure data in comparison with the results of the retail-economic analysis in Chapter 7).

The balance in retail sales is accounted for by residents in the Mildura Trade Area (accounting for an estimated \$429.7 million); tourist spending in the NSW and South Australian parts of the Mildura Trade Area; and spending by other visitors not captured in the definitions of tourists (such as people passing through who spend less than 4 hours in the region, including passing traffic on the Sturt and Calder Highways).

In employment terms, the level of retail spending by visitors to the Mallee sub-region supports in the order of 600 jobs in shopping centres and facilities in Mildura and elsewhere in the Victorian part of the Mildura Trade Area (noting that the figures exclude spending in the NSW and South Australian parts of the Trade Area). This estimate is based on allowance of \$100,000 in retail spending to support one job (derived from ABS *Retail Census* data updated to present values). Indirect employment as a result of the employment multiplier effect adds another 300 or so jobs in the local and regional economies and beyond. This estimate is based on a

retail employment multiplier of 1.5, which means that for every direct job created in retailing there is another 0.5 job created elsewhere in the economy (refer ABS *Input-Output Ratios*). This is a broad estimate of direct and indirect jobs supported by visitor spending in Mildura and the surrounding Mallee sub-region.

We can expect that tourism visitation, and hence the tourist contribution to the retail sector, would increase over the next 10-15 years, in line with tourism growth forecast for other locations around Victoria and Australia. Latest information from the Tourism Forecasting Council projects growth rates of 1.6% per annum over this period.

In addition, real growth in retail spending per visitor (as shops continue to provide better marketing and service to tourists, and as tourists devote more of their holiday spending to shopping) would be expected to occur at a rate at least equal to the overall real growth in retail spending for the resident population, and which is around 0.5% per annum over the long term.

5.5 Importance to the Retail Strategy

- (1) Visitor numbers to the Mallee tourism sub-region comprise an estimated 780,000 overnight visitors and around 310,000 day-trippers (estimates for 2000). There were 503,000 overnight visitors and 288,000 day-trippers in 1999 to the Living Outback tourism region of NSW (which extends well beyond the boundaries of the Mildura Retail Trade Area). The Riverland tourism region in South Australia attracted 296,000 overnight visitors and 293,000 day trips in 1999.
- (2) Spending by visitors is important to the economy of Mildura and the surrounding region, and especially to retail facilities (shops and restaurants, etc in this context). Visitor retail spending in the Mallee sub-region is estimated to be approximately \$61 million in 2000. (Note that the Mallee tourism sub-region overlaps with the Victorian part of the Mildura Retail Trade Area, and that day trip expenditure includes a component of available spending by trade area residents).
- (3) This retail spending by visitors to the Mallee sub-region is equivalent to 11% of all retail sales in the Mildura Main Trade Area in 2000. In addition to this, a share of retail sales in the NSW and South Australian parts of the Mildura Retail Trade Area are to visitors to these regions.
- (4) It will be important for retailers in Mildura to be well-prepared to meet the spending potential available from visitors - if the facilities are not readily available, then visitors simply will not spend their money. As a result, the Mildura economy loses potential for more jobs and income creation.
- (5) Importantly, many of the facilities and services supported by visitor spending are also available to the residents, such as restaurants, cafés, entertainment, and so on. Without visitor spending, some of these facilities and services would not be available to local people.

6 Current Planning Policy

This Chapter provides a summary of the current application of planning policy to retail development in Mildura. Planning policy is contained in the following documents, which are discussed in subsequent sections:

- Retail policy guidance at the State level
- the Rural City of Mildura Planning Scheme, comprising:
 - the *State Planning Policy Framework*
 - the Rural City of Mildura *Municipal Strategic Statement*
 - *local policies* contained in the Planning Scheme
 - application of *zones*
- specialist reports commissioned by Council which are referred to in the Planning Scheme, or which have been recently completed

6.1 State-level Retail Policy

In 1996, the report entitled “*Retailing Victoria*” was prepared and submitted by the Retail Development Policy Review Panel, and it has identified a number of principles to guide retail planning and development in this State.

At this stage there is no Retail Policy, *per se*, in Victoria. However, the recommendations of the Panel provide an indication of a progression towards developing a more relevant approach to retailing in Victoria, and have been referred to at Panel and VCAT hearings.

Insofar as preparation of the Mildura Retail Strategy is concerned, there are a number of aspects discussed in the Panel’s report which are of significance. These include the following:

- Land use policy should seek to regulate retail development for the benefit of the broader community, but should not resist change or stifle competition (p1)
- Land use policy should intervene through regulation and evaluation only to the extent necessary to ensure adequate retail services to the community; to preserve amenity and investment in public and private assets; and to respond to the community’s social and environmental concerns (p1)
- The fundamental test of any retail development proposal must be whether it benefits the broader community (p1)

- The aggregation of uses into activity centres is strongly endorsed by the Panel, coupled with more walking-distance convenience and weekly shopping facilities (p1)
- Municipal retail strategies should be the basis for strong zoning controls within which there is flexibility of use (p3)
- Peripheral sales development should locate in existing centres; where this is impracticable, locations adjoining existing centres should be favoured. These uses should only be able to locate in industrial zones where alternative locations are not feasible, or where it is directly serving or ancillary to an industry such as manufacturing sales, plant hire, etc (p4)

The Panel also notes that regional centres outside the Melbourne metropolitan area, such as Mildura, are particularly vulnerable to retail change. For these centres there is less opportunity to divert spending from nearby areas, and where the entrance of large retailers cause the loss of a particular retailer, this can have a greater impact on the level of choice for consumers.

6.2 Rural City of Mildura Planning Scheme

The Mildura Planning Scheme provides the basis for controlling land use in the municipality. Planning Schemes consist of the following elements:

- The *State Planning Policy Framework*, which provides common policy directions for all municipalities in the State.
- The *Local Planning Policy Framework*, which guides land use policy which is specific to the local municipality, and which consists of the *Municipal Strategic Statement*, which contains strategic policy directions throughout the municipality; and the *Local Planning Policy Framework*, which applies to nominated areas.
- Application of *zones*, schedules to the zones, and overlays.

State Planning Policy Framework

The State Planning Policy Framework (SPPF) seeks to ensure that the objectives of planning in Victoria are fostered through appropriate land use and development planning policies and practices (SPPF, p1). The policies are to apply to all land in Victoria.

SPPF contains a number of principles to guide land use and development planning, and one of these focuses on Economic Well-being. This principle states that:

“Planning is to contribute to the economic well-being of communities and the State as a whole by supporting and fostering economic growth and development by providing land,

facilitating decisions, and resolving land use conflicts, so that each district may build on its strengths and achieve its economic potential” (SPPF, p3).

In detail, the SPPF has a specific objective for Activity Centres (Clause 17.01-1) which is:

“To encourage the concentration of major retail, commercial, administrative, entertainment and cultural developments into activity centres (including strip centres) which provide a variety of land uses and are highly accessible to the community” (SPPF, p16).

As described in the SPPF (Clause 17.01-2), the planning of activity centres should be designed to provide a range of shopping facilities in accessible locations; incorporate a variety of land uses (retail, office, education, etc); provide accessibility by all transport modes; facilitate pedestrian movement; and so on.

In addition, the SPPF (Clause 17.01-2) specifies that

“Information in support of retail and office development proposals in excess of 4,000 m² in floorspace must include an assessment of community benefit and costs as well as its traffic and environmental impacts in accordance with the Retail and Office Development Guidelines (Ministry for Planning and Environment 1989)”.

The SPPF also states that commercial facilities should be located in existing or planned activity centres. Exceptions to this include proposals for new free-standing commercial developments in new residential areas which have extensive potential for population growth or will accommodate facilities that will improve the overall level of accessibility for the community.

The overall conclusion to be drawn from the SPPF policy is that new commercial development should be in existing centres and should focus on meeting the needs of the community. The concept of providing a net community benefit is important.

Municipal Strategy Statement

The Planning Scheme contains existing policy regarding retailing and activity centre planning in the Rural City of Mildura. The Municipal Strategic Statement (MSS) forms part of the Planning Scheme and illustrates the desired land use planning future for the municipality. Excerpts from the MSS and the Local Policy section are provided below, and the key features in terms of retail policy are summarised in the subsequent paragraphs.

Clause 21.03 identifies the Vision for the Rural City of Mildura and in terms of commercial development the MSS states :-

Commercial and Retail Development

- Mildura City Heart will be the dominant commercial and retailing centre in the region providing a wide range of shopping and leisure alternatives.
- Mildura Centre Plaza on 15th Street will continue to be serving the convenience needs of the residents of Mildura South and supporting the retail function of Mildura City Heart.
- 15th Street east of Mildura Centre Plaza will be functioning as the major regional concentration of bulky goods retailing.
- Convenience centres will be successfully functioning in the municipality's townships.

With respect to specific strategies and directions for retail and commercial development the MSS states:

21.04-6 Commercial and Retail Development

OVERVIEW

Commercial development in the municipality and surrounding region is primarily focused on the *Mildura City Heart*. The city centre comprises several precincts focusing on tourism, entertainment, and general, community and professional services. The *Fifteenth Street* commercial area, focusing on the Centre Plaza and a number of large peripheral sales sites, complements and provides strong competition to the City Heart.

The townships of Merbein, Irymple, Ouyen and Red Cliffs provide a variety of commercial facilities and convenience facilities for the surrounding population.

A variety of issues currently face each of the municipality's commercial and retail developments including: the fragmentation of retail activity in Mildura; accessibility; visual amenity and image; perceived lack of large development sites; lack of definition to the main centres of activity; and encroachment of other land uses.

KEY STRATEGIC CONSIDERATION

Facilitating the development a logical and mutually supportive retail hierarchy.

Objective 1

Facilitate the development of Mildura City Heart as the pre-eminent retail commercial and cultural centre for the region.

Strategies

- Concentrate further retailing and professional service activities at Mildura around the existing core.
- Encourage a commercial and residential mix surrounding Mildura's retail core.
- Encourage major commercial and entertainment developments to locate to the west of Deakin Avenue with more service activities located to the east of Deakin Avenue.
- Encourage additional car parking within and on the periphery of the CBD mainly in the form of off-street facilities.
- Encourage the systematic implementation of the Mildura City Heart Redevelopment Strategy (October 1996).
- Encourage future office development to surround Mildura's retail core to add to the vitality, liveliness and convenience of the centre.

Objective 2

Provide a limited retail centre at Mildura Centre Plaza on Fifteenth Street to serve the convenience needs of the residents of Mildura South.

Strategies

- Discourage any expansion of the Mildura Centre Plaza beyond its present size.
- Discourage any further retail development along Fifteenth Street other than restricted retail premises.

Objective 3

Designate and promote Fifteenth Street east of Mildura Centre Plaza as being the major regional location for the provision of bulky goods retailing.

Strategies

- Encourage highway orientated business and bulky goods retailing on 15th Street between Deakin and Benetook Avenues.

Objective 4

Provide small-scale convenience centres throughout residential areas and in the surrounding townships.

Strategies

Promote further commercial development within the confines of the existing commercial areas in the smaller towns.

IMPLEMENTATION

These strategies will be implemented by applying appropriate zone and overlay controls. In addition:

Council will use local policy to:

Limit the size of the Mildura Centre Plaza to its existing floor space. (Fifteenth Street Retail Policy, Clause 22.06-1)

Further strategic work that will be undertaken to progress Council's commercial and retail development objectives and strategies include:

Commissioning a comprehensive review and update of Council's retail strategy. The review will be completed in time to enable any necessary modifications to be introduced during the first review period of the scheme. (Key responsibility – Council)

REFERRED DOCUMENTS

Regional Land Use Strategy (1997)
Central Business District Traffic and Parking Study (1996)
Retail Gap Analysis (1997)

Local Policies

Clause 22.06-1 identifies Council's local policy with respect to the future development of Fifteenth Street:

22.06-1 Fifteenth Street Retail Policy

This policy applies to all land on Fifteenth Street between Deakin Avenue and Benetook Avenue.

Policy Basis

The Regional Land Use Strategy identified the importance of consolidation the Mildura City Heart as the retail commercial focus for the region and as the target for any new substantial shopping facilities. Expansion of the Fifteenth Street area would undermine that goal and could result in significant economic and social consequences for the City Heart area. The Fifteenth Street area is to play a complementary role to City Heart with a focus on restricted retail premises rather than on higher order retail such as supermarkets and discount department stores.

Objectives

- To discourage the expansion of Mildura Centre Plaza beyond its existing floor area.
- To discourage any further retail development along Fifteenth Street other than restricted retail premises.

Policy

It is policy that the Mildura Centre Plaza:

- Be restricted to a maximum area of all buildings of total floor area including mall of 18050 square metres; and
- Should be restricted to a maximum area of all buildings of gross leaseable floor area for shop of 15,961 square metres; and
- Shall provide at least 836 parking spaces on site
- The development of bulky goods retailing is encouraged on Fifteenth Street between Deakin and Benetook Avenue (North Side) and Deakin and Etiwanda Avenue (South Side)

The planning policy contained in the Rural City of Mildura Planning Scheme can be summarised in the following paragraphs:

Recognises the Hierarchy of Centres

The MSS recognises there is a hierarchy of urban centres in the municipality, and that Mildura is the dominant centre (refer Section 21.02-5). It also states that major future commercial and retail development in Mildura City Heart is encouraged, and that this can be accommodated on vacant sites and through redevelopment and consolidation of existing buildings and car parks. The MSS also recognises that commercial and retail activities along 15th Street complement and compete with the City Heart, and that 15th Street now hosts the region's major concentration of bulky good retailing activity. Retailing is highlighted in the MSS as one of the 'key economic drivers' of the municipality.

The 'Vision' for Mildura

Part of the Vision for the municipality (refer 21.03-1) is to maintain economic growth, and to seek a diverse and sustainable economy to meet the community's needs, as well as developing employment and business opportunities.

Retail and Commercial Policy

In terms of Council's policy for Commercial and Retail Development (refer 21.04-6), the key strategic consideration in the MSS is to facilitate the development of a logical and mutually supportive retail hierarchy. Four 'Objectives' are provided to meet this goal, as contained in clause 21.04-6.

In implementation of these strategies, the MSS highlights the need to limit the size of the Mildura Centre Plaza to its existing floorspace, and to undertake a comprehensive review and update of Council's retail strategy.

Complementary Role for City Heart and 15th Street

While the MSS recognises the important role of the 15th Street bulky goods area, it also emphasises that this precinct “is to play a complementary role to City Heart with a focus on restricted retail premises rather than on higher order retail such as supermarkets and discount department stores” (refer 22.06-1). The MSS states that expansion of the 15th Street area would undermine the goal of consolidating the City Heart as the retail commercial focus for the region.

Specifically, the MSS policy is for the Mildura Centre Plaza to be restricted to a maximum area of 15,961 m² in gross leasable area for shop, and for the development of bulky goods retailing to be encouraged on 15th Street between Deakin and Benetook Avenues (north side) and Deakin and Etiwanda Avenues (south side).

Application of Zones

The Victoria Planning Provisions (VPPs) has a suite of five business zones that are applied by Responsible Authorities to business areas. The Mildura Planning Scheme has applied four business zones from the VPP's. These zones are usually applied by Responsible Authorities to the following commercial precincts:

Table 14: Commercial Zones Available for Application in Victorian Planning Schemes

Zone	Precinct types
Business 1	Major retail and Central Business Districts
Business 2	Major office and service commercial
Business 4	Peripheral sales for large bulky goods areas, car yards, machinery vehicle sales
Business 5	Mix of offices and dwellings, usually with dwellings above ground floor office

The purposes of all zones require Council to implement the State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies. The specific purpose of each Business Zone is: -

- Business 1 *To encourage the intensive development of business centres for retailing and other complementary commercial, entertainment and community uses.*
- Business 2 *To encourage the development of offices and associated commercial uses.*
- Business 4 *To encourage the development of a mix of bulky goods retailing and manufacturing industry and their associated business services.*

Business 5 *To encourage the development of offices or multi-dwelling units with common access from the street.*

Each zone contains a list of land uses that are permitted, those that are discretionary (ie require a planning permit issued by the responsible authority) and those that are prohibited.

Development requirements form part of these zones which include floor space schedules. Floor space schedules allow Councils to specify maximum floor space ratios for retail, office and peripheral sales developments for Business zones 1 to 4. In the case of the 15th Street precinct, the schedule to the zone specifies the total allowable floorspace limits for the Mildura Centre Plaza, which is referred to in the local policy section (refer clause 22.06-1).

Location of Business Zones in Mildura

The location of the major business zone precincts in Mildura are defined as:

Business 1 - Mildura City Heart retail area.

The area extends from 8th Street to 10th Street in a north south direction. The zone is separated from the main roads (Deakin Avenue and Seventh Street) by the Grand Hotel, offices and a row of commercial buildings on 10th Street which are zoned Business 2.

Business 1 – 15th Street

The Business 1 Zone is also applied at the corner of Deakin Avenue and 15th Street. Two precincts are provided, with the major retail area being the Mildura Centre Plaza located on the north side of 15th Street. The zone also extends to a small area on the south of 15th Street (petrol filling station and a group of shops including café bakery, etc).

Business 1 – Deakin Avenue

Further Business 1 areas include a local shopping precinct located on Deakin Avenue between 12th and 13th streets. This precinct includes a small supermarket with ancillary shops and offices.

Business 2

The Business 2 zone has been applied to a number of precincts in the City Heart. The first precinct includes an area fronting both sides of Deakin Avenue, extending from 10th Street to 7th Street. The zone has been applied along the frontages to commercial premises in Deakin Avenue (offices, banks, entertainment) and also includes the restaurant area of the Langtree Mall and the Mildura Grand Hotel. It extends along 7th Street in a strip equal to the depth of the allotments, terminating past the corner of Pine Avenue. Several large vacant lots are located in this precinct.

A second precinct is located on the eastern side of Deakin Avenue extending from the edge of the road reserve to commercial premises that have frontages to both sides of Madden Street. The zone terminates at the right of way located to the south of Madden Street. This area includes a wide variety of land uses, such as:

- commercial offices (as intended in the zone)
- service business, including trades supplies, motor vehicle repairs, etc
- retail, mostly comprising secondary retail uses
- residential
- community uses (child care, council offices, etc)

Business 4

The major precinct for this peripheral sales area is along 15th Street, extending from the Business 1 Zone (Mildura Plaza) to Benetook Avenue on the north side, and to Etiwanda Avenue on the south side. This area contains a variety of peripheral sales establishments such as Bunnings, Betta Electrical, Billy Guyatts, etc (see Chapter 3).

Business 5

This zone is usually applied to areas that have a mix of offices and multi-dwellings, and is intended mainly to encourage the development of office premises with residential apartments above. In Mildura's case it has been applied to a number of different precincts in the urban area, comprising:

- Motel and accommodation strip along Deakin Avenue. It extends from 15th Street along the western side of Deakin Avenue to Mildura Secondary College. This area has a variety of motel and accommodation uses dispersed amongst residential dwellings.
- East of Madden Street. It extends from the right of way east of Madden Street to the right of way west of Magnolia Avenue. This precinct is generally located between 10th Street and the railway line near 7th Street.
- Corner of Deakin Avenue and 11th Street. This precinct has been developed with offices and is located on both sides of Deakin Avenue. It occupies a substantial area extending west from Deakin Avenue to Pine Avenue. Its location is also adjacent to State Government offices. A smaller precinct is located on the east side of Deakin Avenue.

The suitability of these existing zones is discussed in Chapter 8, while the Retail Strategy (presented in Part B) contains recommendations regarding changes to the Mildura Planning Scheme where appropriate, including zoning changes.

6.3 Mildura Urban Design Framework

The Report

The *Mildura Urban Design Framework* was prepared on behalf of Council by David Lock Associates in July 1999. The Framework is intended “to provide a clear direction for the development of central Mildura within the foreseeable future” (p3) and to identify key development opportunities in the City Heart and surrounds.

The Framework focuses on the City Heart area and its relationship to the Murray River, as well as providing consideration to other activity centres or localities in Mildura.

The Vision

There are three key components to the vision in the urban design framework:

- the development of a major tourist precinct adjacent to the City Heart and linking this to the Murray River;
- the consolidation of the CBD as the premier activity centre for the region; and
- the development of a stronger local economy which capitalises on the strong regional economy.

Components

The riverside precinct redevelopment focuses on a number of new attractions, namely a convention centre and hotel, major retail development including leisure retail, restaurants, a public transport interchange, and an interpretation centre for local industry, especially the wine industry (refer *Framework*, Indicative Masterplan, Figure 8). The plan also provides guidance on how this precinct can be suitably linked in a physical sense with the river front and other potential attractions (such as a railway museum or craft market, etc).

The CBD enhancement component is based on recognition that the Mildura CBD is the premier activity centre for the region, yet the centre needs attention if it is to retain significant amounts of escape spending and to attract new spending by locals and visitors. The framework will encourage improvement in attractions, accessibility and amenity. Particular aspects to address are the lack of shade and the development of a cohesive image for the centre. The Framework identifies a number of potential redevelopment sites in the City Heart which include four existing car parks and a number of vacant sites (*Framework*, Figure 10), as well as mid-block arcades (*Framework*, Figure 12).

Figure 28 (*Framework Plan*, p73) provides a useful illustrative impression of the way in which the riverside tourist precinct and the City Heart retail, business and civic areas would be effectively linked in the overall design framework.

Aspects to Consider in the Mildura Retail Strategy 2000

The urban design framework plan provides a very useful basis upon which to initiate actions to take up development opportunities associated with the riverfront, and to link these opportunities with those identified for the City Heart. The overall benefit would be to strengthen the appeal and attraction of central Mildura as a place for people to visit and spend time, including residents as well as tourists and other visitors.

This *Mildura Retail Strategy 2000* is, of course, not intended to provide urban design directions. However, we note that special consideration needs to be given to the creation of any further arcade links in the City Heart except in situations where a very strong functional and commercial link can be provided, with the emphasis on providing a commercially viable and sustainable link. Arcade developments are notorious for their failure as commercial ventures and as unattractive places for pedestrians, especially at night and in less-trafficked areas. And, very importantly (where the depth of existing commercial blocks is 100 m), Council has to be sure that the commercial viability of existing businesses operating at the ends of the blocks is not diminished by creating new arcades through the centre of these blocks.

The framework plan is also useful in providing an illustration of the potential to create development opportunities in association with improved car parking provision. The Plan identifies four potential sites for redevelopment, including the vacant site on Seventh Street/Langtree Avenue and the three sites associated with car parks for Kmart, Coles and Woolworths. Indicative designs have been prepared which incorporate increased car parking (through decked parking) and the provision of supporting specialty shops.

6.4 Regional Land Use Strategy

Background

The Regional Land Use Strategy, prepared on behalf of the Mildura Rural City Council, the Wentworth Shire Council and SunRISE 21 by PPK Environment & Infrastructure Pty Ltd (1999), provides a framework that identifies the major issues to be addressed through sensible and sustainable land use planning.

Issues

One of the main issues identified in the strategy is “the need to consolidate commercial development around existing centres but with a focus on Mildura as the regional supplier of commercial services” (PPK, Vol.1, p7).

Particular issues include the following (p52):

- functional difficulties (size, fragmentation, accessibility) associated with Mildura City Heart;

- the need to improve the image of City Heart (and some other centres) through better urban design, etc; and (among other issues)
- the need to address the issue of the future role and function of 15th Street.

Objectives

The Strategy also provides a number of objectives which aim to guide the planning and development of the locality (p10). These include the following:

- “To provide for the development of a structured hierarchy of commercial centres to ensure that the community is provided with a comprehensive range of goods and services”; and
- “To ensure the economy of the Region grows to meet the needs of a thriving community in a sustainable manner”.

The Strategy Plan recognises the dominant role played by City Heart, and also highlights a number of issues that need to be addressed (p51), including competition from other commercial areas, particularly 15th Street. The Strategy notes the retail and commercial foci that have developed in 15th Street, including the Mildura Centre Plaza and the peripheral sales outlets and showrooms.

Commercial Sector Strategies and Actions

Several strategies, together with actions, are identified for the Commercial sector in the region (p53), and the strategies comprise the following:

- 1 To promote a hierarchy of commercial centres throughout the Region
- 2 To promote the regional importance of the Mildura City Heart
- 3 To promote healthy and vibrant commercial centres
- 4 To locate non-retail commercial facilities in commercial areas
- 5 To provide ready access to lower order convenience facilities such as a general store.

Aspects to Consider in the Mildura Retail Strategy 2000

The Commercial Strategy contained in the *Regional Land Use Strategy* is supported in the *Mildura Retail Strategy 2000* in terms of the overall objectives and strategies to enhance and promote retail and commercial development in the region.

However, there is one area in particular where further consideration is required. While the Strategy recognises the role of Mildura City Heart “as a major regional centre” and the peripheral sales role of 15th Street (refer PPK, Vol.1, Section 13.4), the document is silent regarding the future role of Mildura Centre Plaza. The

Background Report is also silent on this aspect (PPK, Vol.2, Section 13.1.2). The only reference is that Centre Plaza should be promoted “as the focus for concentrated retail uses” (p106), although this meaning is not clear.

Although the Background Report clearly states that “Retail developments should be discouraged” from the 15th Street area (Vol.2, p101), the Strategy Report (Vol.1, p53) specifies an action “to encourage commercial development within existing urban centres rather than expand or develop new centres”. This recommended action suggests that expansion of Mildura Centre Plaza - as an existing centre - can be supported in a strategic sense; however, this situation is not clear, and in any event the order of magnitude to such expansion is not indicated.

There is also a need from a strategic land use planning perspective to clearly indicate the physical or functional extent of peripheral sales and other commercial development along 15th Street (Calder Highway) between urban Mildura and Irymple. In the Strategy, the extent of the “15th Street area” is undefined, yet it can potentially be regarded as extending as far as Irymple. There are existing commercial/retail and other urban development pressures on this area (ie, extending to Irymple) and this will therefore need to be considered in the Retail Strategy.

7 Requirements for Retail Floorspace

7.1 Introduction

This Chapter provides an assessment of the current levels of retail demand, retail supply and escape spending in the Mildura Main Trade Area, and indications of the required additional retail floorspace to serve forecast demand. The Chapter also includes an assessment of potential locations to accommodate additional retail floorspace at City Heart and other locations, and potential impacts on smaller centres if additional retail development occurs in Mildura.

7.2 Existing Retail Floorspace Supply and Demand

The methodology for assessing the existing balance in retail demand and supply is as follows:

1. prepare estimates of retail sales in the Main Trade Area, based on updated information regarding average sales levels (ABS Retail Census), and applied to floorspace located in the Main Trade Area (see Chapter 3)
2. prepare estimates of the proportion of retail sales which is derived from spending by MTA residents (as opposed to sales to visitors and passing traffic)
3. prepare estimates of available retail spending by MTA residents, based on data from the MarketInfo spending model
4. undertake analysis of the current balance in retail demand/supply, indicated by current levels of escape spending - calculated as total available spending by MTA residents (item 3 above) less existing sales to MTA residents (item 2 above)

Existing Sales

We estimate that retail facilities in the MTA have existing (2000) sales of approximately \$536.9 million, comprising \$253.1 million in food sales, \$249.4 million in non-food sales, and \$34.5 million in retail services (see Table 15). Figures are quoted in average 2000 dollars.

This estimate has been prepared on the basis of floorspace estimates presented in Table 5 (Chapter 3), and with application of average sales based on official Retail Census data for 1991/2 (updated to 2000 to account for price inflation and real growth of 0.5% per annum, and adjusted by the consultants to reflect changing spending patterns).

Official average sales data has been adjusted to reflect the changing spending patterns over the last 8 or 9 years - and which include a substantial shift towards food

shopping at supermarkets, a greater level of spending at cafés and restaurants, especially to serve the tourist market (and this is in evidence with the proliferation of restaurants in the Langtree Mall/7th Street precinct), and the ongoing development of 15th Street as a location for peripheral sales. These trends are reflected in our estimates of average sales.

Table 15: Retail Sales in the MTA in 2000 (average 2000 dollars)

	Food	Nonfood	Services	Total
Floorspace	60,250	124,705	19,155	204,110
Average sales	\$4,200 /m ²	\$2,000 /m ²	\$1,800 /m ²	\$2,630 /m ²
Total sales	\$253.1 m	\$249.4 m	\$34.5 m	\$536.9 m

Source: Essential Economics (floorspace data - see Table 5); ABS Retail Census 1991/2 (average sales - updated) figures in average 2000 dollars

Sales to Catchment Residents

We estimate that retail sales to residents of the MTA account for around 80% of total sales, and represent approximately \$429.7 million in sales, as shown in Table 16. The remaining 20% is accounted for by visitors to the region, including residents from outside the MTA.

Our estimates, which are based on information provided by traders, show that a lower share of non-food and retail services sales are accounted for by MTA residents, and this reflects the fact that these types of retailing typically have a wider catchment (especially in the case of non-food merchandise) and attract a greater level of spending by tourists (particularly in the case of retail services, which includes cafés and restaurants). On the other hand, food spending mainly comprises supermarket and grocery spending, and these purchases tend to be made at the closest conveniently located shops.

Table 16: Retail Sales Attributable to MTA Residents (2000)

	Food	Nonfood	Services	Total
Total sales	\$253.1 m	\$249.4 m	\$34.5 m	\$536.9 m
Sales to MTA residents (%)	85%	75%	80%	80%*
Sales to MTA residents (\$)	\$215.1 m	\$187.1 m	\$27.6 m	\$429.7 m
Sales to non-residents: overnight visitors, day-trippers and other visitors who are not MTA residents	\$38.0 m	\$62.3 m	\$6.9 m	\$107.2 m

Source: Table 15 (sales); Essential Economics (proportion attributable to MTA residents) figures rounded and in average 1999 dollars

Note: * derived data

Retail Spending by Catchment Residents

Our estimates of retail spending have been prepared using the *MarketInfo* household spending model, which provides small area estimates of household spending based on data from the ABS Household Expenditure Survey (1993/4). These figures have been updated to 2000, and are quoted in 2000 dollars. This model shows that total retail spending by MTA residents is approximately \$590.8 million, comprising spending of \$272.2 million on food, \$275.2 million on non-food and \$43.4 million on retail services.

Average per capita retail spending of around \$6,210 for MTA residents compares with Victoria-wide estimates of around \$7,120; average retail spending in the MTA is approximately 13% lower in the MTA compared with the State average, and this is consistent with the lower levels of household income identified in section 4.3.

Table 17: Available Retail Spending in the MTA (2000)

	Food	Nonfood	Services	Total
Population	95,160 persons			
Average spending per capita in the MTA	\$2,861	\$2,892	\$456	\$6,209
<i>Average spending per capita - Victoria</i>	<i>\$3,030</i>	<i>\$3,415</i>	<i>\$675</i>	<i>\$7,120</i>
Available spending	\$272.2 m	\$275.2 m	\$43.4 m	\$590.8 m

Source: Table 8 (population); MarketInfo (spending per capita)

Escape Spending

Escape spending is calculated as the difference between the available spending of MTA residents, and the level of their spending which is currently directed to retail facilities within the MTA (and which is measured by retail sales attributable to MTA residents). Escape spending therefore represents an outflow of dollars towards centres that are located outside the MTA, and is therefore a lost opportunity to support jobs and incomes located within the MTA (for example, in Mildura).

We estimate that escape spending in the Mildura MTA currently amounts to approximately \$161 million, or 27% of total available retail spending by MTA residents; that is, residents in the MTA currently direct around 27% of their retail spending to shops located outside the MTA.

Our estimates also show that there are variations in the level of escape spending, depending upon the type of retail goods/services:

- for **food** merchandise, escape spending is estimated at \$57.1 million, or 21% of total available spending by MTA residents
- for **non-food** merchandise, escape spending is an estimated \$88.1 million, or 32% of total available retail spending
- for **retail services** (which includes spending at cafés and restaurants), we estimate that escape spending is approximately \$15.8 million, or 36% of total available spending in the trade area

Escape spending is higher on non-food and retail services for a number of reasons, including the following:

- residents are prepared to travel further to shop for expensive non-food items such as fridges, washing machines and other whitegoods; high fashion clothing; particular books or CDs; and other goods where they require a depth in the range of merchandise available. For these types of purchases, residents are likely to shop at larger centres such as Bendigo, Melbourne, and Adelaide (particularly for residents living in the Riverland district)
- spending on café or restaurant dining, and for a range of non-food items, is associated with trips made outside the MTA during holidays or business trips, on weekend trips to Melbourne or Adelaide, and so on

Table 18 provides details regarding our estimates of escape spending for food and non-food merchandise and retail services.

Table 18: Escape Spending in the Mildura MTA (2000)

	Food	Non-food	Services	Total
Available spending (refer Table 17)	\$272.2 m	\$275.2 m	\$43.4 m	\$590.8 m
Sales to MTA residents (\$) (refer Table 16)	\$215.1 m	\$187.1 m	\$27.6 m	\$429.7 m
Escape spending of TA residents	\$57.1 m	\$88.1 m	\$15.8 m	\$161.1 m
escape as % of total available spending	21%	32%	36%	27%

Source: Essential Economics; Tables 16 and 17; figures rounded

The analysis presented in Table 18 shows that escape spending is currently at a level of 27%, which is relatively high given the distance required to travel to larger regional centres such as Bendigo and metropolitan Melbourne. Even for food shopping, we find that escape spending, at 21%, is significantly higher than might be expected given the distribution of retail facilities across the region. However, it is important to note that a share of the escape spending is due to the spending patterns of residents in outlying parts of the MTA, who visit more conveniently located shopping centres rather than travelling to Mildura or other centres in the MTA to shop. This may be the

case for residents in the eastern part of the MTA, for example, who may direct a large share of their regular purchases to other centres outside the MTA, such as Swan Hill.

Typically, we would expect that escape spending in a regional catchment such as the Mildura MTA would be in the order of 10-15% for food, around 20-30% for non-food, and around 30% for retail services. The potential for reducing escape spending depends largely on the types of new retail facilities that can be accommodated to serve the demands of MTA residents, and whether these facilities would fill current gaps in retail provision (instead of simply increasing the competition between shops located in the trade area). By meeting residents' shopping needs locally within the MTA (for example in Mildura as the regional centre), MTA residents are more likely to shop at Mildura rather than making a shopping trip to a centre located outside the region.

Opportunities for additional retail floorspace to serve MTA residents will occur as a consequence of:

- population growth,
- growth in per capita retail spending,
- potential to retain a greater share of retail spending by residents that currently "escapes" to centres located outside the catchment, and
- growth in visitation, leading to increased retail spending by visitors.

These factors are accounted for in our assessment of the potential for additional retail floorspace to 2015, presented in Section 7.3 below.

7.3 Retail Floorspace Potential

The section presents our analysis of the potential for additional retail floorspace to serve MTA residents. A number of assumptions have been adopted for this analysis, and these are listed as follows:

1. the population level in the MTA is forecast to be 99,510 in the year 2015
2. we assume that there will be on-going real growth in per capita retail spending of 0.5% per annum - this figure reflects long-term averages over the last 20 years or so
3. there will be on-going real growth in average sales for existing retailers at a rate of 0.5% per annum, which is in line with our assumptions for real growth in retail spending - this effectively means that existing retailers will not be losing their share of sales as real growth in household spending occurs
4. there is potential for providing an increased level of retail provision to meet the needs of residents in the catchment - we estimate that there is potential for

reducing the level of escape spending to 15% in food, 25% in non-food and 30% in retail services if an appropriate mix of retailers and retail types are introduced to Mildura over the next 15 years

5. retail potential (in floorspace terms) is estimated on the basis that new floorspace must achieve higher average sales than the existing supply; this recognises the additional costs which are borne by new retail facilities (in building costs, stock, etc) - our calculations allow for a 10% "premium" on the average sales level at new retail establishments

It is very important to note that our estimates of retail potential provide a ***broad indication of the potential to accommodate new retail facilities***, and should not be used as a strict guide to assessing retail developments. The estimates present a *scenario* for retail development which is dependent upon the underlying available data and the assumptions that are described above. The potential to accommodate new retail facilities may change if there are general changes in the retail environment, or if there are particular aspects of a retail development which impact on its potential to retain escape spending. Some potential changes in circumstances are listed below:

- Population growth rates may slow down (or speed up).
- There may be unexpected changes in the ways in which households spend their income (for example through strong growth in internet retailing).
- Changes in government policy (eg as a result of the introduction of the GST) may cause unexpected impacts on the retail sector, leading to different expectations in terms of sales achieved by retailers.
- The new retail facilities may or may not effectively meet the needs of residents (in terms of filling existing gaps, providing expected levels of service, presented and configured in an optimal way to attract customers, and so on).
- Proposed retail developments may have markedly different expectations for average sales - for example, large format peripheral sales developments may require average sales levels which are well below the levels required to support smaller specialist retail stores. While our analysis adopts an average sales level which is intended to reflect these differing sales levels, there may be cases where a greater amount of retail floorspace is supportable if a number of stores with relatively low sales requirements (per square metre) are introduced.

The imprecise nature of forecasting retail requirements means that there needs to be a degree of flexibility when preparing a Retail Strategy to guide retail development over the next 15 years. At the same time, certainty needs to be provided for investors, landholders, existing retailers and other stakeholders in the community. This issue is discussed in more detail in Chapter 8, and a process to guide the assessment of retail developments is presented in the Strategy (refer Part B, Chapter 5).

The following sections provide details of the retail potential arising from population growth and retention of escape spending (ie retail potential driven by demand from MTA residents), and the potential for additional retail growth to serve visitors to Mildura. The analysis is based on retail potential over the period 2000 - 2015, and figures are quoted in 2000 dollars.

Floorspace potential arising from population growth and retention of escape spending

Our analysis shows that if appropriate retail development is introduced which assists in reducing escape spending to 15% for food, 25% for non-food, and 30% for retail services, the total level of escape spending will be reduced from its current 27% down to 21% of available spending in the year 2015. In the absence of such development, our analysis indicates that escape spending will increase from 27% to 31% of available spending.

A good example of appropriate retail development is the extensive provision of bulky goods retailing which has taken place along 15th Street over the past few years. None of these retailers was previously represented in Mildura, and they have been effective in meeting the needs of catchment residents.

As a result of the retention of escape spending, and increased demand for retail facilities associated with population growth, retail facilities will be able to attract an additional \$65.7 million in sales, compared to a situation where no new development occurs. These sales are expected to support an additional 21,500 m² of floorspace to serve MTA residents, comprising an additional 5,800 m² in food retailing, 13,400 m² in non-food retailing, and 2,300 m² in retail services. These calculations are shown in Table 19 below.

Aspects regarding the location of additional retail floorspace are discussed in section 7.4 below.

Table 19: Additional floorspace potential, 2000 - 2015 (resident-generated)

	Food	Non-food	Services	Total
Supply side				
Existing floorspace, m ²	60,250	124,705	19,155	204,110
Average sales	\$4,530 / m ²	\$2,160 / m ²	\$1,940 / m ²	\$2,840 / m ²
Total sales	\$272.9 m	\$269.4 m	\$37.2 m	\$579.5 m
Sales to MTA residents (%) (refer Table 16)	85%	75%	80%	80%
Sales to MTA residents (\$) ⁽¹⁾	\$232.0 m	\$202.0 m	\$29.7 m	\$463.7 m
Demand side				
Population, 2015	99,510			
Average spending per capita	\$3,086	\$3,134	\$496	\$6,715
Available spending in 2015 ⁽²⁾	\$307.1 m	\$311.8 m	\$49.3 m	\$668.2 m
Escape spending				
Escape spending of MTA residents = (2) - (1) ⁽³⁾	\$75.1 m	\$109.8 m	\$19.6 m	\$204.5 m
% of total available spending	24%	35%	40%	31%
Retail potential				
Target escape spending by MTA residents, %	15%	25%	30%	21%
Target escape spending by MTA residents, \$ ⁽⁴⁾	\$46.1 m	\$78.0 m	\$14.8 m	\$138.8m
Retained escape spending = (3) - (4)	\$29.0 m	\$31.8 m	\$4.8 m	\$65.7 m
Average sales for new retail development	\$4,980 / m ²	\$2,380 / m ²	\$2,130 / m ²	\$2,900 / m ²
Retail floorspace potential in the MTA at 2015	+5,800 m²	+13,400 m²	+2,300 m²	+21,500 m²

Source: Essential Economics; DoI (population forecasts)

Notes: all data quoted in 2000 dollars

Potential arising from increased tourism visitation

In addition to retail potential arising from demand generated by the population in the MTA, there will be potential to provide a greater level of retail floorspace to serve the needs of visitors to Mildura, including overnight visitors, day trippers and other visitors who do not live in the MTA. These visitors to the MTA currently account for an estimated \$107.2 million in retail sales in the MTA (refer Table 16).

Data from the Tourism Forecasting Council indicates that tourism is forecast to grow at an average 1.6% per annum over the 2000-2015 period. In addition to this, there will be growing potential from these visitors as a result of real growth in retail spending, assumed to be 0.5% per annum in the long term.

On this basis, by 2015 visitors will account for an estimated \$146.4 million in retail sales in the MTA, representing an increase of \$39.2 million over current levels (expressed in constant 2000 dollars). These estimates are shown in Table 20 below.

We estimate that this increase in retail spending will support an additional 13,600 m² of retail floorspace over the period 2000 to 2015, comprising an additional 2,800 m² of retail floorspace in food merchandise, 9,600 m² in non-food merchandise, and 1,200 m² in retail services.

The calculations apply the same average sales as those adopted for the analysis of retail potential generated by MTA residents, and reflect the fact that new retail developments usually require higher average sales than established shops.

Table 20: Retail floorspace potential arising from visitor spending, 2000-2015

	Food	Non-food	Services	Total
Spending to non-MTA residents, 2000	\$38.0 m	\$62.3 m	\$6.9 m	\$107.2 m
Spending to non-MTA residents, 2015	\$51.9 m	\$85.1 m	\$9.4 m	\$146.4 m
Additional spending by visitors	\$13.9 m	\$22.8 m	\$2.5 m	\$39.2 m
Average sales for new retail development	\$4,980 / m ²	\$2,380 / m ²	\$2,130 / m ²	\$2,880 / m ²
Retail floorspace potential, MTA	2,800 m²	9,600 m²	1,200 m²	13,600 m²

Source: Essential Economics (refer Table 16 and Chapter 5); Tourism Forecasting Council

Note: For assumptions, see text; all figures in 2000 dollars; figures rounded

Summary of Retail Floorspace Potential

In summary, our analysis indicates that there will be potential for retail floorspace growth of around 35,100 m² to serve the needs of residents in the MTA and visitors to the region. This potential floorspace comprises 8,600 m² in food shopping, 23,000 m²

in non-food shopping, and 3,500 m² in retail services, as shown in the following Table 21.

Table 21: Summary of retail floorspace potential, 2000-2015

	Food	Non-food	Services	Total
Retail potential from population growth and retained escape spending	5,800 m ²	13,400 m ²	2,300 m ²	21,500 m ²
Retail potential from increases in spending by tourists and other non-MTA residents	2,800 m ²	9,600 m ²	1,200 m ²	13,600 m ²
Total retail potential	8,600 m²	23,000 m²	3,500 m²	35,100 m²

Source: refer Tables 19 & 21

The analysis in Table 21 refers to the potential for increases in retail provision in the MTA; while Mildura is the main regional centre serving this region, not all of the potential retail growth will locate in Mildura. The following section provides analysis of the amount of retail floorspace which may locate in Mildura, and also includes an analysis of locations for retail development within Mildura.

7.4 Locations for Future Retail Development

Retail Development Potential in Mildura

Our analysis indicates that there is likely to be potential for an additional 35,100 m² of retail floorspace to serve MTA residents and visitors to the region over the next 15 years. However, not all of this retail potential will lead to retail development in Mildura - some of the demand for retail facilities will create opportunities for developments located outside the Mildura township, including for example tourist retail developments located close to key tourist attractions throughout the region, or as part of expansions to township centres where warranted.

We make the following estimates regarding the proportion of retail floorspace potential which may occur in Mildura:

- *Floorspace potential generated by MTA residents:* Given the fact that population growth is almost wholly confined to urban Mildura, which is the regional centre serving the catchment, a large share of this retail floorspace potential will be attracted to a Mildura location. We estimate that in the order of 80-90% of the potential growth in retail floorspace in the region (or some 18,800 m²) comprises potential for retail development in Mildura. Our estimates vary for the different retail types as follows:
 - for **food**, we estimate that 85% of the potential growth in retail floorspace in the MTA (or 4,900 m²) will comprise opportunities for retail development in

Mildura - this figure is largely determined by the high drawing power of large supermarkets located in Mildura

- for **non-food**, we estimate that 90% of the potential for retail floorspace growth in the MTA (or 12,100 m²) will locate in Mildura - this reflects the higher drawing power of Mildura for non-food items
- for **retail services**, we estimate that 80% of the potential for retail floorspace growth in the MTA (or 1,800 m²) will locate in Mildura - this reflects the essentially local-based nature of many retail services such as hairdressers, video shops, etc
- **Floorspace potential generated by visitors:** The potential for retail floorspace to serve visitors is more likely to be distributed around the region, since tourists and other visitors tend to spread their purchases at locations such as wineries, gift shops located at tourist attractions, highway service centres and so on. For this reason, we estimate that approximately 50% of the potential growth in retail floorspace to 2015 (or 6,800 m²) will locate in Mildura, with the rest distributed elsewhere in the region.

In total, we estimate that there will be potential for an additional 25,600 m² of retail floorspace to serve both residents and visitors over the period 2000-2015, consisting of 6,300 m² in food-related floorspace, 16,900 m² in non-food floorspace, and 2,400 m² in retail services. This information is summarised in Table 22.

Table 22: Retail floorspace potential located in Mildura, 2000-2015

	Food	Nonfood	Services	Total
<u>Floorspace potential generated by MTA residents:</u>				
Retail floorspace potential MTA	5,800 m ²	13,400 m ²	2,300 m ²	21,500 m ²
% share located in Mildura	85%	90%	80%	87%
<i>Floorspace potential in Mildura</i>	<i>4,900 m²</i>	<i>12,100 m²</i>	<i>1,800 m²</i>	<i>18,800 m²</i>
<u>Floorspace potential generated by increased visitation:</u>				
Retail floorspace potential MTA	2,800 m ²	9,600 m ²	1,200 m ²	13,600 m ²
% share located in Mildura	50%	50%	50%	50%
<i>Floorspace potential in Mildura</i>	<i>1,400 m²</i>	<i>4,800 m²</i>	<i>600 m²</i>	<i>6,800 m²</i>
<u>Total retail floorspace potential:</u>				
Total floorspace potential in the MTA	8,600 m ²	23,000 m ²	3,500 m ²	35,100 m ²
Total floorspace potential in Mildura	6,300 m²	16,900 m²	2,400 m²	25,600 m²

Source: refer Tables 20 & 21

Locations for Retail Development in Mildura

There are a number of options regarding potentials location for new retail facilities; the main potential development areas include the Mildura City Heart (as the main focus for regional-level shopping and tourism), Mildura Centre Plaza (the sub-regional centre serving the weekly shopping requirements of residents in Mildura South and also providing a limited range of specialty retailing) and 15th Street (the precinct which accommodates bulky goods retailing and other types of peripheral sales which generally serve a regional catchment). Another option is the development of a new free-standing shopping centre to serve the needs of the growing population and additional visitors to the MTA.

The potential to accommodate retail development in these areas is discussed in the following paragraphs.

Mildura City Heart

Mildura City Heart has the primary role in the retail hierarchy as the main focus for a range of specialty retail and entertainment-related activity which serves the regional catchment; it also has a special role in servicing the needs of tourists to the Mildura region.

As the regional population expands (driven by population growth in urban Mildura) and as tourism visitation grows, there will be a need to consolidate the regional position of City Heart by attracting additional regional-level and entertainment-related shopping to the Mildura CBD. The types of facilities which are attracted to a central City Heart location would preferably also be those which encourage pedestrian movement through the centre (for example popular specialist retailers in well-located and designed arcade developments, as identified in the Urban Design Framework). These types of shops would help to support the role of existing facilities. Large-format destination outlets which do not require co-location with other activities and do not promote browsing will tend to look for a site out of the CBD, such as at 15th Street, where large sites with good highway exposure can be identified.

There are a number of potential development areas in the CBD and surrounds, including:

- **Langtree Avenue/7th Street:** this is currently the focus for dining and other entertainment facilities, and is strategically located close to the proposed Riverside development area. Potential uses include further retail development to support the tourism role of City Heart such as cafés and restaurants, entertainment uses, gifts and specialty retail. There are currently two vacant sites located on the corner of Langtree Avenue and 7th Street, with combined floorspace of approximately 4,500 m²; these sites have potential to accommodate around 2,500 m² of retail development when allowance is made for access, parking, etc.

- **Retail Core:** there may be opportunities for redevelopment of some premises in the retail core, including at Langtree Mall and surrounding streets (for example south of the Mall opposite Woolworth supermarket). Redevelopment may simply comprise providing a greater range of specialty retail outlets (new tenants to replace the Cheap as Chips and Crazy Prices stores, for example), or consolidation of tenancies for major redevelopment. As identified in the Urban Design Framework, there may be an opportunity to create arcades which promote pedestrian movement throughout the City Heart (although we note that careful consideration needs to be given to proposed uses in such developments, to ensure that the arcades remain active shopping locations).
- **Western periphery:** a number of small sites and under-used car parking areas provide potential for small-scale development on the western periphery of the CBD, along Pine Avenue and to a lesser extent Lime Avenue. In some cases there may be potential for consolidation of these empty sites and redevelopment associated with existing buildings. Potential development in this location would be made more viable due to exposure to customers at the Coles and Woolworth supermarkets and the Kmart; however, development in this location should not shift the retail focus away from the existing retail core at Langtree Mall and 8th and 9th Streets. The Urban Design Framework identifies a number of options for site development in this area - for example redevelopment of the Kmart site to allow decked parking and additional retail specialties in association with upgrading the Kmart store.
- **Eastern CBD:** the area to the west of Deakin Avenue presents a number of opportunities for redevelopment. Development in these locations may include entertainment facilities (for example associated with an upgraded Mildura Hotel), or mixed use development in association with office or residential premises. The precinct also offers potential for lower-order, transitional retail uses which cannot locate in the central area of City Heart due to higher property prices. This precinct does not attract pedestrian movement to the same degree as the area east of Deakin Avenue, and is not a preferred option for core retail facilities.

In summary, the City Heart has the potential to attract greater levels of retail provision, particularly those kinds of facilities which extend its regional retail role (such as specialty comparison retailing) and which provide a greater range of services for tourists. Although development opportunities are limited in terms of the generally limited availability of large suitable sites (and this situation is typical for established regional centres), there are a number of opportunities for the redevelopment of existing facilities in the retail core, the introduction of arcade developments to encourage pedestrian movement, redevelopment of car parks in the western precinct, and the introduction of secondary retail facilities on the eastern periphery.

Mildura Centre Plaza

As discussed in section 3.3, the Mildura Centre Plaza requires refurbishment to provide a modern shopping environment for residents of Mildura and the surrounding MTA. Our assessment of retail demand to 2015 also indicates that population growth

in the vicinity of the Centre Plaza will lead to demand for expansion of the shopping facilities in order to serve the needs of these residents, and to provide for visitors to the MTA who wish to shop at this location.

This Strategy is supportive of retail development at Centre Plaza where it assists in promoting the existing role of the centre as a sub-regional location for convenience shopping (including weekly grocery shopping and discount department store shopping) and a limited amount of specialty shopping, and where retail expansion is supported by demand for retail facilities in its catchment.

However, retail development at this location should not involve a shift in the function or role that Centre Plaza serves in the wider retail hierarchy; this would occur, for example, if significant levels of entertainment-related activity are provided to serve the tourism market, or if the Centre Plaza attracts a range of key retail specialty tenants which would otherwise assist in supporting the on-going development of City Heart. This role in providing regional-level facilities to tourists and residents should be encouraged at City Heart as the primary centre serving the wider region.

In this context, our analysis indicates that there is an opportunity to allow the expansion of Mildura Centre Plaza from its existing 15,740 m² in retail floorspace (refer section 3.3) to 20,000 m², representing an increase of 4,260 m² in retail floorspace.

This expansion would allow for the provision of a new supermarket and additional specialty tenants. An increased amount of specialty retailing could be accommodated if the Target Discount Department store were to be reduced in size (and it is understood that the operators are keen to reduce the size of their store).

The incorporation of the Retail Strategy into the Mildura Planning Scheme will require a new maximum (combined) leasable floor area for *shop* uses to be inserted into the Business 1 Zone for Mildura Centre Plaza. Noting the discrepancies in land use terms described in the Introduction (refer Part A, p3), the expansion in retail floorspace to 20,000 m² can be achieved by specifying a new combined floorspace maximum for 20,000 m² in *shop* use. However, in this case the actual expansion in terms of total built leasable floorspace would be likely to be greater than this when allowance is made for non-shop (and non-retail) uses such as post office, banks, travel agent, etc.

15th Street

The 15th Street precinct offers the greatest potential to accommodate new retail development, particularly those types of facilities which do not require co-location with traditional retail outlets. The last five to ten years have seen a rapid expansion in the amount of retail floorspace in this location, and almost all of this retail growth has been in peripheral sales retail facilities which are destination shopping outlets. Aggregation of these facilities at 15th Street has been an important factor in establishing a regional profile for peripheral retailing at Mildura.

There are a number of vacant sites in the 15th Street precinct which can accommodate additional retail development, including:

- 3 sites on the north side of 15th Street, between Benetook Avenue and Etiwanda Avenue - these sites are approximately 9,000 m², and could support in the order of 3,000 m² in retail development (when allowance is made for access, parking, etc). However, only two of these sites are contiguous, so that the maximum floor area for any one development in this area is around 2,000 m²
- The remaining part of the land adjacent to the Centre Plaza which is not proposed to form part of the Centre Plaza expansion - we estimate that this land could accommodate in the order of 8,000 m² of restricted retail development, and a planning permit has been granted for this type of development.

In addition to these vacant sites, there are a number of properties not used for peripheral sales development (including those under existing uses such as tourist accommodation, residential, etc), which could be considered for redevelopment; however, these sites are not readily available for peripheral sales development given the relatively high cost for redeveloping established properties. In total, we can identify an existing opportunity to accommodate approximately 11,000 m² in restricted retail development.

Our analysis indicates that the total demand for non-food retail development in Mildura is approximately 17,000 m² (refer Table 22); of this, we estimate that in floorspace terms, around 75% of this potential may be expressed in peripheral sales development on 15th Street (including the potential development of shops selling housewares, furniture, recreation goods, and so on), noting that in sales terms it is likely that peripheral sales developments would be likely to account for no more than 50% of total non-food sales. On this basis, we estimate that the future demand for additional peripheral sales floorspace on 15th Street is in the order of 12,000 m².

This analysis suggests that there is a need to create additional zoned land to accommodate peripheral sales retail premises during the period 2000-2015, given that our analysis indicates that the supply of zoned land is not enough to accommodate expected demand over the next 15 years. The need for additional zoned land over the current planning period is further justified when we consider the following points:

- there needs to be some allowance made for choice and flexibility in providing sites for new premises, especially when we consider that particular shops may have special requirements in terms of floor area, configuration, etc
- the existing locations provide just 4 opportunities (in terms of separate land ownerships) for new peripheral sales developments, and this is not a healthy competitive market in which developers can operate
- allowance has to be made to accommodate a range of non-retail service businesses in the B4 zone such as those located close to the Bunnings store which mainly serve the farm sector

- there may be an opportunity to attract other uses into the 15th Street precinct, such as car sales showrooms, some of which are currently located along Deakin Avenue in the City Heart - this would free up land which may be attractive for appropriate retail, office or entertainment uses

Generally (and depending upon local circumstances and growth opportunities) the provision of zoned land to allow commercial development tends to be substantially greater than the forecast demand in terms of floorspace supportable and site area requirements, with Council having a key role in determining whether development proposals are supported in each case. In many local areas zoned land can represent up to twice the forecast demand in terms of site area requirements, and this excess of zoned land assists in keeping down land values, allowing choice and flexibility for developers and investors, etc.

Further discussion relating to the issue of how to accommodate the demand for peripheral sales provision in the 15th Street precinct is provided in Chapter 8.

New shopping centre

Another option for accommodating retail development would involve the construction of a new shopping centre to serve the increasing demand for retail goods and services. Given the location of population growth and the availability of land for development, a site in the vicinity of 15th Street would be the likely location for a new shopping centre in Mildura. There have been previous proposals for a new shopping centre on the site of the existing caravan park which is located opposite the Mildura Centre Plaza.

For many years the Vidovich land adjoining Centre Plaza has been tightly held, and under the (then) planning scheme there was no possibility of expanding retail floorspace at Centre Plaza. This situation at that time led to pressure for retail development at other locations (including the caravan park site). Now there is a situation where the Vidovich land has been included in development plans for the precinct, allowing refurbishment and extension of the Plaza and the introduction of restricted retailing on the adjoining land. In this new environment, the Centre Plaza is the preferred location for retail expansion to serve South Mildura residents and the wider urban area.

There are clear planning grounds to support the expansion of an existing centre in preference to the development of new shopping centres to serve what is essentially the same trade area. The Retail Strategy presented in Part B endorses the conclusions of the *Retail Development Policy Review Panel* (1996), which supports the concept of aggregation of uses to minimise travel trips, and which identifies existing activity centres as the preferred location for retail development.

Development Timing

The analysis provided in this report identifies an opportunity for an additional 26,000 m² of retail development for Mildura during the period 2000-2015, which is generated by:

- population growth occurring in the MTA (the majority of which is forecast for urban Mildura),
- real growth in per capita retail spending,
- retention of spending which currently escapes from the trade area, and
- increases in spending by visitors to the region.

The contribution to additional retail development as a result of population and visitor growth and per capita retail growth will generate the need for on-going expansion in the retail sector, spread throughout the 15 year planning period. However, the timing of additional retail developments which are generated by retention of escape spending (eg through filling retail gaps or providing a broader range of retail facilities) will be dependent upon the features of new retail development proposals, and may occur at any time throughout the 15 year planning period.

Broadly speaking, our analysis indicates that population growth and increased tourism visitation will generate demand for an additional 14,000 m² of retail floorspace located in Mildura, with the retention of escape spending accounting for the remaining 12,000 m².

On this basis, there will need to be retail growth comprising in the order of 900-1,000 m² of retail floorspace per annum in order to meet the needs of future residents and visitors over the next 15 years.

In addition to this, there will be opportunities for key retail developments comprising a total of 12,000 m² which would assist in retaining a higher share of resident spending in the MTA and attracting spending from beyond this region. These key developments may occur at any time throughout the 15 year planning horizon as long as sufficient zoned land is available, and as long as Council is supportive in encouraging consolidation and redevelopment of land at City Heart.

7.5 Potential Retail Trading Impacts

Additional retail development in urban Mildura may have consequences for traders in small town centres in the surrounding region; however, these impacts are unlikely to be significant when we consider that the additional retail facilities (if provided) would be supported by population growth that is occurring in urban Mildura itself. These small town centres are, in any case, likely to struggle to maintain their existing level of retail provision as population numbers decline even further.

In some cases, tourism developments, and the opportunities to derive retail income from passing highway traffic, will provide the main support for existing facilities in these locations.

Centres which are further afield (Ouyen, for example), are too distant to feel any significant impact from retail development which occurs in Mildura. Residents in these townships shop locally for small items such as day-to-day food items (and would continue to do so) but already travel to major centres such as Mildura or Bendigo, etc for their major purchases (and in some instances this also involves a fortnightly grocery shop).

8 Issues for the Retail Strategy

In order to ensure that community requirements for retail goods and services are met, and that appropriate retail development can be achieved, it will be important for the Mildura Retail Strategy to address the key issues facing retailing in the region.

Important issues are listed below, and are based on consultation with retail interests, property owners, Councillors and officers, tourism and other stakeholders. Appendix A provides a listing of persons and organisations contacted in the course of this project. Findings from a survey of traders are also included where appropriate.

8.1 Is There Any Need to Plan for New Retail Floorspace?

Important objectives specified by Council for this project include the need to assess the existing provision of retail floorspace and to identify likely retail floorspace needs to 2015, with guidance provided in the allocation of this new floorspace.

These objectives reflect concern in some quarters that there could be an over-provision of retail floorspace in Mildura which, in turn, would lead to significant competitive pressures on existing facilities (especially shops in City Heart) and possibly lead to the *ad hoc* location of new shopping facilities around the municipality.

Estimates prepared in the course of this project show that there is potential for Mildura to accommodate around 25,600 m² of additional retail development over the period 2000 - 2015. The estimates also show that around 6,300 m² would be in Food, 16,900 m² in Non-food and 2,400 m² in Retail Services (refer Section 7.4).

While these estimates are based on our assessments of growth in demand, there may be further opportunities to expand this level of future floorspace provision if underlying influences alter over time. There will also be ongoing opportunities to refurbish and upgrade existing retail premises as they become outdated.

From our consultation processes, we note that retail interests in Mildura are aware of the growth prospects and wish to see Mildura develop a quality retail sector to meet regional needs.

Given that there is growth in retail demand, where should this new floorspace locate?

8.2 Where should any New Retail Floorspace be Located?

The *location* of new retail floorspace is a significant issue. In the past, there has been a very considerable level of concern to see the existing City Heart retail focus maintained and enhanced. This has been a sensible goal, as the City Heart is the prime retail, business and professional location in Mildura, and is the main focus for servicing tourists to the region. The concern has been that any substantial growth in

new retailing outside of the City Heart would be likely to detract from the centre's role and thus have a detrimental effect on its existing and future trading levels and viability.

Over very recent years there has been a lessening in the level of concern for this issue: Mildura has experienced the growth of peripheral sales (or bulky goods retailing) along much of 15th Street; there have been moves to expand the retail size of the Mildura Centre Plaza (which, in the existing MSS, is restricted from retail floorspace expansion); and from our consultations it appears that City Heart retailers are more concerned (in a positive way) with what happens in their retail core rather than being overly concerned about what retail development may occur in other places in Mildura.

In other words, a more enlightened view on retail location appears to be emerging in Mildura which acknowledges the important role of the 15th Street shopping precinct, while also recognising the primary role of the City Heart. This is also reflective of the fact that the retail sector is also evolving, with new and different locational requirements compared with those that prevailed in the past.

The preparation of this new retail strategy therefore provides an excellent opportunity to re-visit locational patterns of the past, and to provide guidance on where new floorspace should be located, having regard for existing centres and sites, the needs of the retail sector, and the interests of shoppers and the wider community.

The following sections provide further description of the existing and likely future roles of retail foci in Mildura, and this discussion assists in identifying strategic locational factors that the strategy must address and where it will have to provide guidance.

8.3 How Important is the 'Retail Hierarchy' in Mildura?

The retail hierarchy is an important tool in planning for the development of retailing and other activities in a regional context. By 'retail hierarchy' we refer to the several levels or layers of retail centres that serve an area, usually across a regional catchment. It is usually defined in terms of retail size, presence of a magnet store(s), role of the centre (regional, local, etc), and catchment area. The retail hierarchy which serves the Mildura region is described in Chapter 3.

It is important to have regard for the retail hierarchy that serves the region. This retail hierarchy reflects the types and numbers of existing centres including free-standing facilities, and - most importantly - it is an excellent tool in identifying how and where particular retail (and other) needs of the community can be provided across the region (and including visitors).

Implicit in the concept and application of a retail hierarchy is the general acceptance that aggregation of retail activity creates benefits for the community and the industry, and that existing centres or retail locations are the ones where any new retail provision should be located, rather than creating yet another shopping 'destination'. Exceptions include circumstances where there are new residential areas to serve

(and which require a new neighbourhood shopping centre or local store), or new types of retailing which cannot be accommodated in existing centres or locations (such as peripheral sales outlets which require sites for large floorspace areas and on-site parking).

The following sections provide a discussion of the opportunities and constraints for retail development in the key retail precincts.

8.4 What are the Opportunities and Constraints for Major Retail Development in the Mildura City Heart?

NOTE: These notes are drawn from the consultants' discussions with stakeholders; the comments do not necessarily represent the views of the consultants

Opportunities

- City Heart has a major existing retail presence - this is the traditional retail core of focus for the Mildura region
- other (non-retail) facilities and services are provided in the City Heart, including professional, business, entertainment, personal and community services, and this helps to consolidate the overall attraction level of City Heart as a place to visit and spend time
- the City Heart is also very important for the tourist industry, by providing accommodation establishments and retail and entertainment facilities to serve tourists - there is an opportunity in expanding this role in association with development at the Riverside precinct
- City Heart has a strong role and potential in boutiques and other specialty shops with an emphasis on comparison shopping, and generally in the range (say) 150 to 300 m²
- the City Heart has almost full vacancy level, but the area needs a revamp - "it is looking dishevelled / dirty, broken pavement needs replacement"
- need to develop opportunities to accommodate new retailing in City Heart if possible - there are good levels of enquiry (often in range 350 to 1000 m² in retail floorspace), but they cannot always be accommodated in the CBD - new and larger developments have gone to 15th Street
- there is a significant opportunity to develop a link between the City Heart and the River, and this major riverfront asset has been under investigation for some years; it would give Mildura a 'centrepiece' or focus, and would enhance the attraction level of the existing City Heart

- there is potential to improve 'outdoor shopping' environment in City Heart, and to make the centre more attractive, especially the mall, with the introduction of improved shading and other urban design features
- there is potential to improve the existing pedestrian links between the main streets, for example Centenary Arcade (linking with Lime Avenue) and Gallaghers Lane (linking K mart with Langtree Avenue / Grand Hotel), and to introduce new pedestrian links where they can be supported
- City Heart needs to attract national chains and other store types, such as surf shops, street gear and fashion - this is an opportunity to attract more trade to the centre; this is also true for the Centre Plaza
- there may be potential, possibly, for a department store or for a second discount department store
- there may be potential to develop a commercial carpark if located in the central core; traders generally believe shoppers are now prepared to pay for convenient and accessible parking (including use of a multi-level car park)
- there is potential for a greater range of restaurants in the City Heart, especially at upper end of the market
- possibility of a convention centre in Mildura, and this could be in association with the Riverside development and also in conjunction with provision of new visitor accommodation (present accommodation stock is generally old)
- a bus depot is needed - could be near the railway station and one block from City Heart, and should incorporate toilet facilities
- there is an opportunity to provide the City Heart with "style", given the weaknesses identified below

Constraints / Weaknesses

- there is a lack of parking to serve City Heart - new parking provision, probably multi-level, needs to be close to the retail core (particularly near to the main anchors, viz the supermarkets and Kmart) and on the west side of Deakin Avenue
- 1-hour parking allows insufficient time for the typical shopping trip - needs to be extended to (say) 2-hour parking
- there is a lack of large sites with retail/commercial development potential
- there is a lack of an attractive streetscape, particularly in terms of dowdy and unattractive shopfronts, only basic landscape features, and a lack of vegetation/shade trees

- the mall is looking tired; it needs a revamp / rejuvenation.
- pedestrian linkages between the several blocks comprising City Heart need to be improved / enhanced
- there is a need for traders to enhance their retail merchandising, with improvements in retail stock, shop presentation and window displays, promotion, etc
- the east side of Deakin Avenue is not a retail focus (although some lower-order retail uses are located here), as Deakin Avenue is a barrier to safe and convenient shopper access (pedestrian and car), and the area is too far in terms of walking distance for shoppers visiting the main core area to west of Deakin Avenue
- an improved attitude among some traders is needed to get City Heart moving (rather than worrying about 15th Street competition, etc)
- there are too many 'low-price' shops, especially for the retail core; this reduces the prestige of the centre (although it also reflects some underlying problems with relatively low incomes in sections of the community) - "we have attracted the lower end of the market; if we can improve our act as traders, then we will attract in new and better quality retailers"
- many small owner/occupier businesses do not trade at weekends (only 5½ day trading week), although the larger retailers trade 7 days (eg, Safeway, Coles, Fishers, and Mildura Centre Plaza). This lack of 7-day trading in general is a constraint on the full range of services offered in Mildura, and this is particularly marked at weekends when Mildura tends to have its peak visitor numbers; even at Easter, many of the smaller traders do not open for business, and this represents a loss in potential revenues (while also noting the personal interests of these typically smaller business operators).

8.5 College Lease Lands - Are they a Constraint to City Heart Development?

There is a view that perhaps the College Lease lands are a constraint on commercial development in the centre of Mildura. The College Lease lands are parcels of land placed in trust to generate income for schools in Mildura. For commercial reasons, there has been a reluctance on the part of the Trustees to sell these properties, which include land currently used for commercial, residential and other uses. The issue is therefore whether or not these College Lease lands are a constraint to commercial development, given attitudes to leasehold land versus freehold land in a development context.

Enquiries in the course of this project indicate that the College Lease lands do not appear to represent a major constraint on commercial development. There is evidence, for example, that consolidated development has occurred where one parcel of the site is held by College Lease, for example in the case of the Fire Station Arcade. Important retailers located on all or part of College Lease lands include K mart, Coles, Woolworths car park, Workingman's Club, and others.

Notwithstanding these comments made by real estate agents, it is likely that the College Lease land holdings do represent a marginal disincentive to consolidate land at City Heart, particularly when compared with other precincts (say 15th Street) where this is not a major issue. The disincentive for developers to consolidate sites arises in cases where developers are particularly keen to acquire land on a freehold basis rather than negotiating a leasehold agreement with College Lease.

8.6 What are the Opportunities and Constraints for Retail Development at Mildura Centre Plaza?

NOTE: These notes are drawn from the consultants' discussions with stakeholders; the comments do not necessarily represent the views of the consultants

Opportunities

- Centre Plaza is a well-established and important sub-regional shopping centre with potential to consolidate its role to provide an improved level of service to the surrounding catchment
- there is potential for additional retail provision to serve a growing catchment in Mildura South, noting that this is the major growth area in Mildura (and in the region as a whole)
- this is a gateway site to Mildura, and should have the opportunity to upgrade facilities and improve the level of retail service and amenity for customers
- there is potential to expand retail and associated activity onto adjoining vacant land to the east
- there is potential to consolidate the role of this existing activity centre and thus prevent any scattering of retail (shop) activity on smaller sites in the general locality
- there are retail opportunities to fill existing gaps in the retail offer, such as newsagent, books, children's clothing, lingerie
- there is potential for a second supermarket, possibly of a discount-type

- need to attract chains and other store types, such as surf shops, street gear and fashion - this is an opportunity to attract more trade to the centre - this is also true for the City Heart

Constraints / Weaknesses

- the existing planning scheme prohibits any further retail expansion; only allows for an increase of around 500 m² in new retail floorspace
- very limited existing site area to accommodate further retail or allied activity
- existing retail gaps which mean full retail offer to surrounding catchment is not possible, and existing retail gaps include newsagent, books, children's clothing, lingerie, and a second supermarket
- necessary redevelopment and enhancement of Centre Plaza would be made difficult if a third shopping centre were to be built (ie, additional to City Heart and Centre Plaza), especially at a time when there is an opportunity to improve trading levels at each of these existing centres
- there are functional weaknesses evident at the centre, especially in terms of centre layout (including, for example, poor pedestrian flows through the northern-most part of the centre)

8.7 What is the Extent of Demand for Bulky Goods Retailing in Mildura?

A key issue for the Retail Strategy to address relates to the future role and extent of the 15th Street bulky goods precinct. The following two sections provide a discussion of the extent and timing of demand for peripheral sales type retail activity, and identify particular issues in relation to 15th Street which need to be addressed in the Strategy.

Bulky goods retailing (also referred to as peripheral sales or restricted retail in planning terms) is an increasingly popular form of retailing. As the term implies, this form of retailing typically relates to white goods, electrical goods, furniture, floor-coverings, and other items of a bulky nature. More recently, the concept has grown to include specialist 'superstores' which have a depth of range in particular items and which use a shared storage/display area (and hence require large format stores). This type of retailing has specific locational and siting requirements which mean large sites for large floor-area stores (mainly in the range 500 m² to 12,000 m² in retail floorspace); land for easily accessible on-site parking; and main road location for exposure to passing trade. Typically, they also serve extensive regional catchments.

While this form of retailing invariably involves 'bulky' goods (like TV sets, refrigerators, beds, etc) and therefore requires large display areas, another feature is that a large

volume of stock is maintained (requiring more floorspace for display and storage) and this means competitive prices can be charged on the merchandise due to bulk purchases.

Much of the growth in retail activity in Mildura in the past few years or so has been associated with the development of bulky goods retailers along 15th Street, totalling in the order of some 25,000 m² or so. This new area of retail growth is also in evidence in other regional centres such as Geelong and Ballarat, as well as in metropolitan locations in Melbourne and other state capitals.

In view of retailing trends towards shops with larger floorspace modules, it is likely that there will be continuing demand from such retailers to locate in Mildura. They will bring with them their requirements for large sites capable of accommodating the stores and on-site parking, and with good exposure to main road traffic.

The analysis presented in Chapter 7 indicates that the demand for additional peripheral retailing over the period until 2015 could involve an additional 12,000 m² in peripheral sales development at 15th Street, and this compares with an existing opportunity to provide 11,000 m² on land which is currently vacant. In this context, as identified in section 7.4, additional land will be required in order to provide choice and flexibility for developers and to cater for particular retailers, and to ensure that allowance is made for other types of uses in addition to peripheral sales developments.

In terms of development timing, our analysis indicates an average of around 800 m² per year when we consider the planning period 2000-2015 (or around 4,000 m² by 2005 and 8,000 m² by 2010). However, the analysis on which these figures are based reflect "averages" in terms of sales per m², and therefore provide only a guide to future levels of retail provision. The introduction of particular types of retailers above this level may be viable where they are supportable in market demand, where they provide a level of retail provision not otherwise available (ie are likely to reduce escape spending), and where there are no undue impacts on existing retail centres, in particular City Heart.

8.8 What are the Issues for the Future Development at 15th Street?

15th Street is an important destination for shopping in view of its provision of bulky goods retailing generally in the area bounded by San Mateo Avenue and Etiwanda Avenue (and extending to Benetook Avenue on the north side), and the location of Mildura Centre Plaza at the intersection of 15th Street and Deakin Avenue. Much of 15th Street in urban Mildura is now developed, and this also includes considerable non retail activity, such as motel, caravan park, car sales, etc. However, areas of vacant land exist further east towards Irymple, and there is considerable pressure to develop this land for commercial purposes in view of the relative scarcity of available sites elsewhere on 15th Street (although we note that there are 3 vacant sites along 15th Street, between Etiwanda Avenue and Benetook Avenue).

Also relevant for the consideration of this Strategy is the intention by VicRoads to develop Benetook Avenue as the bypass route for the Calder Highway. This presents a potential opportunity to locate peripheral sales development along this route as an alternative to allowing such development to extend towards Irymple.

Issues to address include the following:

- the extent to which further commercial use (whether retail or non retail) should be allowed in this locality, especially where there are existing agricultural activities located further east along 15th Street towards Irymple
- the extent to which further retail activity should be located along 15th Street, and, if so, how much can be accommodated or should be accommodated
- whether in agricultural terms any further farm land (having frontage to 15th Street) should be given up to urban uses (including commercial or retail uses) or retained in farming
- the linkages between the Retail Strategy and other strategic directions, including those associated with the "green wedge" and relevant housing strategies in the area
- if there is a need for additional land zoned for commercial purposes, where should it be located?

There is a strong view that the special role of 15th Street is to accommodate the larger stores (bulky goods outlets, etc) which otherwise cannot be physically accommodated in the City Heart (for reasons such as insufficient site area; inadequate main road exposure; high cost).

8.9 What is the Development Potential for Land Adjoining the Eastern Boundary of Mildura Centre Plaza?

This parcel of land (referred to as the "Vidovich" land) is vacant and covers a large area (approximately 4 ha) and enjoys frontage to the Calder Highway / 15th Street. The land is currently in a B4 Zone, which promotes development for restricted retail uses. Council approval has been granted for a restricted retail development involving approximately 8,000 m² in retail floorspace.

In planning for development of this area, careful consideration needs to be given to the proposal land uses in the balance of the Vidovich land. Planning mechanisms need to be provided which ensure that land uses which are inappropriate for the site, and which would lead to a shift in the role of the 15th Street precinct, are discouraged. Such uses would include major entertainment facilities which cater for the needs of visitors to the region as well as local residents (noting that some entertainment uses may be provided for the Centre Plaza catchment), and additional specialty retail uses which would increase the role of the precinct in the retail hierarchy.

8.10 What are the Issues for Retail Planning and Development at Neighbourhood and Local Centres?

Neighbourhood and local centres have an important role in providing easy access for surrounding residents to a range of mainly day-to-day convenience goods and services. In Mildura, these centres generally comprise only a few shops which are supported by residents living in a pedestrian catchment, since people can easily access shopping facilities at either City Heart or Centre Plaza for most of their grocery and comparison shopping purchases.

The Strategy will need to support the concept of an accessible network of neighbourhood and local centres, including the provision of new centres, where appropriate, associated with new residential development areas.

8.11 How Important is Visitor Spending in a Retail Context in Mildura?

There is a view in tourism circles in Mildura that many local people do not appreciate the importance of attracting people to visit the city and region, or the value to the Mildura economy (in spending and jobs) that these visitors bring.

Visitor numbers to the region are considerable, and include overnight visitors as well as day-trippers. In the Mallee sub-region, which overlaps with the Victorian part of the MTA, there are an estimated 780,000 overnight visitors and a further 310,000 day-trippers. Additional overnight and day trips are spent in the NSW and South Australian parts of the MTA.

Spending by visitors is important to the Mildura economy, and especially to those retail facilities (shops and restaurants, etc in this context). Tourist spending in the Mallee sub-region is approximately \$60.8 million in 2000, and is expected to rise in line with forecasts for tourism growth (at 1.6% per annum).

This retail spending in 2000 is equivalent to 11% of all retail sales in the Mildura regional trade area (noting that this only refers to the Victorian part of the MTA).

In addition to visitor spending in the Mallee sub-region, the trade area attracts visitors to the adjoining tourism regions in NSW and South Australia. These visitors also add to the retail potential in the MTA.

It will be important for retailers in Mildura to be well-prepared to meet the spending potential available from visitors. However, if the facilities are not readily available, then visitors simply will not spend their money. As a result, the Mildura economy loses potential for more jobs and income creation.

Importantly, many of the facilities and services supported by visitor spending are also available to the residents, such as restaurants, cafés, entertainment, and so on. Without visitor spending, some of these choices would not be available to local people.

There is a need for a Tourism Strategy which identifies and encourages opportunities to attract visitor spending to Mildura, and there is a need to ensure in an economic context that visitor needs are met across a range of services; this includes meeting the retail needs of visitors. There is a strong view that retailers must respond more positively to visitors' shopping needs. Sunday trading is an example of this opportunity to enhance service levels. The need for more quality shopping is also noted, as well as enhancement to the shopping environment in the mall. More directional signage would also assist the visitor in getting around the city and down to the attractive river environs and picnic areas. More restaurants, and at the upper end of the market, would also help expand Mildura's attractions.

8.12 Does the Existing Zoning Pattern Reflect the Needs and Opportunities Associated with Retailing?

Inspections of all the major retail precincts were undertaken. The purpose of this inspection was to determine the suitability and appropriateness of each zone in terms of:

- the existing land use types
- development potential for future commercial land use and developments, and
- the ability and flexibility of each precinct to accommodate change

Business 1 and 2 zones at City Heart

The location of the existing Business 1 Zone is appropriate given the consolidation and amalgamation of retail uses and associated facilities within this area. Its location west of Deakin Avenue within well-defined boundaries has enabled a substantial retail precinct to be developed, with a mix of retail, commercial and entertainment uses.

However it is unclear why the Business 2 Zone has been applied to the restaurant precinct along the Langtree Mall, the Grande Hotel and to those commercial premises along the western side of Deakin Avenue. It would appear that this location would also be best suited to a Business 1 zone in order to promote intensive retail and commercial development, especially when we consider the long-term role of the Riverside precinct in serving the needs of tourists.

In addition, the application of the Business 2 zone to the vacant site (4,500 m²) on the corner of Langtree Avenue and Seventh Street would appear to discourage a key opportunity to provide a retail development on this key site. The ability to develop this vacant land for retail purposes would represent a substantial opportunity to strengthen the retail role of City Heart and encourage further development in the northern part of the CBD to link with the potential tourist precinct at the Riverside.

Business 5 precinct on the eastern periphery of the CBD

This precinct has developed with a mix of residential, commercial and non-commercial land uses consisting of:

- Automotive sales and car yards
- Office
- Emergency services
- Car parking areas
- Service industry
- Retail
- Post office
- Reception facilities
- Residential

The purpose of the Business 5 Zone is *to encourage the development of offices or multi-dwelling units with common access from the street*. The development of offices and dwellings above or at the rear of sites is unlikely in this location, given the site areas that are available and the preference for single storey construction. The precinct contains a wide mix of uses and would be best suited to the application of the "Mixed Use" Zone from the Victoria Planning Provisions.

The purpose of the Mixed Use zone is *to provide a wide range of residential, commercial, industrial and other uses, which compliment the mixed-use function of the locality*.

The application of this zone to this precinct allows for the above land use mix to continue and expand. This precinct will act as a transitional area for new commercial and industrial for uses to become established. It also has a number of other benefits as it allows:

- Council the flexibility to allow retail and office development subject to compliance with a schedule with respect to floor space limit
- A wide range of uses to be established without prejudicing the development of major retail and office precincts at the City Heart, Centre Plaza or 15th Street
- The potential for transition of prospective tenants from this area to the major retail, office and peripheral sales precincts

Business 5 precincts at Deakin Avenue and 11th Street

This area has developed as a distinct office precinct, with a range of office and medical suites having been constructed over the past 10 years. The precinct is unlikely to be redeveloped into a combination of dwellings and offices, which is the purpose of the current zone.

An appropriate zone for this precinct would be the Business 2 zone, which seeks to encourage commercial office development.

Business Zones at 15th Street

The expansion and refurbishment of the Centre Plaza would require part of the adjoining Vidovich land to the east be rezoned Business 1 to allow an expansion in car parking to serve the centre. The expansion of the Mildura Centre is supported by the analysis contained in this report, and a Business 1 zone would be appropriate for this site should the development receive Council support. The remainder of the site is recommended to remain in a Business 4 zone to promote its use for restricted retail developments, in accordance with a development approval already granted for the site.

The extent of the Business 4 zone along 15th Street is a key issue to be addressed in the Strategy. The analysis contained in Chapter 7 indicates that there is a lack of available zoned land to accommodate the expected demands for peripheral sales development in this location. In this context, it is appropriate that land on the southern side of 15th Street, between Etiwanda Avenue and Benetook Avenue, be rezoned to Business 4 to accommodate these future uses.

The further development of commercial uses along 15th Street between Etiwanda Avenue and Benetook Avenue will establish the Benetook Avenue intersection as the gateway entrance to Mildura, and this will be reinforced with the planned upgrading of Benetook Avenue as a bypass route for traffic on the Calder Highway. In this context, there may be potential for commercial uses such as truck stop/service station to be accommodated on the eastern corners of the intersection, to serve the needs of passing traffic. However, for the planning period covered in the Retail Strategy, major retail uses are not supported east of Benetook Avenue.

8.13 Does the Existing MSS and Local Policy Sections Reflect the Needs and Opportunities Associated with Retailing?

The Mildura MSS and local policies generally reflect the analysis contained in this report, including promoting City Heart as the primary regional centre serving the region, with Centre Plaza playing a secondary role in the retail hierarchy and 15th Street providing the focus for bulky goods and peripheral sales retailing.

Some changes are necessary to reflect the policy positions described in this report, including changes to local policy to reflect the accommodation of the proposed redevelopment of Centre Plaza. These changes are described in the Retail Strategy.

8.14 Summary

In summary, the main issues to be addressed in the Retail Strategy are associated with:

- the volume and location of future retail floorspace provision,
- what needs doing to maintain and enhance the roles of existing activity centres,
- how the existing and likely future retail hierarchy can function in a compatible manner, and
- how strategic policy and objectives for retailing can be incorporated into the new Planning Scheme.

Part B of this report provides the Retail Strategy to guide decision-making for Council over the next 15 years, and addresses the key issues which have been identified in this part of the report.

***PART B:
RURAL CITY OF MILDURA RETAIL STRATEGY***

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Introduction

The Mildura Retail Strategy 2000 is intended to guide the future development of the retail sector in Mildura. It provides an opportunity for Council and the community to apply principles of good planning to ensure that retailing in Mildura is efficient and equitable for the retail industry, and appropriately delivers the retail facilities which are demanded by local residents and visitors.

The Mildura Retail Strategy 2000 comprises the following elements:

- a **Vision Statement** which reflects the aspirations of Council and the community for retail development in Mildura
- discussion of **strategic considerations** which need to be appreciated when planning for retail development in Mildura, including linkages with other Council policy
- a listing of the **policy directions** which are supported in the Strategy, for application by Council through planning mechanisms such as rezoning, local policy, etc
- **statutory planning outcomes**, including zoning changes, updates to the Municipal Strategic Statement and local policy sections
- a process by which Council can effectively **assess applications** for retail development
- an outline of the steps required to **implement** the Mildura Retail Strategy 2000
- a process for **monitoring and reviewing** the Retail Strategy

1 Vision for Retailing in Mildura

This Vision Statement highlights the objectives which underpin the policy directions and recommended changes to the Mildura Planning Scheme.

“To ensure that the retail sector in Mildura develops in a manner which promotes the operation of a viable retail hierarchy, including support for the City Heart as the primary location for retail activity in the region and for visitors to Mildura. To actively support the operation of the retail hierarchy as a whole, including the regional role of City Heart, the sub-regional role of Centre Plaza, the 15th Street peripheral sales precinct, township centres, and neighbourhood and local centres.”

2 Strategic Considerations

There are a range of strategic considerations that should be part of Council's decision-making in regard to retail development, and which constitute the broad objectives around which this Strategy is based. These include existing strategies in operation in Mildura, as well as key issues which have been identified in the course of preparing the Strategy.

(1) Maintain an Appropriate Hierarchy of Centres

To maintain the existing hierarchy of shopping centres so that there is certainty for stakeholders including Council, developers, and traders.

The hierarchy is an important tool in defining the level and type of retail provision, and it assists the planning process by identifying levels of service to be provided in different size centres across the regional trade area. The hierarchy reflects the fact that centres of different sizes perform different roles in retailing and related activities, particularly when consideration is also given to the types of retail and other activity located in centres (eg the presence of a discount department store, major entertainment facilities, etc). The hierarchy for a catchment also needs to be able to accommodate free-standing retail developments of a peripheral sales nature, since these are a popular and fast-growing retail format for which residents will travel outside the catchment if they are not provided locally.

The development of the retail hierarchy can be guided through the application of zones, and through schedules to zones which specify maximum developable floor areas, where appropriate.

In the Mildura case, issues regarding the retail hierarchy are particularly important when considering the relative roles of the City Heart and Centre Plaza. In this report, we identify certain uses which should be encouraged at the City Heart location in order to enhance its role as the primary regional centre. These uses include a wide range of specialty stores, retail and entertainment developments which are important in focussing tourist activity in the CBD, and office and business uses.

This Strategy does not support the development of an additional free-standing shopping centre, although smaller local and neighbourhood centres may be required to serve new residential development areas.

(2) Capture Retail Spending

To retain the highest possible share of retail expenditure of residents and visitors through the introduction of appropriate new types of retailing that are demanded and which are currently not being met in Mildura.

The aim in providing retail facilities is to provide the necessary service that shoppers are seeking, and in so doing to capture as much of their available expenditures as is possible, thereby maximising retail service levels and generating income and jobs.

Our analysis indicates that there is an opportunity to provide a greater range and depth of retail activity, thereby reducing the current levels of escape spending (particularly in the provision of non-food retailing).

Importantly, trends in shopper behaviour are a key consideration in the provision of new retail facilities. These trends include a preference to shop for some items at large format retail stores which have great depth in their range of merchandise. Mildura should continue to encourage the development of appropriate forms of retailing (including peripheral sales development at 15th Street) in order to maximise the retention of retail expenditure in Mildura.

(3) Consolidate and Rationalise the Existing Zones at City Heart

To put in place a zoning strategy which recognises the existing land use opportunities and which caters for expected forms of future development.

The application of zones are an important planning tool in guiding the location and type of retail activity. Our analysis identifies a number of areas where it appears that the existing zones do not appropriately reflect either the existing or preferred future land uses in parts of the City Heart. In addition, there are a number of proposed changes to zones located at 15th Street which are consistent with the policies developed in this Strategy.

A listing of the proposed zone changes is presented in Chapter 4 of the Strategy.

(4) Improve Parking and Accessibility

To ensure shopping centres are accessible to the catchments they serve, including effective parking provision and ease of parking.

Access is of fundamental importance to a shopping centre's success and for its role in delivering goods and services to the community. Small centres in the retail hierarchy (down to the local shop) can provide a walk-in service, while larger centres rely mostly on private vehicles and (to a lesser extent) public transport. The availability of car parking is therefore important to the functioning of a centre or major stand-alone retail outlet.

The Urban Design Framework includes a number of concept plans for the introduction and rationalisation of car parking at City Heart.

(5) Respond to Retail Industry Trends

To maintain a close appreciation of new and emerging trends in the retail industry so that Council is able to take a proactive approach in fostering and accommodating new types of retailing, while ensuring the continuing viability of existing businesses.

Retailing is a very dynamic industry - change is constantly underway, and is taking place at a fast rate. Council needs to be in a position to react to these changes and opportunities, and to guide the retail sector in responding appropriately in terms of the

location and types of new development. These retail trends include, for example, the increasing level of attention to tourist retailing, which is especially important for the City Heart and proposed Riverside area. The increasing popularity of peripheral sales outlets is another example, and this is particularly important when assessing the future land requirements (in terms of vacant zoned land) at 15th Street.

(6) Maintain the urban break between Mildura and Irymple

To be mindful of the need to maintain the distinctive urban roles of Mildura and Irymple by ensuring that there is an "urban break" between these centres.

Existing Council Strategy includes a provision that an urban break be clearly defined between the Mildura urban area and the neighbouring township of Irymple. The current situation is that the land along 15th Street in this area is zoned for agricultural activities; however, a number of sites have been proposed for commercial development, in the expectation that the commercial strip will extend between these two urban areas. Our analysis indicates that there is insufficient demand to warrant the extension of the commercial strip to Irymple, although there will be a need to provide additional land in the 15th Street precinct.

In this context, it is important that the Retail Strategy provide sufficient developable land in order to discourage proposals for "spot" rezonings to the east of Benetook Avenue. Although there are a number of sites in this area which are below the recommended area for agricultural use, an appropriate response would be to encourage the consolidation on these lots with adjoining agricultural properties.

(7) Changes in the Traffic Network

To be aware of planned changes to the traffic network on the Calder Highway which may impact on the attractiveness of particular areas of land for commercial development.

VicRoads is planning to introduce a bypass route for the Calder Highway which would involve upgrading Benetook Avenue as an alternative route from the Calder Highway to the Murray River bridge. This traffic strategy introduces new opportunities for commercial development along Benetook Avenue if available land on 15th Street is fully used for commercial development. Land to the north of the existing Bunnings development would be an appropriate location for future commercial development in the case where all available zoned land on 15th Street (ie from Deakin Avenue to Benetook Avenue) is fully developed.

Following the implementation of the Calder Highway bypass, the Benetook Avenue intersection will become the key gateway entry to urban Mildura. In this context, there may be opportunities for some commercial development to occur on the eastern side of the intersection, for example transport-related uses such as a truck stop/service station. The Strategy does not support the development of major retail uses east of Benetook Avenue.

(8) Assessment of Development Applications

To develop a process whereby Council can assess the merits of proposed retail developments, especially where there is concern regarding the impact of such developments on the existing roles of centres in Mildura.

A process needs to be determined which will provide guidance for Council officers when assessing new retail development proposals. This assessment process needs to clearly define the information and reporting requirements which need to be met by developers, and which will aid Council in assessing the development in the context of the policy recommendations in the Retail Strategy.

The Assessment Process is presented in Chapter 5 of the Strategy.

(9) Implementation, Monitoring and Review

To outline the steps required to implement the Mildura Retail Strategy, and with provision made for regular monitoring of progress and regular review of the Strategy.

A Strategy needs to be implemented, and with the performance monitored and measured so that progress can be recorded. The extent of progress (including possible lack of progress) may require review of aspects of the Retail Strategy. In any event, the Strategy should be reviewed on a regular basis to take account of changing demographic conditions, new retail industry trends, new land use patterns, and so on. This Retail Strategy provides a schedule of factors that need to be taken into account in the monitoring and review stages (refer Chapters 6 and 7).

3 Policy Directions

This Chapter provides a summary of the key policy recommendations which have arisen from the analysis and discussion presented in Part A of this report (refer Part A for detailed analysis). The recommendations include aspects relating to:

- the expected future retail floor areas required to adequately serve residents and visitors,
- future timing of development,
- locations for retail expansion,
- recommended retail uses to be encouraged in each precinct, and
- recommended future directions to maintain and enhance the operation of City Heart

3.1 Amount of Future Retail Floorspace Supportable

- 1) There will be opportunities to accommodate an estimated 25,600 m² of additional retail floorspace in Mildura over the period 2000-2015 to serve the needs of residents and visitors to the region.
- 2) Retail opportunity comprises an estimated 6,300 m² in food-related retailing, 16,900 m² in non-food retailing and 2,400 m² in retail services.
- 3) The potential to accommodate this level of retail demand relies upon retaining a greater share of escape spending, which is achievable through filling retail gaps and extending the depth and range of merchandise available at Mildura.
- 4) These estimates are provided as a guide to the expected future level of supportable retail floorspace, and are not intended as a strict formula on which to base town planning decisions.

3.2 Locations for Future Retail Development

- 5) Potential locations for future retail development include Mildura City Heart, Centre Plaza and 15th Street.
- 6) There is likely to be only a small requirement for new neighbourhood centres to serve residential development areas, and population decline in the outlying townships may lead to a reduction in retail floorspace.

- 7) City Heart will be the main focus for regional level retail facilities, including a wide range of specialty retail outlets, discount department store, entertainment facilities, tourist-oriented retailing, business, civic and community functions. City Heart is the preferred location for office uses.
- 8) The availability of development sites is somewhat limited at City Heart; nevertheless, Council will encourage opportunities to consolidate development sites in appropriate locations, and will liaise with appropriate stakeholders to ensure that College Lease holdings do not inhibit future retail development at City Heart.
- 9) Centre Plaza will continue to provide a sub-regional shopping facility for a primary catchment which includes Mildura South.
- 10) Redevelopment and refurbishment of Mildura Centre Plaza is supported to a maximum gross leasable floor area of 20,000 m². This scale of expansion will ensure that the role or function of the centre will not be altered to the detriment of the wider retail hierarchy, and will allow for the establishment of additional supermarket and specialty retailing.
- 11) 15th Street will be maintained and supported as the primary focus for peripheral sales and other large format retail stores serving the regional catchment. Other uses which could locate at 15th Street include car sales, highway service activities, agricultural suppliers, etc. Office uses are discouraged in this precinct.
- 12) It is estimated that the future demand for peripheral sales facilities at 15th Street will be for approximately 12,000 m² of retail floorspace.
- 13) Additional zoned land is required to accommodate expected levels of demand for peripheral sales retailing; expansion of the Business 4 zone will occur on the south side of 15th Street, between Etiwanda Avenue and Benetook Avenue.
- 14) The development of new shopping centres will be discouraged, except in the case of local and neighbourhood centres serving new residential growth areas.

3.3 Timing of Retail Development

- 15) Retail demand generated by population and visitor growth accounts for an estimated 14,000 m² in retail potential - this demand will be generated on an ongoing basis at a rate of around 900 m² per year (or around 4,650 m² by 2005 and 9,300 m² by 2010).
- 16) There will be opportunities to retain greater levels of escape spending, which will generate an additional potential for 12,000 m² in retail floorspace development over the period 2000-2015.

- 17) Major retail facilities which will assist in reducing escape spending will be developed over the period 2000-2015 - justification for these developments will be required by the proponents and will include analysis which shows that the proposal will reduce existing levels of escape spending (ie by introducing retail facilities that meet expanding demand or which fill gaps in the present retail mix), rather than capturing sales from existing retailers.

3.4 Preferred Uses in Each Precinct

- 18) **City Heart:** Preferred uses in the Mildura City Heart include:
- retail specialty shops will be encouraged to locate in the Retail Core
 - entertainment, cafés, restaurants and tourist development will be encouraged in the City Heart North precinct, with potential future linkages with the Riverside development
 - secondary (or lower order) retail activities will be encouraged on the periphery of the centre (western or eastern periphery)
 - commercial office development will be encouraged on the east side of Deakin Avenue; in the office precinct near Deakin Avenue/11th Street; and on the west side of Deakin Avenue where they require high levels of pedestrian traffic (such as banks)
- 19) **Mildura Centre Plaza:** The Centre Plaza will be encouraged to develop as a sub-regional centre which also provides convenience retailing for the centre's primary catchment (mainly Mildura South), and a limited range of specialty retail stores. Careful consideration will be given to any further retail development in this area in the future, and would require a full analysis of the market demand conditions, potential impacts on City Heart, and potential shift in the role of the centre. Major entertainment facilities which have a regional or tourism focus will be encouraged to locate in the City Heart.
- 20) **15th Street:** This precinct will be encouraged to continue to develop as the major regional focus for peripheral sales retailing, including bulky goods and other large-format premises which have extensive site requirements.

3.5 Enhancing the Role of City Heart

- 21) City Heart will be maintained and supported as the primary shopping and commercial centre serving the region.
- 22) The zoning pattern of the Mildura CBD will be modified to reflect the current land uses and opportunities for future development.

- 23) Core retailing activities (such as major food retailing, specialty retailing, national brands, etc) will be encouraged to located in the vicinity of the Langtree Mall (the Retail Core precinct).
- 24) Tourist and entertainment-related uses will be encouraged to locate in the Mildura North precinct.
- 25) Office development will be encouraged on the east side of Deakin Avenue, in the office precinct located on Deakin Avenue/11th Street, and on the west side of Deakin Avenue.
- 26) Car sales yards will be encouraged to relocate away from the CBD, to locations such as the 15th Street precinct.
- 27) Consolidation of sites will be encouraged in appropriate locations for major retail redevelopment - potential sites include the car parks associated with the major retail stores (Kmart, Coles, Woolworths).
- 28) Additional off-street car parking will be encouraged to improve the supply of car parking in the CBD. Opportunities have been identified for the development of decked car parking in association with redevelopment on the Kmart site.
- 29) Additional streetscape works are required to improve the amenity of City Heart; these should comprise the provision and maintenance of street furniture, the provision of shading for pedestrians, particularly in the Langtree Mall, and improved urban design treatment of the Mall.

4 Statutory Planning Outcomes

This Chapter provides a description of changes to the Rural City of Mildura Planning Scheme which are necessary in order to give effect to the policy recommendations contained in this report. The implementation of the Retail Strategy will require modifications to:

- the MSS and local policy sections
- the location and application of zones

4.1 Modifications to the MSS and Local Policy Section

The existing MSS and local policy sections generally reflect the strategic directions which are adopted in this Retail Strategy. Modifications are proposed only where they are necessary to more clearly define the roles of the centres in Mildura, and where they are necessary to reflect support for the redevelopment of Centre Plaza.

Municipal Strategic Statement

Proposed changes:

Proposed changes to the MSS include:

- minor modifications to the wording of clause 21.03 to reflect the terminology used in the Retail Strategy
- modifications to clause 21.04-6:
 - to reflect the terminology used in the Strategy
 - to improve the description of the roles and functions of the retail precincts in Mildura
 - to reflect the proposed changes to the zones in the Mildura CBD
 - to reflect the support for the redevelopment/refurbishment of the Mildura Centre Plaza

New Sections:

Clause 21.03 - Vision for the Rural City of Mildura:

Commercial and Retail Development

- Mildura City Heart will be the primary commercial and retailing centre in the region providing a wide range of shopping and leisure alternatives to residents in a wide catchment, and to tourists and other visitors.
- Mildura Centre Plaza on 15th Street will have an important role as a sub-regional shopping centre which complements the function of Mildura City Heart and which serves the convenience needs of the residents of Mildura South and provides a limited range of specialty retailing.
- 15th Street east of Mildura Centre Plaza will function as the major regional concentration of bulky goods and other forms of peripheral sales retailing.
- Convenience centres, including town centres, neighbourhood centres and local shops, will serve an important function in providing limited retail facilities to Mildura residents.

Clause 21.04 - Strategic Directions

21.04-6 Commercial and Retail Development

OVERVIEW

Mildura City Heart provides the primary focus for commercial development serving residents in the wider region and visitors to the region. The City Heart comprises several identifiable precincts which provide a wide range of services relating to retailing, tourism, entertainment, civic, community and professional services. The *Fifteenth Street* commercial area, which comprises the Mildura Centre Plaza and a number of large peripheral sales premises, complements the function of City Heart while also providing a certain degree of competition.

The townships of Merbein, Irymple, Ouyen and Red Cliffs provide a variety of commercial facilities and convenience facilities for the surrounding population.

A variety of issues currently face the future development of the municipality's commercial and retail precincts including: the potential fragmentation of core retail activity in Mildura; adequate provision of car parking at the City Heart; access and traffic management issues for City Heart; visual amenity and image; perceived lack of large development sites in the Mildura CBD; few remaining development sites available in the 15th Street Business zone; lack of definition to the main centres of activity; and encroachment of other land uses.

KEY STRATEGIC CONSIDERATION

Facilitating the development a logical and mutually supportive retail hierarchy.

Objective 1

Facilitate the development of Mildura City Heart as the primary retail, commercial and cultural centre for the region.

Strategies

- Concentrate core retailing and commercial activities in the vicinity of Langtree Mall.
- Encourage commercial office development on the east side of Deakin Avenue and in the area bounded by Deakin Avenue, 11th Street, Pine Avenue and 10th Street.
- Encourage major commercial and entertainment developments which require pedestrian flows to locate to the west of Deakin Avenue, with more service-oriented secondary retail activities located to the east of Deakin Avenue.
- Encourage additional car parking within and on the periphery of the CBD mainly in the form of off-street facilities, for example through the redevelopment of existing car parks associated with major retail facilities.
- Encourage the systematic implementation of the Mildura City Heart Redevelopment Strategy (October 1996).
- Encourage a mix of uses to locate in Orange Street and Lemon Street.

Objective 2

Provide a sub-regional retail centre at Mildura Centre Plaza on Fifteenth Street which also serves the convenience needs of residents in Mildura South, and which provides limited retail specialties.

Strategies

- Discourage any expansion of the Mildura Centre Plaza beyond that specified in the Schedule to the applicable zone.
- Discourage any further retail development along Fifteenth Street other than restricted retail premises (ie peripheral sales, bulky goods, "superstores" and other large-format premises).

Objective 3

Designate and promote Fifteenth Street east of Mildura Centre Plaza as being the major regional location for the provision of bulky goods retailing.

Strategies

- Encourage highway orientated business and bulky goods retailing on 15th Street between Deakin Avenue and Benetook Avenue within the Business 4 zone.
- Discourage retail or restricted retail activity between Benetook Avenue and the Irymple township.

Objective 4

Provide small-scale convenience centres throughout residential areas and in the surrounding townships, where supported by local residential catchments.

Strategies

Promote further commercial development within the confines of the existing commercial areas in the smaller towns.

IMPLEMENTATION

These strategies will be implemented by applying appropriate zone and overlay controls. In addition:

Council will use local policy to:

Limit the size (gross leasable floorspace) of the Mildura Centre Plaza to the amount specified in the schedule to the zone. (refer Fifteenth Street Retail Policy, Clause 22.06-1)

REFERRED DOCUMENTS

Mildura Retail Strategy (2000)
Regional Land Use Strategy (1997)
Central Business District Traffic and Parking Study (1996)
Retail Gap Analysis (1997)

Local Planning Policy

Proposed changes:

The 15th Street Retail Policy section (22.06-1) requires modification in order to give effect to policy directions contained in this report. The changes relate to:

- changes in the policy basis to reflect the analysis carried out as part of the Retail Strategy
- modifications to the policy to reflect support for the proposed redevelopment of Centre Plaza

New Local Planning Policy:

22.06-1 Fifteenth Street Retail Policy

This policy applies to all land on Fifteenth Street between Deakin Avenue and Benetook Avenue.

Policy Basis

The Fifteenth Street retail precinct comprises:

- *Mildura Centre Plaza*, which is a sub-regional shopping centre which also serves the convenience needs of residents in its primary catchment of Mildura South, and which provides a limited range of specialty retail premises; and
- *Fifteenth Street peripheral sales precinct*, which is the regional focus for large format stores selling bulky goods and other peripheral sales merchandise.

Mildura Centre Plaza has an important role as the second-largest shopping centre in the Mildura urban area, and provides a high degree of accessibility for residents undertaking weekly or daily shopping trips (eg for groceries). However, careful consideration needs to be given to

any proposals for further retail development in this location, in order to maintain the primacy of City Heart as the main focus for specialty retail activity. Expansion of other types of activity, such as entertainment, would be supported only where they serve the needs of the primary catchment, rather than providing services to the regional or tourist market.

The Fifteenth Street peripheral sales precinct has developed as an important component in the retail hierarchy of the region, and draws from a large regional catchment. Further development of peripheral sales outlets in this location would provide opportunities for additional employment and income, where there is proven market demand. Shop retail facilities are discouraged on the basis that this would fragment the retail offering in Mildura.

Objectives

- To encourage the Mildura Centre Plaza to operate as a successful sub-regional shopping centre in the retail hierarchy
- To discourage the expansion of Mildura Centre Plaza beyond the floor area specified in the Schedule to the zone, except where further expansion would not have any detrimental effect on the role or operation of City Heart.
- To encourage the Fifteenth Street to develop as the regional focus for peripheral sales activity.

Policy

It is policy that:

- Mildura Centre Plaza be restricted to a maximum gross leasable floor area for shop use as set in the Schedule to the Business 1 Zone
- Appropriate car parking requirements be stipulated for the Mildura Centre Plaza
- The development of bulky goods retailing is encouraged on Fifteenth Street between Deakin Avenue and Benetook Avenue

4.2 Modifications to Zones

The following section provide details regarding recommended changes to the zones in the City Heart and at 15th Street.

City Heart

- 1) **Rezone the Business 2 precinct along Deakin Avenue and Seventh Street to Business 1.** The purpose of the Business 1 zone is *to encourage the development of retail and associated commercial uses.*

The City Heart area has developed as the focus for intensive development of retail, entertainment and commercial uses, and these uses extend to 7th Street and to Deakin Avenue. The precinct on the northern part of Langtree Mall has developed as a key restaurant precinct and does not have any office uses,

while premises (banks, cinema, offices, takeaway food) along Deakin Avenue represent uses that are typical to most Central Business Districts.

The Business 2 zone constrains the opportunities to develop the vacant land (4,500 m² in site area) on the corner of Langtree Avenue and Seventh Street; this area would be more suited to intensive retail and commercial development, rather than as commercial offices as proposed by the Business 2 Zone. The ability to develop this vacant land for retail purposes would represent a substantial opportunity to strengthen the primacy of this Central Business District.

It is appropriate that this area be rezoned to Business 1.

- 2) **Rezoning the Business 5 Precinct between Madden and Magnolia Avenues to Mixed Use Zone.** The purpose of the Mixed Use zone is *to provide a wide range of residential, commercial, industrial and other uses, which complement the mixed-use function of the locality.*

The application of the Mixed Use zone to this precinct allows for a wide mix of land uses, which is consistent with the existing uses in this area. This precinct will act as a transitional area for new uses to become established and allow the current mix (residential, commercial) to continue. It also has a number of other benefits as it allows:

- Council the flexibility to allow retail and office development subject to compliance with a schedule which defines floor space limits.
- A wide range of uses to be established without prejudicing the development of major retail and office precincts at the City Heart/Mildura Plaza.
- The potential for transition of prospective tenants from this area to the major retail, office and peripheral sales precincts.

- 3) **Rezoning the Business 5 Precinct at Deakin and Eleventh Street to Business 2 zone.** This purpose of the Business 2 Zone is *to encourage the development of offices and associated commercial uses.*

This precinct has developed as an important office precinct, with a range of commercial premises and medical suites; the application of the Business 2 zone reflects the existing use and preferred future development of this precinct.

15th Street

- 1) **Mildura Centre Plaza:** The proposed increase in floor area for the Mildura Centre Plaza requires a modification to the Schedule for the Business 1 Zone. The amendment will require the *Maximum combined leasable floor area (m²) for shop (other than adult sex book shop)* to be increased from 15,961 m² to 20,000 m².

- 2) **Peripheral sales precinct:** The analysis provided in this report identifies the need for the provision of additional land zoned for restricted retail development to serve the expected demands during the period 2000-2015. An appropriate area for development has been identified as the south side of 15th Street, from Etiwanda Avenue to Benetook Avenue, with a lot depth equivalent to the area west of Etiwanda Avenue (approximately 100 metres in depth). Rezoning of this area should proceed now to ensure that there are existing opportunities to accommodate peripheral sales premises (noting that the only large site is the remainder of the vacant land adjoining Centre Plaza), and to discourage any further commercial proposals for the land east of Benetook Avenue.

The changes to zones described in the above paragraphs are illustrated in Figures 4 and 5.

Figure 4: Recommended Zoning Changes, City Heart

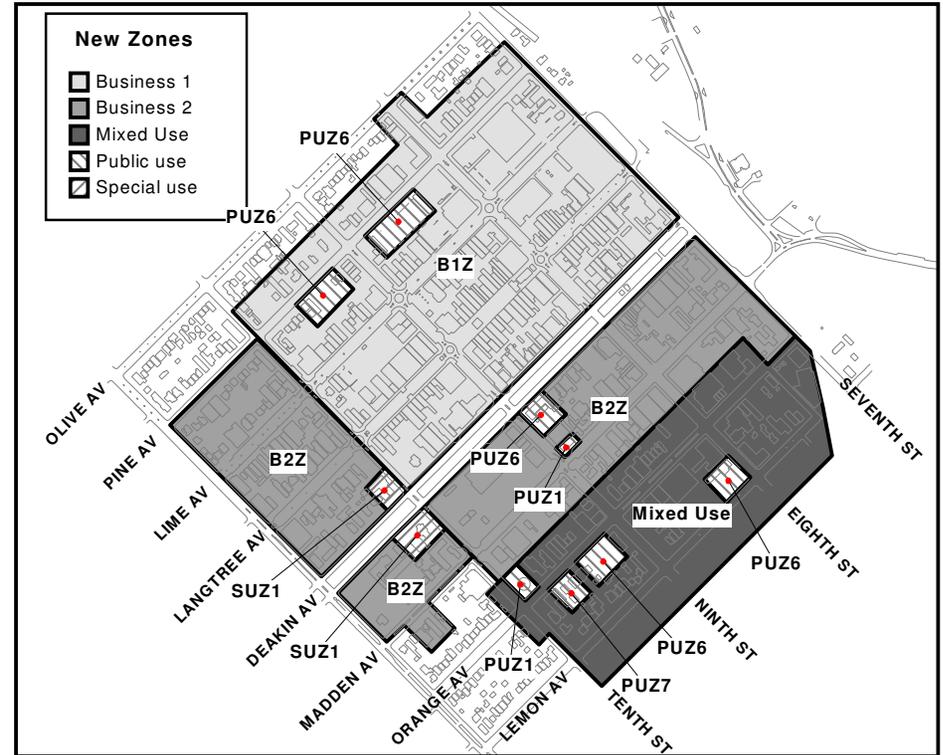
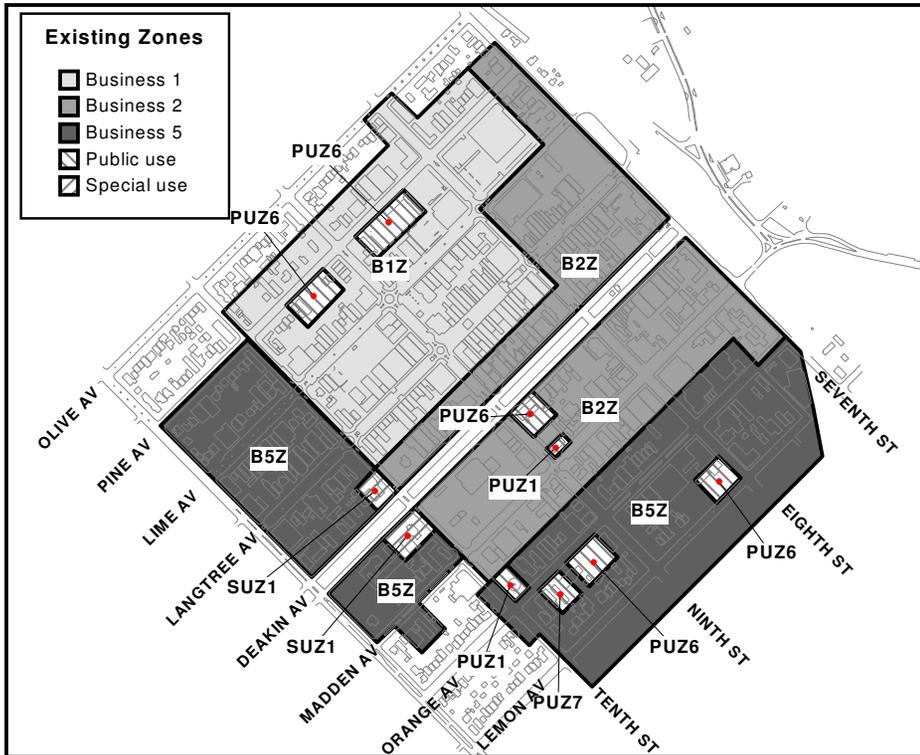
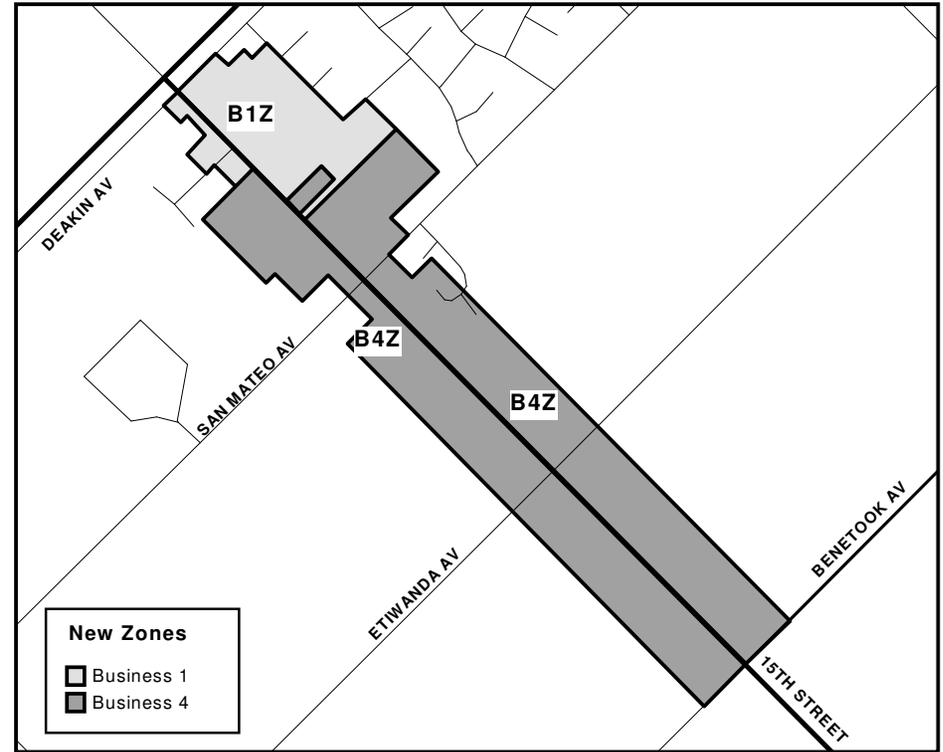
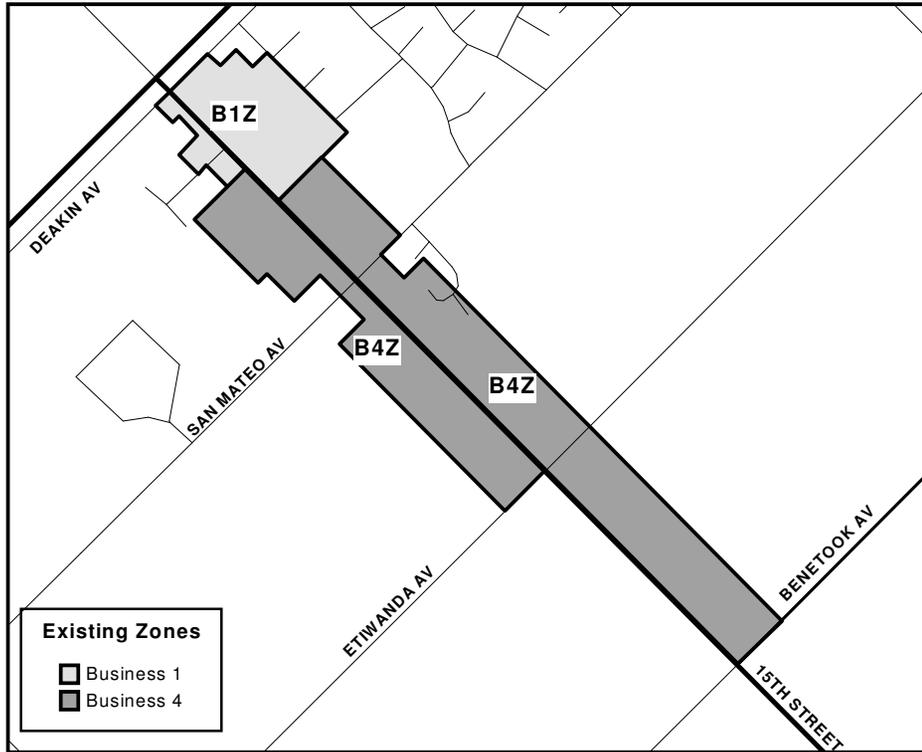


Figure 5: Recommended Zoning Changes, 15th Street



5 Assessing Retail Development Applications

This Chapter provides guidance for Council when assessing development proposals for new or expanded provision of retail floorspace. The assessment process can also be used by developers as reference in terms of information they should provide to Council in order to facilitate the planning approvals process.

The process for assessing retail development applications consists of:

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

In assessing a development proposal, reference should also be made to policy directions contained in the Retail Strategy, including expected future demands for retail floorspace, expected types and locations for retail development, and preferred uses for each precinct.

5.1 Information provided by Applicants when Seeking Planning Approval for a Retail Proposal

- (1) Address of the subject site and Title particulars
- (2) Details of the proposed retail component
 - amount of gross leasable retail floorspace (in m²)
 - number of retail tenancies and sizes (gross leasable retail floorspace)
 - type of retail floorspace (eg, supermarket, discount department store, specialty retail, food specialty, restaurant, etc)
 - car parking provision
 - details of non-retail components
- (3) An economic impact report is required if the proposal is for a retail development associated with the provision of an additional 2,000 m² or more in gross leasable retail floorspace, and the report should provide the following information:
 - supporting evidence of retail demand (assessed in terms of catchment population and forecast growth, spending on the types of retail being proposed, potential to retain escape spending)

- assessment of any likely impact on existing or planned (ie approved) retail facilities
 - description of anticipated benefits to community (measurable benefits as well as non-measurable benefits such as amenity issues, etc)
 - identification of any anticipated community costs or issues relating to the development proposal (measurable and non-measurable)
 - estimated contribution to employment (in both construction and retail operation), and noting the indirect flows (although these generally accrue to a wide area, including the State and national economies)
 - overall contribution to net community benefit
- (4) Council will decide on the extent of supporting economic impact information required of the applicant on the basis of the size and location of the retail floorspace component for which approval is being sought. For example, Council may consider that a brief statement is sufficient for a relatively minor development located in the City Heart which is appropriate in terms of type of use and location; however, Council may require a more detailed feasibility assessment for a larger proposal (say over 3,000 m²) or if there is some concern that the development would undermine the role of existing centres in Mildura. Prospective developers are advised to discuss their proposals with Council officers prior to formal submission of a Planning Permit Application or rezoning request so that the extent of supporting information required by Council can be determined.
- (5) Council may require, at its discretion, an economic impact assessment where the proposed floorspace is in excess of the expected future retail floorspace demand identified in the Retail Strategy. In considering such developments, Council should be aware that the estimates of future retail demand are intended only as a guide to future floorspace requirements.
- (6) Council reserves the right to request additional information on economic impact from the applicant, if required.

5.2 Considerations When Assessing Applications for Retail Development

In assessing applications for new or expanded retail developments, Council should consider the following factors which will determine the extent to which a proposed development can be supported in Mildura without undue impact on existing centres (and having regard to paragraph (4), above).

Retail demand considerations:

- (1) The proposal must show a need or demand for new or expanded retail floorspace provision to serve residents living in the trade area and visitors to the region.
- (2) The retail assessment provided by the applicant must indicate the expected trade area served by the development, and must provide details regarding trade area population and forecast growth for the next 5 and 10 years.
- (3) Indicate the extent to which the new retail provision would capture trade (including visitor spending, if appropriate) from beyond the Mildura regional trade area identified in the Retail Strategy.

Retail supply considerations:

- (1) The assessment must indicate the existing supply of retail floorspace serving the trade area of the proposed development, for the particular retail type being proposed.
- (2) The assessment must give details of any other proposals for new or expanded retail development in the trade area or beyond, which could have an effect on the viability of what is being proposed.
- (3) The assessment must indicate where the proposed new or expanded retail provision would fit given the role and function of the precinct within which the proposal is located. The assessment must provide an analysis as to whether the proposal would change the role of the precinct, and whether this new role would be in keeping with the policy directions set out in the Retail Strategy.
- (4) The assessment must provide evidence as to whether the existing supply of retail floorspace is or is not adequate to meet existing and foreseeable demand levels (say, over the next 5 to 10 years).
- (5) Indicate whether there are any existing retail gaps in merchandise/services which the proposal will fill.
- (6) Give details as to the existing level of vacant retail premises or vacant zoned land in the precinct and in any other affected precincts in Mildura, and assess whether the alternative locations are suitable to accommodate modern retail needs.
- (7) Show the extent to which the proposal represents a preferred use for the precinct, as identified in the Retail Strategy.

Escape spending considerations:

- (1) Indicate the amount of residents' spending that currently escapes to shopping centres located beyond the trade area, and the extent to which spending escapes to centres outside the Mildura regional trade area (as identified in the Retail Strategy).
- (2) Show forecasts of the levels of escape spending if there is no increase in retail facilities to serve the catchment.
- (3) Give details as to the retail categories that are featured in the escape spending, and indicate the share of this escape spending that could reasonably be retained by the proposed new or expanded retail facilities.

Consideration regarding potential impacts on existing retail facilities:

- (1) Prepare an analysis of the effect on total retail sales levels (expressed in dollars and as a percent of total) at existing retail facilities if the proposal for new retail floorspace is approved.
- (2) Where possible, show how the existing average level of retail sales in the existing facilities (expressed in terms of sales per square metre of retail floorspace) would be affected by the introduction of additional retail floorspace.

(This measure is used in conjunction with the item in paragraph 1, above. For example, there might be a 15% adverse effect on sales at an existing centre, but perhaps the existing centre will still operate at above-average trading levels, and therefore the retail economic effect is not so adverse as the 15% percentage impact would otherwise suggest).
- (3) Prepare an analysis of the employment impact of the proposed new or expanded retail facilities, including the potential loss in employment at centres negatively impacted by the proposal.

Design and location considerations:

- (1) The application must meet site planning and other requirements specified in the planning scheme or in other planning policy documents.
- (2) The proposed development should be integrated in a design and functional manner with surrounding retail and other activities.
- (3) The design of the proposed development should enhance the retail role of the existing centre (where appropriate).

- (4) The location of the proposed development and its relationship to the site should ensure that pedestrian and vehicular access movements are optimised.
- (5) The design of the proposed development should complement any surrounding residential development and contribute to the sense of community.

Assessment of net community benefit arising from the proposal:

- (1) The planning application must provide an indication of the development proposal's contribution to Net Community Benefit.
- (2) The application must specify how the proposed development contributes to Net Community Benefit, including consideration of the following factors:
 - Potential positive factors, including: increased choice in retail goods and services available to the community; increased retail competition; retention of a share of escape spending; increased employment and multiplier effects; increased contributions to Council rates; etc, and
 - Potential negative factors, including: loss of sales at existing shops/centres; loss of employment; possible business closures; possible vacant shops; possible multiplier effects; etc.
- (3) For larger projects, as determined by Council, the proposal must also consider non retail impacts such as traffic circulation and parking demand, environmental effects on adjoining activities, local character and amenity impacts, etc.

6 Monitoring and Review

It is important to ensure that the Retail Strategy is closely monitored and regularly updated so that it remains relevant in terms of the vision and policy which it represents, and in terms of the "currency" of the data and information upon which the Strategy is based.

In particular, monitoring will provide an indication of whether or not changes are required in response to emerging trends which are evident in the retail sector. These trends may relate to unexpected impacts which may have positive or negative effects on retailing and which may require modifications in terms of allowable floorspace expansion. For example, if vacancy rates suddenly increase in a particular centre (such as City Heart), a review of the Strategy will reveal whether special actions are required to stimulate the retail sector or to modify other factors at this location.

Council must ensure, therefore, that the Retail Strategy is monitored and reviewed (probably in-house) on a regular basis (preferably annually).

Indicators for monitoring and review purposes would include at least those listed in the following Table 23. Importantly, the indicators are based on readily available and relatively inexpensive ABS Retail Census and ABS Population Census data, Council planning approvals and commencements data, land use/floorspace surveys, and reference to consultant reports.

Table 23: Indicators for Monitoring and Review

Indicator	Source	Comment
1 Population growth and patterns of residential development.	ABS Census of Population and Housing; ABS Population Victoria series; Department of Infrastructure forecasts; Council building records.	Important to review population trends that form the basis for the retail analysis presented in this Strategy.
2 Tourism visitation levels.	Victorian Regional Travel and Tourism Survey, Tourism Victoria.	Identify trends in tourism visitation, and assess against forecasts of 1.6% pa growth in this report.
3 Increased floorspace provision.	Council data for planning and building approvals, and building completions.	This measure uses regular and up-to-date data, and therefore is very useful. Can indicate changes in the functions of particular precincts. Up-to-date data on retail floorspace will assist in assessing new retail proposals.
4 Vacancy rates for retail floorspace (vacant retail m ² as a percentage of total retail m ²).	Land use and floorspace surveys; updating information in the Retail Strategy.	Can be undertaken at any time. Current vacancy rates are low in the main precincts, but should be monitored closely.
5 Increased level of retail sales in the Municipality.	ABS Retail Census; consultant estimates	Most recent Retail Census was 1991/2. A limited data set is due to be published in 2000.
6 Improvement in average retail trading levels (ie. sales per m ² of retail floorspace).	ABS Retail Census; consultant estimates	Identify trends (in real and current prices) over time and between centres and precincts.
7 Employment levels in shops.	ABS Retail Census. Can conduct annual Census of traders/other businesses in centres to identify existing employment profile (nos. of full-time and part-time jobs, and nos. of casual jobs, etc). Measure employment changes over time.	Employment is a useful indicator on trading growth or decline, and helps to show local community and Council the economic importance of retail Centres. Could be undertaken in conjunction with an Economic Development Strategy, and could be administered by Chamber of Commerce or traders group.
8 Changes in land use patterns (incl. retail, service, office, community, etc).	Regular land use surveys (say, annual).	Inexpensive means of charting land use and activity changes, focusing on any marked change in retail, office, community and other changes in activities.
9 Changes in property values and rates.	Council rate records; data from local real estate agents.	Useful indicator on a comprehensive basis, but may be limited by date of preparation by valuer. Real estate agents can assist.
10 Viewpoints on health of centres as expressed in property industry, real estate and those in retail industry.	Regular contact with real estate agents, developers and retail industry.	Suggest an annual workshop/seminar organised by Council as a venue for information exchange between property and retail industry, local traders and Council. Could include an annual or semi-annual business breakfast, hosted by Council and business interests.

Source: Essential Economics Pty Ltd

7 Implementation of the Strategy

The following key actions, to be undertaken by Council, are necessary to implement retail planning guidance aspects of the Retail Strategy:

1 **Adopt the Retail Strategy as an incorporated document in the Mildura Planning Scheme**

The Retail Strategy will be adopted as the guiding document for Council, retailers, developers and the community in regard to the existing and future operation of the retail hierarchy.

2 **Prepare appropriate amendments to the Rural City of Mildura Planning Scheme**

The implementation of the Strategy will require modifications of the MSS, local policy sections, zone patterns and the schedule to the Business 1 zone (in relation to land at Centre Plaza), as described in Chapter 4 of this Strategy.

3 **Adopt the policy directions contained in the Retail Strategy as guidance for the future development of the retail sector in Mildura**

Council will adopt the recommendations in this report relating to the extent, location and type of future retail floorspace, roles of shopping centres, changes to zonings and other policy directions discussed in Chapter 3 of the Strategy.

4 **Adopt the Retail Development Assessment Process when considering new retail developments**

When considering new applications for retail development or expansion, Council officers will have regard for the assessment process described in Chapter 5 of the Strategy, which includes consideration of the proposal in the context of the estimates for floorspace expansion identified in Part A of this report.

5 **Put in place a process for monitoring and reviewing the Retail Strategy**

The Retail Strategy will be monitored and reviewed on a regular basis in order to ensure that the Vision and Policy contained in the Strategy remain relevant given the prevailing retail environment.

***APPENDIX:
CONSULTATION - PERSONS CONTACTED***

Listing of persons contacted during this study

Name	Organisation
<u>Interviews:</u>	
Roger Cory	Centro Properties Group
Joy Patching	Centro Properties Group, Mildura Centre Plaza Manager
Frank Tierney	Collie & Tierney, First National Real Estate
George Collie	Collie & Tierney, First National Real Estate
Alan Fisher	Fishers IGA Supermarkets
John Green	Foodwise Supermarket/Newsagent (13 th Street)
Larry Dimasi	Inland Consultants
David Harris	L J Hooker Real Estate
Pat Williamson	Mildura Chamber of Commerce
Louise Funnell	Mildura City Heart Traders
Carole Reid	Mildura Murray Outback Tourism
Roy Costa	Roy Costa & Associates
Tony Roccisano	The Professionals Real Estate
<u>City Heart workshop participants:</u>	
Peter Kedmenec	Doms Bar/Restaurant
Grant Haynes	Doug Haynes
Graeme Burrows	Graeme Burrows Jewellers
Stephen Petschell	MCH Committee
Louise Funnell	Mildura City Heart
John Mock	Speeds Shoes / Cheesecake Shop

