



Goulburn CBD Master Plan – Economic Assessment

Final

July 2008

Goulburn City Council



Document Control

Job ID: 14605
Job Name: Goulburn CBD Master Plan
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Document Name: Goulburn CBD Master Plan - Economic Assessment Final
Last Saved: 7/1/2008 3:46:00 PM
Printed: 7/1/2008 3:54:00 PM

Version	Date	Reviewed Project Manager	Approved Project Director
Draft v1.0	25/02/08	AC	
Final Draft	27/03/08	AC	
Final	01/07/08	CR	

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Executive Summary

PURPOSE OF THE STUDY

The Goulburn CBD is recognised as an important commercial centre located in the middle of the strategic Sydney-Canberra Corridor. The CBD is recording increasing development interest and is constantly evolving. The successful management of the CBD into the future requires the creation of a sustainable business environment balanced with the protection of the valued heritage character of the precinct.

To guide the sustainable future management of the CBD and inform a new Development Control Plan (DCP), Goulburn Mulwaree Council is developing a Master Plan for the Goulburn CBD. The Master Plan requires an assessment of economic and property fundamentals and anticipated commercial development pressure. Understanding these issues allows for a more informed planning framework that promotes viable investment and sustainable economic development for the benefit of residents, businesses, investors and Council as the planning authority.

The purpose of this economic assessment is to provide the economic underpinnings for the Goulburn CBD Master Plan to inform the strategic planning process. The study assesses the commercial and tourism sectors in the CBD, identifying future development requirements to meet the CBD's desired role and future growth.

More specifically, the study aims to study the following issues for the Goulburn CBD:

- Economic and population growth in Goulburn-Mulwaree Region;
- Implications for commercial development and growth in the Goulburn CBD;
- Existing and future desired role of the CBD from a local and regional context;
- Impact of growing commercial nodes at south and north Goulburn on the CBD;
- Changing retail and commercial nature of the CBD;
- Commercial and tourism development opportunities and strategies in the CBD;
- Sustainable development parameters for further development;
- Strategic development/redevelopment/infill sites; and
- Implications for strategic and statutory planning.

STRATEGIC PLANNING CONTEXT

The Goulburn CBD is the administrative and commercial centre of the Goulburn Mulwaree Local Government Area (LGA). The regional role played by the Goulburn CBD and its strategic location between Sydney and Canberra relative to other commercial centres and transport corridors means its trade area for commercial services extends into the Upper Lachlan LGA. Goulburn has been identified as a Major Regional Centre under the *Draft Sydney-Canberra Corridor Strategy*, developed by the NSW Department of Planning. Goulburn is seen as having an important role in providing regionally based services, retailing, education, recreation and employment to the Northern sub-region.

The Goulburn CBD records a mix of convenience retail, local commercial, regional government, local education and tourism facilities and services. The CBD includes a commercial core focused on Auburn Street dominated by retail, office and hospitality services and a secondary core surrounding dominated by government and ancillary services. There are approximately 250 businesses in the CBD, with almost three quarters described as retail businesses, including cafes and restaurants. The CBD is anchored by the Centro and Marketplace shopping centres, anchored by national retailers.

The CBD's property market has been recovering for the past 15 years following the construction of the Hume Highway bypass around Goulburn. Vacancy levels have generally been low in the past 5 years, with the investment environment described as "moderately healthy". However, reinvestment levels in properties are relatively low. Development in the commercial property market has been dominated by the \$30 million redevelopment of the Centro shopping centre and small office developments along Bourke and Goldsmith Streets.

There have been some recent developments and emerging trends impacting the land use pattern in the CBD. Council has encouraged motor vehicle dealership at the northern end of the CBD to relocate outside of the CBD, in turn freeing up development sites for targeted CBD commercial development. In the office sector, the past couple of years have seen new office developments located away from Auburn Street on secondary streets in the CBD. There have also been reports of retailers located in the shopping centres seeking street front premises along Auburn Street on the basis of rental differentials and pedestrian exposure.

There are several competing centres to the Goulburn CBD on a local and regional level. The centres generating the most competition to Goulburn in the retail sector include Canberra, Queanbeyan and Bowral as well as the surrounding townships of Marulan, Crookwell and Gunning to a lesser extent. Major regional centres including Sydney and Canberra represent the major competing locations in the office market. The key trading strengths of the CBD are its vibrancy and low vacancy rates, heritage sites and architecture, and accessible on-street parking. The key weaknesses include service gaps across a number of key commercial sectors and a lack of connectivity. The service gaps in the higher order retail sectors of clothing, department store merchandise and bulky goods results in significant lost retail trade to Canberra and Sydney.

Goulburn Mulwaree's economic growth potential has been assessed and planned through the development of the *Goulburn Mulwaree Economic Development Plan*. Goulburn has been identified as a strategic location in the logistics, warehousing and transport sectors due to its position between Canberra and Sydney. Planning is underway for the development of the Southern Distribution Business Park, a transport hub located 4km outside of Goulburn. The developers of the business park expect the project to generate over 3,000 jobs during operation. Several demographic and migration trends are also expected to result in future population growth. Trends benefiting Goulburn are identified as the tree change movement, weekenders for city residents, rural residential subdivision preferences and attractiveness as a place to raise a family given social infrastructure.

There are three sets of population projections developed by the AECgroup based on recent publications and analysis (see **Table E.1**):

- **Low Scenario:** The low scenario is based upon the *Draft Sydney-Canberra Corridor Strategy* that projects **3,400 new residents by 2031**. This has been used as the low scenario as it is slightly below Goulburn Mulwaree's 10-year average growth rate.
- **Medium Scenario:** The medium scenario is based upon the 'most probable' series developed by SGS Economics in 2003. The scenario assumes an average growth rate of 0.9% over the next 25 years, resulting in almost **6,500 new residents by 2031**.
- **High Scenario:** The high scenario is based upon the 'growth' series developed by SGS Economics in 2003. The scenario assumes an average growth rate of 1.0% over the next 25 years which would result in almost **7,500 new residents by 2031**.

Table E.1: Projected Population Trends

Scenario	Projected Population						Change (2006-31)	
	2006	2011	2016	2021	2026	2031	Persons	Avg. % Change
Low	27,277	27,925	28,589	29,269	29,965	30,677	3,400	0.5%
Medium	27,277	28,462	29,699	30,990	32,336	33,741	6,464	0.9%
High	27,277	28,630	30,051	31,542	33,107	34,750	7,473	1.0%

Source: NSW Department of Planning, SGS Economics, AECgroup

SWOT ANALYSIS

The SWOT analysis below summarises the strategic planning context for commercial, tourism and residential development in the Goulburn CBD.

Table E.2: SWOT Analysis of Development in the Goulburn CBD

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Strategic position: <ul style="list-style-type: none"> ◦ Sub-regional commercial role ◦ Local government administrative role ◦ Only commercial centre in LGA ◦ Located midway Sydney-Canberra • Trade area characteristics: <ul style="list-style-type: none"> ◦ Positive population growth ◦ Low unemployment rate ◦ Increasing equity and investment • Market supply: <ul style="list-style-type: none"> ◦ Traditional retailing supply ◦ Increasing mix of higher order retail ◦ Increasing national chains/franchises ◦ Local professional services ◦ State government agencies • Market demand: <ul style="list-style-type: none"> ◦ Market share in lower order retail ◦ Low vacancy rates • Trading position: <ul style="list-style-type: none"> ◦ Convenience ◦ Heritage/architecture appeal ◦ Vibrancy/social atmosphere ◦ Public open space • Investment: <ul style="list-style-type: none"> ◦ Development activity increasing ◦ Generally low vacancy rate ◦ Moderate rental rate increases • Strategic planning: <ul style="list-style-type: none"> ◦ Generally compact development ◦ Emerging precincts to north and south 	<ul style="list-style-type: none"> • Strategic position: <ul style="list-style-type: none"> ◦ Hume Highway bypass ◦ Proximity to Sydney and Canberra • Market supply: <ul style="list-style-type: none"> ◦ Service gaps in discretionary retail ◦ Relocation of State government offices • Market demand: <ul style="list-style-type: none"> ◦ Market share in discretionary retail ◦ Vacancies in new office developments ◦ Impact of the highway bypass • Business performance: <ul style="list-style-type: none"> ◦ Tourism accommodation trading • Trading position: <ul style="list-style-type: none"> ◦ Limited range/variety of retail ◦ Lacks connectivity ◦ Rail line restricts access to CBD • Investment: <ul style="list-style-type: none"> ◦ Low quality of floorspace ◦ Poor landlord reinvestment ◦ Limited range/variety of retail
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Strategic position: <ul style="list-style-type: none"> ◦ Consolidate convenience retail role ◦ Expand retail range and variety ◦ Introduce new retail anchors/catalysts • Industry trends: <ul style="list-style-type: none"> ◦ Adaptive reuse of historical buildings ◦ Accommodate home businesses in CBD • Growth potential: <ul style="list-style-type: none"> ◦ Local population growth/projects ◦ Retain expenditure leakage ◦ Improve tourism product ◦ Establish population density • Public need: <ul style="list-style-type: none"> ◦ Expanded range of retail • Investment: <ul style="list-style-type: none"> ◦ Increasing development interest ◦ Strategic development sites • Strategic planning: <ul style="list-style-type: none"> ◦ Create precincts within CBD ◦ Improve connectivity/urban design • Council's role: <ul style="list-style-type: none"> ◦ Encourage preferred developments ◦ CBD improvement projects ◦ Share dialogue with developers ◦ Facilitate economic development ◦ Tourism marketing and development with local businesses 	<ul style="list-style-type: none"> • Strategic position: <ul style="list-style-type: none"> ◦ Continuing growth of competing centres ◦ New business park on office ◦ Bulky goods outside CBD on retail ◦ Shopping centres elsewhere • Industry trends: <ul style="list-style-type: none"> ◦ Preference for business parks ◦ Reducing floorspace to employment ◦ Green building principles in design ◦ Government decentralisation • Growth potential: <ul style="list-style-type: none"> ◦ Inability to attract major retail tenants ◦ Inability to attract major office tenants ◦ Decline in tourism market • Public need: <ul style="list-style-type: none"> ◦ Leakage of demand to other centres • Investment: <ul style="list-style-type: none"> ◦ Non-viable investment • Strategic planning: <ul style="list-style-type: none"> ◦ Maintaining heritage buildings ◦ Fragmented CBD • Council's role: <ul style="list-style-type: none"> ◦ Lack of strategic planning approach ◦ Inconsistent development assessment

Source: AECgroup

FORECAST DEVELOPMENT POTENTIAL

Based on detail market assessment including analysis of the implications of forecast population growth on development needs, there is projected demand for the following scale of development in the Goulburn CBD to 2031 (see **Table E.3**):

- Retail 9,200-14,400sqm
- Office 2,700-5,800sqm
- Residential 40-90 apartments

Table E.3: Projected Market Growth & Development Potential, Goulburn CBD (2031)

Development Type	Low	High
Retail	9,200sqm	14,400sqm
Office	2,700sqm	5,800sqm
Residential	40 apartments	90 apartments

Source: AECgroup

For the retail sector, the projections equate to the following indicative tenancy mix:

- 1-2 major supermarkets plus specialty food retailers;
- 10-15 cafes, restaurants and take-away food outlets;
- 1 DDS plus specialty clothing stores;
- 1 mini major plus specialised recreational goods stores; and
- 5-10 specialties and personal services businesses.

The expansion of the retail sector with additional supply in key service gaps where spending leakage is highest is critical to the long-term sustainability of the CBD's regional role and the viability of its businesses given competition from nearby centres.

In the office sector, demand will be recorded across the commerce-based sectors of property and business, health and medical and professional services. There is likely to be limited additional representation from government tenants.

The demand for residential apartments in the CBD will be driven by the student and retiree sectors seeking smaller living options collocated with commercial, entertainment and recreational services and facilities. Increasing the population density in the CBD also contributes to stronger trading conditions for CBD businesses.

STRATEGIC DEVELOPMENT OPPORTUNITIES

Opportunities and constraints mapping for the CBD has identified a range of strategic development opportunities and capacity to meet forecast development requirements. The two main development constraints are the residential edge surrounding the commercial core, particularly along the northern and western fringes of the CBD, and the rail line along the eastern boundary of the CBD restricting east-west movement.

Considering these constraints, there are strategic development opportunities within the confines of the existing CBD boundary to accommodate forecast development requirements over the next 25 years (see **Table E.4**). The opportunities are spread across the CBD and include sites at the northern end of the CBD, the western edge of the CBD along Bourke Street, the central laneways of the CBD along Cartwright Place and Ellesmere Street, the southern end of the CBD along Auburn Street, Clinton Street and Clinton Lake, and the eastern rail corridor linking to the River.

Council has already begun facilitating the redevelopment of strategic gateway sites to the northern end of the CBD by encouraging motor vehicle dealerships and semi-industrial businesses to relocate out of the CBD to more appropriate locations, providing opportunities for intensified retail and commercial development. Some of the sites, including the St Patrick's/Cartwright Place school site, are currently receiving private sector development interest.

Table E.4: Strategic Commercial & Residential Development Opportunities

Development Site	Development Type	Strategic Comment
Ford/Gibu Engineering	<ul style="list-style-type: none"> Mixed use Residential Commercial 	<ul style="list-style-type: none"> There is an opportunity to manage land use conflicts and allow for the relocation of industrial businesses outside the CBD through the appropriate redevelopment of the site. The site presents potential for a mixed use development incorporating ground floor commercial development with residential apartments on the upper floors. The site would strengthen an establishing commercial cluster in the north western area of the CBD.
Ferwick Crescent	<ul style="list-style-type: none"> Residential 	<ul style="list-style-type: none"> Potential for residential development to increase density in this key site. Residential development would manage potential land use conflicts in the long-term.
Pizza Hut/Service Station	<ul style="list-style-type: none"> Mixed use Residential Commercial 	<ul style="list-style-type: none"> This gateway site presents potential for commercial and residential redevelopment to improve its amenity and urban design.
Car Yards Auburn St	<ul style="list-style-type: none"> Bulky goods retail DDS 	<ul style="list-style-type: none"> The site represents a commercially attractive investment opportunity for an integrated retail development housing large format and bulky goods retailers to strengthen the CBD's retail supply and reduce escape expenditure. Potential development of the site could include the provision of more than 11,000sqm of retail floorspace including multiple major (up to 3,000sqm), minor (200-500sqm) and specialty (100-200sqm) tenancies. In terms of anchor tenants, discount department store retailer Target Country has expressed interest in the site and a floor plate of 3,000sqm is expected to meet its locational criteria for a regional centre the size of Goulburn.
St Patrick's/Cartwright Place	<ul style="list-style-type: none"> Mixed use Shopping centre Residential 	<ul style="list-style-type: none"> The site represents a commercially attractive option in the CBD to allow for the expansion of groceries and specialty food retailing in a shopping centre format over the medium term. Potential development of the site could include the provision of a neighbourhood shopping centre concept with a 2,000-3,000sqm supermarket anchor complemented by a range of specialty shops over 2,000-3,000sqm. Development of the site in this manner would meet the projected demand for 3,000-5,000sqm of groceries & specialty food retail floorspace over the next 25 years. Such development would add to the convenience shopping opportunities in the CBD by providing an accessible location for shopping away from the main traffic and pedestrian areas. The potential development of the site also aligns with the redirecting traffic and parking from Auburn Street and improving connections between Auburn Street and side streets.
Rail Overpass Sloane St	<ul style="list-style-type: none"> Tourism services Community use 	<ul style="list-style-type: none"> There is potential to create an overpass above the rail line to improve connections to the eastern side of the River. The development could comprise tourism and community orientated development on the CBD side of the rail line.
Manfred Park	<ul style="list-style-type: none"> Residential 	<ul style="list-style-type: none"> There is potential for the development of apartments and townhouses to meet future population and residential growth in the CBD.
Military Lands Auburn St	<ul style="list-style-type: none"> Residential 	<ul style="list-style-type: none"> The site is a major gateway site at the southern end of the CBD and presents potential for development of apartments and townhouses to meet future population and residential growth in the CBD.

STRATEGIC & STATUTORY PLANNING

A key consideration in planning for the Goulburn CBD is ensuring future development compliments and enhances the existing structure of the CBD. In terms of the land use pattern, it is recommended a precinct-based approach be taken to the future land use strategy in the CBD. The theming of precincts within a CBD offers opportunities for creating a range of destination nodes and avoiding the fragmentation of the market.

The elongated nature of the CBD along Auburn Street creates planning challenges. A less than compact CBD of this nature with forecast development pressure and a lack of connected development sites creates a risk of fragmentation. This can be to the detriment of new and existing developments. For example, the development of competing rather than integrated shopping centres in the CBD requires patrons to the CBD to choose between two locations. This has already occurred to an extent in the Goulburn CBD given the removed locations of the Centro and Marketplace centres. The key technique to manage such risks is to improve the pedestrian traffic flow and integration between shopping areas, resulting in more viable business locations that allow businesses to record flow-on trade from multi-purpose shopping and CBD trips.

A key element of implementing this strategy into the future in the Goulburn CBD is creating a vibrant Auburn Street connecting the northern and southern ends of the CBD. Auburn Street is the focal point and key connector of trade in the CBD. Improving integration and linkages with the cross streets of the CBD requires an improved east west activity path, including redevelopment of laneways into supporting niche retail precincts below residential development to increase population mass. There are also opportunities to improve the CBD's linkages with the River and open space on the eastern side of the River. This could be achieved through development across the rail line.

Future bulky goods development in the CBD would preferably be located at the northern end of the CBD. This area presents the leading location for larger format retail and commercial space given the size of the sites, their gateway location and high exposure to passing trade, and the relative affordability of the land compared with the CBD Core. The area presents the potential to improve the provision of large format retailers by providing a commercially attractive clustering opportunity for both new retailers and the relocation of existing retailers from non-optimal spaces in the CBD. An improved range of supply would reduce, to some extent, the expenditure leakage to competing centres.

In terms of statutory planning controls, the new *Goulburn Mulwaree LEP* currently in its draft stage essentially divides the CBD into two planning areas: Inner sector of the CBD is primarily zoned B3 Commercial Core; and Outer area of the CBD primarily zoned B4 Mixed Business. Council has already started implementing a strategy to encourage the relocation of larger and semi-industrial businesses out of the CBD.

OTHER PLANNING ROLES FOR COUNCIL

Streetscape Improvement Projects

Council has responsibility for streetscape projects using funds collected from its Section 94 Contributions Plans. Council has undertaken significant streetscape improvement projects as part of its planning for the Goulburn CBD. The Highway bypass of the CBD was a catalyst for a major improvement program that aimed to reduce traffic, make the CBD more pedestrian friendly and more aesthetically pleasing. It is noted these projects are vital to improving the trading position and amenity of the CBD and public safety.

There are opportunities for Council to further its investment in streetscape improvement projects for the public benefit as directed by the CBD Master Plan, including establishing coordinated precinct signage, the protection and enhancement of historic buildings and maintaining appropriate street lighting. One of the strategic development opportunities discussed in this study is the potential to convert laneways into retail and commercial strip precincts. There would be significant cost implications of such an approach for Council which would need to be considered.

Relationship with the Development Community

This study has highlighted the potential for future development within the CBD to meet the requirements from anticipated population growth. Council has a responsibility to establish an appropriate planning environment conducive to improved retail and commercial development outcomes. Improved education of developers is required to improve commercial acceptance and lift development quality. It is important for the future success of investment in the CBD and the community's acceptance of Council's

CBD Master Plan that there is an improved dialogue between the planning authority and the local development community.

Facilitating Economic & Tourism Development

The Goulburn CBD is recognised as an important regional centre where people live, work and invest. Planning for the Goulburn CBD has established that a successfully functioning CBD into the future requires a sustainable business environment that balances the needs of investors, business, employees and shoppers. Council has an important role to play in facilitating economic development within the LGA. The development of the *Goulburn Mulwaree Economic Development Plan* outlines a planning framework for achieving growth throughout the LGA.

The Economic Development Plan identifies the importance of tourism to the future growth of the region. Council has a vital role to play in the development of the tourism sector in the CBD. Key strategies outlined in the plan relevant to the growth of tourism in the CBD include improving partnerships between local tourism businesses, improving the tourism experience in regards to the heritage sites in the CBD, enhancing the shopping experience for visitors, seeking to increase the number of events and festivals held in Goulburn and developing a targeted marketing and promotion plan.

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1. Introduction

1.1 Project Background

The Goulburn CBD is recognised as an important commercial centre located in the middle of the strategic Sydney-Canberra Corridor. The CBD is recording increasing development interest and is constantly evolving. The successful management of the CBD into the future requires the creation of a sustainable business environment balanced with the protection of the valued heritage character of the precinct.

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1.2 Purpose of the Study

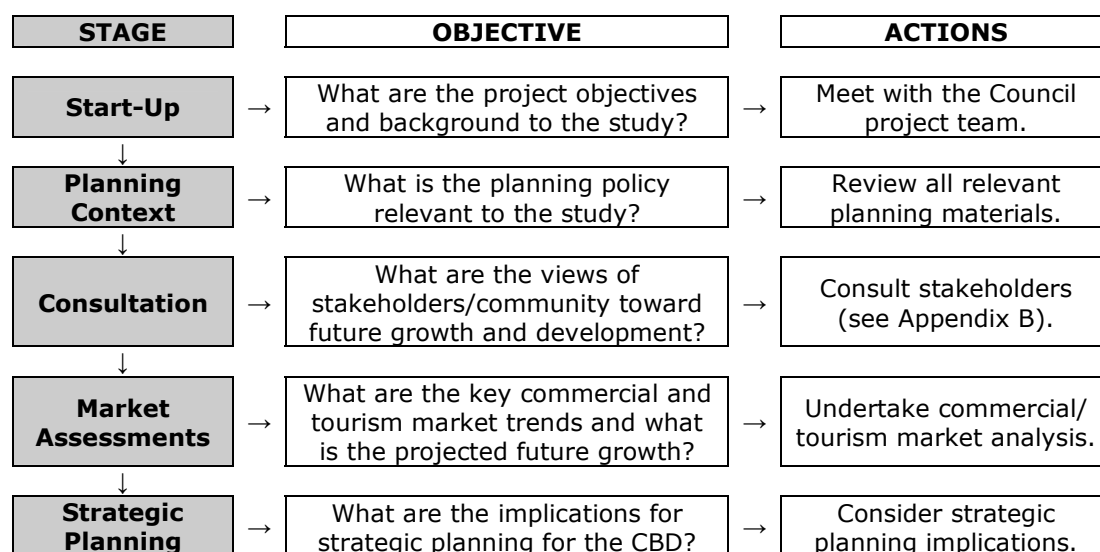
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- Commercial and tourism development opportunities and strategies in the CBD;
- Sustainable development parameters for further development;
- Strategic development/redevelopment/infill sites; and
- Implications for strategic and statutory planning.

1.3 Research Methodology

The research methodology undertaken for the project has involved a combination of literature and policy review, stakeholder consultation, market analysis, economic modelling and strategy as per the diagram below.



1.4 Report Structure

Chapter 1	Introduction Overview of the project, including background, purpose and methodology.
Chapter 2	Local & Regional Planning Context Outline of the local planning context for the study, including the CBD Master Planning process, along with the regional planning context and broader strategies affecting the CBD.
Chapter 3	Economic & Social Overview Overview of the Goulburn Mulwaree region including population, demographic, economic and employment trends.
Chapter 4	Goulburn CBD Overview Description of the Goulburn CBD, including its role, trade area, profile of businesses, employment and floorspace trends, trading strengths and weaknesses, competitive influences and growth potential and development opportunities.
Chapter 5	Retail Market Assessment Assessment of the retail market within the Goulburn CBD, including existing supply, competing centres and precincts, current and future demand, need and growth, and strategic development opportunities.
Chapter 6	Office Market Assessment Assessment of the office market within the Goulburn CBD, including existing supply, competing centres and precincts, current and future demand, need and growth, and strategic development opportunities.
Chapter 7	Tourism Market Assessment Assessment of the office market within the Goulburn CBD, including existing supply, competing centres, current and future demand, need and growth, and strategic development opportunities.
Chapter 8	Summary of Planning Implications Overview of key findings and implications for strategic planning, including growth potential, planning controls and development opportunities.
Appendix A	Definitions Retail and office definitions adopted for the study.
Appendix B	Consultation Summary Summary of the consultation process and key outcomes.
Appendix C	Demographic Statistics Detailed tabular summary of demographic statistics.

2. Local & Regional Planning Context

2.1 Goulburn Mulwaree Strategy 2020

The *Goulburn Mulwaree Strategy 2020* has been developed to promote the sustainable management of the Goulburn Mulwaree LGA and guide land use decisions into the future. The Strategy identifies the need for an expanded CBD and the need to support Goulburn's role as the regional centre for Goulburn Mulwaree and Upper Lachlan by ensuring social support systems such as health care, education, retail and commercial services are adequate. The Strategy notes the demand for increased retail options such as a department store and bulky goods stores, with this additional demand met within existing CBD defined boundaries.

2.2 Draft Goulburn Local Environmental Plan

Council is currently preparing a new comprehensive LEP, entitled the Goulburn Mulwaree LEP 2007, in coordination with the Department of Planning. This process involves a review of land use throughout the Goulburn Mulwaree LGA. The Draft LEP is on public exhibition until the 11th April 2008.

Figure 2.1 outlines the zoning/land use controls as prescribed by the Draft LEP. The inner sector of the Goulburn CBD is primarily zoned B3 Commercial Core with the outer area of the CBD zoned B4 Mixed Business. There are also pockets of land zoned RE1 Public Recreation within the CBD. The CBD is mostly surrounded by R1 General Residential with RE1 Public Recreation bordering the CBD to the south-east.

The objectives of the B3 Commercial Core Zone and B4 Mixed Business Zone are:

- B3 Commercial Core:
 - To provide a wide range of retail, business, office, entertainment, community and other suitable land uses which serve the needs of the local and wider community;
 - To encourage appropriate employment opportunities in accessible locations;
 - To maximise public transport patronage and encourage walking and cycling;
 - To reinforce the status of Goulburn as a regional centre;
 - To ensure the scale and density of development complements the desired future character of the commercial core; and
 - To protect the historic importance of Goulburn.
- B4 Mixed Business:
 - To provide a mixture of compatible land uses; and
 - To integrate suitable business, office, residential, retail and other development in accessible locations so as to maximise public transport patronage and encourage walking and cycling.

Complying development in the B3 Commercial Core zone includes a range of retail and office functions, commercial premises, community and recreational facilities, home industries, educational establishments, entertainment facilities, transport facilities, hotel accommodation and shop top housing.

Complying development in the B4 Mixed Business Zone (that surrounds the Core CBD) includes a range of retail and office functions, commercial premises, community and recreational facilities, home industries, educational establishments, entertainment facilities, transport facilities and hotel accommodation. It is noted residential flat buildings, multi dwelling housing and seniors housing are also permitted within the zone.

In terms of the intensity of development, draft height and floor area controls have also been developed in the new LEP and are outlined in the **Table 2.1** below for the B3 and B4 zones.

Table 2.1: Draft Planning Controls

Planning Control	B3 Commercial Core	B4 Mixed Business
FSR	<ul style="list-style-type: none"> The maximum floor space ratio shall not exceed 2:1 	<ul style="list-style-type: none"> The maximum floor space ratio shall not exceed 1.2:1
Height	<ul style="list-style-type: none"> New or altered development shall not exceed 15m 	<ul style="list-style-type: none"> New or altered development shall not exceed 10m

Source: Draft Goulburn Mulwaree LEP 2007

Figure 2.1: Draft Goulburn CBD Zoning

Source: Draft Goulburn Mulwaree LEP 2007

2.3 Goulburn Development Control Plan

As part of its LEP program, Council is also currently preparing a new DCP entitled the *Goulburn Mulwaree DCP 2007*. The Draft DCP is on public exhibition until the 11th April 2008 and outlines the regulations in regards to new building. The recommendations from the Goulburn CBD Master Plan will be integrated into the new DCP.

The DCP provides an overview of planning controls for development across the urban areas of the Goulburn Mulwaree LGA. The controls relate to urban design, built form, public domain, access and car parking, energy and subdivisions.

The intention of the DCP is to promote retail and commercial developments that:

- Integrate well with the surrounding locality;
- Respect the overall streetscape;
- Activate street frontages;

- Provide functional shopfronts; and
- Optimise the use of land.

2.4 Goulburn Mulwaree Economic Development Plan

The *Goulburn Mulwaree Economic Development Plan* is a framework to guide the economic growth in the region over the next 5-10 years. The aim of the Plan is to facilitate a stronger economy through the encouragement of new investment and employment growth, while making sure that the region's attributes are protected. The Economic Development Plan sets the following economic vision for the area:

"To work together to achieve an optimal level of growth which will provide greater levels of prosperity for our present and future residents of all ages and local organisations while ensuring that the important geographic, architectural and cultural characteristics of the area are sustained."

The Plan will focus on the following key outcomes to achieve this vision:

- Moderate population growth;
- A workforce with the skills required by business and industry;
- More local jobs and job opportunities for youth;
- An attractive environment for doing business;
- Industry prosperity;
- Investment;
- An improved image as a place to live, work, invest and visit; and
- Cooperative and coordinated effort on the part of all stakeholders.

The *Goulburn Mulwaree Economic Development Plan* anticipates population growth of 2,000-3,000 persons in the next decade in the LGA, increasing the population to 30,000 persons. Most of this growth is projected to occur in the Mulwaree area.

In terms of key economic opportunities, the Plan notes the need to expand retail services as part of encouraging a diverse and sustainable industry base and revitalizing the Goulburn city centre as the regional service centre. As part of strengthening this regional role, the Plan identifies the need to extend trading hours on public holidays, develop a retail strategy to plan for the revitalization of retail and commercial precincts and undertake an annual shopper survey to measure and monitor shopping trends.

The Plan reports that the retail industry has also been booming in Goulburn Mulwaree over recent years with the Centro Shopping Mall upgraded and recognition there is potential for more major retailers to establish stores in Goulburn, including Big W, Target and Bunnings, with a number of investors have already bought and begun constructing new retail space in Goulburn.

2.5 Draft Sydney-Canberra Corridor Strategy

The *Draft Sydney-Canberra Corridor Regional Strategy* sets out a desired framework for the future growth and planning of the Sydney-Canberra Corridor across the issues of land use, economic development, employment, transport, population growth, the environment and resources applying to the LGAs of Wingecarribee, Goulburn Mulwaree, Upper Lachlan, Yass Valley, Palerang and Queanbeyan.

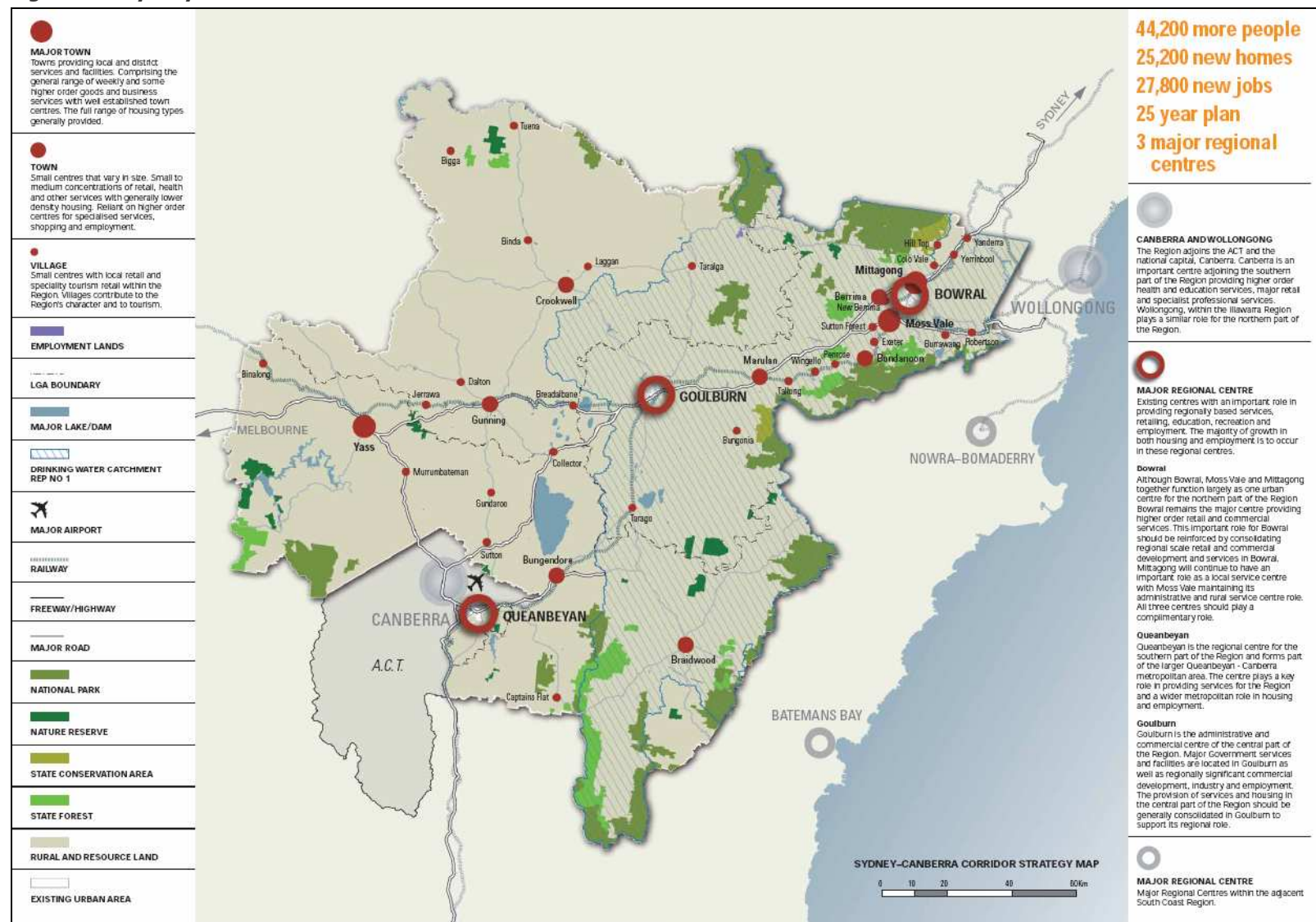
Goulburn has been identified as a Major Regional Centre under the Draft Strategy. Goulburn is seen as having an important role in providing regionally based services, retailing, education, recreation and employment to the Northern subregion which includes Lachlan Shire. The majority of growth in both housing and employment is also expected to occur in the Major Regional Centres that also include Bowral and Queanbeyan. Goulburn Mulwaree is located in the Northern sub-region in the *Draft Sydney-Canberra Corridor Regional Strategy* which also includes the Upper Lachlan Shire.

The *Draft Sydney–Canberra Corridor Regional Strategy* anticipates population growth to average 0.5% per annum over the next 25 years. The Strategy has also projected an additional 2,100 jobs to be created in the Goulburn Mulwaree LGA over the next 25 years. These increases are expected to be largely in the areas of logistics, warehousing, transport, manufacturing, health and aged care.

The Strategy outlines 150 hectares of land in the Goulburn Mulwaree LGA that is available for employment lands. This includes land located close to Goulburn for service and retail based employment. The Strategy reports the strategic location of Goulburn on the Hume Highway has also resulted in investigations into potential new logistics and transport centres.

Figure 2.2 overleaf outlines the centres hierarchy with Bowral and Queanbeyan also identified as major regional centres. Bowral and Queanbeyan will both have a significant influence on the Goulburn CBD as future competitors for commercial and retail growth.

Figure 2.2: Sydney-Canberra Corridor Centres



Source: Draft Sydney-Canberra Corridor Strategy

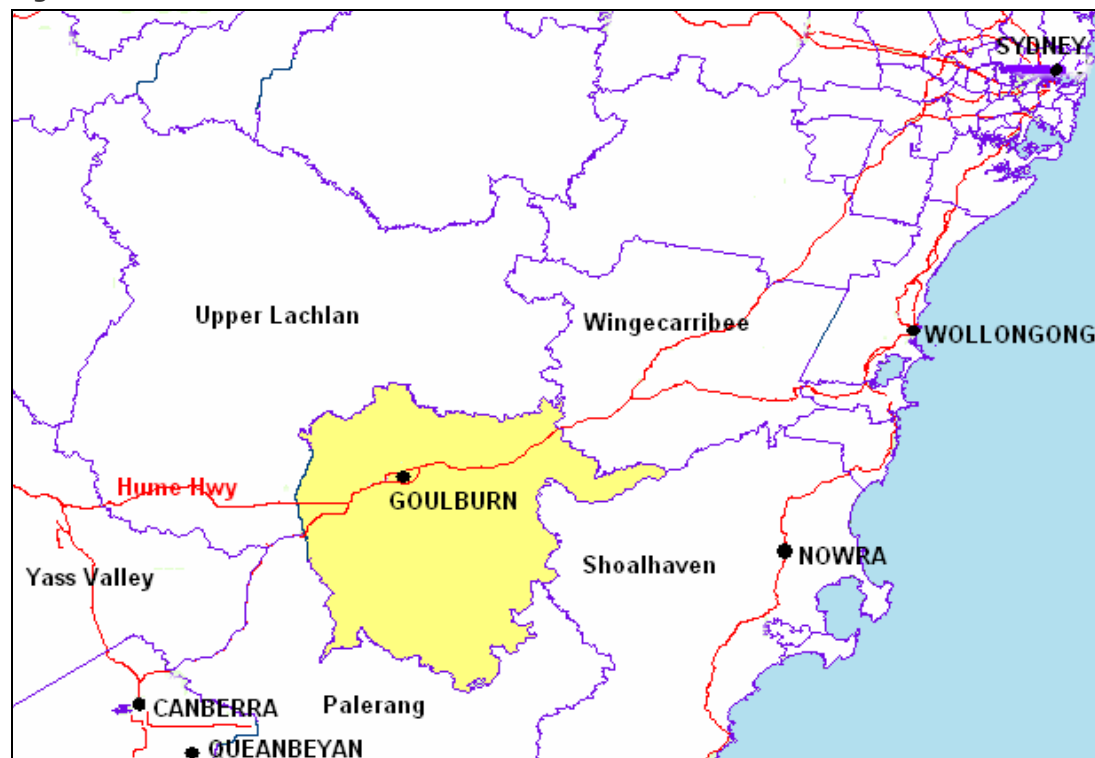
3. Economic & Social Overview

3.1 Regional Overview

The Goulburn Mulwaree LGA is located in the Southern Highlands of New South Wales (see **Figure 3.1**). The LGA covers 3,232 sq km and was formed in 2004 from the amalgamation of the Goulburn and Mulwaree LGAs. The region is located between Canberra and Sydney (approximately 95km north of Canberra and 195km south of Sydney). The region is bordered by the Upper Lachlan LGA to the north and west, Palerang LGA to the south and west, Shoalhaven LGA to the east and the Wingecarribee LGA to the north-east.

The main urban centre is Goulburn, which serves as the major regional administrative and service centre. The LGA includes a number of smaller towns and villages including Marulan, Windellama, Tarago, Parkesbourne, Tirranaville, Lake Bathurst and Bungonia. The Hume Highway runs through the northern area of the LGA and connects the region to Canberra and Sydney. In 1992, a bypass was constructed around Goulburn. Goulburn is also located on the Great Southern rail route that links Sydney and Melbourne with a major rail junction and depot.

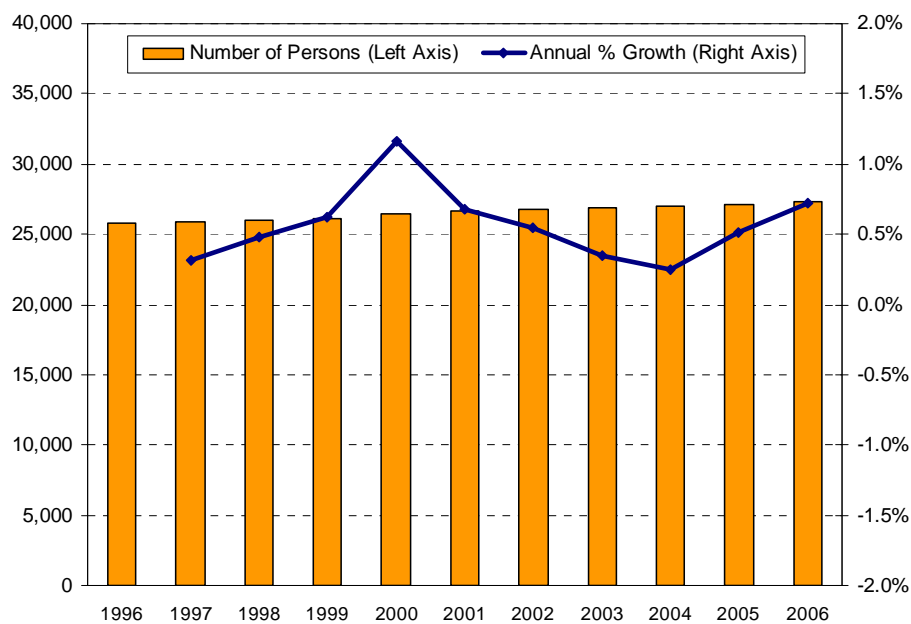
Figure 3:1 Goulburn Mulwaree Local Government Area



Source: CData 2006, AECgroup

3.2 Population Trends

According to the ABS estimated resident population series, there were an estimated 27,277 persons residing in the Goulburn Mulwaree LGA in 2006, representing growth of 0.7% from 2005 (see **Figure 3.2**). The LGA's population has recorded modest growth since 2001, increasing by an average of 0.5% per year. This was below the average growth rate of 0.7% recorded in the Non Metropolitan NSW Area over the same period.

Figure 3.2: Estimated Resident Population Trends, Goulburn LGA

Source: ABS 3218.0 Regional Population Growth, AECgroup

Table 3.1: Population Trends

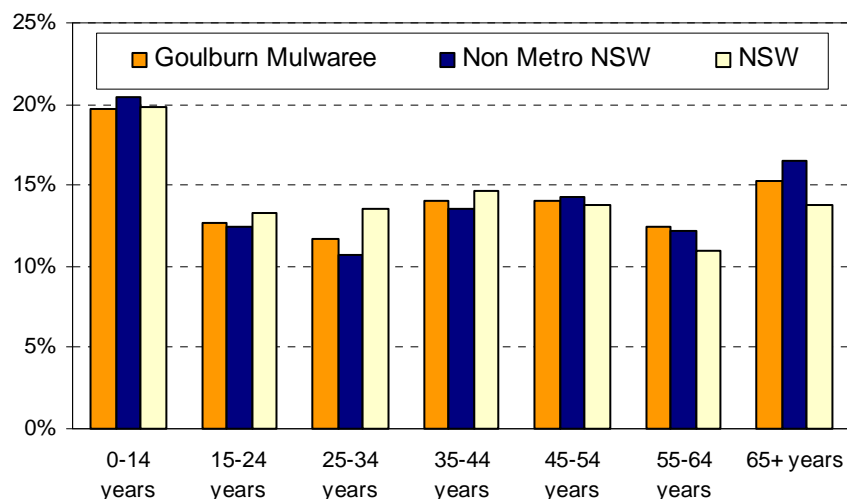
Region	2001	2005	2006	% Change (2005-2006)	Avg. % Change (2001-2006)
Goulburn Mulwaree LGA	26,641	27,082	27,277	0.7%	0.5%
Non-Metro NSW	2,446,945	2,510,716	2,532,803	0.9%	0.7%
NSW	6,575,217	6,758,272	6,817,182	0.9%	0.7%
Australia	19,413,240	20,339,759	20,605,488	1.3%	1.2%

Source: ABS 3218.0 Regional Population Growth, AECgroup

3.3 Demographic Trends

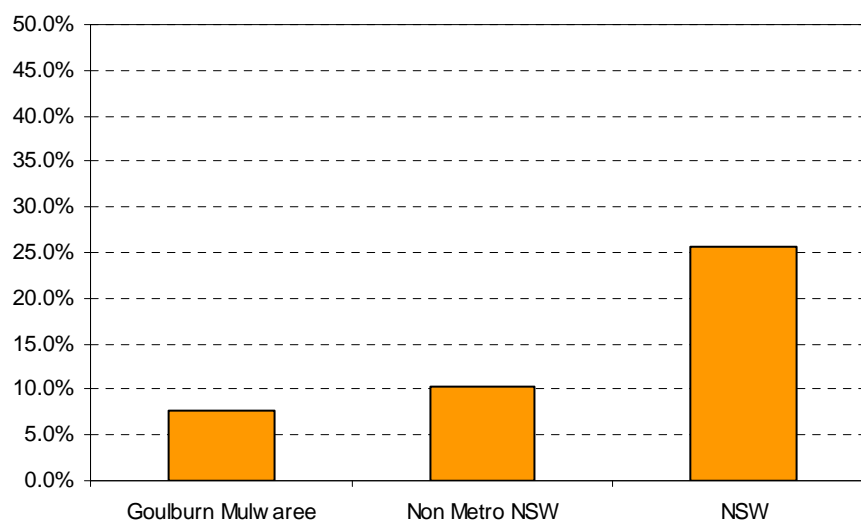
A demographic profile has been prepared to provide an overview of the key social characteristics of the Goulburn Mulwaree LGA based on the ABS 2006 Census. Comparisons are made to Non-Metro NSW and NSW. A detailed table of statistical indicators is provided in **Appendix C**. The following key trends were identified:

- **Age distribution:** The average age of residents was 38.7 years in 2006, slightly lower than the Non-Metro NSW average of 39.1 years but slightly higher than the NSW average of 37.5 years. The age distribution is similar to the Non-Metro average with a higher proportion of persons aged 55 years and over and a lower proportion of young adults aged between 15-34 years, reflecting a general out-migration of young people and in-migration of older retirees (see **Figure 3.3**).

Figure 3.3: Age Distribution, 2006 Census

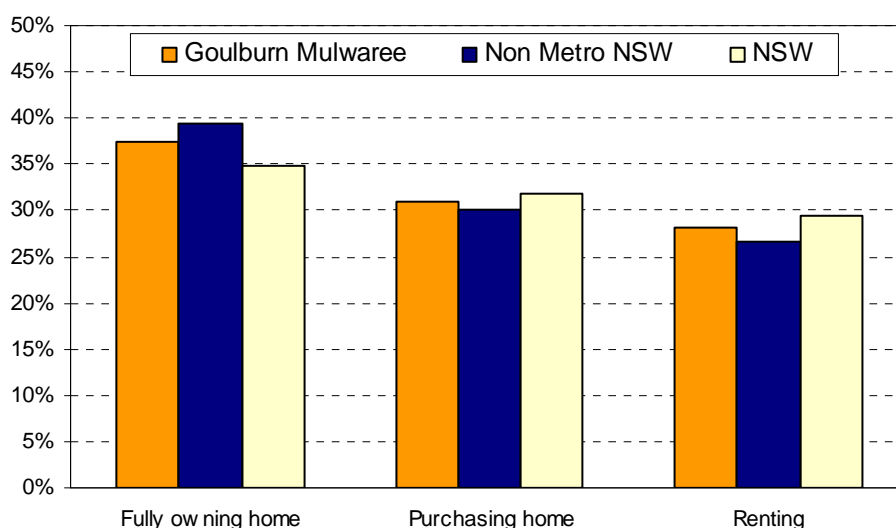
Source: ABS 2006 Census, AECgroup

- **Ethnicity:** The majority of the Goulburn Mulwaree residents 2006 were born in Australia (86.4%), higher than the Non-Metro NSW and NSW averages of 83.8% and 74.4%, respectively. Of Goulburn Mulwaree residents, 7.7% were born overseas, with the United Kingdom being the most prominent overseas country of birth (2.8%), followed by New Zealand (0.9%) (see **Figure 3.4**). The area also records a higher proportion of people speaking English (90.9%).

Figure 3.4: % of Persons Born Overseas, 2006 Census

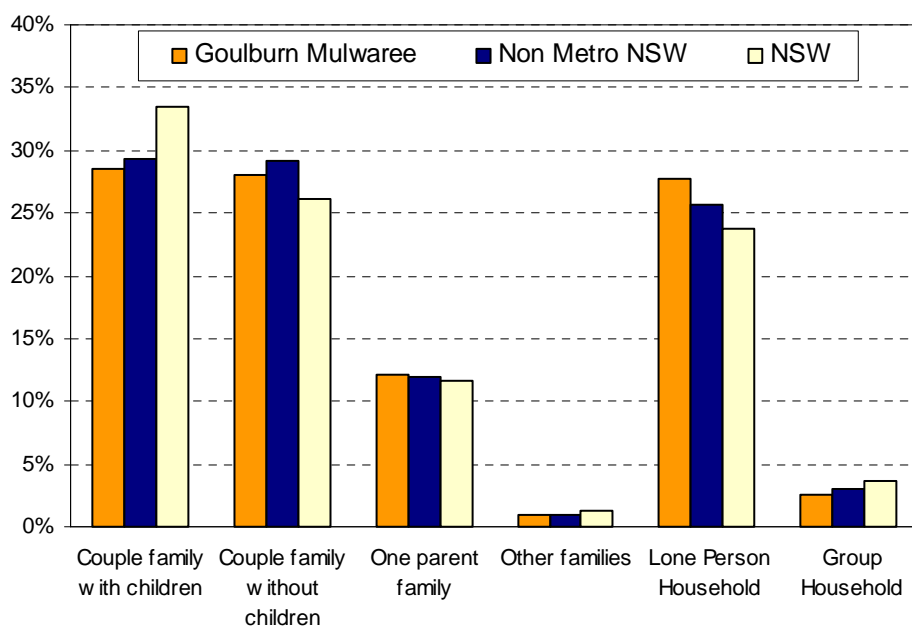
Source: ABS 2006 Census, AECgroup

- **Housing tenure:** 37.5% of Goulburn Mulwaree households fully own their home, below the Non-Metro NSW average (39.4%) though above the NSW average of 34.8% (see **Figure 3.5**). The proportion of residents purchasing their own home (31.0%) is similar to the Non-Metro and NSW averages. Households renting account for 28.2% of households, below the NSW average (29.5%).

Figure 3.5: Housing Tenure, 2006 Census

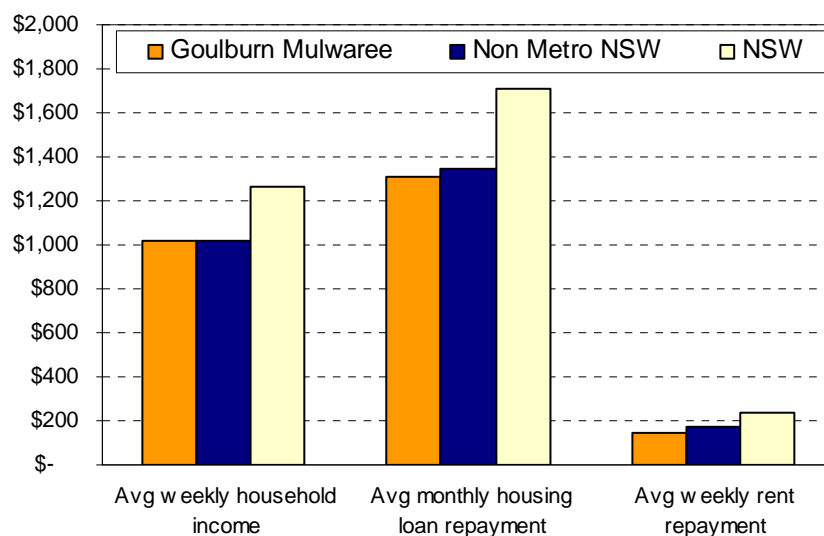
Source: ABS 2006 Census, AECgroup

- Household structure: Goulburn Mulwaree records a similar household structure to Non-Metro NSW. Couple families with children account for 28.6% of households in Goulburn Mulwaree, well below the NSW average of 33.5%. Couple families without children (28.0%) are higher, while the proportion of lone person households (27.8%) is also higher. The average household size in the Goulburn Mulwaree LGA was 2.4 in 2006, below both the Non-Metro NSW (2.5) and NSW (2.6) averages.

Figure 3.6: Household Structure, 2006 Census

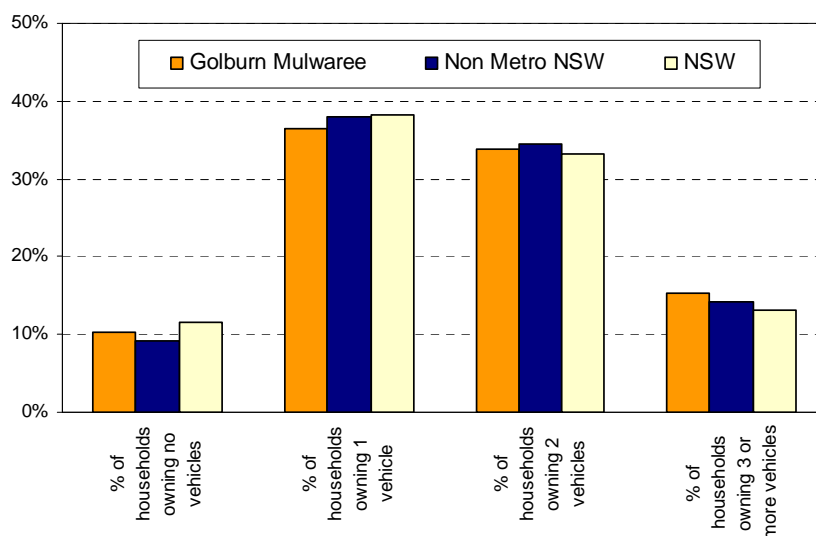
Source: ABS 2006 Census, AECgroup

- Household finances: The average weekly household income in Goulburn Mulwaree was estimated at \$1,021 in 2006, significantly below the NSW average of \$1,264. Household income reflects a range of factors, including average household size and workers, unemployment rates and the nature of employment. The average monthly housing repayment in Goulburn Mulwaree was \$1,306 in 2006, below both the Non-Metro NSW (\$1,346) and NSW (\$1,706) averages. This reflects the generally more affordable housing market in Goulburn. Average weekly rent in the area was \$149, well below the Non-Metro NSW and NSW averages of \$170 and \$232 respectively.

Figure 3.7: Household Finances, 2006 Census

Source: ABS 2006 Census, AECgroup

- Motor vehicle ownership: Car ownership figures in Goulburn Mulwaree reflect similar higher use in Non Metro NSW. Only 10.3% of households do not own a motor vehicle. Almost half of all households (49.1%) own 2 or more motor vehicles, above the Non Metro NSW and NSW averages. The large proportion of residents with a motor vehicle illustrates that the car is still clearly the most prominent mode of travel.

Figure 3.8: Motor Vehicle Ownership, 2006 Census

Source: ABS 2006 Census, AECgroup

3.4 Investment Trends

Building approvals data provides an insight into new investment in Goulburn Mulwaree. There are two components to building investment:

- Residential building investment consists of investment in the construction of new dwellings, including flats, units and apartments, along with investment in the alterations and additions to existing dwellings; and

- Non-residential investment consists of investment in the construction of all non-residential development, which commonly includes retail, commercial, tourism, community, industrial, engineering and other non-residential infrastructure.

Residential building investment in the LGA totalled \$12.6 million in 2006-07, more than double the low of \$6.1 million in 2005-06 (see **Table 3.4**). This reflected an increase in the number of housing approvals from 29 in 2005-06 to 60 in 2006-07, back in line with historic trends between 2002-03 and 2004-05.

Table 3.2: Number and Value of New Residential Building Approvals, Goulburn Mulwaree

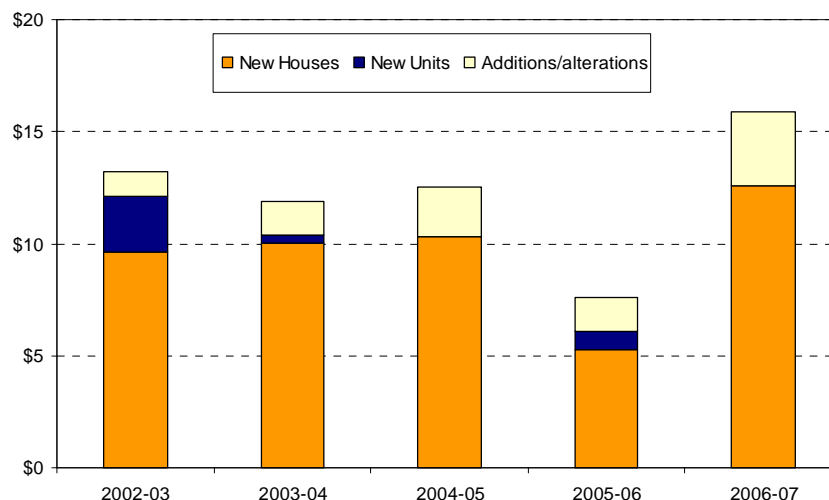
Year	No. of Dwellings			Value of Dwellings (\$'000)		
	Houses	Units	Total	Houses	Units	Total
2002-03	64	48	112	9,606	2,500	12,106
2003-04	70	4	74	10,057	320	10,377
2004-05	66	0	66	10,335	0	10,335
2005-06	29	10	39	5,263	818	6,081
2006-07	60	0	60	12,588	0	12,588

Source: ABS 8731.0

In addition to new residential dwelling investment, there has been increasing investment in alterations and additions to dwellings. This is believed to be the result of the increasing equity in people's homes in the region following the recent property price boom and continued price growth. There was \$3.3 million in investment in alterations and additions to residential property in 2006-07, up from \$1.5 million in 2005-06.

Overall, there was \$15.9 million of residential building investment in Goulburn Mulwaree in 2006-07 (see **Figure 3.8**).

Figure 3.9: Total Value of Residential Building Approvals, Goulburn Mulwaree (\$m)



Source: ABS 8731.0

There was a total of \$20.8 million in non-residential building approvals in Goulburn in 2006-07 (**Table 3.3**). This represented a \$a decline from \$29.7 million in 2004-05 and \$24.5 million in 2005-06. Alterations and additions accounted for \$3.8 million in 2006-07.

Table 3.3: Value of Non-Residential Building Approvals, Goulburn Mulwaree (\$'000)

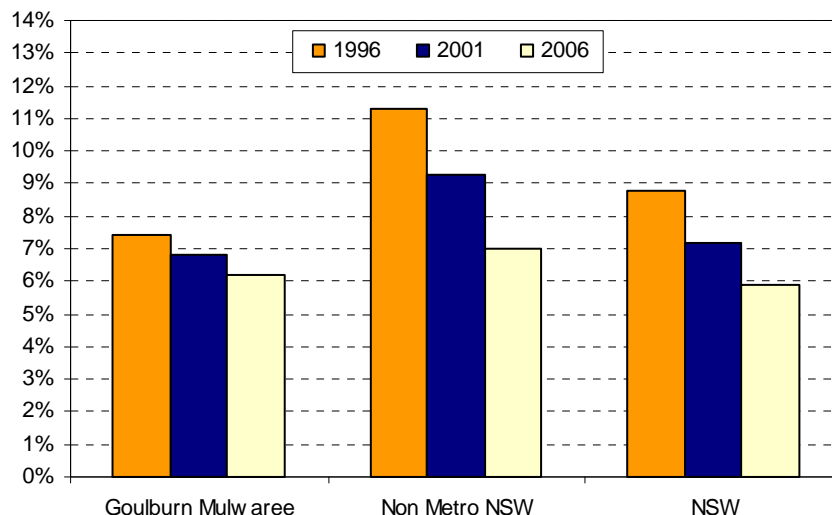
Year	New	Alterations & Additions	Total
2002-03	4,322	199	4,521
2003-04	260	912	1,172
2004-05	1,800	27,902	29,702
2005-06	21,370	3,087	24,457
2006-07	17,047	3,797	20,844

Source: ABS 8731.0

3.5 Employment Trends

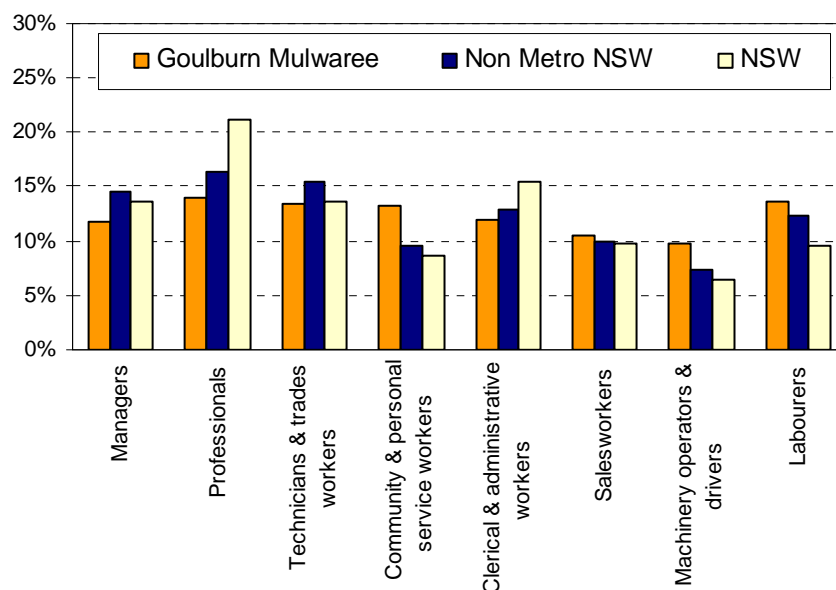
The following employment trends are identified for the Goulburn Mulwaree LGA from the 2006 Census:

- **Unemployment and participation rate:** The unemployment rate of residents in Goulburn Mulwaree was 6.2% in 2006, below the Non-Metro NSW average of 7.0% though higher than the NSW average of 5.9%. The unemployment rate in Goulburn Mulwaree has trended downwards from 7.4% in 1996 (see **Figure 4.8**). The participation rate of 56.5% in the region is lower than the NSW average of 58.9%. The higher unemployment in comparison to the NSW average rate reflects a lower level of educational attainment in the area.

Figure 3.10: Unemployment Rate, 2006 Census

Source: ABS 2006 Census, AECgroup

- **Qualifications:** A lower proportion of residents in Goulburn Mulwaree recorded a non-school qualification (41.0%) compared with Non-Metro NSW (42.2%) and NSW (47.2%). The area recorded a significantly lower percentage of persons with a bachelor degree or higher (9.6%). However, (23.9%) of residents have a certificate qualification, higher than the NSW average (19.5%).
- **Employment by occupation and industry:** Professionals, labourers and technicians & trade workers are the most common occupations of residents in Goulburn Mulwaree, respectively accounting for 14.0%, 13.6%, and 13.5% in 2006. When compared to the NSW average, there are a higher proportion of labourers and community & personal service workers living in Goulburn Mulwaree, while there are a significantly lower proportion of professionals (see **Figure 4.10**). Employment by industry: The retail trade sector accounted for the largest share of employment in Goulburn Mulwaree (13.3%) in 2006, followed by health care & social assistance (13.0%) and public administration and safety (11.1%).

Figure 3.11: Employment by Occupation, 2006 Census

Source: ABS 2006 Census, AECgroup

The analysis of employment trends show the area has a lower participation rate than the state average due mainly to a higher proportion of residents being in the over 65 age profile. A lower proportion of residents have a non-school qualification however a larger proportion have a certificate qualification reflecting the higher level of residents employed as labourers, machinery operators and drivers.

3.6 Projected Future Growth

Goulburn Mulwaree's economic growth potential has been assessed and planned through the development of the *Goulburn Mulwaree Economic Development Plan*. Goulburn has been identified as a strategic location in the logistics, warehousing and transport sectors due to its position between Canberra and Sydney. Planning is underway for the development of the Southern Distribution Business Park, a transport hub located 4km outside of Goulburn. The development of the business park is expected to create over 3,000 jobs during operation.

Several demographic and migration trends are also expected to result in future population growth. Trends benefiting Goulburn are identified as the tree change movement, weekenders for city residents, rural residential subdivision preferences and attractiveness as a place to raise a family given social infrastructure.

There are three sets of population projections prepared for Council:

- (1) The *Draft Goulburn Mulwaree LEP* has been planned to accommodate a population growth rate of 1.0% per annum. This growth is expected to be driven largely by the 150 hectares of available employment land that should support employment and population growth. Presently there are more than 800 residential lots approved for development, largely in the rural areas of the LGA.
- (2) The *Goulburn Mulwaree Economic Development Plan* reports that the population of the LGA is expected to increase by 2,000-3,000 persons in the next decade, increasing the population to 30,000 persons. These figures were based on growth projections developed by SGS Economics (2003) with the majority of this growth projected for the rural area of the LGA.
- (3) The *Draft Sydney-Canberra Corridor Strategy* anticipates population growth of 3,400 persons from an additional 2,200 dwellings over the next 25 years. This population growth is expected to be accommodated across existing and proposed new urban releases, including Kenmore, Mary's Mount and Marulan.

Accordingly, the AECgroup has developed three scenarios for future population growth (see **Table 3.5**):

- **Low Scenario:** The low scenario is based upon the *Draft Sydney-Canberra Corridor Strategy* that projects **3,400 new residents by 2031**. This has been used as the low scenario as it is slightly below Goulburn Mulwaree's 10-year average growth rate.
- **Medium Scenario:** The medium scenario is based upon the 'most probable' series developed by SGS Economics in 2003. The scenario assumes an average growth rate of 0.9% over the next 25 years, resulting in almost **6,500 new residents by 2031**.
- **High Scenario:** The high scenario is based upon the 'growth' series developed by SGS Economics in 2003. The scenario assumes an average growth rate of 1.0% over the next 25 years which would result in almost **7,500 new residents by 2031**.

Table 3.5: Projected Population Trends

Scenario	Projected Population						Change (2006-31)	
	2006	2011	2016	2021	2026	2031	Persons	Avg. % Change
Low	27,277	27,925	28,589	29,269	29,965	30,677	3,400	0.5%
Medium	27,277	28,462	29,699	30,990	32,336	33,741	6,464	0.9%
High	27,277	28,630	30,051	31,542	33,107	34,750	7,473	1.0%

Source: NSW Department of Planning, SGS Economics, AECgroup

4. Goulburn CBD Overview

4.1 Role & Function

The Goulburn CBD is the administrative and commercial centre of the Goulburn Mulwaree LGA. The regional role played by the Goulburn CBD and its strategic location between Sydney and Canberra relative to other commercial centres and transport corridors means its trade area for commercial services extends into the Upper Lachlan LGA.

Goulburn has been identified as a Major Regional Centre under the *Draft Sydney-Canberra Corridor Strategy*, developed by the NSW Department of Planning. Goulburn is seen as having an important role in providing regionally based services, retailing, education, recreation and employment to the Northern sub-region.

While the role of the CBD is a regional one, it is a “lower order” role compared with the nearby metropolitan centres of Canberra and Sydney. This results in lost trade to these destinations given their superior retail, commercial (particularly in discretionary spending categories such as household goods and clothing) and recreational facilities and services.

The Goulburn CBD records a mix of convenience retail, local commercial, regional government, local education and tourism facilities and services.

The following describes in more detail the role of the Goulburn CBD:

- **Retail:** Provides predominantly lower and higher order retail shopping services to the city of Goulburn, the remaining parts of the Goulburn Mulwaree LGA and adjacent parts of the Upper Lachlan LGA. The CBD trades primarily on convenience and a range of hospitality businesses. The retail sector is anchored by the Centro Shopping Centre and the Marketplace Centre which have national supermarket and discount department store (DDS) anchors including Coles, Woolworths and Kmart. Strip retail along Auburn Street complements the shopping centres with national bulky goods retailers such as Harvey Norman, Supa Cheap Auto and Retravisio.
- **Office and administrative:** Provides office space for local administrative, commercial, professional and community services businesses, mainly in small office floorplates on ground and first level premises. Representation from Council and State Government departments, servicing the regional catchment, also act as a key anchor for the CBD.
- **Residential:** There is limited residential development in the core of the Goulburn CBD with only shop top housing permitted in the commercial core. Residential flat buildings, multi dwelling housing and seniors housing permitted in the surrounding mixed business zone and are concentrated in the north-west sector of the CBD.
- **Health and education:** The CBD includes local primary schooling services, with the Goulburn Public School located at the southern end of the CBD. There is a range of health services in the CBD including the St John of God Hospital, with the Goulburn Base Hospital located just outside the CBD on the western side.
- **Heritage architecture:** There is a strong heritage theme through the CBD with historically significant architecture. Goulburn is an old town dating back to the early 19th Century with several buildings dating back to the 1880s still standing in the CBD. These buildings form part of the character of the CBD and are key tourist attractions.
- **Cultural and recreation:** The CBD contains a range of cultural facilities including places of worship including major Cathedrals and open space and parks.
- **Entertainment:** The CBD is home to key entertainment nodes such as the Lilac City Cinema and Workers Union Club and tourist nodes such as the Paragon Café.
- **Transport:** The Goulbourn train station is located at the south-east corner or the CBD and is a significant asset in terms of the heritage of Goulburn.

4.2 Geography & Precincts

The Goulburn CBD is located at the heart of the city of Goulburn. A CBD boundary has been defined as part of the CBD planning process (see **Figure 4.1**). The CBD is bordered by the railway line to the east, Glebe Avenue and Manchester Lane to the south, Cowper Street to the west and Grafton Street, Cole Street and Citizen Street to the north.

The Goulburn CBD can be divided into three key precincts:

- The Town Centre Core including major retail and commercial businesses along Auburn Street from Verner Street to the south and Goldsmith Street to the north;
- The Town Centre Secondary Core including significant street retail and commercial businesses though with a lower level of pedestrian traffic located along Auburn Street between Goldsmith Street and Bradley Street and to the south between Verner Street and Clinton Street; and
- Town Centre Fringe including some lower level retail and commercial businesses and residential across the remainder of the CBD.

Figure 4.1: Map of the Goulburn CBD

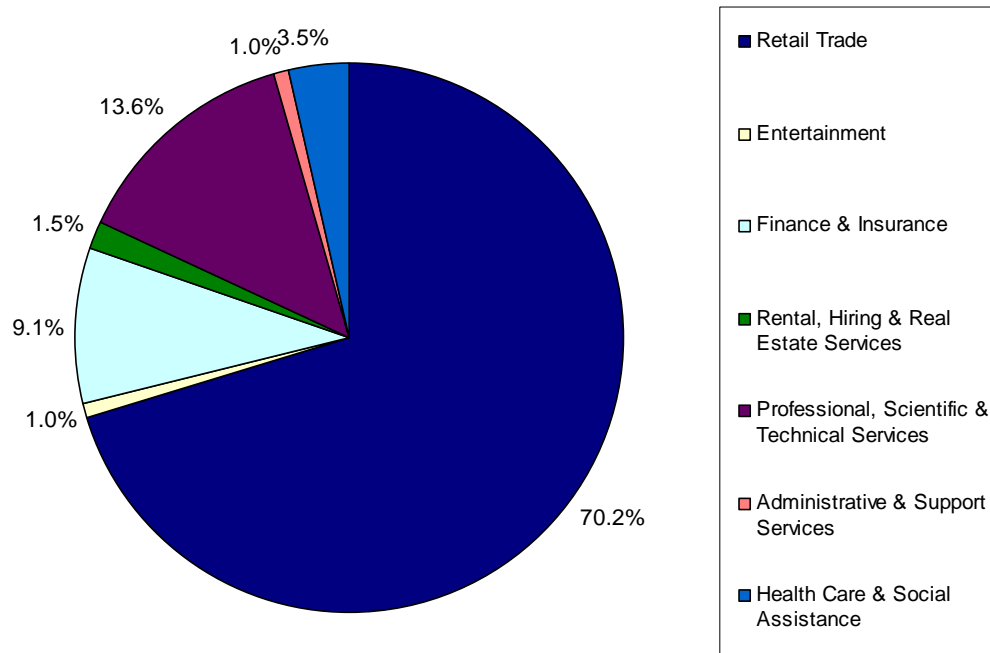


Source: Goulburn Mulwaree Council

4.3 Business Profile & Characteristics

There are approximately 250 businesses operating within the Goulburn CBD. Of these, approximately three quarters of all businesses are described as retail including food and beverage operators and cafes and restaurants (see **Figure 4.2**). Businesses providing professional, scientific and technical services are the most common category in the office sector accounting for an estimated 14% of total businesses.

Figure 4.2: Business Tenancy Mix in the Goulburn CBD



Source: AECgroup

The performance of the Goulburn CBD and its future retail and commercial development potential is largely affected by activity catalysts/anchors/attractors which inspire flow-on activity and complementary trade. It is important to understand the primary motivators for why people visit the CBD, so as to identify key anchors and activity catalysts.

The key established and emerging catalysts in the CBD are identified as:

- Retail / hospitality:
 - Centro Shopping Centre (Coles, Kmart)
 - Marketplace Centre (Woolworths)
 - Auburn Street retail and hospitality
 - Paragon Cafe
- Professional services:
 - Banking services
 - Real estate services
- Entertainment:
 - Goulburn Workers Club
 - Lilac City Cinema
 - Lieder Theatre
- Government services:
 - State Government agencies
 - Council offices
 - Post office
- Community services:

- Local and district community health centres
- Transport:
 - Goulburn rail station
- Cultural / civic:
 - Religious buildings (St Peter & Paul's Cathedral, St Saviours Cathedral)
 - Court House

4.4 Property Market Trends

The Goulburn CBD has been recovering for the past 15 years following the construction of the Hume Highway bypass around Goulburn. The centre had traditionally recorded a high level of through traffic and day trippers prior to the bypass.

Vacancy levels across commercial tenancies have been low in the past 5 years, although they are now at their highest level in the past three years. Overall, the CBD property market is described as "moderately healthy" with positive signs for investment. There are however generally low reinvestment levels in commercial properties.

Rents vary across the CBD based on trading position, location, pedestrian traffic, building / floorspace quality, ground floor versus above-ground and land values and yields. Rents for street ground floor commercial ranges from \$150-\$350/sqm and \$100-\$200/sqm for above-ground commercial. There is low take-up of above-ground premises due to low quality and no lift access. Rents within shopping centres are as high as \$1,000/sqm.

There has been a changing dynamic in the property market in recent times, with an increasing preference for street frontage at the expense of shopping centre locations. There has been increasing small-scale office development on streets such as Bourke Street with demand from owner-occupiers. There has also been some commercial infiltration occurring in nearby residential areas for home-based office.

4.5 Trading Strengths & Weaknesses

The trading position and performance of the Goulburn CBD reflects a number of trading strengths and weaknesses. Consultation with key stakeholders and independent inspection highlights the following strengths and weaknesses of the CBD.

Strengths	Weaknesses
<ul style="list-style-type: none"> • Low vacancy • Vibrancy • Major retail anchors • Heritage sites/tourism attractions • On-street parking 	<ul style="list-style-type: none"> • Service gaps • Lacks connectivity • Low reinvestment

4.6 Competitive Centres & Influence

Goulburn has been identified as a Major Regional Centre under the *Draft Sydney-Canberra Strategy*. Goulburn is seen as having an important role in providing regionally based services, retailing, education, recreation and employment to the region.

There are several competing centres to the Goulburn CBD on a local and regional level, as described in **Table 4.1**. The retail, office and tourism market assessments in the next chapters provide more detailed analysis of the nature of competition to the CBD.

The centres generating the most competition to Goulburn in the retail sector include Canberra, Queanbeyan and Bowral as well as the surrounding townships of Marulan, Crookwell and Gunning to a lesser extent. Major regional centres including Sydney and Canberra represent the major competing locations in the office market.

Table 4.1: Description of Competing Centres to the Goulburn CBD

Centre	Role	Tenancy Mix
Sydney 195km north east	Regional City	<ul style="list-style-type: none"> Major commercial centre in NSW Numerous large shopping centres with higher order retail businesses Major commercial and professional services Key State and Federal Government services
Canberra 95km south west	Regional City	<ul style="list-style-type: none"> Major commercial centre for Southern Tablelands Major shopping centres (Canberra Centre and Westfield Belconnen) Key State and Federal Government services
Queanbeyan 100km south west	Regional Centre	<ul style="list-style-type: none"> Growing commercial centre in the Southern Tablelands Regional shopping centre (Riverside Plaza) State and Federal Government services Significant supply of new employment land
Bowral 75km north east	Regional Centre	<ul style="list-style-type: none"> Regional centre for the northern are of the Southern Tablelands Anchors include 2 shopping centres and supermarkets
Marulan 30km west	Town	<ul style="list-style-type: none"> Small range of convenience retail, hospitality and tourism businesses
Gunning 45km east	Town	<ul style="list-style-type: none"> Small range of convenience retail, hospitality and tourism businesses
Crookwell 40km north	Town	<ul style="list-style-type: none"> Small range of convenience retail, hospitality and tourism businesses

Source: Sydney Canberra Corridor Strategy (2007), Property Council of Australia, AECgroup

4.7 Development Trends & Investment

Development in the commercial property market has been dominated by the \$30 million redevelopment of the Centro Goulburn undertaken in 2005-06. The redevelopment included an upgrade of existing floorspace and an expansion including a new food court, additional floorspace for specialties and a new two level car park.

Development activity in the retail sector throughout the remainder of the CBD has been limited with little refurbishment of existing premises. Development activity in the commercial office market has also been limited in recent years. Development of office space along the major streets has comprised only limited refurbishments.

Recent development activity in the CBD of purpose built office space includes:

- Construction of a single floor office building on Bourke Street comprising floorspace for 4-5 tenancies; and
- A recently approved development of another single floor office building on Goldsmith Street comprising floorspace and 4-5 tenancies.

5. Retail Market Assessment

5.1 Trade Area Definition

The trade area and customer markets served by the Goulburn CBD reflect its role as a higher order retail, commercial, administrative centre for the Goulburn Mulwaree LGA and surrounding region, including the Upper Lachlan LGA.

The CBD's customer markets for retail and commercial services include:

- Residents in the Main Trade Area (MTA);
- Visitors to the CBD from outside the MTA; and
- Employees in the CBD.

The extent of the MTA or catchment for any retail and commercial centre is shaped by a number of crucial factors, including (but not limited to):

- The relative attraction of the Centre compared with competing retail facilities. The factors that determine the strength and attraction of any particular centre are the scale and composition of the centre, quality of major traders, the presentation and layout of the centre, and car parking including access and ease of use;
- The proximity and relative attractiveness of competing retail centres serve to restrict a shopping centre's ability to extend its trade area. Therefore, the location, composition, quality and scale of competitive retail facilities all serve to define the extent of the trade area which the Centre is effectively able to service; and
- Available road, public transport, recreational and pedestrian networks are also important factors contributing to a centre's relative appeal given they impact on the ease of access.

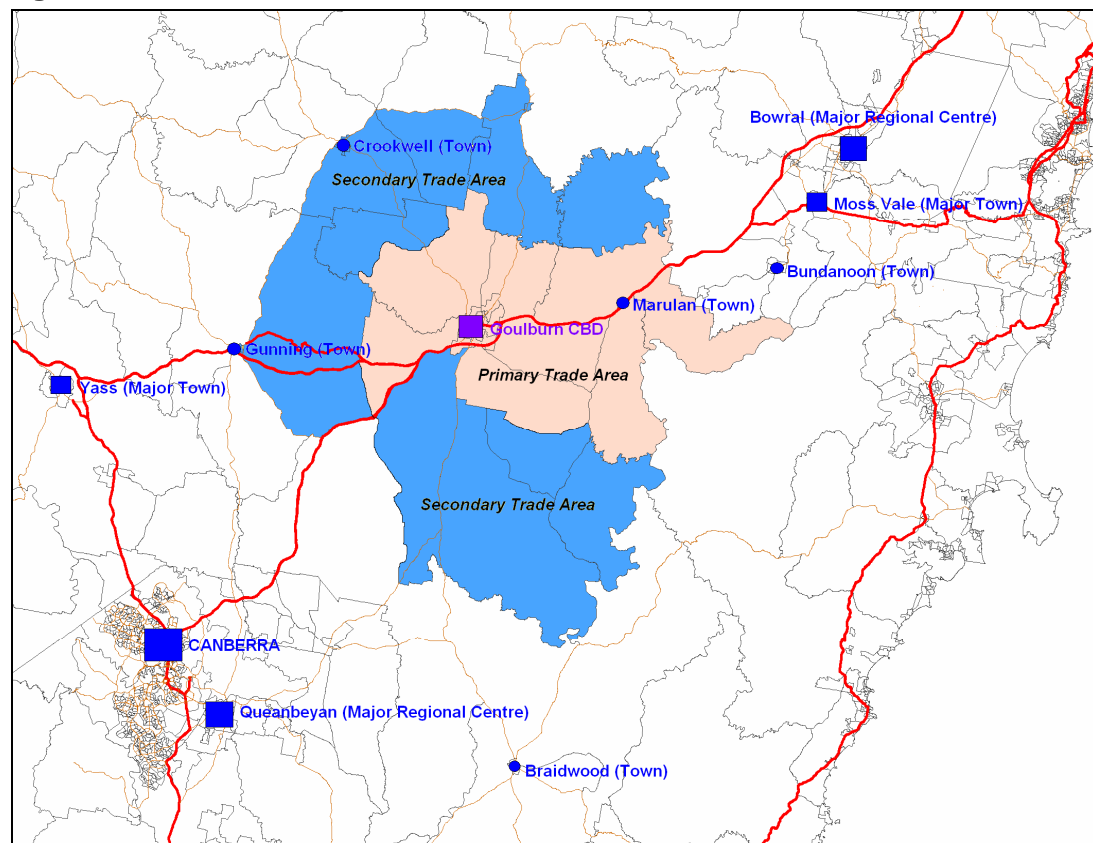
The MTA is generally defined as the geographical area accounting for 70%-80% of a centre's sales/trade. Centres record the remainder of their trade from tertiary catchments and visitors, generally referred to as "rogue" sales/trade.

The above factors have been considered in conjunction with the role and competitive advantages of the centre, including its attractors and activity catalysts, along with convenience/access and administrative role to the Goulburn Mulwaree LGA and surrounding region, to define a Main Trade Area (MTA) for the Goulburn CBD.

The MTA includes a Primary Trade Area (PTA) and a Secondary Trade Area (STA). The MTA is described geographically in **Figure 5.1** and was developed by amalgamating several 2006 ABS Census collection districts.

- PTA: Comprises the city of Goulburn and the surrounding area of the LGA including the townships of Marulan, Bungonia and Tallong.
- STA: Comprises the remaining area of the Goulburn Mulwaree LGA to the south of the city not included in the PTA plus part of the adjacent Upper Lachlan LGA comprising the townships of Gunning, Crookwell and Taralga.

It should be noted the definition of this trade area does not suggest all households in this area frequent the Goulburn CBD for goods and services. Other centres, in some cases, are more accessible, including Yass for areas in the west of the secondary trade area. The definition instead defines the geographic area where at least 70% of sales are generated.

Figure 5.1: Main Trade Area for the Goulburn CBD

Source: AECgroup

5.2 Supply Assessment

The retail sector represents a major component of the Goulburn CBD. There is approximately 40,000sqm of retail floorspace in the Goulburn CBD in December 2007, including 18,900sqm of floorspace in the two shopping centres (see **Table 5.1**) of Centro Goulburn and Goulburn Marketplace. Centro Goulburn recently completed a \$30 million refurbishment in 2006 and provides the largest area of retail floorspace (13,094sqm) and greatest tenancy mix (anchored by Coles and Kmart). The shopping centre includes 46 tenants located in the single level enclosed mall including a food court. Goulburn Marketplace opened in 1993 and comprises approximately 5,783sqm of retail floorspace, anchored by Coles and Aldi supermarkets with 16 specialist retailers.

Table 5.1: Description of Shopping Centres in the Goulburn CBD

Centre	Location	GLFA (sqm)	Tenancy Mix/Tenants
Centro	Auburn Street	13,094	<ul style="list-style-type: none"> Supermarket/convenience retail/specialties Kmart, Coles
Marketplace	Verner Street	5,783	<ul style="list-style-type: none"> Supermarkets/convenience retail Woolworths, Aldi

Source: Property Council of Australia Shopping Centre Database, AECgroup

The following descriptions are provided regarding supply across each retail category:

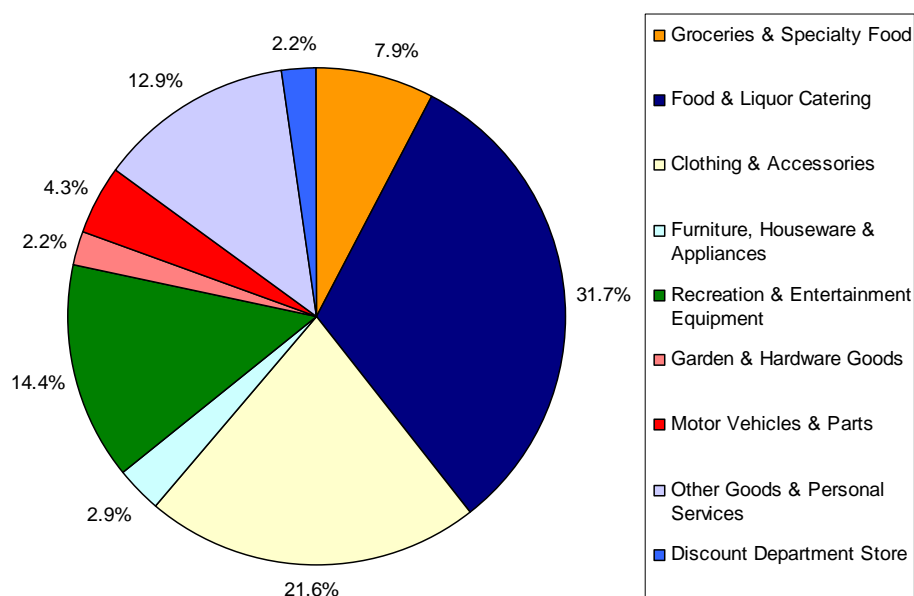
- **Groceries & specialty food:** There are three main supermarkets located in the Goulburn CBD (Coles, Woolworths and Aldi), along with a number of smaller, in some cases specialised, grocery/convenience stores.
- **Food & liquor catering:** The Goulburn CBD records a significant number of food and beverage operators catering to both the residential and tourist markets. The category is dominated by takeaway operations with several sit down cafes and restaurants also

located within the CBD. There are clusters of operators located along Auburn Street, Market Street and Russel Street. A food court is also located within the Goulburn Centro which includes several hospitality franchises.

- **Clothing & accessories:** Centro Goulburn provides the main concentration of clothing & accessories retail in the CBD with numerous stores including some national chains. Clothing stores are also located along Auburn Street, with several jewellers located in the CBD. Overall, there is a limited range of specialty stores.
- **Bulky goods & homemaker retail:** There are currently only a small number of furniture and appliance retailers within the CBD including Harvey Norman and Retravisio. These businesses generally operate from tenancies much smaller than their traditional service delivery models.
- **Other goods & personal services:** There is a range of chemists, hair dressers, cosmetic stores and dry cleaners located within the CBD, providing personal services to residents and tourists.
- **Discount department stores (DDS):** The major DDS is Kmart located in the Centro Goulburn shopping centre. There is a proposal to construct a Target Country at the northern end of Auburn Street.

There are approximately 140 retail businesses located in the Goulburn CBD, with Food & liquor catering the most common (32%), followed by Clothing & accessories (22%) (see **Figure 5.2**).

Figure 5.2: Retail Tenancy Mix, Goulburn CBD



Source: AECgroup

5.3 Competing Centres

Competing commercial centres to the Goulburn CBD are identified in **Table 5.2**.

Presently, the Goulburn CBD represents the sole retail centre in Goulburn Mulwaree. Any future retail development outside of Goulburn in the same retailing categories supplied by the CBD would represent direct competition. A homemaker centre development is proposed for the south of Goulburn which will compete with the CBD for bulky goods retail. The establishment of a neighbourhood shopping centre elsewhere in the LGA would also represent direct competition in the traditional grocery shopping category.

Within the main trade area there are several smaller towns including Crookwell, Gunning and Marulan that have a small town centre providing a small range of services to the local area. These centres have a limited mix of grocery and convenience retail and compete with Goulburn for everyday convenience shopping.

To the eastern side of the trade area, there is a low to moderate competitive influence from Bowral. The Bowral Shopping Centre has supermarkets with some convenience retail shops. The main competitive influence of Bowral involves residents of the trade area combining recreational and other trips with shopping.

The most extensive competitive influence/impact is considered to come from Canberra. Canberra is located about an hour's drive south west of Goulburn, making it the closest regional city. The main influence from this centre is its higher order retail including major department stores and national clothing retailers. Social day trips and multi-purpose shopping also provide a major attraction of travelling to Canberra with a significantly larger range of shopping experiences on offer. Canberra is also a popular destination for leisure trips from the Goulburn area often incorporating shopping. The Canberra Centre and Westfield Belconnen are the two major shopping centres in Canberra, each with over 65,000 sqm of retail floor space. Fyshwick and the newly developed Brand Depot located adjacent to the Canberra International Airport are also regarded as being competitors to the Goulburn CBD.

Table 5.2: Description of Competing Shopping Centres

Centre	Location	GLFA (sqm)	Tenancy Mix/Tenants	Impact
Canberra Centre	Canberra	88,373	<ul style="list-style-type: none"> Higher order retail/specialties/department stores Myer, David Jones, Target, Big W, Dendy, Superbarn 	Moderate/High
Westfield Belconnen	Canberra	77,186	<ul style="list-style-type: none"> Higher order retail/specialties/department stores Myer, Kmart, Woolworths, Coles, Toys "R" Us, Dan Murphy's 	Moderate
Bowral Shopping Centre	Bowral	N/a	<ul style="list-style-type: none"> Supermarket/convenience retail Woolworths, Aldi 	Low/Moderate
Crookwell	Crookwell	N/a	<ul style="list-style-type: none"> Groceries/convenience retail IGA Supermarket 	Low

Source: Property Council of Australia Shopping Centre Database, AECgroup

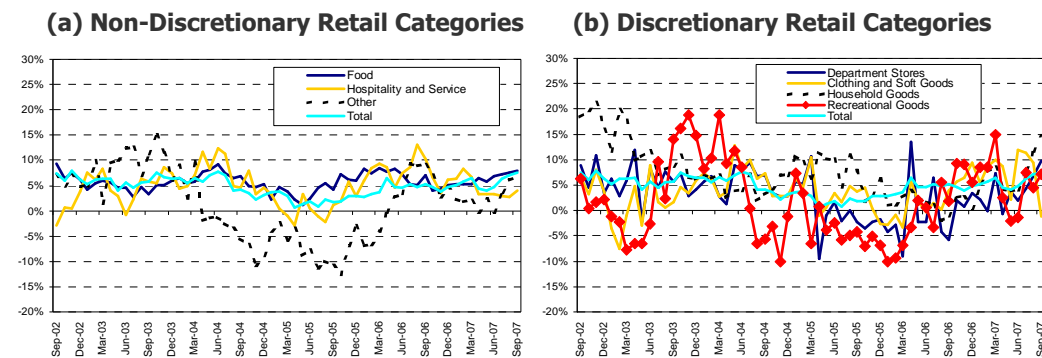
5.4 Industry Trends

5.4.1 Sales & Spending

The total NSW retail sector recorded \$74.2 million in retail sales (seasonally adjusted terms) in the year to September 2007, an increase of 5.4% from the previous year. The positive result has been linked to underlying population and wages growth and ongoing resilience in consumer confidence in the face of rising prices and interest rate. Household consumption remains a central driver to growth in the state and national economies. Looking forward, CBRE anticipates retail turnover will grow by 5.0% in NSW and Australia in 2008, before moderating to 2%-3% growth in 2009-2011.

The graph below presents the annual growth in monthly retail sales for the mostly non-discretionary retail categories compared with total retail sales. The analysis demonstrates the consistent annual growth of 4%-8% in total retail sales recorded over the past 5 years, with growth in food retail sales averaging a slightly higher rate of growth. Hospitality and service sales are shown to be more volatile, peaking above 10% in late 2006 before moderating to just below 5% in 2007.

Growth in non-discretionary retail categories is linked more closely to prevailing economic conditions and demonstrates more volatility and cyclical behaviour. After periods of 40%-50% growth in the early 2000s, annual growth in sales in the household goods categories has steadied in the 10%-15% range but has been trending higher in recent times. Clothing and recreational goods have experienced large swings in growth.

Figure 5.3: Annual Growth in Seasonally Adjusted NSW Retail Sales

Source: ABS 8501.1 Retail Trade, AECgroup

5.4.2 Business & Retailing

From a consumer perspective, changing lifestyles and expectations are shaping the way people shop. Customers are now more diverse, better educated and more demanding. Retailers with a strong and clear market position and a relentless focus on the changing needs of their customers will continue to grow at the expense of weaker competitors. Changing work patterns and gender roles are increasing the importance of convenience, which is reflected by the AECgroup's recent household shopper surveys across the eastern seaboard. Consumers are also shopping more frequently for basic items and want them at convenient locations and low prices. Rising incomes have expanded the number of items considered to be basic.

Recent indicators suggest the top 20 retailers in Australia account for around 55% of total sales. The difference between the two top retailers (Wesfarmers and Woolworths) reflects the general polarisation into high-volume retailers – such as Woolworths which now sells everyday items across a number of retail categories – and retail specialists focusing on one retail category or one product segment within a retail category. Fewer retailers are trying to do both. The increasing market share of supermarkets reflects an increase in one-stop shopping, particularly by families for food and everyday items, and an increase in the development and strategic location of neighbourhood shopping centres aiming to service the everyday shopping needs of a local catchment.

There is an increased prevalence of warehouse-style “category killers” stores including franchised retail outlets attracting customer loyalty. Retailers are placing increasing importance on developing an ongoing relationship with their customers to increase repeat sales. This is leading to an increased emphasis on direct marketing via the telephone or other media. Many of the trends that are affecting the retail trade system are improving the competitive position of larger retail chains. These businesses are better able to afford the high level of investment required to build warehouse-style outlets or implement IT systems. In this market, Direct Factory Outlets (DFOs) and retail wholesaling are becoming more prominent (i.e. Brand Smart). These outlets operate out of warehouse style premises with basic fitouts and sell clothing predominantly at wholesale prices.

There has also been increasing out-of-centre development of homemaker and bulky goods retail centres. The growth of the bulky goods centre and freestanding superstore reflects a shift in retailing patterns in the sector away from older style, freestanding provision towards the new provision, which offers consumers more choice and greater convenience.

5.4.3 Property & Investment

Investment yields in the retail property sector throughout Australia have been compressing for the best part of 5 years. For prime and secondary retail property in Sydney, yields have compressed from 7.50% to 6.00% and from 8.50% to 6.80%, respectively, over the past 5 years. The tightening yields reflect strong investor demand and low vacancy rates throughout the country. The Goulburn CBD has started to record some of this increasing investor interest.

5.4.4 Consumer & Shopping

The following provides a brief overview of consumer trends in relation to retail shopping:

- Major centres are becoming more anchorless with fewer people attracted solely by the appeal of a major trader. Instead, consumers are now more destination-orientated, travelling to a wide variety of centres depending on their retail needs. Further, fewer consumers now comparison shop, with the purchasing decision instead based on available marketing data, prior research and experience.
- More frequent shopping is now the norm with the average household conducting an average of five shopping trips per week. Shopping trips are increasingly single-purpose and destination and impulse shopping now better describe most shopping behaviour. Food as a special purpose trip is now the norm for 70% of households. Although we now have big and smaller centres, people tend to shop in different parts of the larger centres for different things on separate trips.
- Access, price and convenience are replacing range as the main determinants in shopping decisions. Convenience shopping is now more accurately described as “impulse” shopping with time now more of a consideration than distance for consumers conducting “chore” shopping trips.
- Streets and open retail environments with good sight lines are again emerging for the largest spending groups. Retail showrooms, homemaker centres and DFOs are becoming an increasingly significant destination for retail spending. These outlets are typically in low cost buildings in low cost areas often on major arterials in high profile locations and offering easy accessibility.
- Newer planned regional shopping centres have impacted significantly on the welfare of the traditional strip type centres both in metropolitan and regional centres. However, the developers of planned neighbourhood and district centres are now beginning to replicate the strip centre precinct in response to growing consumer demands for interesting retail experiences that offer a point of difference.

5.4.5 Planning & Centres

Centres planning is the common method for the planning for regional retail and commercial markets. Concentrating a greater range of activities near to one another means that it is easier for people to go about their daily activities.

Centres policy, in its various forms, has been a feature of urban planning strategies for decades. The benefits of concentrating activities in centres include:

- Improved access to retail, office, health, education, leisure, entertainment and cultural facilities and community and personal services;
- Encouraging collaboration, healthy competition and innovation amongst businesses from clustering;
- Making better use of existing infrastructure; and
- Promoting sustainable transport and healthier communities by giving more people the option of taking public transport, walking and cycling and enabling people to carry out a number of activities in one location.

Retailing in Australia has changed significantly since the advent of the first enclosed shopping centre in the 1950's. Providing an environment that allows for the evolving and dynamic nature of the retail industry is essential in creating a vibrant CBD. A new trend in planning has been the theming of precincts within a CBD, which offers opportunities for exploring agglomeration economies, creating a range of destination nodes within the CBD. Potential precincts could include eatery, entertainment, specialist boutique, leisure, weekly shopping, homemaker or comparison shopping precincts. Such theming of precincts is evident in a number of large regional shopping centres and is emerging in

strip retail precincts. Entertainment and leisure has also been complementary to the retail industry for some time. The incorporation of cinemas, food courts and more recently games parlours, has been in response to the demand by shoppers for experiences and to be entertained on their shopping trip, in other words to keep shoppers in the centres longer and spending more. Retailing within the Goulburn CBD must present opportunities to be seen and to see, to experience and to be entertained; the CBD must be more than simply a place to shop.

5.4.6 Design

Retail planning generally responds to a number of key factors, including demographics, tenant mix, size, requirements of the shopper, physical concepts, construction and leasing. Recent research indicates competition will always be the driver of inventive design outcomes for retail. Many of the identified retail trends in this study are influencing the range and type of design elements that need to be considered.

Planning: <ul style="list-style-type: none"> • Convenience and security • Customer orientation • Lines of visibility • Anchor tenants • Dynamics • Promenade • Location of amenities • Meeting place • Flexibility of environment 	Specialist Retail Environment: <ul style="list-style-type: none"> • External appearance • Internal and external style • Point of difference in market • Clarity of presentation • Lines of visibility • Lighting and colour • Dynamics and excitement of space • Flexibility of environment
Tenancy Mix: <ul style="list-style-type: none"> • Focus retailing • Community use and community focus • Retail mix • A meeting place 	Entertainment: <ul style="list-style-type: none"> • Leisure and meeting place • Internal and external style • Passive and active entertainment • Promenade
People Spaces: <ul style="list-style-type: none"> • Convenience and security • Customer orientation • Lines of visibility • Anchor tenants • Comfort and dynamics • Promenade • Location of amenities • Meeting place • Flexibility of environment 	Visual and Impact: <ul style="list-style-type: none"> • Care of the environment • Environment graphics • Lines of visibility • Internal and external style
Connectivity to Fabric of Community: <ul style="list-style-type: none"> • Street patterns • Pedestrian connection. 	

5.5 Demand Assessment

5.5.1 Retail Expenditure

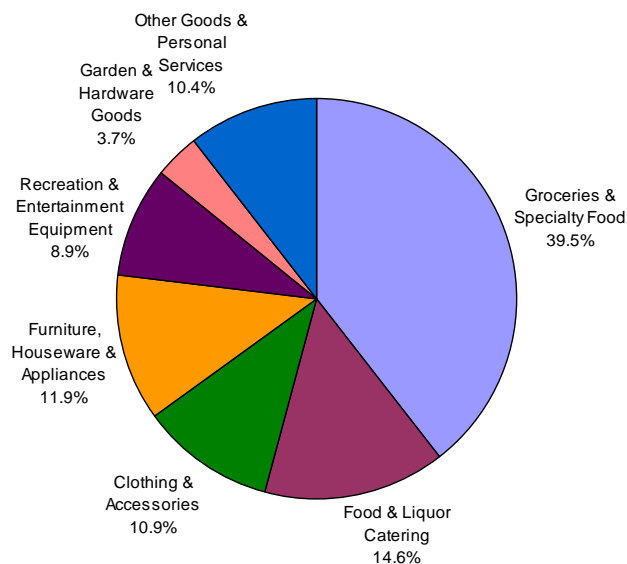
Average weekly household retail expenditure in the MTA was estimated at \$381 in 2006, 0.5% above the Non Metropolitan NSW average of \$379 (see **Table 5.3**). The slightly higher expenditure figure reflects a higher average disposable income (when accounting for relative housing and living costs). Household retail expenditure capacity was significantly higher in the STA versus the PTA, with the STA average 10.6% above the Non Metropolitan NSW average. Overall, when multiplying the estimated average household retail expenditure by the number of households, total annual household retail expenditure in the MTA was estimated at \$209.0 million in 2006, of which \$181.1 million (or 87%) is generated from the PTA. The STA's significantly smaller population resulted in a lower amount of \$29.8 million (or 13%).

Table 5.3: Household Retail Expenditure, 2006

Region	Per Household			All Households
	Weekly (\$)	Annual (\$)	% Difference to Non Metro NSW	Annual (\$m)
PTA	\$379	\$19,712	0.1%	\$181.1
STA	\$419	\$21,782	10.6%	\$29.8
MTA	\$381	\$19,799	0.5%	\$209.0
Sydney Metro NSW	\$379	\$19,693		

Source: ABS 2003-04 Household Expenditure Survey, ABS 8501.0 Retail Trade, ABS 2006 Census, AECgroup Retail Model

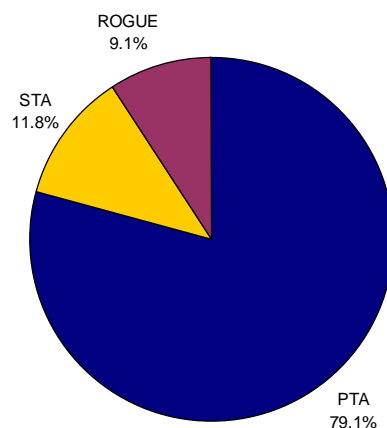
Households in the MTA expend 39% of their retail shopping budget on Groceries & specialty food, with Food & liquor catering (15%) and Furniture, houseware & appliances (12%) the next largest categories of expenditure (see **Figure 5.4**). Compared with Non Metropolitan NSW averages, households in the MTA expend a very similar proportion of their retail shopping basket across each retail category.

Figure 5.4: Breakdown of Household Retail Expenditure, Goulburn CBD MTA, 2006

Source: ABS 2003-04 Household Expenditure Survey, ABS 8501.0 Retail Trade, ABS 2006 Census, AECgroup Retail Model

5.5.2 Shopping Patterns and Market Share

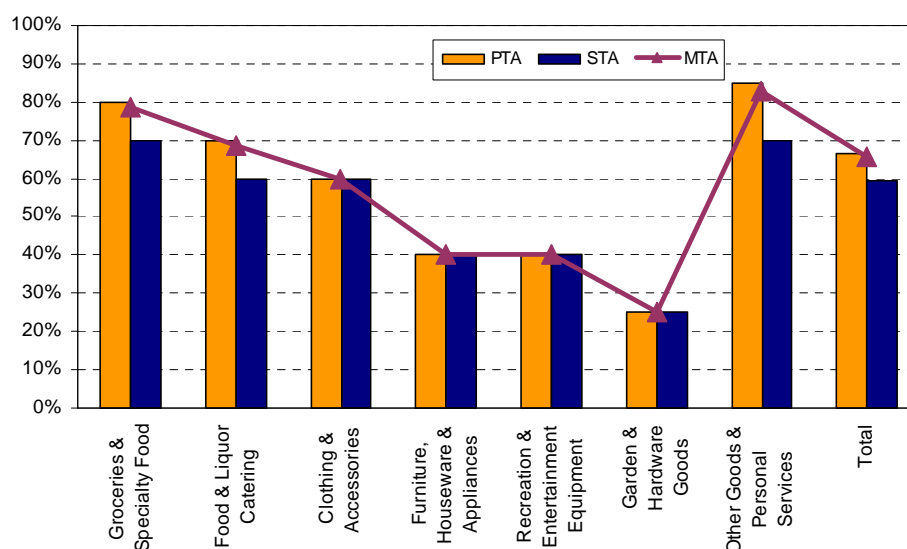
As discussed earlier, the MTA is generally defined as the geographical area accounting for 70%-80% of a centre's sales/trade. Centres record the remainder of their trade from tertiary catchments and visitors, generally referred to as "rogue" sales/trade. Based on retail modelling of shopping patterns and market statistics, the share of retail turnover (or sales) attributable to the PTA is estimated at 79%, with the STA accounting for 12% and rogue (or tourist) expenditure the remaining 9% (see **Figure 5.5**). The PTA's share of total retail turnover is estimated to be highest in the non-discretionary categories of Groceries & specialty food, Food & liquor catering and Other goods & personal services.

Figure 5.5: Estimated Breakdown of Goulburn CBD Retail Turnover, 2006

Source: AECgroup Retail Model

Market share estimates reflect the existing supply and trading strengths of the CBD, relative to shopping services located in nearby towns and the major commercial centres of Canberra and Bowral (see **Figure 5.6**). Overall, the CBD's market share is estimated as highest in the PTA at 67% compared with the STA of 59%. Market share in the PTA is highest in the categories where supply is strongest in the CBD such as Groceries & specialty food, Food & liquor catering & Clothing & accessories. The major difference between the CBD's market share of the PTA and STA is in the convenience categories of Groceries & specialty food and Other goods. The STA market share is lower in these categories as people are often more likely to shop nearby to their homes.

The market share for the CBD of household spending in the PTA can also be interpreted in reverse i.e. what is not market share is escape expenditure, or spending leakage, to other retailing locations. This escape expenditure equates to 33% of spending capacity of the PTA, or \$60.6 million in 2006. The expenditure is largely in the comparison and non-discretionary retail categories where people are willing to travel for improved range and price. Major shopping centres in Canberra comprising major department and specialty stores offer a larger range of products which attract shoppers from the Goulburn region. Leakage of convenience retail expenditure is estimated to be below 20% due to limited competition in the local area outside the CBD.

Figure 5.6: Estimated Goulburn CBD Market Share of Household Retail Expenditure

Source: AECgroup Retail Model

5.6 Growth Potential

5.6.1 Growth Signals & Determinants

There is growth potential in the Goulburn CBD's retail sector evidenced by:

- Interest by national retailers to move to the CBD;
- Generally low retail vacancies;
- Strategic development sites in the CBD; and
- Anticipated population growth and consumer demand.

The retail growth potential of the CBD into the future depends on the CBD's ability to attract new investment, tenant demand and consumer spending, which in turn is related to a number of growth determinants and internal/external factors.

As outlined in the trade area analysis, the customer markets from which the CBD derives demand for its retail services are residents in the MTA, visitors to the CBD from outside the MTA and employees in the CBD. Therefore, increases to the spending by these groups will generate increased demand for retail in the CBD. This demand is impacted by:

- Population growth: The MTA is projected to record population growth of between 3,300 and 7,300 persons over the next 25 years, with the PTA projected to record growth of 3,000-6,200 persons. This population growth will generate additional demand for retail goods and services in the CBD.
- Market share: For residents in the MTA, this includes retaining a higher level of retail expenditure from PTA residents (i.e. reducing spending leakage and promoting self-sufficiency) as well as increasing the market share of retail expenditure from STA residents through improved range of stores and service provision.

5.6.2 Future Role & Sustainability

The role of the CBD will be consolidated as the major retail centre in the Goulburn Mulwaree region. Planning at both the local and regional level is to consolidate the CBD as one of the major commercial centres for the Southern Tablelands region.

Current planning for the CBD and the remainder of Goulburn is expected to result in a slightly different role for the CBD. Council has recently changed the zoning of motor vehicle dealership sites to the northern end of the CBD to encourage the relocation of larger and semi-industrial businesses out of the CBD to more appropriate locations. This will create opportunities for future retail development in the CBD to improve the range of retail businesses. An increase in convenience retail, new specialty stores and DDSs will enable the CBD to reduce escape expenditure to other centres.

There is presently a large amount of spending from residents in the Goulburn CBD trade area that "escapes" or "leaks" to competing centres such as Canberra and Sydney due to their superior retail range, social day trips from the region and location of employment. There is the potential to reduce this leakage through an improved range and standard of retail and commercial supply in the Goulburn CBD.

There is growing development to the north and south of the Goulburn CBD that could impact on the future role of the CBD. In particular, homemaker centre development is proposed for the south of Goulburn through the relocation of businesses with larger floor plates from the CBD and attraction of new national bulky goods retailers not yet represented in the region. Any overlap between the CBD's role and a new homemaker centre would jeopardize the CBD's future viability. This also extends to the establishment of any new neighbourhood shopping centres though Council has traditionally supported a strong and compact commercial sector in the CBD.

The future planning for the supply of retail needs to carefully consider both the viability of existing retail supply in the CBD and the sustainability of any additional retail supply in the future. An assessment of the retail trading levels of businesses in the CBD estimates

them to be quite strong. Within the upper range of the \$4,000-\$5,100/sqm benchmark trading levels, the existing market appears well placed to absorb additional development.

5.6.3 Projected Floorspace Demand

The assessment of the future development potential of a retail centre, such as the Goulburn CBD, requires sequential analyses of a number of factors, beginning with the retail expenditure potential from households in the trade area and visitors to the area, the current market share of this spending and what factors will influence this market share into the future, along with an assessment of trading levels.

The future floorspace requirement is then estimated through the ratio of projected additional retail turnover and the average trading levels. The projection assumes the market is currently in equilibrium with a sustainable level of retail floorspace to meet existing demand. Therefore, an increase in retail floorspace will only be required to meet future increases in retail turnover projected in the CBD.

Based on the combination of projected retail expenditure, assuming a conservative real increase of 0.5% per annum in expenditure, projected household growth (from the low and high population projection scenarios) and changes in the future CBD market shares, retail turnover recorded in the Goulburn CBD is projected to increase by between \$47.6 and \$72.0 million over the next 25 years to 2031 (see **Table 5.4**).

The future market share assumptions for the Goulburn CBD were assumed to be slightly lower for retail categories including Furniture, houseware & appliances and Recreation & entertainment equipment which are likely to move out of the CBD in the future but compensated by slightly higher Grocery & specialty food and Clothing market shares.

Based on the projected increase in retail turnover in the CBD, and average trading levels upon which new development is based to ensure their sustainability from a retailer perspective, there is projected demand for 9,200-14,400sqm of additional retail floorspace. This additional floorspace represents an increase of 23%-36% on the existing estimated floorspace of approximately 40,000sqm. To accommodate this quantum of future development, it is estimated a land area of between 0.9 ha and 1.4 ha would be required based on an average floorspace ratio (FSR) of 1.0, allowing for maximum building footprints and promoting ground floor retail.

The projections below suggest the following additional commercial mix (which will ultimately be achieved through a mix of expansion of existing + new businesses):

- 1-2 major supermarkets plus specialty food retailers;
- 10-15 cafes, restaurants and take-away food outlets;
- 1 DDS plus specialty clothing stores;
- 1 mini major plus specialised recreational goods stores; and
- 5-10 specialties and personal services businesses.

Table 5.4: Projected Additional Retail Floorspace Demand by Population Growth Scenario, Goulburn CBD (2031)

Retail Category	Turnover (\$m)		Floorspace Demand (sqm)	
	Low	High	Low	High
Groceries & Specialty Food	\$24.3	\$35.9	3,200	4,800
Food & Liquor Catering	\$8.1	\$11.8	1,600	2,400
Clothing & Accessories	\$6.7	\$9.1	2,200	3,000
Furniture, Houseware & Appliances	\$1.6	\$3.4	700	1,400
Recreation & Entertainment Equipment	\$1.2	\$2.6	500	1,000
Garden & Hardware Goods	\$0.2	\$0.5	100	300
Other Goods & Personal Services	\$5.5	\$8.7	900	1,500
Total	\$47.6	\$72.0	9,200	14,400

Note: All figures are in constant 2006 dollars

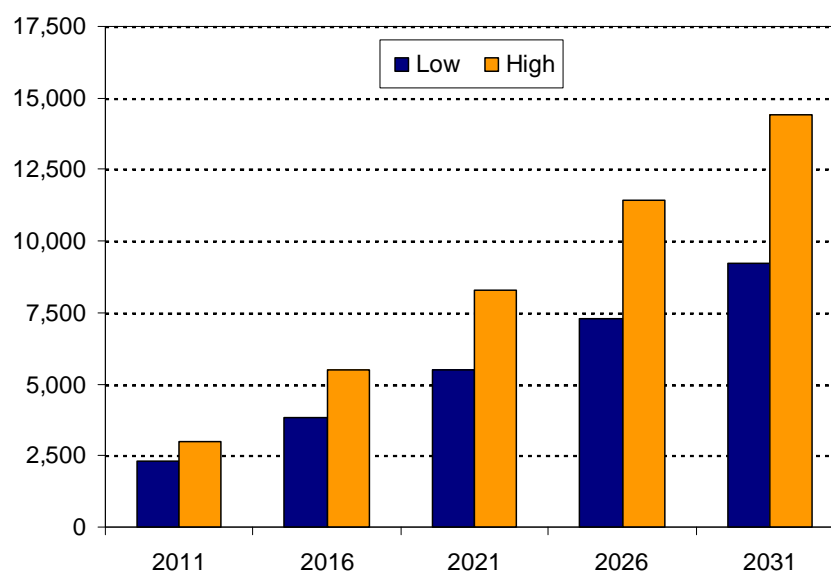
Source: ABS 2003-04 Household Expenditure Survey, ABS 8501.0 Retail Trade, ABS 2006 Census, AECgroup Retail Model

5.6.4 Staging & Sequencing of Development

Ensuring sustainable development means sequencing future retail development in accordance with market demand i.e. population growth and household spending. The future demand for retail floorspace based on projected population growth is outlined in **Figure 5.7** and **Table 5.5** for the low and high population growth scenarios.

If there is no growth in the market through population and spending growth then new retail development must increase market share and turnover in the CBD through improving the retail range. It is suggested new retail development proposals, particularly those over 1,000sqm in size, demonstrate the demand and need for the development through either population growth or market share increase so there are not be unsustainable impacts on existing retailers.

Figure 5.7: Projected Additional Retail Floorspace Demand by Population Growth Scenario, Goulburn CBD (sqm)



Source: AECgroup Retail Model

Table 5.5: Projected Additional Retail Floorspace Demand by Population Growth Scenario Over Time, Goulburn CBD (sqm)

Retail Category	2011	2016	2021	2026	2031
Low Population Scenario					
Groceries & Specialty Food	1,100	1,600	2,100	2,700	3,200
Food & Liquor Catering	600	800	1,100	1,300	1,600
Clothing & Accessories	1,100	1,400	1,600	1,900	2,200
Furniture, Houseware & Appliances	-300	-100	100	400	700
Recreation & Entertainment Equipment	-200	-100	100	300	500
Garden & Hardware Goods	-200	-100	0	0	100
Other Goods & Personal Services	200	300	500	700	900
Total	2,300	3,800	5,500	7,300	9,200
High Population Scenario					
Groceries & Specialty Food	1,300	2,100	3,000	3,900	4,800
Food & Liquor Catering	700	1,100	1,500	1,900	2,400
Clothing & Accessories	1,200	1,600	2,100	2,600	3,000
Furniture, Houseware & Appliances	-200	100	500	1,000	1,400
Recreation & Entertainment Equipment	-200	100	400	700	1,000
Garden & Hardware Goods	-100	0	0	200	300

Retail Category	2011	2016	2021	2026	2031
Other Goods & Personal Services	300	500	800	1,100	1,500
Total	3,000	5,500	8,300	11,400	14,400

Source: ABS 2003-04 Household Expenditure Survey, ABS 8501.0 Retail Trade, ABS 2006 Census, AECgroup Retail Model

5.7 Strategic Development Opportunities

There are strategic sites to accommodate forecast retail development requirements within the confines of the existing CBD boundary. The majority of development opportunities for larger scale, bulky goods style development is located toward the northern end of the CBD, north of Goldsmith Street. Council recently changed the zoning of motor vehicle dealership sites in this area to encourage the relocation of larger and semi-industrial businesses out of the CBD to more appropriate locations, providing opportunities for retail and commercial development. It is difficult to identify significantly large infill opportunities in the centre and southern sides of the CBD due to ownership fragmentation (and difficulties for site amalgamation) and heritage listings. The main opportunity is the St. Patrick's school site on the corner of Bourke and Verner Streets and nearby laneways that may provide opportunity for niche and specialised retailing.

5.7.1 Corner of Auburn and Bradley Streets

The site is located within the defined Town Centre Secondary Core. The sites present the leading location for larger format retail and commercial space given the size of the sites, their gateway location and high exposure to passing trade, and the relative affordability of the land compared with the Town Centre Core.

The CBD does not record a significant range of large format retail presently. Large format retail is generally described as the bulky goods or homemaker retail sector dealing in larger household goods from larger premises. There are isolated large format retailers such as Harvey Norman and Retravisio that are located within small, inadequate and more expensive premises in the CBD. Much of the local expenditure in this discretionary expenditure category leaves the area to Canberra and Sydney.

The sites present the potential to improve the provision of large format retailers by providing a commercially attractive clustering opportunity for both new retailers and the relocation of existing retailers from non-optimal spaces in the CBD. Potential development of the site could include the provision of more than 11,000sqm of retail floorspace including multiple major (up to 3,000sqm), minor (200-500sqm) and specialty (100-200sqm) tenancies. An improved range of supply would reduce, to some extent, the expenditure leakage to competing centres.

Therefore, the appropriate development of these sites in service gap areas could be expected to improve the trade, performance and mix of commercial in the CBD. The area also provides a strategic and competitive solution to retaining the relevance of the CBD in the face of indications of potential competing bulky goods development to the south of the CBD closer to the Highway and industrial areas.

From a planning perspective, intensified development of larger format retailing at the northern end of the CBD is considered a preferred outcome given it strengthens the secondary retailing core around and directly north of the Centro Shopping Centre while not duplicating the traditional retailing supply at the southern end. It must be recognised that there are no other reasonable locations to cater for this style of development and such development would positively impact the CBD's trading position as a whole.

This does not negate the need to improve linkages between the two retail cores given the length of Auburn Street. The main technique in managing the threat of fragmentation is to clearly establish the appropriate uses in this area. Any direct duplication of retail forces consumers to choose between two areas, creating economic impacts.

While the proposed Target Country could be considered to trade in the traditional retailing category of clothing, it is also a retailer that requires a larger floorplate for viability and functionality. The site identified at the northern end of the CBD is the leading choice given available sites. The site is located one block from Centro and affords

high exposure to passing trade in a gateway location. Further, a DDS like Target Country is considered a retail anchor and likely to draw further tenants. The key will be to ensure these tenants are also large format retailers not specialities (to the detriment of Centro and the southern end of the CBD).

In summary, the northern sites must cater for the expansion of the large format retail range in the CBD given they meet the locational criteria of such retailers and provide a clustering opportunity. Importantly, there are no other reasonable locations to cater for this style of development and such development would positively impact the CBD's trading position as a whole. It must be acknowledged that this will strengthen the pull of trade toward the northern end of the CBD, but at the same time the anticipated growth in the size of the market requires improved service provision, particularly in the service gaps across the discretionary retail categories of clothing and bulky goods.

5.7.2 St. Patrick's School Site

The site is located outside the defined Town Centre Core. Any commercial development on this site would change the dynamic of the southern end of the CBD and require an extension of the Core to encompass this site.

The private sector proposal for the site involves the development of a small shopping centre with a supermarket anchor of around 1,000sqm. Potential development of the site could include the provision of a neighbourhood shopping centre concept with a 2,000-3,000sqm supermarket anchor complemented by a range of specialty shops over 2,000-3,000sqm. Preliminary market demand analysis suggests that over the next 25 years the Goulburn CBD will require groceries & specialty food floorspace of between 3,000 and 5,000sqm, suggesting the potential scale of development for the site is manageable within the current supply context.

The preliminary demand analysis suggests capacity for 1-2 additional supermarkets over time and the site represents a reasonable outcome to support this projection. The development of the site for such a use inside the next 5 years may result in some short-term impacts on the sector until the growth in spending reaches a critical mass.

While the site is not located in the core retail area, the site does represent one of the few developable locations in the southern end of the CBD where convenience and traditional core retailing could be expanded. A shopping centre development on this site would create a competing node (activity catalyst) due to its location relative to Auburn Street and existing supermarket.

This node would add to the convenience shopping opportunities in the CBD by providing an accessible location for shopping away from the main traffic and pedestrian areas. Providing adequate linkages to Auburn Street and Marketplace would alleviate any potential short-term impacts on the trade of existing businesses.

In summary, the preliminary demand analysis suggests the need for expanded supply in the traditional retail category of groceries and specialty food. The site represents one of the few sites with the capacity to provide this retail supply in an accessible manner in a location that can strengthen and expand appropriately the Town Centre Core. It is important that to manage economic impacts the development is timed appropriately with market demand conditions, which would presently signal a timing of 5-10 years.

5.7.3 Auburn Street

The elongated nature of the CBD along Auburn Street creates planning challenges. A less than compact CBD of this nature with forecast development pressure and a lack of connected development sites creates a risk of fragmentation. This can be to the detriment of new and existing developments.

For example, the development of competing rather than integrated shopping centres in the CBD requires patrons to the CBD to choose between two locations. This has already occurred to an extent in the Goulburn CBD given the removed locations of the Centro and Marketplace centres.

The key technique to manage such risks is to improve the pedestrian traffic flow and integration between shopping areas, resulting in more viable business locations that allow businesses to record flow-on trade from multi-purpose shopping and CBD trips.

A key element of implementing this strategy into the future in the Goulburn CBD is creating a vibrant north south Auburn Street. Auburn Street is the focal point and key connector of trade in the CBD. The street accommodates a range of retail and commercial businesses.

To improve pedestrian flow and viability, there is the opportunity to create inter-connected nodes between Verner Street in the south and Bradley Street in the north to break-up the trip for pedestrians and promote linkages. Development along this stretch of Auburn Street would focus on food and beverage and hospitality focused enterprises servicing the entertainment needs of residents and visitors.

To provide for attractive outdoor dining experiences, vehicular traffic would be reduced in this precinct. This approach would complement the major tourist node is located around Belmore Park.

5.7.4 Laneways

From a physical development perspective, it is recommended future retail development be located on ground floor locations where possible. These locations activate streets, generate higher pedestrian traffic flows and appeal most to retailers. In Australia, there are examples of successful laneway developments in Melbourne.

There are opportunities to provide for smaller, specialised premises along laneways such as Cartwright Place, Clinton Lane, Ellesmere Street, Russell Lane etc as part of an overall approach to create a more vibrant and integrated CBD. However, the costs of such development and implications for parking would need to be carefully considered.

6. Office Market Assessment

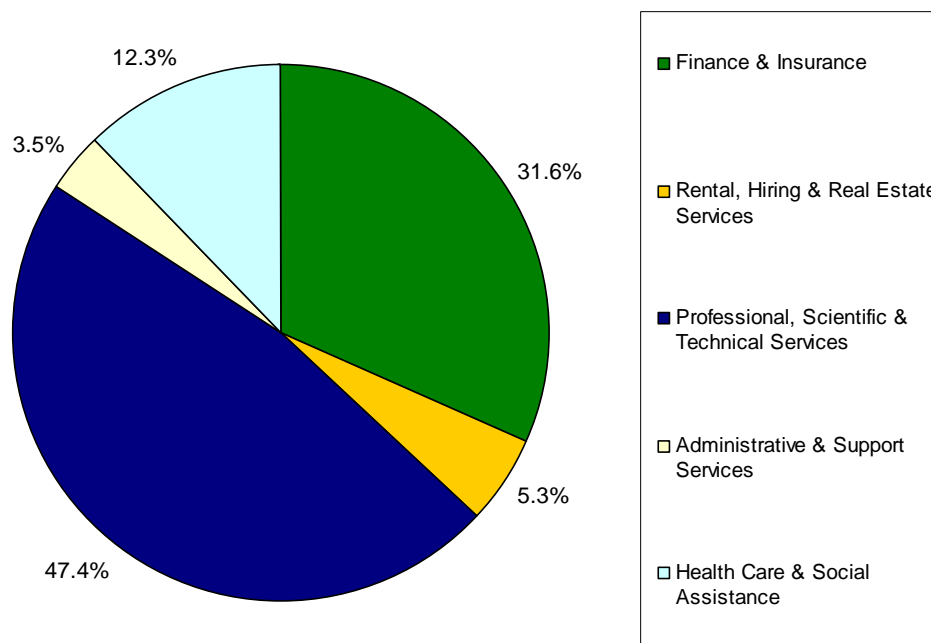
6.1 Supply/Demand Assessment

The Goulburn CBD generally provides office space for local commercial and professional services businesses. Real estate agents, legal firms and financial services represent a significant proportion of businesses located within the CBD (see **Figure 6.1**). The medical sector also has a significant representation in the CBD with general practice and specialist operations. Several local and state government agencies are located in the CBD reflecting its position as a regional administrative centre. There has been a downsizing in the number of government departments and agencies with offices located within the CBD. Key government tenants current include the:

- Goulburn Mulwaree Council;
- Department of Housing;
- Department of Juvenile Justice;
- Department of Community Services;
- Country Energy;
- Office of Fair Trading;
- Workplace Authority;
- Department of State & Regional Development; and
- Department of Primary Industries.

The commercial office property market is characterised by low quality two storey buildings with no lifts. Several large purpose built office premises are also located within the CBD including the Council offices, state government building and a new purpose built development on Bourke Street to the north of the CBD that is currently under construction. A proposal for a new office building in the CBD on Goldsmith Street has also gained Council approval. Commercial rents vary significantly within the CBD due to the location and quality of the premises and whether it is on the ground or first floor. Annual rents within the CBD average between \$150-\$350/sqm for ground floor and between \$100-\$200/sqm for first floor sites.

Figure 6.1: Commercial Office Tenancy Mix, Goulburn CBD



Source: AECgroup

6.2 Competing Centres

As previously mentioned, Goulburn CBD is one of the major commercial and administrative centres for the Southern Tablelands region. There is limited competition for local professional services as the CBD is virtually the sole commercial location in the region. In terms of larger government and professional tenants, competing centres include Canberra, Sydney and Bowral.

The following commercial tenants compete with the Goulburn CBD for office tenants:

- **Canberra:** Arguably the major competing centre to the Goulburn CBD in terms of the office market due its position as the major city in the region. Its role as a centre for government and administration also makes Canberra an attractive location for major commercial businesses. The population of the Canberra region currently totals around 350,000 providing a significantly larger market and employment base than Goulburn.
- **Sydney:** Is a major competitor to the Goulburn CBD, primarily in the attraction of larger government and major corporate tenants. Access to the largest market and employment base in the country is a major factor attracting businesses to the city.
- **Bowral:** Represents competition to the CBD especially in the area of local professional services.

6.3 Industry Trends

Trends in the development of office space provide a useful insight into the potential commercial office space market in the Goulburn CBD. As an overview, there is evidence of increasing propensity for demand for efficient, attractive and "green" office space. Not only will these trends influence the demand for space in the Goulburn CBD, but also the type of space that will be demanded.

6.3.1 Government Decentralisation

Traditionally, a trend of decentralisation resulted in a large range of government departments and agencies locating offices in regional centres such as Goulburn. More recently, the trend has begun to reverse with regional government offices downsizing or closing. This trend has impacted on Goulburn with several offices closing down and consolidating with nearby regional offices in centres such as Canberra.

6.3.2 Emergence of Business Parks

A major trend affecting the demand for multi-storey office towers in centres where office tenants have traditionally located is the development of business parks providing campus-style office accommodation. These parks are generally located away from centres on large sites with more space, lower cost bases for development, lower rents, high quality landscaping, visually pleasing office buildings, and more onsite car parking. Planning is currently underway for the Southern Distribution Business Park outside Goulburn. The project has a focus on the transport and logistics industry though may prove to be an attractive location for other businesses to relocate their offices.

6.3.3 Home-Based Office Trends

Overall, employees working at home for more hours than elsewhere (home based business operator) accounted for around 7.0% of all persons employed in Australia in June 2001, almost double that estimated in 1995 (3.7%).

According to Home-Based Business Australia (HBBA), 12% of households in Australia operate a business from home with the sector reported to be growing strongly.

The rapid growth in home-based businesses is due to factors such as:

- Downsizing and outsourcing in large organisations;

- High unemployment levels;
- Increasing participation of women in the workforce;
- Potential of new information and communications technology; and
- Changing lifestyle expectations.

Telstra estimates that 25% of the Australian workforce will be working from home in the next decade, translating to approximately two million people, or three times as many as recorded in 2001.

6.3.4 Green Office Buildings

It is also noted there has been a recent movement towards green office buildings which reduce environmental impacts and have a focus on sustainability. The trend has been driven by regulators looking to protect the environment and commercial cost reductions. Office buildings and entire business parks are now being specifically designed to reduce power usage, water usage and emissions while still improving waste management.

New buildings are not only providing efficient, technological and modern space, but also attractive working environments for workers, incorporating recreational elements such as a lap pool, or small relaxation or “green” areas for workers. Providing natural ventilation and lighting within buildings in response to demands for environmentally friendly space is also increasingly popular in office space design.

6.3.5 Adaptive Reuse of Historical Buildings

Adaptive reuse of historical buildings is an emerging trend in property development. The process allows the redevelopment of historical buildings that are too old for commercial use. The interior of the building is redeveloped allowing new commercial uses while preserving the cultural significance of the building. Adaptive reuse also provides the potential for environmental, social and economic benefits through not having to demolish the building. There are numerous historically significant buildings within the Goulburn CBD providing opportunities for adaptive reuse.

6.3.6 Workspace Ratios

Perhaps one of the most significant factors affecting planning for office markets has been the change in workspace ratios. During the property boom of the 1980's, demand for large, impressive office space had significant implications for the style of office premises built, and increased the workspace ratios from around 14sqm per employee in the 1970's to around 20sqm by the early 1990's. Restructuring, technological and infrastructure changes, demand for open plan environments rather than offices, and more recent trends towards initiatives such as hot desking and telecommuting contributed to a downward movement in the workspace ratios.

In 2001 the City of Sydney survey reported the 'knowledge based' industries had an internal area ratio of 23.82sqm per employee (see **Table 6.2**). The internal workspace ratio accounts for non-workspace uses in the office buildings. When compared with the office workspace ratio of 19.65sqm per employee, this suggests an average of 3.06sqm per employee of non-workspace uses.

Table 6.2: Office Floorspace/Employee Ratios, City of Sydney (2001)

Industry/Floor Space Use	Internal Area Ratio ^(a)	Office Workspace Ratio ^(b)
Communication Services	25.99	18.19
Finance & Insurance	21.56	18.78
Business Services	21.43	19.27
Government Administration	33.90	23.40
Total 'Knowledge Based'	23.82	19.65

Note: (a) The internal area is the floor area within a building measured from the inner faces of the outer walls (b) The office workspace is the internal floor area used for office purposes

Source: City of Sydney Floorspace and Employment Report 2001, AECgroup

6.3.7 Increasing Technology

The demand for economical, efficient space has also seen the advent of buildings that cater for smaller scale premises and offer shared facilities such as meeting rooms, conference and video facilities, mail rooms, telecommunications, general storage and short term archiving space on a user pays basis. Ensuring modern premises incorporate sufficient infrastructure including the provision of telecommunications equipment, intranets and satellite links is also an important aspect of the design of office complexes.

6.3.8 Locational Criteria for Office Tenants

Positioning the Goulburn CBD as a desirable commercial office location requires an understanding of the locational criteria of potential office tenants, particularly anchor tenants such as government organisations and large professional service businesses.

Many factors are generally involved in making decisions about where to locate and establish businesses, including consideration for the following:

- High quality public domain;
- Cafes and restaurants;
- Access to retail and major CBD activities;
- High quality public transport;
- Access to a skilled workforce;
- Mix of commercial offerings;
- Appropriate zonings and planning controls;
- Quality office space that is new with modern design and telecommunications;
- Strategic location close to customers and suppliers;
- Access to appropriate parking; and
- Likely expansion potential.

6.4 Growth Potential

6.4.1 Growth Signals & Determinants

There is growth potential in the Goulburn CBD's office sector evidenced by:

- Current and proposed office development;
- Businesses seeking improved office accommodation; and
- Increased population growth and service needs.

Like retail, the office growth potential of the CBD into the future depends on the ability to attract new investment, tenant interest and consumer demand, which in turn is related to a number of growth determinants and internal/external factors.

The growth of the Goulburn CBD's office sector in its present form is premised largely on local population growth in the region. The Goulburn CBD is the major commercial and administrative centre for the surrounding region with several government agencies having regional offices in the CBD. The government and administrative sector has reached close to its threshold in the CBD due to recent decentralisation trends. Therefore, the CBD has reached a point with future growth in office space should be driven primarily by population growth and the associated need for local commercial, professional and support services.

The region is positioned well to record economic growth and increasing employment in the short- and medium-terms on the back of a number of major investment projects. This growth will result in increased demand for professional services as described above and the need for new office space.

6.4.2 Future Role & Sustainability

The future role of the Goulburn CBD will include it remaining the commercial and administrative sector in the region. Goulburn has been identified as a major regional centre under the *Draft Sydney–Canberra Corridor Regional Strategy* with the CBD representing the focus of the office and commercial sector.

Due to the location between Canberra and Sydney, the Goulburn CBD is unlikely to attract major corporate or commercial development. Where the CBD will record growth will be in the professional and administrative services sector driven by population growth.

The Goulburn CBD has included recent office development that has recorded demand below expectations with purpose built space to the north of the CBD experiencing significant vacancies. This reflects the current situation where the supply of office space is not proving to be attractive to office tenants. Projected population and employment growth will result in the need for new office space though significant consultation and planning is required to ensure it is desirable to prospective tenants.

6.4.3 Projected Floorspace/Development Demand: Employment Target

Given the growth potential of the office market in the Goulburn CBD being largely determined by population growth, the preferred methodology to estimate future office floorspace is a per capita approach. The AECgroup has estimated a future ratio of 0.8sqm of office floorspace in the CBD per capita in the main catchment area as a basis for projecting future demand. This figure is based on the role of the CBD as a regional commercial and administrative centre. Based on the ongoing maintenance of this ratio through both small and larger office space tenants, there would be demand for an additional 2,700-5,800sqm (see **Table 6.3**). This would translate to an additional 130-270 jobs in the CBD in the office sector based on employment benchmarks.

Table 6.3: Projected Additional Office Floorspace Demand, Goulburn CBD, 2031

Scenario/Methodology	Low	High
Projected population (persons)	30,439	34,277
Projected population growth (persons)	3,374	7,212
Projected office floorspace (sqm)	2,700	5,800
Projected additional employment (jobs)	130	270

Source: AECgroup

6.4.4 Staging & Sequencing of Development

It is recommended there should not be a sequencing strategy for office development. Rather, the investment sector should respond to tenant demand (and/or proactively lead this demand) given the structural changes that can occur in this market from external influences. However, it is suggested new office developments be accompanied by a market research report demonstrating demand and need for the development.

6.5 Strategic Development Opportunities

The commercial office property market in the CBD is dominated by ground and second floor space with street frontages. The space is generally old and low quality with little reinvestment having been undertaken in recent years. Opportunities exist for the refurbishment of this office space to make it more attractive to prospective tenants. Improving the quality office space could potentially attract home-based businesses to relocate into purpose-built space in the CBD.

Recent activity in the CBD office property market has included the development of a single floor office building comprising 4-5 tenancies. The development is currently experiencing difficulties in leasing out the tenancies reflecting lower demand for this style of office space. Council has also recently approved the development of another single floor office building on Goldsmith Street. These developments will provide the CBD with a suitable supply of purpose built office space for the medium term.

Creating a dedicated commercial office precinct is more suited to the fringe of the CBD. Bourke Street along the western fringe of the CBD represents the key existing cluster of office businesses, particularly those requiring easy access to parking with less reliance on street front exposure. Promoting office development on the fringe of the CBD will allow the heart of the CBD to remain as a concentrated retail precinct with high pedestrian activity focussed on hospitality services and shopfront retailing.

Specific sites with development potential include:

- **Ford/Glbu Engineering Site:** The site is located on the corner of Auburn and Bradley Streets towards the northern end of the CBD. There is an opportunity to manage land use conflicts and allow for the relocation of industrial businesses outside the CBD through the appropriate redevelopment of the site. The site presents potential for a mixed use development incorporating ground floor commercial development with residential apartments on the upper floors. The site would strengthen an establishing commercial cluster in the north western area of the CBD.
- **Pizza Hut/Service Station Site:** This site has strategic development potential due to its location at the intersection of Auburn and Lagoon Streets. The site presents potential for commercial development possibly including residential apartments.
- **State government building:** The building is located on the northern end of Auburn Street and has been experiencing vacancies with the downsizing of government offices in the CBD. The site may represent a development opportunity should current vacancies continue. The site is in a good location with high pedestrian traffic and would offer significant potential.

7. Tourism Market Assessment

7.1 Supply Assessment

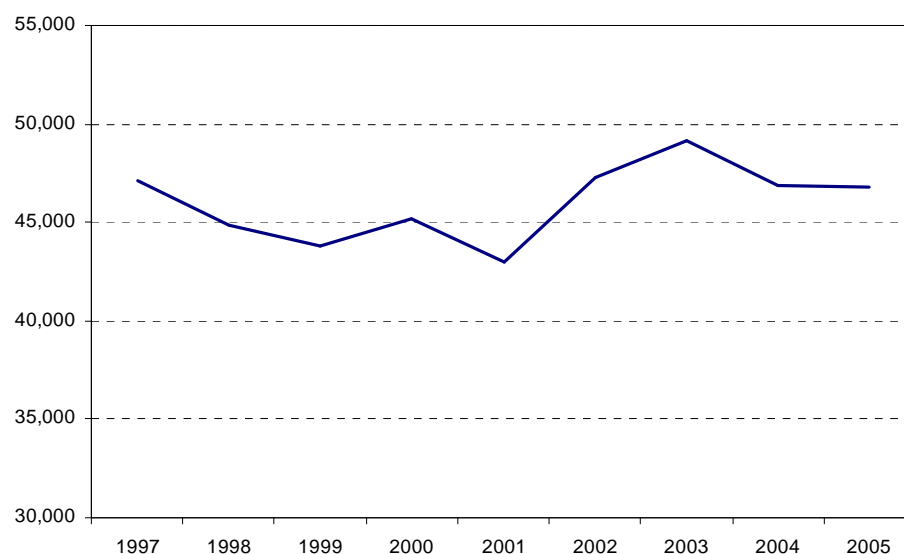
The tourism sector is difficult to categorise as it forms a part of many different components of the economy. Essentially, the tourism market in the Goulburn CBD includes all goods, services and facilities used by visitors. Key components of the tourism market within the Goulburn CBD include:

- **Tourist accommodation:** The tourism accommodation market in relation to the Goulburn CBD is characterised by 2 motels located within the CBD with several more motels located around the fringe. There is no 4-5 star accommodation within the CBD with 2.5-3.5 star motels dominating the sector. These motels also compete with motels located on the Hume Highway surrounding Goulburn. The dominance of motels reflects the significance of the self-drive market as a major tourism category for Goulburn.
- **Attractions visited by tourists that draw people to the CBD:** The Goulburn CBD has several tourist attractions based around the historical nature of the city. Several historically and architecturally significant buildings are located within the CBD reflecting Goulburn's position as Australia's first inland city. Popular tourist attractions include the St Peter and Paul's Cathedral, St Saviour's Cathedral, courthouse the post office, St Clair history museum, Grevillea Art Gallery and the railway station. Entertainment venues within the CBD also include the Lilac City Cinema and Lieder Theatre. The *Goulburn Mulwaree Economic Development Plan* asserts that Goulburn has the attractions to make it a popular destination though they do not seem to have the pulling power to attract visitors. A lack of children orientated attractions is also seen to deter a significant sector of the market.
- **Cafes and restaurants (hospitality):** The cafes and restaurants sector represents an important component of the Goulburn CBD's tourism market. Finding a place to stop for refreshments or a meal is a key factor in visitors travelling through the region deciding to visit the CBD. As described in the retail chapter, the CBD has a significant range of food and beverage operators including cafes, take away shops and restaurants.
- **Conference facilities:** Convention and conference facilities are important in attracting business and corporate visitors. Conference facilities in Goulburn are characterised by motels with the capability to cope with between 20-40 delegates. There is currently no stand alone convention or conference centre within Goulburn.
- **Open space/parks:** Open space and parks are a key factor in creating a relaxed atmosphere that is attractive to visitors. The Goulburn CBD has several parks and open space areas including the historical Belmore Park in the heart of the CBD. Belmore Park also includes picnic and playground facilities attractive to visitors. Other parks are also located around the fringe of the CBD within easy walking distance including Victoria Park, Manfred Park and Eastgrove Park.

7.2 Demand Assessment

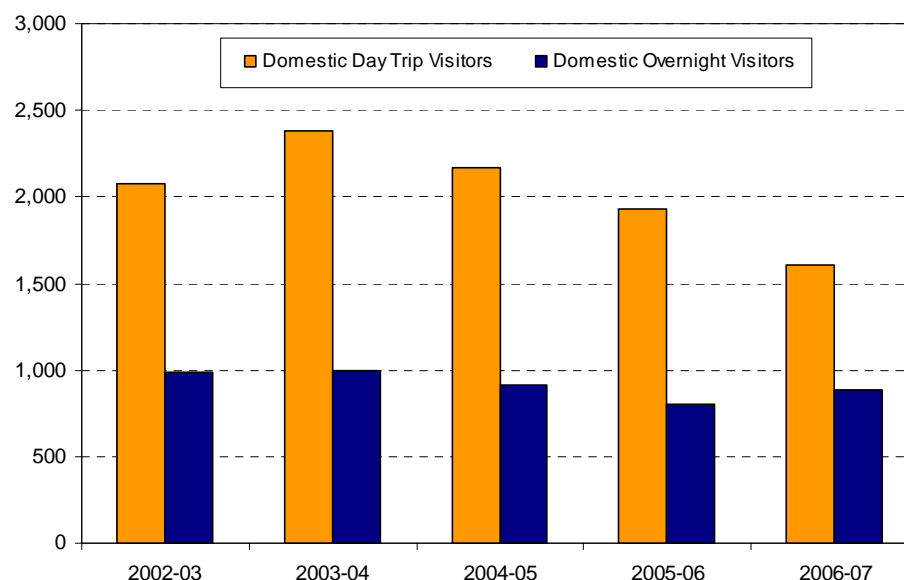
Day trip visitors represent the major tourism market for the Goulburn Mulwaree region. According to statistics reported in the *Goulburn Mulwaree Economic Development Plan: Economic and Demographic Analysis*, Goulburn Mulwaree has recorded an average of 472,000 domestic day trippers since 1998, with the majority coming from either Sydney or Canberra. This is almost double the number of domestic overnight visitors that averaged about 260,000 during the same period.

The Goulburn Visitor Information Centre is located within the Goulburn CBD. Visitation to the centre provides an indication of visitor trends to the Goulburn CBD. Visitor numbers to the Goulburn Visitor Information Centre peaked in 2003 before declining slightly in 2004 and 2005 (see **Figure 7.1**).

Figure 7.1: Goulburn Visitor Information Centre Visitation Statistics

Source: Goulburn Visitor Information Centre, AECgroup

Goulburn is part of the Capital Country tourism region that also includes major towns such as Canberra, Bowral and Young. Similarly to Goulburn Mulwaree, domestic day trippers are the core tourism market for the region. Just over 1.6 million domestic visitors conducted a day trip to the region in 2006-07, down 16.5% from the previous year (see **Figure 7.2**). The national day trip market experienced growth of 5.5% in 2006-07, indicating the decline in demand for day trips to the Capital Country was against the national trend. Domestic overnight visitors to Capital Country increased to 889,000 in 2006-07, up from 799,000 in 2005-06. Overnight visitation, however, was below the recent high of 1 million visitors in 2003-04.

Figure 7.2: Domestic Day Trip Visitors to Capital Country TR (000s)

Source: Tourism NSW, AECgroup

The average room occupancy of hotels, motels and serviced apartments was 51.5% during 2006-07, slightly above the Capital Country Tourism Region average of 50.9%. Total takings from accommodation were \$8.84 million, or 18.3% of the Capital Country total. The average room rate was \$89.9 per night, less than the regional average of \$104.2 (see **Table 7.1**).

Table 7.1: Tourism Accommodation Demand in Goulburn Mulwaree, 2006/07

Region	Guest Arrivals	Room Nights	Occupancy (%)	Avg. Stay (nights)	Takings (\$m)	Avg. Rate (\$/night)
Goulburn Mulwaree	112,543	98,329	51.5%	1.41	\$8.84	\$89.9
Capital Country (TR)	473,579	462,367	50.9%	1.58	\$48.18	\$104.2

Note: Hotels, motels and serviced apartments with 5 or more rooms

Source: ABS 8355.0, AECgroup

7.3 Competing Centres

The tourism market in the in the Southern Tablelands is very competitive given the close proximity and access to both Sydney and Canberra. The relatively short travel time (1 hour to Canberra and 2 hours to Sydney) results in reduced demand for accommodation with larger centres so accessible. Visitors looking to spend the night in the region also have the choice of driving slightly further to a major centre.

Goulburn actively competes with several towns located along the Hume Highway for visitors. Significant competitive pressure is felt from towns located along the highway including Bowral, Marulan, Gunning and Yass. These towns offer a very similar tourism product to Goulburn in the respect that they are historical towns with a focus on drive through visitors. Each town has motels catering for visitors looking to spend the night as well as hospitality facilities for visitors looking for a short rest stop before continuing to their next destination.

The coastal region south of Sydney is another area attractive to the self-drive tourist market. The coastal region is a slightly different market to the Southern Tablelands though is easily accessible by car. Towns such as Wollongong, Kiama and Nowra have a large tourism market with extensive accommodation alternatives.

7.4 Industry Trends

The tourism market is very dynamic reflecting the change in community attitudes and values. Trends relevant to the Goulburn CBD tourism market include:

- **Eco-tourism:** Reflecting the overall trend in community attitudes, travellers are also concerned for the environment around them. This has resulted in the growth of the eco-tourism sector where travellers are mindful of minimising their environmental footprint.
- **Shorter holidays:** There has been an increased popularity of frequent, short-stay holidays with data indicating a decline in the average length of stay for holidayers. It is hypothesised that the current climate of conflicting priorities – i.e. work schedules between spouses; children; work related priorities and finances among other things – has catalysed this trend. This is distinct from the 1980's where infrequent, longer stays were the norm. This trend may benefit Goulburn with its accessible location to major centres make it attractive for short stays such as long weekends.
- **Wine tourism:** This has been a growing sector throughout Australia with several regions recording strong growth in visitation due to marketing as a wine region. There are several wineries located with the Southern Tablelands region, though there are none in the Goulburn area. This trend could still prove to be positive for the Goulburn CBD as the typical visitor attracted to wineries is also attracted to historical and cultural sites and activities for which the CBD is recognised.

The day trip tourism market has experienced a significant decline in Australia during the last decade. Tourism Research Australia reports that there were 145 million day trips taken in Australia during the year ending the September Quarter 2007. This was an increase over the last 2 years, but still well below the peak of 170 million day trips in 1999. The average number of day trips per capita throughout Australia has fallen from 11.3 in 1999 to 8.0 in 2005.

There have been several trends in the day trip market reflecting this decline including:

- The price of petrol in Australia has increased markedly during recent years due to international supply issues. As private vehicle transport represents over 90% of domestic day trips, the increasing price of petrol has discouraged people from taking as many day trips.
- The ageing population has had an impact on the day trip market and represents a growth opportunity. As the population gets older, more people are paying more attention to their retirement incomes and realising that they have to plan their expenditure more closely.
- Changing community attitudes in relation to travel are impacting on the day trip tourism market. There has been a trend towards people using their breaks from work and leisure time to do local activities and catch up on household tasks. This has come at the expense of taking day trips and micro holidays.
- Changing community attitudes in relation to household expenditure has also had an impact on the day trip market. People are increasingly spending a higher proportion of their disposable income on other household items such as consumer electronics.

7.5 Growth Potential

The construction of the highway bypass around Goulburn in the early 1990s had a significant impact on the tourism market with the city. Travellers who previously passed through the city now have the choice of continuing straight through to the relatively nearby centres of Canberra and Sydney. There are also several accommodation, highway service stations and food & beverage operations located on the highway which reduce the incentive of visiting the CBD.

Increasing the number of day trip visitors to the CBD represents a significant growth opportunity for the tourism sector. Goulburn Mulwaree has recorded an average of 472,000 domestic day trippers since 1998 as reported in the *Goulburn Mulwaree Economic Development Plan: Economic and Demographic Analysis*. With the major cities of Canberra and Sydney located within a relatively short drive, the potential to increase visitation is high given the development of a tourism product that is both attractive and well marketed.

The *Goulburn Mulwaree Economic Development Plan* outlines the potential to increase the number of events within the region to attract visitors. Accommodation in the city records its highest demand during local and regional events and developing new events would drive strong growth. Motor racing facilities including Wakefield Park, just south of Goulburn, is considered to have growth opportunities in being expanded and hosting rally and motor club events.

The *Goulburn Mulwaree Economic Development Plan* outlines the potential to leverage off the growth opportunities identified in the *Capital Country Regional Tourism Plan*. The 5 key strategies aim to build on the strengths of the region and include:

- Developing the region as a food and wine destination through creating quality activities and experiences;
- Establishing tourist drives and increasing available information to attract the self drive tourism market. An estimated 96% of domestic day trippers travel by car indicating it is the core market;
- Capturing the nature and adventure market by capitalising on the region's natural resources;
- Positioning the region as a centre for motor sport events and activities. As mentioned above, Wakefield Park represents a key motor racing facility with growth potential that is located close to the CBD; and

- Building the business tourism and incentive market. The business tourism market has been identified as a potential growth sector for the Goulburn CBD. The sector within the Southern Tablelands region is very competitive, indicating potential difficulty in expanding the market.

7.6 Strategic Development Opportunities

It is considered there is limited tourism accommodation development potential in the CBD given the small accommodation market and accessibility of Sydney and Canberra from Goulburn. The day trip market is the primary tourism market, with benefits for retail and entertainment services. The existing accommodation in the CBD is already largely dependent on local tourism events and festivals. Any new accommodation development in the CBD would need to be premised on a larger events or business tourism market, which are both presently small markets locally and competitive regionally.

Several tourist attractions are located within the Goulburn CBD including historically significant buildings and entertainment facilities. The potential to develop new attractions within the CBD is limited as it will be unlikely to drive increased tourism. Improving the attractiveness of the existing attractions within the CBD is seen as a more suitable strategy for pulling visitors to the city. This may include a more concentrated marketing initiative focussing on the historical significance of the city. Improving signage of historical buildings and extending opening hours would also potentially improve the attractiveness of the CBD to visitors.

The development of a purpose built convention centre within the CBD is a difficult prospect to evaluate. The business tourism market within Goulburn is not currently very large due to the competitive nature of the sector within the region. It is estimated that 10% of domestic day trip visitors and 16% of domestic overnight visitors come to the region for business purposes. Major regional centres such as Sydney, Canberra and Wollongong make it unlikely that a new convention centre would be sustainable.

A key element of implementing this strategy into the future in the Goulburn CBD is creating a vibrant north south Auburn Street. Auburn Street is the focal point and key connector of trade in the CBD. The street accommodates a range of retail and commercial businesses. To improve pedestrian flow and viability, it is suggested connecting nodes be developed between Verner Street in the south and Bradley Street in the north to break-up the trip for pedestrians and promote linkages. Development along this stretch of Auburn Street would focus on food and beverage and hospitality focused enterprises servicing the entertainment needs of residents and visitors. To provide for attractive outdoor dining experiences, vehicular traffic would be reduced in this precinct. This approach would complement the major tourist node is located around Belmore Park.

Improving integration and linkages with the cross streets of the CBD requires an improved east west activity path, including redevelopment of laneways into supporting niche retail precincts below residential development to increase population mass. There are also opportunities to improve the CBD's linkages with the River and open space on the eastern side of the River. This could be achieved through the development of a pedestrian overpass above the rail line. As part of the development, there would be potential to include tourism specialist businesses and services on the CBD side of the rail line.

8. Residential Market Assessment

8.1 Supply Assessment

The supply of residential dwellings in the Goulburn CBD consists primarily of houses around the fringe of the CBD. Dwellings in the CBD are characterised by older houses reflecting the historical nature of the area. A small number of low-rise (1-2 storey) apartment blocks are also located within the CBD.

According to the ABS Census, the AECgroup has estimated that there were a total of 623 occupied dwellings in the Goulburn CBD in 2006, a decline of 66 from 689 in 2001 (see **Table 8.1**). The number of unoccupied (or vacant) dwellings increased from 95 to 122, with the vacancy rate rising to 16.4%, well above the 2001 average of 12.1%.

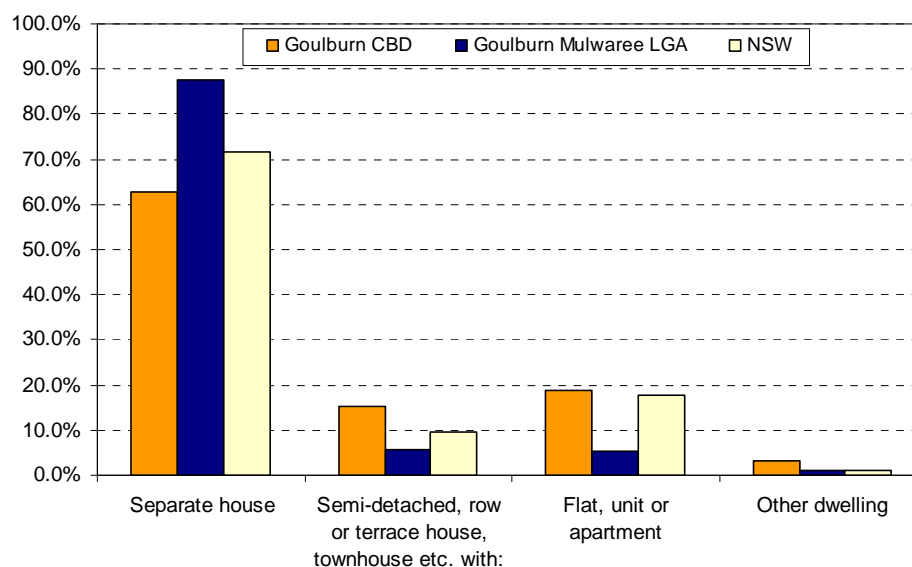
Table 8.1: Private Dwellings, Goulburn CBD

	2001	2006	Change	% Change
Separate house	417	390	-27	-1.3%
Semi-detached, row or terrace house, townhouse etc	109	96	-13	-2.5%
Flat, unit or apartment	114	117	3	0.5%
Other dwelling	49	20	-29	-16.4%
Occupied Dwellings	689	623	-66	-2.0%
Unoccupied Dwelling	95	122	27	5.1%
Total	784	745	-39	-1.0%

Source: ABS Census 2001 and 2006, AECgroup

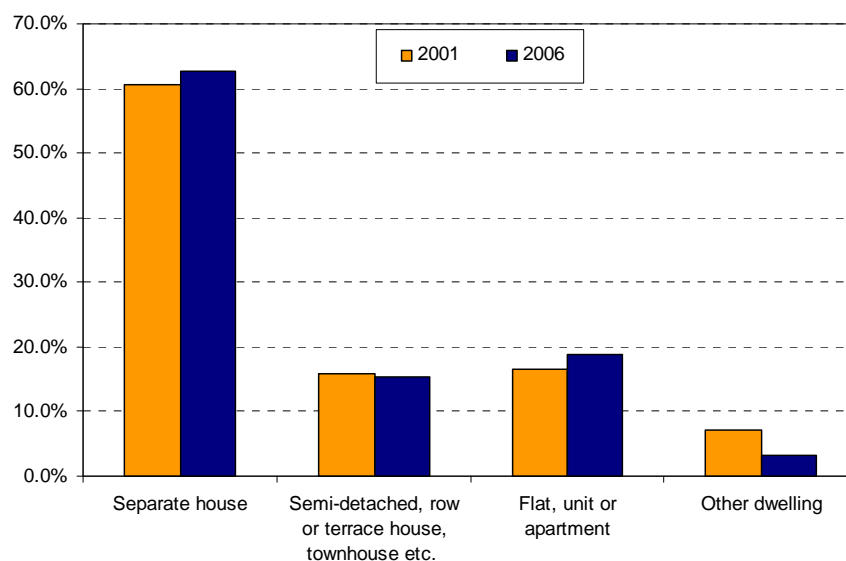
The Goulburn CBD records a comparatively higher proportion of occupied dwellings described as Flats, units or apartments (around 20%) when compared with the Goulburn Mulwaree LGA average (5%) (see **Figure 8.1**). This reflects the generally higher density residential development that occurs within the Goulburn CBD. Compared with the LGA and state averages, the CBD records a lower proportion of separate houses.

Figure 8.1: Comparison of Dwelling Structure (% of Occupied Dwellings)



Source: ABS Census 2006, AECgroup

Between 2001 and 2006, the Goulburn CBD recorded an increasing proportion of its housing stock categorised as flats, units & apartments and separate houses, with a decrease in semi detached houses (see **Figure 8.2**).

Figure 8.2: Changing Dwelling Structure (% of Occupied Dwellings), Goulburn CBD

Source: ABS Census 2006, AECgroup

8.2 Demand Assessment

8.2.1 Residential Dwelling Approvals

Residential building approvals data provides an insight into new investment in the residential market Goulburn Mulwaree. Residential building investment in the LGA totalled \$12.6 million in 2006-07, more than double the low of \$6.1 million in 2005-06 (see **Table 8.2**). This reflected an increase in the number of housing approvals from 29 in 2005-06 to 60 in 2006-07, back in line with historic trends between 2002-03 and 2004-05. There were no building approvals for new unit developments in 2006-07 compared with the high of 48 unit approvals in 2002-03. Unit development is generally variable between years as it is largely determined by large projects.

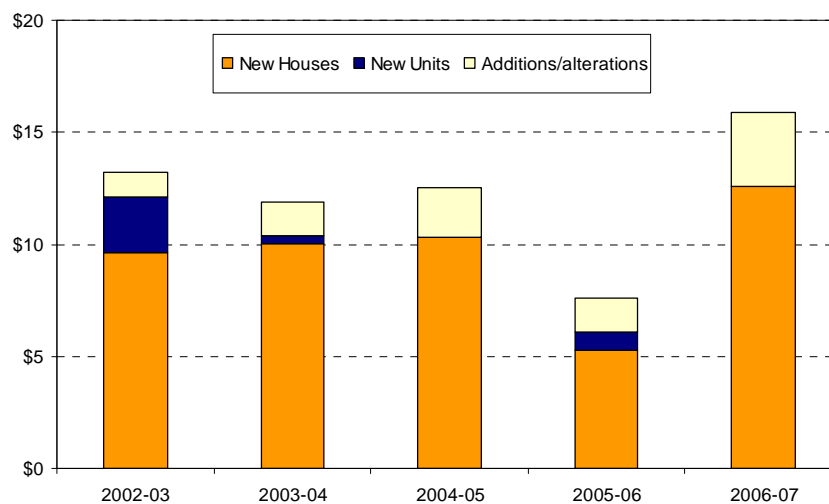
Table 8.2: Number and Value of New Residential Building Approvals, Goulburn Mulwaree

Year	No. of Dwellings			Value of Dwellings (\$'000)		
	Houses	Units	Total	Houses	Units	Total
2002-03	64	48	112	9,606	2,500	12,106
2003-04	70	4	74	10,057	320	10,377
2004-05	66	0	66	10,335	0	10,335
2005-06	29	10	39	5,263	818	6,081
2006-07	60	0	60	12,588	0	12,588

Source: ABS 8731.0

In addition to new residential dwelling investment, there has been increasing investment in alterations and additions to dwellings. This is believed to be the result of the increasing equity in people's homes in the region following the recent property price boom and continued price growth. There was \$3.3 million in investment in alterations and additions to residential property in 2006-07, up from \$1.5 million in 2005-06.

Overall, there was \$15.9 million of residential building investment in Goulburn Mulwaree in 2006-07 (see **Figure 8.3**).

Figure 8.3: Total Value of Residential Building Approvals, Goulburn Mulwaree (\$m)

Source: ABS 8731.0

8.2.2 House Sales & Prices

An analysis of recent residential property sales in the Goulburn CBD from the RP Data property database indicates an average unit sale price of approximately \$175,000 in 2007. This was slightly higher than the average in 2006 though represented growth of approximately \$35,000 from 2004. Houses in the Goulburn CBD generally sold for between \$140,000-\$300,000 in 2007 with an average of approximately \$215,000. This represented a decline over the previous two years or almost \$30,000 below the average in 2005 (see **Table 8.3**).

Table 8.3: Residential Sales Price Trends, Goulburn Mulwaree

Year	Units/Apartments		Houses	
	Average Price	Growth (%)	Average Price	Growth (%)
2004	\$140,313		\$220,281	
2005	\$158,333	12.8%	\$242,884	10.3%
2006	\$171,667	8.4%	\$237,391	-2.3%
2007	\$174,900	1.9%	\$214,932	-9.5%

Source: RPdata, AECgroup

The median sale price for dwellings in Goulburn Mulwaree was \$236,000 in the September Quarter 2007 according to the NSW Department of Housing (see **Figure 8.4**). This represented annual growth of 12.4% from the September Quarter 2006. The average dwelling price for Goulburn Mulwaree was slightly below the Southern Tablelands average of \$240,000 and well below the New South Wales average of \$375,000.

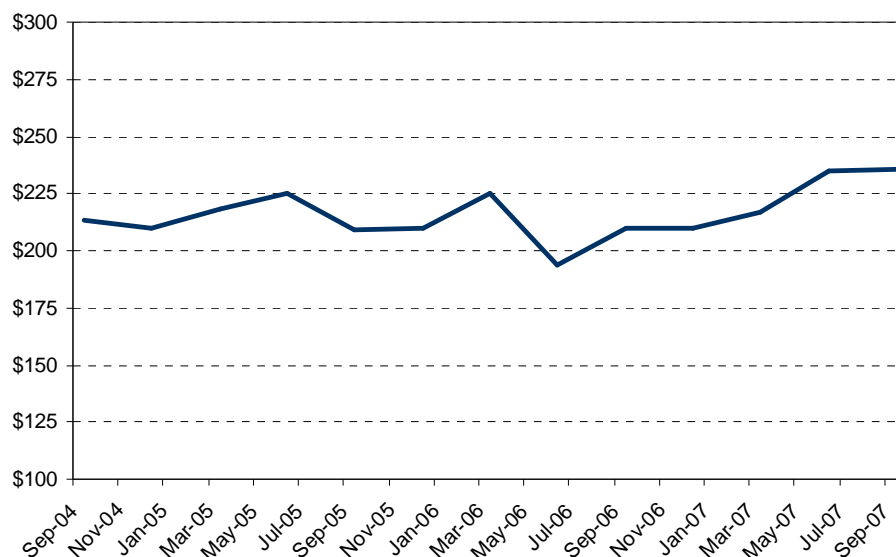
Table 8.4: Median Residential Dwelling Sales, September Quarter 2007

Region	Median Price	Quarterly Change (%)	Annual Change (%)
Goulburn Mulwaree	\$236,000	0.4%	12.4%
Harden	\$118,000	N.a	N.a
Palerang	\$390,000	-14.7%	3.9%
Upper Lachlan	\$204,000	N.a	N.a
Yass Valley	\$330,000	17.9%	8.7%
Young	\$165,000	-17.5%	-6.4%
Southern Tablelands	\$240,000	4.1%	11.4%
New South Wales	\$375,000	-1.3%	4.2%

Source: NSW Department of Housing, AECgroup

The median sales prices of residential dwellings in Goulburn Mulwaree has generally fluctuated between \$200,000–\$240,000 during the last 3 years with no real price growth over this period. Median sales prices have trended upwards from \$194,000 in the June Quarter 2006 to \$236,000 in the September Quarter 2007 (see **Figure 8.4**).

Figure 8.4: Median Residential Dwelling Prices, Goulburn Mulwaree (\$'000)



Source: NSW Department of Housing, AECgroup

8.3 Competing Areas

The residential market in the Goulburn CBD experiences the highest level of competition from other areas within the LGA. One of the major reasons people choose to live in Goulburn is to take advantage of the quiet lifestyle while still living in a regional centre with access to regional level services. The lure to live outside the CBD to maximise privacy and take advantage of larger lot sizes is therefore quite strong.

In the bigger picture, Sydney and Canberra also represent significant competition to the Goulburn CBD in terms of the residential sector. Sydney and Canberra are major cities with significant employment centres and are attractive to people looking to live close to their place of work. These cities also draw people looking to live close to key services such as education, retail and commercial.

The more rural regions of the Southern Tablelands compete with Goulburn largely on lifestyle. There are numerous small towns in the region that attract people looking for a 'tree change' to get away from 'city life'. They have the same advantages of Goulburn of being within 1-2 hours drive of Sydney and Canberra though they offer a quieter lifestyle. These centres do not provide residential opportunities in a more developed CBD.

8.4 Industry Trends

8.4.1 Residential Development in Centres

Several new trends are emerging in residential planning to plan for future population growth in areas. Planning for commercial centres is including new residential development to meet growth and town planning objectives.

A key trend in the residential planning for urban centres is to locate new development within and adjacent to local commercial centres. As an example, the *Sydney Metropolitan Strategy* identifies the development of new housing within local centres as a key planning strategy for Sydney. Some of the primary advantages for this development include:

- Activating the commercial centre and stimulating economic growth;
- Optimising use of community infrastructure;

- Improving the transport system with increased access to public transport;
- Improved housing mix in the area;
- Higher design standard of new developments; and
- Healthier community.

As a result of increased residential development in commercial centres, the density and heights of new developments has increased. Planning for commercial centres has promoted higher densities in these centres to protect the character of suburban areas. The *Sydney Metropolitan Strategy* identifies this as a key factor for future planning of residential growth in local centres.

8.4.2 Mixed Use Development

The incorporation of mixed use residential and commercial development has been a growing trend in the planning for commercial centres. Mixed use developments allow for the increasing of residents in commercial centres while maintaining commercial activity. Mixed use developments often include ground floor retail to promote activity and pedestrian movement. Residential components on the upper floors also allow for improved activity within the commercial centre with more people living in the area.

8.4.3 Smaller Dwellings and Household Sizes

Australia has experienced a trend of smaller household sizes in recent times as a result of people's preference for living on their own, increased life expectancies, and a decline in fertility rates. The average household size in Goulburn Mulwaree has declined from 2.58 in 1996 to 2.41 in 2006. This has had an impact on residential planning as demand increases for smaller houses and units/apartments. The Goulburn CBD would have an important role in the increased supply of units and apartments.

8.4.4 Affordable Housing

The development of affordable housing projects has been a key component of residential planning. Housing represents one of the major areas that cause financial stress to low and middle-income families. The redevelopment of urban areas has often been accompanied by reductions in housing affordability. Planning authorities are increasingly incorporating affordable housing initiatives into planning schemes to ensure there is a more equitable access to housing for all residents.

8.4.5 Sustainable Housing

There has been a movement towards residential development which reduces environmental impacts and is more sustainable. The trend has been driven by regulators looking to protect the environment and cost savings as a result of more efficient design factors. The residential developments are being designed with the aim of increasing sustainability through minimising energy usage, water usage and emissions.

8.5 Growth Potential

8.5.1 Growth Signals & Determinants

The future demand for residential property in the Goulburn CBD will be influenced by:

- Population growth;
- Changes in average household size and structure;
- Target markets;
- Comparative housing affordability; and
- Quality of development.

The Goulburn Mulwaree region is projected to record population and household growth over the next 25 years. This will result in demand for new housing within Goulburn.

The average household size in Goulburn Mulwaree has declined from 2.58 in 1996 to 2.41 in 2006. Lone person households also currently account for over a quarter of households in Goulburn Mulwaree making units and apartments an attractive option for a significant

number of residents. The Goulburn CBD would have an important role in the increased supply of units and apartments.

The major target markets for residential development in the CBD include:

- Older residents over the age of 55 years and empty nesters looking to live close to services located within the CBD. Demographic projections indicate this market will grow significantly into the future.
- Students and younger people, including professionals and group households, seeking to live in units/apartments within commercial centres. There is potential for this market to grow with the NSW Police Force Academy located nearby.

The residential market can be supply led with the quality of dwellings having a significant impact on demand. If future residential development in the CBD is high quality, it will have the ability to drive demand by attracting new residents. However, new development that does not meet consumer expectations could result in lower demand and vacancies.

8.5.2 Residential Role of CBD

The future role of the Goulburn CBD will include it remaining the commercial and administrative sector in the region. Future planning for the LGA has identified population growth to be accommodated across existing and proposed new urban releases, including Kenmore, Mary's Mount and Marulan.

Although the CBD has not been identified as a location for significant residential development, there is potential to integrate medium density residential development into the CBD to further activate the centre. This would allow the CBD to consolidate its position as the major activity centre in the Southern Tablelands region.

8.5.3 Projected Residential Dwellings

The preferred methodology to estimate future residential development in the Goulburn CBD is to project the future number of dwellings for the Goulburn Mulwaree LGA and develop market share scenarios for the CBD. Based on population scenarios developed for the LGA, it is projected there will be 1,400 – 3,100 new dwellings required in the LGA during the next 25 years.

Based on the current dwelling structure in the LGA, there is projected demand for an additional 80-190 units and apartments throughout the LGA. Based on the assumption that higher density residential development is often within or adjacent to commercial centres, it is projected that there will be demand for an additional 40-90 units in the CBD during the next 25 years, or 50% of future LGA demand (see **Table 8.3**).

Table 8.3: Projected Additional Units/Apartments, Goulburn CBD, 2031

Scenario/Methodology	Low	High
Projected LGA population (persons)	30,677	34,750
Projected population growth (persons)	3,400	7,473
Projected Household Size	2.41	2.41
Projected Additional Households in LGA	1,408	3,095
Projected Additional Dwellings in CBD	40	90

Source: AECgroup

8.6 Strategic Development Opportunities

It is considered there is potential to increase the supply of medium density residential development within the Goulburn CBD to increase activity the centre.

Specific sites with development potential include:

- **Manfred Park Site:** The site is located on the south eastern fringe of the CBD on the corner of the Goulburn CBD with access to Clinton Street. The 0.55 hectare site

presents potential for the development of apartments and townhouses to meet future population and residential growth in the CBD.

- **Military Lands Site:** The site is located on the fringe of the CBD on Auburn Street towards the southern end of the Goulburn CBD. The 0.64 hectare site presents potential for the development of apartments and townhouses to meet future population and residential growth in the CBD.
- **Ford/Glbu Engineering Site:** The site is located on the corner of Auburn and Bradley Streets towards the northern end of the CBD. There is an opportunity to manage land use conflicts and allow for the relocation of industrial businesses outside the CBD. The site has potential for a mixed use development incorporating ground floor commercial development with residential apartments on the upper floors.
- **Pizza Hut/Service Station Site:** This site has strategic development potential due to its location at the intersection of Auburn and Lagoon Streets. This gateway site presents potential for residential and commercial redevelopment to improve its amenity and urban design.
- **Laneway Shop Top Development:** This precinct includes the laneways generally running parallel to Auburn Street including Cartwright Place, Lilac Place, Mckell Place and Ross Place. The area is located in the centre of the CBD with potential for high pedestrian traffic. One of the strategic development opportunities discussed in this study is the potential to convert laneways into retail and commercial strip precincts. A residential component to these developments has potential to make these laneways vibrant and active areas. The area would include boutique and higher end retail development making it an attractive area for residents.

9. Summary of Planning Implications

9.1 SWOT Analysis

The SWOT analysis below summarises the strategic planning context for commercial, tourism and residential development in the Goulburn CBD.

Table 7.1: SWOT Analysis of Development in the Goulburn CBD

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Strategic position: <ul style="list-style-type: none"> ◦ Sub-regional commercial role ◦ Local government administrative role ◦ Only commercial centre in LGA ◦ Located midway Sydney-Canberra • Trade area characteristics: <ul style="list-style-type: none"> ◦ Positive population growth ◦ Low unemployment rate ◦ Increasing equity and investment • Market supply: <ul style="list-style-type: none"> ◦ Traditional retailing supply ◦ Increasing mix of higher order retail ◦ Increasing national chains/franchises ◦ Local professional services ◦ State government agencies • Market demand: <ul style="list-style-type: none"> ◦ Market share in lower order retail ◦ Low vacancy rates • Trading position: <ul style="list-style-type: none"> ◦ Convenience ◦ Heritage/architecture appeal ◦ Vibrancy/social atmosphere ◦ Public open space • Investment: <ul style="list-style-type: none"> ◦ Development activity increasing ◦ Generally low vacancy rate ◦ Moderate rental rate increases • Strategic planning: <ul style="list-style-type: none"> ◦ Generally compact development ◦ Emerging precincts to north and south 	<ul style="list-style-type: none"> • Strategic position: <ul style="list-style-type: none"> ◦ Hume Highway bypass ◦ Proximity to Sydney and Canberra • Market supply: <ul style="list-style-type: none"> ◦ Service gaps in discretionary retail ◦ Relocation of State government offices • Market demand: <ul style="list-style-type: none"> ◦ Market share in discretionary retail ◦ Vacancies in new office developments ◦ Impact of the highway bypass • Business performance: <ul style="list-style-type: none"> ◦ Tourism accommodation trading • Trading position: <ul style="list-style-type: none"> ◦ Limited range/variety of retail ◦ Lacks connectivity ◦ Rail line restricts access to CBD • Investment: <ul style="list-style-type: none"> ◦ Low quality of floorspace ◦ Poor landlord reinvestment ◦ Limited range/variety of retail
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Strategic position: <ul style="list-style-type: none"> ◦ Consolidate convenience retail role ◦ Expand retail range and variety ◦ Introduce new retail anchors/catalysts • Industry trends: <ul style="list-style-type: none"> ◦ Adaptive reuse of historical buildings ◦ Accommodate home businesses in CBD • Growth potential: <ul style="list-style-type: none"> ◦ Local population growth/projects ◦ Retain expenditure leakage ◦ Improve tourism product ◦ Establish population density • Public need: <ul style="list-style-type: none"> ◦ Expanded range of retail • Investment: <ul style="list-style-type: none"> ◦ Increasing development interest ◦ Strategic development sites • Strategic planning: <ul style="list-style-type: none"> ◦ Create precincts within CBD ◦ Improve connectivity/urban design • Council's role: <ul style="list-style-type: none"> ◦ Encourage preferred developments ◦ CBD improvement projects ◦ Share dialogue with developers ◦ Facilitate economic development ◦ Tourism marketing and development with local businesses 	<ul style="list-style-type: none"> • Strategic position: <ul style="list-style-type: none"> ◦ Continuing growth of competing centres ◦ New business park on office ◦ Bulky goods outside CBD on retail ◦ Shopping centres elsewhere • Industry trends: <ul style="list-style-type: none"> ◦ Preference for business parks ◦ Reducing floorspace to employment ◦ Green building principles in design ◦ Government decentralisation • Growth potential: <ul style="list-style-type: none"> ◦ Inability to attract major retail tenants ◦ Inability to attract major office tenants ◦ Decline in tourism market • Public need: <ul style="list-style-type: none"> ◦ Leakage of demand to other centres • Investment: <ul style="list-style-type: none"> ◦ Non-viable investment • Strategic planning: <ul style="list-style-type: none"> ◦ Maintaining heritage buildings ◦ Fragmented CBD • Council's role: <ul style="list-style-type: none"> ◦ Lack of strategic planning approach ◦ Inconsistent development assessment

Source: AECgroup

9.2 Forecast Market Growth & Development Potential

Based on detail market assessment including analysis of the implications of forecast population growth on development needs, there is projected demand for the following scale of development in the Goulburn CBD to 2031 (see **Table 7.2**):

- Retail 9,200-14,400sqm
- Office 2,700-5,800sqm
- Residential 40-90 apartments

Table 7.2: Projected Market Growth & Development Potential, Goulburn CBD (2031)

Development Type	Low	High
Retail	9,200sqm	14,400sqm
Office	2,700sqm	5,800sqm
Residential	40 apartments	90 apartments

Source: AECgroup

For the retail sector, the projections equate to the following indicative tenancy mix:

- 1-2 major supermarkets plus specialty food retailers;
- 10-15 cafes, restaurants and take-away food outlets;
- 1 DDS plus specialty clothing stores;
- 1 mini major plus specialised recreational goods stores; and
- 5-10 specialties and personal services businesses.

The expansion of the retail sector with additional supply in key service gaps where spending leakage is highest is critical to the long-term sustainability of the CBD's regional role and the viability of its businesses given competition from nearby centres.

In the office sector, demand will be recorded across the commerce-based sectors of property and business, health and medical and professional services. There is likely to be limited additional representation from government tenants.

The demand for residential apartments in the CBD will be driven by the student and retiree sectors seeking smaller living options collocated with commercial, entertainment and recreational services and facilities. Increasing the population density in the CBD also contributes to stronger trading conditions for CBD businesses.

9.3 Strategic Development Opportunities & Capacity

Opportunities and constraints mapping for the CBD has identified a range of strategic development opportunities and capacity to meet forecast development requirements. The two main development constraints are the residential edge surrounding the commercial core, particularly along the northern and western fringes of the CBD, and the rail line along the eastern boundary of the CBD restricting east-west movement.

Considering these constraints, there are strategic development opportunities within the confines of the existing CBD boundary to accommodate forecast development requirements over the next 25 years (see **Table 7.3**). The opportunities are spread across the CBD and include sites at the northern end of the CBD, the western edge of the CBD along Bourke Street, the central laneways of the CBD along Cartwright Place and Ellesmere Street, the southern end of the CBD along Auburn Street, Clinton Street and Clinton Lake, and the eastern rail corridor linking to the River.

Council has already begun facilitating the redevelopment of strategic gateway sites to the northern end of the CBD by rezoning of motor vehicle dealership sites to encourage the relocation of larger and semi-industrial businesses out of the CBD to more appropriate locations, providing opportunities for intensified retail and commercial development. Some of the sites, including the St Patrick's/Cartwright Place school site, are currently receiving private sector development interest.

Table 7.3: Strategic Commercial & Residential Development Opportunities

Development Site	Development Type	Strategic Comment
Ford/Gibu Engineering	<ul style="list-style-type: none"> Mixed use Residential Commercial 	<ul style="list-style-type: none"> There is an opportunity to manage land use conflicts and allow for the relocation of industrial businesses outside the CBD through the appropriate redevelopment of the site. The site presents potential for a mixed use development incorporating ground floor commercial development with residential apartments on the upper floors. The site would strengthen an establishing commercial cluster in the north western area of the CBD.
Ferwick Crescent	<ul style="list-style-type: none"> Residential 	<ul style="list-style-type: none"> Potential for residential development to increase density in this key site. Residential development would manage potential land use conflicts in the long-term.
Pizza Hut/Service Station	<ul style="list-style-type: none"> Mixed use Residential Commercial 	<ul style="list-style-type: none"> This gateway site presents potential for commercial and residential redevelopment to improve its amenity and urban design.
Car Yards Auburn St	<ul style="list-style-type: none"> Bulky goods retail DDS 	<ul style="list-style-type: none"> The site represents a commercially attractive investment opportunity for an integrated retail development housing large format and bulky goods retailers to strengthen the CBD's retail supply and reduce escape expenditure. Potential development of the site could include the provision of more than 11,000sqm of retail floorspace including multiple major (up to 3,000sqm), minor (200-500sqm) and specialty (100-200sqm) tenancies. In terms of anchor tenants, discount department store retailer Target Country has expressed interest in the site and a floor plate of 3,000sqm is expected to meet its locational criteria for a regional centre the size of Goulburn.
St Patrick's/Cartwright Place	<ul style="list-style-type: none"> Mixed use Shopping centre Residential 	<ul style="list-style-type: none"> The site represents a commercially attractive option in the CBD to allow for the expansion of groceries and specialty food retailing in a shopping centre format over the medium term. Potential development of the site could include the provision of a neighbourhood shopping centre concept with a 2,000-3,000sqm supermarket anchor complemented by a range of specialty shops over 2,000-3,000sqm. Development of the site in this manner would meet the projected demand for 3,000-5,000sqm of groceries & specialty food retail floorspace over the next 25 years. Such development would add to the convenience shopping opportunities in the CBD by providing an accessible location for shopping away from the main traffic and pedestrian areas. The potential development of the site also aligns with the redirecting traffic and parking from Auburn Street and improving connections between Auburn Street and side streets.
Rail Overpass Sloane St	<ul style="list-style-type: none"> Tourism services Community use 	<ul style="list-style-type: none"> There is potential to create an overpass above the rail line to improve connections to the eastern side of the River. The development could comprise tourism and community orientated development on the CBD side of the rail line.
Manfred Park	<ul style="list-style-type: none"> Residential 	<ul style="list-style-type: none"> There is potential for the development of apartments and townhouses to meet future population and residential growth in the CBD.
Military Lands Auburn St	<ul style="list-style-type: none"> Residential 	<ul style="list-style-type: none"> The site is a major gateway site at the southern end of the CBD and presents potential for development of apartments and townhouses to meet future population and residential growth in the CBD.

Source: AECgroup, EDAW

9.4 Land Use Planning & Precinct Creation

A key consideration in planning for the Goulburn CBD is ensuring future development compliments and enhances the existing structure of the CBD. In terms of the land use pattern, it is recommended a precinct-based approach be taken to the future land use strategy in the CBD. The theming of precincts within a CBD offers opportunities for creating a range of destination nodes and avoiding the fragmentation of the market.

The existing land use pattern in the CBD is influenced by the location of the major retail nodes of Centro Goulburn at the northern end of Auburn Street and Marketplace at the southern end of the CBD on Verner Street. These locations are anchored by supermarkets and attract custom for grocery and convenience shopping. Auburn Street is the prime commercial strip running north south through the entire CBD with a concentration of retail, office, food and beverage and personal services businesses. There are weaker commercial strips along the parallel Bourke and Sloane Streets, with the east west connecting streets mainly accommodating secondary commercial premises.

There have been some recent developments and emerging trends impacting the land use pattern in the CBD. Council has encouraged motor vehicle dealerships at the northern end of the CBD to relocate outside of the CBD, in turn freeing up development sites for targeted CBD commercial development. In the office sector, the past six months have seen new office developments located away from Auburn Street on secondary streets in the CBD. There have also been reports of retailers located in the shopping centres seeking street front premises along Auburn Street on the basis of rental differentials and pedestrian exposure.

The elongated nature of the CBD along Auburn Street creates planning challenges. A less than compact CBD of this nature with forecast development pressure and a lack of connected development sites creates a risk of fragmentation. This can be to the detriment of new and existing developments. For example, the development of competing rather than integrated shopping centres in the CBD requires patrons to the CBD to choose between two locations. This has already occurred to an extent in the Goulburn CBD given the removed locations of the Centro and Marketplace centres. The key technique to manage such risks is to improve the pedestrian traffic flow and integration between shopping areas, resulting in more viable business locations that allow businesses to record flow-on trade from multi-purpose shopping and CBD trips.

A key element of implementing this strategy into the future in the Goulburn CBD is creating a vibrant **north south Auburn Street**. Auburn Street is the focal point and key connector of trade in the CBD. The street accommodates a range of retail and commercial businesses. To improve pedestrian flow and viability, it is suggested connecting nodes be developed between Verner Street in the south and Bradley Street in the north to break-up the trip for pedestrians and promote linkages. Development along this stretch of Auburn Street would focus on food and beverage and hospitality focused enterprises servicing the entertainment needs of residents and visitors. To provide for attractive outdoor dining experiences, vehicular traffic would be reduced in this precinct. This approach would complement the major tourist node is located around Belmore Park.

Improving integration and linkages with the cross streets of the CBD requires an improved **east west activity path**, including redevelopment of laneways into supporting niche retail precincts below residential development to increase population mass. There are also opportunities to improve the CBD's linkages with the River and open space on the eastern side of the River. This could be achieved through an overpass across the rail line, including targeted tourism services and community use development.

Creating a dedicated commercial **office precinct** is more suited to the fringe of the CBD. Bourke Street along the western fringe of the CBD represents the key existing cluster of office businesses, particularly those requiring easy access to parking with less reliance on street front exposure. Promoting office development on the fringe of the CBD will allow the heart of the CBD to remain as a concentrated retail precinct with high pedestrian activity focussed on hospitality services and shopfront retailing.

Future **bulky goods** development in the CBD would preferably be located at the northern end of the CBD. This area presents the leading location for larger format retail and commercial space given the size of the sites, their gateway location and high exposure to passing trade, and the relative affordability of the land compared with the CBD Core. The area presents the potential to improve the provision of large format retailers by providing a commercially attractive clustering opportunity for both new retailers and the relocation of existing retailers from non-optimal spaces in the CBD. An improved range of supply would reduce, to some extent, the expenditure leakage to competing centres.

In terms of the development of an additional **supermarket** and grocery floorspace to support the long-term development of the CBD, the preferred site is the former St. Patrick's school site. While the site is not located in the core retail area, the site does represent one of the few developable locations in the southern end of the CBD where convenience and traditional core retailing could be expanded. A shopping centre development on this site would create a competing node (activity catalyst) due to its location relative to Auburn Street and existing supermarket. However, it is considered this node would enhance the convenience shopping opportunities in the CBD by providing an accessible location for shopping away from the main traffic and pedestrian areas. Providing adequate linkages to Auburn Street and Marketplace would alleviate any potential short-term impacts on the trade of existing businesses.

9.5 Planning Controls

The new Goulburn Mulwaree LEP currently in its draft stage essentially divides the CBD into two planning areas:

- Inner sector of the CBD is primarily zoned B3 Commercial Core. Complying development in the B3 Commercial Core zone includes a range of retail and office functions, commercial premises, community and recreational facilities, home industries, educational establishments, entertainment facilities, transport facilities, hotel accommodation and shop top housing.
- Outer area of the CBD primarily zoned B4 Mixed Business. Complying development in the B4 Mixed Business Zone (that surrounds the Core CBD) includes a range of retail and office functions, commercial premises, community and recreational facilities, home industries, educational establishments, entertainment facilities, transport facilities and hotel accommodation. It is noted residential flat buildings, multi dwelling housing and seniors housing are also permitted within the zone.

Council has already started implementing a strategy to encourage the relocation of larger and semi-industrial businesses out of the CBD. Council has encouraged some motor vehicle dealerships at the northern end of the CBD to relocate outside of the CBD to free up these sites for more targeted commercial development.

Introducing multi-storey residential development into the CBD would have a positive economic and social impact on the CBD. Current height controls allow development to 5 storeys in the commercial core where the residential mixed-use development opportunities are identified. There is no change required to these height controls to accommodate the forecast residential development demand in the CBD.

9.6 CBD Improvement Projects

Council has responsibility for streetscape projects using funds collected from its Section 94 Contributions Plans. Council has undertaken significant streetscape improvement projects as parts of its planning for the Goulburn CBD. The Highway bypass of the CBD was a catalyst for a major improvement program that aimed to reduce traffic, make the CBD more pedestrian friendly and more aesthetically pleasing. It is noted these projects are vital to improving the trading position and amenity of the CBD and public safety.

There are further opportunities for Council to invest in streetscape improvements as directed by the CBD Master Plan:

- **Signage:** It is suggested Council establish coordinated precinct signage to ensure all consumers are provided with good signage and linkages are enhanced between the emerging precincts in the CBD. This signage would be particularly important in improving signage for historical sites that are popular tourist attractions.
- **Historical architecture:** One of the major defining features of the Goulburn CBD is the presence of several historical and architecturally significant buildings. Council has a key role to play in ensuring that these buildings are protected and future CBD projects highlight and enhance these important assets.
- **Streetscape and landscaping:** Council has an important role to play in beautifying the CBD and the public domain. This is important in terms of creating civic pride in the CBD and ensuring attractive, pleasant and safe shopping experiences for patrons.
- **Laneways:** There is potential to convert laneways in the CBD into retail and commercial strip precincts. There would be significant cost implications of such an approach for Council which would need to be considered.

9.7 Relationship with the Development Community

This study has highlighted the potential for future development within the CBD to meet the requirements from anticipated population growth. Council has a responsibility to establish an appropriate planning environment conducive to improved retail and commercial development outcomes. Improved education of developers is required to improve commercial acceptance and lift development quality.

It is important for the future success of investment in the CBD and the community's acceptance of Council's CBD Master Plan that there is an improved dialogue between the planning authority and the local development community.

These processes could involve:

- Support the establishment of a business representative group;
- Facilitate a forum with major landowners and developers;
- Establish 6-monthly workshops with local businesses/developers;
- Introduce retail awards competitions;
- Develop a quarterly property market brief;
- Require development applications to be supported by market research;
- Begin education program for businesses engaging experts;
- Conduct independent review of feasibility of development;
- Undertake an annual business survey;
- Coordinate an investment attraction approach; and
- Establish a marketing and promotions strategy.

9.8 Facilitating Economic & Tourism Development

Council has an important role to play in facilitating economic development within the LGA. The development of the *Goulburn Mulwaree Economic Development Plan* outlines a planning framework for achieving growth throughout the LGA. The key strategies outlined in the plan relevant to the growth of the CBD include:

- Develop Goulburn as regional centre for retail and service businesses;
- Improvement in infrastructure to meet business and industry needs;
- Develop and expand educational opportunities;
- Build relationships with government and industry;
- Undertake a targeted marketing campaign to promote the region;
- Develop a tourism product that meets expectations of target markets; and
- Promote existing tourism attractions.

The same Economic Development Plan identifies the importance of tourism to the future growth of the region. Council has a vital role to play in the development of the tourism sector in the CBD. The key tourism strategies for the CBD outlined in the Plan include:

- Improve partnerships between local tourism businesses;
- Improve the tourism experience in regards to the heritage sites in the CBD;
- Enhance the shopping experience for visitors;
- Seek to increase the number of events and festivals held in Goulburn;
- Develop a marketing and promotion plan.

Appendix A: Definitions

Retail Trade

The retail trade sector is defined as businesses mainly engaged in the resale of new or used goods to final consumers for personal or household consumption. The definition applied in this study closely aligns with the Australian and New Zealand Standard Industrial Classification (ANZSIC) definition which was adopted by the ABS for its *1991-92 Retail and Services Census* and *1998-99 Retail Industry Report*, and has been adopted for the purposes of detailing the retail market using the ABS' *2003-04 Household Expenditure Survey*, as well as categorising retail centres' turnover and tenancy details. The retail types defined in this study are outlined in **Table A.1**.

Table A.1: Retail Type Definitions

Broad Retail Types	Goods and Services (Merchandise)	Store Types (Retailers)
Groceries & Specialty Food	<ul style="list-style-type: none"> Bakery products, meat, fish and seafood, eggs, dairy products, edible oils and fats, fruit and nuts, vegetables, condiments, confectionary, food additives and prepared meals, non-alcoholic beverages 	<ul style="list-style-type: none"> Supermarkets, local stores, service stations, bakeries, pastry shops, butchers, ice cream shops, fruit stores, vegetable stores, candy shops, drink stores, discount department stores, department stores
Food & Liquor Catering	<ul style="list-style-type: none"> Meals out and fast foods, alcoholic beverages for consumption off licensed premises 	<ul style="list-style-type: none"> Cafes, restaurants, take-aways and fast food stores, liquor stores and bottle shops
Clothing & Accessories	<ul style="list-style-type: none"> Men's, women's, children's clothing and footwear, watches, clocks, jewellery and other accessories, travel goods 	<ul style="list-style-type: none"> Specialty clothing and footwear stores, discount department stores and department stores, jewellers, travel goods stores and other accessory stores
Furniture, Houseware & Appliances	<ul style="list-style-type: none"> Kitchen, bedroom, lounge/dining room, outdoor/garden furniture, carpets, floor rugs, mats, matting, vinyl and other sheet floor coverings and floor tiles, blankets, household linen, household furnishings, glassware, tableware, cutlery, household utensils, cooking stoves, ovens, microwaves, hot plates, rangehoods, refrigerators, freezers, washing machines, air-conditioners, dishwashers, clothes dryers, other electrical appliances, non-electrical appliances 	<ul style="list-style-type: none"> Bulky goods stores, furniture stores, carpet stores, discount department stores and department stores, antique stores, manchester stores, curtains and blinds stores, electrical / appliance stores, other homewares stores
Recreation & Entertainment Equipment	<ul style="list-style-type: none"> Audiovisual equipment and parts, home computer equipment, blank and pre-recorded media, books, newspapers, magazines and other printed material, other recreational and educational equipment and hire 	<ul style="list-style-type: none"> Bulky goods stores, electrical and audiovisual stores, computer stores, discount department stores and department stores, sporting, camping and outdoor goods stores, music shops, newsagencies, book shops
Hardware & Garden Goods	<ul style="list-style-type: none"> Gardening tools and equipment, other hand and power tools, household non-durables including gardening products 	<ul style="list-style-type: none"> Bulky goods stores, garden centres and hardware stores, discount department and department stores

Broad Retail Types	Goods and Services (Merchandise)	Store Types (Retailers)
Other Goods & Personal Services	<ul style="list-style-type: none"> Stationery, pharmaceuticals and personal care products and services, animal purchases and food, tobacco, other miscellaneous goods 	<ul style="list-style-type: none"> Supermarkets, local stores and service stations, newsagents and stationery stores, chemists, pharmacies, cosmetic stores, discount department stores and department stores, hair salons, beauty salons, laundromats, tobacconists

Source: ABS 2003-04 Household Expenditure Survey, ABS Retail & Services Census, AECgroup

Bulky goods retailing is a type of retail trade that generally encompasses the sale of merchandise that is large in terms of size shape and weight. Bulky goods retailing is characterised by larger floor plates to accommodate the storage and display of 'bulky' items. The Bulky Goods Retailers Association notes the following differences between bulky goods and core retailing:

- Larger floor plates;
- Often located on the fringe of activity centres;
- Higher ceilings;
- Direct access for deliveries by semi-trailers and large trucks; and
- Direct customer access for loading items into vehicles.

Products generally classified as bulky goods include:

- Furniture;
- Whitegoods and electrical;
- Bedding and Manchester;
- Furnishings;
- Household fixtures and fittings;
- Building materials and hardware; and
- Garden goods.

The non-retail sector refers to the following store types, services and expenditure categories:

- Amusements;
- Appliance rental;
- Auto accessories and parts;
- Banks, building societies and credit unions;
- Cinemas;
- Equipment hire;
- Financial and property services;
- Fuel retailing;
- Lottery and gaming;
- Marine equipment;
- Medical and dental services;
- New and used motor vehicles;
- Offices;
- Post offices;
- Repair and maintenance of household durables;
- Travel agency;
- Vehicle charges; and
- Video hire.

Office Standard Classifications

Office classifications referred to in the analysis are defined in **Table A.2** based on Property Council of Australia standards.

Table A.2: Property Council of Australia Office Classification Definitions

Grade	Size	Floor Plate	Age/Services/Finish
Premium	>20,000m ²	>800m ²	Top quality modern space which is generally a pace setter in establishing rents and includes: <ul style="list-style-type: none"> • The latest or recent generation of building services • Ample natural lighting • Good views/outlook • Prestige lobby finish; and • Quality access to/from an attractive street environment
A	>5,000m ²	>400m ²	High quality modern space including: <ul style="list-style-type: none"> • A high quality of building service • Ample natural lighting • Good views/outlook • Quality lobby finish; and • Quality entrance
B	Any	Any	Good quality modern space
C	Any	Any	Older style air conditioned space
D	Any	Any	Poor quality space

Source: Property Council of Australia

Appendix B: Consultation Methodology

Purpose of the Consultation

The consultation process included consultation with key stakeholders and was designed to gather views regarding the future growth and development of the Goulburn CBD. More specifically, the consultation investigated the following issues:

- Regional role of the CBD;
- Business performance and economic health;
- Position of local tourism sector;
- Internal and external factors affecting businesses;
- Competing centres and influence;
- Property investment viability and demand;
- Future demand, need and growth potential;
- Strategic development opportunities; and
- Statutory planning controls and amendments.

Consultation Process

Consultation Period	December 2007
Consultation Technique	Face-to-face interviews with stakeholders Phone interviews with stakeholders Chamber of Commerce meeting
Stakeholder Consultations	Council's Executive Management Team Council's Economic Development Team CBD Chamber of Commerce Local real estate agents

Appendix C: Demographic Statistics

Table C.1: Demographic Indicators, 2006 Census

Indicator	Goulburn LGA	Non Metro NSW	NSW
Population			6,549,177
Total population	26,086	2,419,816	
Age Distribution			
0-14 years	19.7%	20.4%	19.8%
15-24 years	12.7%	12.4%	13.3%
25-34 years	11.7%	10.7%	13.6%
35-44 years	14.1%	13.5%	14.6%
45-54 years	14.1%	14.3%	13.8%
55-64 years	12.4%	12.2%	11.0%
65+ years	15.3%	16.5%	13.8%
Average age (years)	38.7	39.1	37.5
Country of Origin			
Australia	86.4%	83.8%	74.4%
Born Overseas	7.7%	10.2%	25.6%
Bosnia and Herzegovina	0.0%	0.0%	0.1%
Canada	0.0%	0.1%	0.2%
China (excl. SARs and Taiwan Province)(b)	0.1%	0.2%	1.9%
Croatia	0.1%	0.1%	0.3%
Egypt	0.1%	0.0%	0.3%
Fiji	0.1%	0.1%	0.5%
Former Yugoslav Republic of Macedonia (FYROM)	0.0%	0.2%	0.3%
Germany	0.3%	0.5%	0.5%
Greece	0.2%	0.1%	0.6%
Hong Kong (SAR of China)(b)	0.0%	0.1%	0.6%
India	0.1%	0.2%	0.9%
Indonesia	0.0%	0.1%	0.4%
Iraq	0.0%	0.0%	0.3%
Ireland	0.1%	0.1%	0.3%
Italy	0.2%	0.4%	0.9%
Japan	0.0%	0.0%	0.2%
Korea, Republic of (South)	0.0%	0.0%	0.5%
Lebanon	0.1%	0.1%	0.9%
Malaysia	0.0%	0.1%	0.4%
Malta	0.1%	0.1%	0.3%
Netherlands	0.3%	0.3%	0.3%
New Zealand	0.9%	1.0%	1.8%
Papua New Guinea	0.0%	0.1%	0.1%
Philippines	0.2%	0.2%	0.9%
Poland	0.1%	0.1%	0.3%
Singapore	0.0%	0.0%	0.2%
South Africa	0.1%	0.2%	0.5%
South Eastern Europe, nfd(c)	0.1%	0.1%	0.2%
Sri Lanka	0.0%	0.0%	0.3%
Thailand	0.0%	0.1%	0.2%

Indicator	Goulburn LGA	Non Metro NSW	NSW
Turkey	0.0%	0.0%	0.2%
United Kingdom(d)	2.8%	3.7%	4.4%
United States of America	0.1%	0.2%	0.4%
Viet Nam	0.1%	0.1%	1.0%
Born elsewhere(e)	1.2%	1.3%	4.5%
Households			
% of households fully owning home	37.5%	39.4%	34.8%
% of households purchasing home	31.0%	30.0%	31.9%
% of households renting	28.2%	26.7%	29.5%
% other	0.7%	1.0%	0.8%
Not stated	2.7%	3.0%	2.9%
Persons per household	2.4	2.5	2.6
Household Type			
Couple family with children	28.6%	29.4%	33.5%
Couple family without children	28.0%	29.1%	26.1%
One parent family	12.1%	12.0%	11.7%
Other families	0.9%	0.9%	1.2%
Lone Person Household	27.8%	25.6%	23.8%
Group Household	2.6%	3.0%	3.7%
Labour Market			
Full-time employment (% labour force)	58.4%	56.6%	60.8%
Part-time employment (% labour force)	28.5%	30.1%	27.2%
Total employment (% labour force)	93.8%	93.0%	94.1%
Unemployment rate (% labour force)	6.2%	7.0%	5.9%
Participation rate (% of population > 15 years)	56.5%	56.0%	58.9%
Qualifications			
% of persons with non-school qualification	41.0%	42.2%	47.2%
% of persons with Bachelor degree or higher	9.6%	11.9%	19.1%
% of persons with Advanced Diploma or Diploma	7.5%	7.1%	8.6%
% of persons with Certificate	23.9%	23.2%	19.5%
Occupation			
Managers	11.8%	14.5%	13.6%
Professionals	14.0%	16.3%	21.2%
Technicians & trades workers	13.5%	15.4%	13.6%
Community & personal service workers	13.3%	9.6%	8.6%
Clerical & administrative workers	12.0%	12.9%	15.4%
Salesworkers	10.4%	10.0%	9.7%
Machinery operators & drivers	9.8%	7.3%	6.4%
Labourers	13.6%	12.3%	9.5%
Inadequately described/ Not stated	1.5%	1.6%	1.9%
Industry			
Agriculture, forestry & fishing	4.0%	7.0%	2.7%
Mining	0.5%	1.7%	0.7%
Manufacturing	7.8%	9.3%	9.6%

Indicator	Goulburn LGA	Non Metro NSW	NSW
Electricity, gas, water & waste services	1.0%	1.3%	1.0%
Construction	6.6%	7.8%	7.3%
Wholesale trade	3.2%	3.1%	4.7%
Retail trade	13.3%	12.3%	11.1%
Accommodation & food services	9.0%	7.5%	6.5%
Transport, postal & warehousing	7.1%	4.3%	5.0%
Information media & telecommunications	1.1%	1.2%	2.4%
Financial & insurance services	1.6%	2.3%	5.0%
Rental, hiring & real estate services	1.2%	1.5%	1.7%
Professional, scientific & technical services	3.7%	4.4%	7.3%
Administrative & support services	2.0%	2.5%	3.1%
Public administration & safety	11.1%	6.9%	6.0%
Education & training	7.4%	8.3%	7.6%
Health care & social assistance	13.0%	11.5%	10.5%
Arts & recreation services	0.9%	1.2%	1.4%
Other services	3.7%	3.9%	3.8%
Finances			
Average weekly household income	\$1,021	\$1,022	\$1,264
Average monthly housing loan repayment	\$1,306	\$1,346	\$1,706
Average weekly rent repayment	\$149	\$170	\$232
Motor Vehicle Ownership			
% of households owning no vehicles	10.3%	9.2%	11.6%
% of households owning 1 vehicle	36.5%	38.1%	38.3%
% of households owning 2 vehicles	33.9%	34.6%	33.1%
% of households owning 3 or more vehicles	15.2%	14.2%	13.0%

Source: ABS 2006 Census, AECgroup



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