Investment Attraction Strategy for Main North Road & North East Road

For the City of Prospect and the Town of Walkerville

29 January 2018
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Executive Summary

The City of Prospect and the Town of Walkerville have formally agreed to combine their resources to prepare an investment strategy for underutilised sections of arterial roads in their council areas, including where they share frontages. These inner city sections of Main North Road and North East Road carry high volumes of traffic and have not responded to recent development policy changes as much as similar nearby roads such as Walkerville Terrace, Prospect Road and Churchill Road.

The aim of this study is to identify both the advantages and barriers to investment on Main North Road and North East Road and to provide recommended actions for the implementation of an Investment Attraction Strategy. The implementation program outlined in this document comes from investigations into the current market context, reflection on previous Council plans and strategies, consultation with industry experts and organisations and the examination of urban renewal success stories, both globally and locally.

While this strategy acknowledges and celebrates the benefits of investment in the public realm as a catalyst for change and renewal, considering the size of the two councils involved and their commitment to current major projects, the strategy's focus is on furthering private sector understanding and investment in these locations with less emphasis on major council spending upfront.

This approach requires knowledge of the aspirations and concerns of local businesses, property owners and investors; identifying the best way to provide information and guidance to them; and advising actions for successfully promoting the Main North Road and North East Road 'Investment Corridors'. It also requires an understanding of how to apply local context to the latest local, national and international concepts and case studies, adapting successful approaches of attracting urban investment while transitioning to a more service based economy.

The City of Prospect and the Town of Walkerville have the advantage of fibre to the premise broadband access, a great network asset that can be combined with their strategic location and other economic, social and physical assets to implement growth and renewal in targeted localities.

While the vision and focus for the strategy is based on best practice, it has also been informed by detailed investigations including:

- A fine-grained analysis of how the investment corridors function currently as shown by vacancy rates, land rates and age and condition of buildings
- Confirmation of the important role the ‘design dividend,’ or public realm upgrade, can play in attracting investment
- Adelaide property market activity in commercial, retail, apartment and other sectors
- Consultation with a range of property market investors, agents, builders and developers
- Strategies, master plans and programs adopted by the respective Councils, including Prospect's Strategic Economic Development Plan 2014-2018, Digital Economy Strategy, Services Export Hub; as well as Walkerville's Strategic Community Plan 2016-2020; as well as both Council's participation in the Eastern Region Alliance.
- The combined principles of place-making and agglomeration of similar uses, particularly in the establishment of innovation districts. These districts are characterised by anchor uses around which investment gathers, subject to the existence and strength of three types of assets: economic assets (the businesses and firms); physical assets (such as great places); and network assets which provide social and technical connectivity between people in close proximity.

The Vision for the ‘Walkerville and Prospect Investment Corridors’ is:

"The gateway arterials to central Adelaide from the north will be attractive tree-lined commercial investment corridors. They will contain sectoral activity hubs where similar businesses and people will gather, clustered around key anchor uses such as major corporate offices, retail centres, health and aged care centres, innovation and learning centres and modern multi-brand vehicle dealerships. Cafés, restaurants, recreation outlets and local parks service the hubs, providing daily meeting places for the local community and visitors to share and collaborate at work and leisure."
These hubs will have well defined access, high local connectivity, affordable parking; high speed digital connection, attractive public spaces and modern footpaths, lighting, signage and road pavements. As traffic conditions on the roads change, residential development will enable local populations to grow.”

The Vision is spatially reflected in seven Priority Areas.

**Priority Area One:** A mixed use innovation hub attracting more healthcare, aged accommodation, data driven businesses, retail, recreation and service businesses on Main North Road Prospect, focused on the Barker Road /Thomas Street locality.

**Priority Area Two:** An area for start-up businesses, entrepreneurs, mature company offices, shops, hotel-related apartment extensions and medium density residential development on and around an ‘ABC Hub’ at Collinswood, and Walkerville.

**Priority Area Three:** A short term investment opportunity for the adaptation or renewal of the (closing) Calvary Hospital site for specialised medium density residential development.

**Priority Area Four:** Renewed promotion of ‘Scotty’s Corner’ (Nottage Terrace-Main North Road intersection) for mixed use redevelopment, including commercial uses, hotel/serviced apartments and integrated cafe and services.

**Priority Area Five:** Continue the upgrading and consolidation of car dealership premises in two locations at Main North Road Medindie and Prospect, promoting the integration of restaurants and cafes and other attractions into multi-brand dealership centres.

**Priority Area Six:** Encourage the Northpark retail centre and other smaller centre owners to anticipate and adapt to changes in the retail climate. Promote Northpark as a future experiential centre with recreation, community and service centres.

**Priority Area Seven:** Promote the areas between the priority area clusters for continuing niche and boutique shops, offices and services.

To achieve the Vision, a detailed set of actions and tasks is recommended for the Councils to implement, including:

- Focusing on private sector action with specific clusters and anchor uses in the investment corridors.
- Early action involving engagement with owners, businesses and investment groups to ensure they understand both the opportunities and the strategy for investment supported by the Walkerville and Prospect councils.
- Development of a promotional document, marketing campaigns and events to articulate the benefits and competitive advantages of investing in Main North Road and North East Road to potential local, national and international targeted interests.
- The development of Concept Plans and budget allocation for public realm improvements, with an aim to focus on one project per year from the Priority Areas, demonstrating the willingness of Councils to assist change and transformation within the identified Investment Corridors.
- A rapid development advisory service demonstrating Council’s preparedness to prioritise this area for development.
- Investigation of a potential partnership with Renew Adelaide and state agencies to assist with improving property occupancy rates on these corridors. This program can work alongside the Councils’ ongoing support of incubator and export businesses, encouraging start-up and entrepreneur companies to stay within the local area.

This strategy includes the content for a marketing document that both Councils can use in promoting the Investment Corridors. Staging of the implementation actions is recommended in line with council capacities to work together on shared areas, business responsiveness, new investment projects commencing and time and fiscal constraints with other commitments.

This Investment Attraction Strategy offers both a longer term blueprint and shorter term ‘catalyst’ actions to promote the advantages and strengths of the Walkerville and Prospect Investment Corridors, accelerating site and cluster renewal around the key focus areas.
1. Introduction

The City of Prospect and the Town of Walkerville have signed a Memorandum of Understanding (MOU) to collaborate on a range of projects including master planning and economic development. It is also noted that the City of Prospect has undertaken a master plan for Main North Road which seeks to develop the Road as a ‘Green Commercial Boulevard.’ This report builds on that master plan and incorporates public realm infrastructure priorities in the plan. The City of Prospect and the Town of Walkerville are seeking a strategy to attract investment to properties fronting:

- Main North Road between Regency Road and Fitzroy Terrace/Robe Terrace at the Park Lands in Prospect, Nailsworth, Medindie Gardens, Medindie and Fitzroy
- North East Road between Hampstead Road and Nottage Terrace in Walkerville and Collinswood

The Councils have successfully initiated renewal of other key roads in the area and are looking to repeat this success on these two major arterials.

Specific aims of this Strategy are to:

A. Understand and address the reasons why investment has not occurred on Main North Road and North East Road to the same extent as on Prospect Road, Walkerville Terrace and Churchill Road, despite a positive change in development zone policy and encouragement from Council.

B. Recommend a staged program of area specific actions for Council, to increase the likelihood of attracting more private sector investment on the inner suburban arterial roads identifying drivers for development, target sectors, likely land use mixes and forms of public investment.

C. Provide written content for a ‘reasons to invest’ promotional document for attracting investment to Main North Road at Prospect and Medindie; and North East Road at Walkerville and Collinswood.

D. Summarise research and case studies, providing supporting documentation, including consultation with industry, relationship to Council plans and alignment with the strategic directions of Council and the State.

The underlying aim is to collaboratively increase the economic base of the councils, making them more sustainable in the longer term, providing more local jobs in the future and thus enabling local service provision levels to be maintained and improved.

Main North Road and North East Road, will be promoted as the Prospect Investment Corridor and Walkerville Investment Corridor, respectively.

Appendices attached provide additional information.
2. Current Corridor Characteristics

The existing conditions on the two corridors indicate that whilst diverse economic activity is evident, the properties are aging in many – not all – localities. This suggests the role played by these areas is specialised but not necessarily growing. The conditions are summarised as follows:

Location

The arterial roads in Prospect and Walkerville are in an inner city location and have the following features:
- transport networks including Adelaide airport, Adelaide Rail Terminal and road transport facilities
- proximity to the Adelaide CBD and its major services, businesses and institutions
- successful inner city local ‘places’ and ‘main streets’ on Prospect Road and Walkerville Terrace
- provision of broadband services
- a white collar local labour market
- high levels of passing traffic and hence exposure

Despite the locational advantages, these road sections have many characteristics of ‘link’ roads for commuter traffic, rather than ‘place’ roads offering attractive destinations for work and leisure.

Appearance – Private and Public Realm

Traffic volumes and associated noise, fumes and safety compromise the public realm of Main North Road and North East Road. Traffic volumes and speeds are unlikely to change in the foreseeable future and parking is not legible. New development is limited and public realm amenity is poor.

Presentation of properties is highly variable with incoherent building forms, signage and landscaping developed over many years, with maintenance ranging from excellent to poor.

Land Use and Zoning

Changes to development policies in recent years have contributed to a surge in private sector investment along major transport corridors in the inner north and other areas, usually combined with public realm investment. These new policies have not yet had an impact on the two major arterials. Nonetheless, Main North Road and North East Road host diverse businesses including:
- major district level shopping centre at Northpark
- major car dealerships including most major brands
- Officeworks (bulky goods)
- Radio Rentals (bulky goods)
- major medical centre with GPs and allied health services
- Clayton Church Homes offices and 60 bed Residential Care facility
- multiple food outlets including fast food
- the ABC Studios, offices, recording studio and Concert Hall (recently scaled back)
- Collinswood neighbourhood shopping centre
- Calvary Rehabilitation Hospital (soon to relocate)
- multiple local shops, cafes, restaurants and local service stations
- Nails worth Primary School
- Prospect Council Digital Hub, co-working space and proposed Export Hub.
- residential properties (North East Road particularly)

Services

Schools, local shops and local medical services are also evident. The service contributing significantly to any investment attraction strategy is broadband. Both Prospect and Walkerville have Fibre to the Premises (FTTP) and some areas have very fast digital connections through SABRENet. This can be capitalised through the GigCity program.

The corridors have frequent public transport connections by bus. These services are a promising basis for future investment attraction.

Traffic, Parking and Movement

Not all arterial roads are the same due to historic evolution, recent investment by their owners (usually State Government) and private sector investment in their frontages. Table 1 below highlights the attributes of similar successful roads but also critical differences in traffic volumes and public realm quality on Main North Road and North East Road. These differences indicate where some of the challenges lie.
Table 1. Road Type: Size and Traffic Volumes, Condition

<table>
<thead>
<tr>
<th>Road Type</th>
<th>Traffic volumes per day (2015)</th>
<th>Speed Limit (max km/hr)</th>
<th>Width of road reserve (m)</th>
<th>Carriageway width (m) and lanes</th>
<th>Footpath width and condition</th>
<th>Street trees/amenity, property access</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prospect Road, “Village Heart”</td>
<td>18,200</td>
<td>40</td>
<td>20-22</td>
<td>12-15m</td>
<td>Good</td>
<td>Good</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2 lanes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Churchill Road</td>
<td>25,100</td>
<td>60</td>
<td>20-22</td>
<td>12-13m</td>
<td>Good</td>
<td>Medium/good</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2 lanes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Main North Road</td>
<td>47,600</td>
<td>60</td>
<td>25-28</td>
<td>18-19m</td>
<td>Poor – improvements proposed</td>
<td>Poor – improvements proposed</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>6 lanes (clearway)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>North East Road, Collinswood/Walkerville</td>
<td>50,000</td>
<td>60</td>
<td>22-25</td>
<td>20-22m</td>
<td>Poor – under review</td>
<td>Poor – under review</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>6 lanes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Port Road, Hindmarsh</td>
<td>41,200</td>
<td>60</td>
<td>40 +</td>
<td>Dual with wide planted median 6 lanes</td>
<td>Good</td>
<td>Medium</td>
</tr>
<tr>
<td>Anzac Highway, Keswick</td>
<td>41,000</td>
<td>60</td>
<td>40 +</td>
<td>Dual with wide planted median 6 lanes</td>
<td>Good</td>
<td>Good</td>
</tr>
<tr>
<td>Fullarton Road, Dulwich/Rose Park</td>
<td>41,800</td>
<td>60</td>
<td>30 +</td>
<td>Dual with median 4 lanes</td>
<td>Good</td>
<td>Good</td>
</tr>
</tbody>
</table>

Snapshot of surrounding communities

Both Prospect and Walkerville Council areas are mainly comprised of desirable residential areas and successful activity centres – in both ‘main street’ format and in standalone centres.

The population of Prospect is growing and Walkerville’s has decreased. They are both aging and gentrifying, although Prospect’s median age of 37 is below the state median of 40 years (Walkerville’s median age is 44). Both Council areas have a larger proportion of white collar professionals and lower unemployment rates than the state levels. Other key indicators of successful communities are shown on the following pages.
Prospect

Our community

Total population

21,095

Increasing Cultural Diversity

<table>
<thead>
<tr>
<th>Country</th>
<th>2011</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>957</td>
<td></td>
</tr>
<tr>
<td>China</td>
<td>290</td>
<td>379</td>
</tr>
</tbody>
</table>

Households with one or more vehicles: 91.6%

Median Age: 37

Household Types:

<table>
<thead>
<tr>
<th>Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Couple/0 children</td>
<td>36.4%</td>
</tr>
</tbody>
</table>

Medium Density Housing

Median =

Population Increase

2011 → 2016

2.8%

Age segmentation:

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-4 years</td>
<td>5.9%</td>
</tr>
<tr>
<td>5-9 years</td>
<td>5.9%</td>
</tr>
<tr>
<td>10-14 years</td>
<td>18.3%</td>
</tr>
<tr>
<td>15-19 years</td>
<td>26.6%</td>
</tr>
<tr>
<td>20-24 years</td>
<td>26.6%</td>
</tr>
<tr>
<td>25-29 years</td>
<td>30.6%</td>
</tr>
<tr>
<td>30-34 years</td>
<td>13.8%</td>
</tr>
</tbody>
</table>

Source: Australian Bureau of Statistics (ABS) 2016 Census data, Jensen PLUS, City of Prospect
Vacancy Rates

Main North Road and North East Road are outwardly functioning adequately based on observed vacancy rates, a universal measure of economic health for commercial and retail areas in cities and towns. Graph 1 shows this in comparison to other inner city Adelaide roads (North East Road has a higher rate but a small base of properties, so relatively few observed vacancies).

Given the condition of premises and observed activity levels, a higher ‘hidden vacancy’ rate is considered very likely along both corridors, possibly due to longer term owners accepting sub-optimal property performance and occupancy for ageing premises. These conditions can produce an illiquid market on major link roads with properties sales rates low, values low and asset value increases low. This is considered to apply on the sections of the two roads being examined.

Walkerville

Our community

Total population

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>232</td>
<td>158</td>
</tr>
<tr>
<td>China</td>
<td>152</td>
<td>231</td>
</tr>
</tbody>
</table>

Increasing Cultural Diversity

Average weekly income

Most common occupation in Walkerville is professionals making up 38.5% of the Walkerville workforce compared to South Australia 20.3%

Low unemployment (5.8% compared to South Australia 7.5%)

High education level achieved by residents

Average size house mortgages

Households with one or more vehicles

91.9%

Median Age

44

Household Types

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Couple/0 children</td>
<td>43.6%</td>
</tr>
</tbody>
</table>

Medium Density Housing

Population Increase

2011 → 2016

12.6%

Source: Australian Bureau of Statistics (ABS) 2016 Census data, Jensen PLUS, Town of Walkerville
Investment Attraction Strategy for Main North Road & North East Road

**Graph 1.** Vacancy Results by Strip – September 2016 and September 2017 (Colliers International/City of Prospect/ Jensen PLUS)

**Table 2. Commercial Land Rates on Inner Northern Road Frontages**

<table>
<thead>
<tr>
<th>Land Rate Range ($/m²)</th>
<th>Prospect Road</th>
<th>Churchill Road</th>
<th>Main North Road</th>
<th>North East Road</th>
</tr>
</thead>
<tbody>
<tr>
<td>≥1500 (up to 1800)</td>
<td></td>
<td>≤1300 (up from 500)</td>
<td>≤1000 (recent sales data)</td>
<td>&lt;1000 (recent sales data)</td>
</tr>
<tr>
<td>Capital Improvements</td>
<td>Substantial</td>
<td>Minor</td>
<td>Minor to Moderate</td>
<td>Moderate</td>
</tr>
<tr>
<td>Lot Size</td>
<td>Smaller</td>
<td>Larger</td>
<td>Larger</td>
<td>Moderate - Larger</td>
</tr>
</tbody>
</table>

**Land Rates**

Comparative land values shown in Table 2 above for Main North Road and North East Road in Prospect and Walkerville show highly competitive rates for commercial development compared to nearby roads. Anecdotal evidence suggests that rates on Main North Road have been falling recently, driven by a downturn in space leased by car dealers.

**Land Use and Tenancy on Inner Northern Arterials**

Although Northpark Centre tenancies are included in the data within Graph 2, automotive uses (including car yards) and small offices remain the dominant use with standalone, food and personal services playing a role. Bulky goods stores are also significant.

It is common in many western cities for vehicle sellers and resellers to agglomerate in high exposure areas, particularly along major roads. Future changes to electric and driverless cars may have an impact but demand is falling for physical car yards, particularly as
independent operators, including online car sales, continue to increase. Tenancy data for North East Road was not available but land use assessment indicates fast food, retail and ABC offices are dominant, along with hotels and a new service station.

Graph 2. Main North Road Precinct Tenancy Mix (building size), 2016
3. Market Context

Office Market context

The office investment activity within the inner Adelaide context includes:

- Property Council data from early 2017 indicates office vacancy rates in the Adelaide CBD are at their highest levels since 1999, at over 16 percent. The national average vacancy rate is 10.5 percent.

- Reasons for the high rate in Adelaide's CBD are ascribed to significant supply additions and negative demand. Vacancy rates varied over office grades from 8.3 percent for premium grade to more than 20 percent for D grade space.

- Adelaide CBD fringe vacancy rates – relevant to Main North Road and North East Road - were less but also at an 18 year high, at 11.3 percent.

- The Comparative Strips Vacancy rates within Graph 1 on page 8 shows how Main North Road is against the trend with a low commercial vacancy rate. While North East Road vacancy is higher, it remains below Adelaide CBD figures.

- Despite suspicions of a higher hidden vacancy rate, these figures indicate the niche nature of these roads, providing a combination of city wide specialties and local services.

- Demand driver strength in the office market is often measured by professional job advertisements and this trend is currently positive in SA. Growth sectors include defence, education, technology, health, financial and personal services. In line with the economic base of SA, a clear majority of office deals are for small business, less than 1000 square metres.

In summary, this context underlines the challenge of attracting major office development to low amenity inner suburban arterial roads with shallow allotments adjoining high value residential properties. The offer may need to be premium grade, with parking advantages and other attractions such as low running costs and compelling design. Site amalgamation is a likely prerequisite. A more realistic focus may be on bolstering small office investment, one of the prevailing uses on heavily trafficked inner-city Adelaide arterials, or retail and office mixed use two or more storey developments.

Retail Market context

Relevant aspects of the retail market include:

- The desire to shop locally is universally strong, in well designed, authentic places.

- New players with capacity to survive disruption are generally locating in or near existing centres.

- Brands include H&M, Zara, Aldi, Kaufland, Costco and Decathlon (these are global, not local brands).

- Routine shopping will go online first with future physical growth in fresh local food, medical and beauty markets and ‘experiential’ shopping/community centres.

- For the first half of 2017 Colliers International has reported that ‘Retail sales in South Australia have seen a sustained trend of above national average growth over the last 12 months with an annual growth rate of 3.3 per cent, driven by strong growth in café and restaurants, food and other retail categories.

- This recent above average growth in retail sales has supported increased enquiry and falling vacancy for many prime retail strips and centres.’

- Current retail investment activity along Prospect Road (including new shops, offices and cinema by the Maras Group) and recent investment along Churchill Road highlights some of the critical conditions required to lure retail investment; namely infrastructure upgrades, traffic management, market gaps, and high-street emphasis. It is the ‘authentic experience.’

- Property agent feedback indicates that customers/users and investors ‘love Prospect Road’ for its ‘village feel, public art and funkiness and capacity to eat and drink outside.’ Walkerville Terrace has become similarly popular after recent upgrades to the precinct by both the private and public sector.

In summary, for retail investment on Main North Road and North East Road, this context suggests:
Site amalgamation or major centre location is required for major investment

Local food and specialty retail services and those wanting high exposure should be a focus as an existing strength on the Roads.

### Apartment Market Context

Key aspects for the Inner Adelaide and Prospect apartment market (Colliers September 2016; JLL April 2017) are:

- Over 1400 inner Adelaide apartments under construction and a similar number in the marketing phase. Over 1200 apartments are expected to be completed in 2017, a 154% increase on 2016 completions
- The CBD is expected to account for 68% of this supply over the next five years
- Median prices have dropped in the CBD possibly reflecting smaller apartment offers and increased supply.
- Low population growth is a major issue for the apartment market, as is the comparable affordability of the inner and mid-city detached housing market
- The apartment market in inner suburban Adelaide is likely to be sustained more by (medium and high density) housing choice than by significant increases in population
- Incentives remain in place regarding stamp duty and other government initiatives, likely to create more market opportunities.
- The 'Inner North' precinct which includes Bowden, Churchill Road and Prospect Road has significant momentum which should be leveraged.
- Apartment prices are up to 20% lower in the Inner North than the CBD on average. They are attractive to first home buyers, empty nesters and those wanting to live in a closer social environment
- A cautionary note: there are eight proposed projects JLL is aware of in the CBD which will provide in excess of 200 apartments each; whereas the inner Adelaide market has produced on average 300 units total per annum in the last three years.

- In Prospect as at September 2016, there were 152 apartments which had commenced construction and 352 apartments in the development application process, none on Main North Road. The relatively large number of unbuilt approvals and the increase in land values by over 50% in the last few years on Churchill Road has led to a slowdown in activity, caused in part by a tightening of bank lending policy (agent interviews).
- In Walkerville, several major applications are in the pipeline including one on North East Road adjacent to the ABC building.
- Flagging retail centres represent opportunities for medium density residential development, creating activity.

In summary, new residential investment is happening all around the two arterial roads but not on them. Land rates are considered too high and amenity too low for general apartment investment. In summarising the overall market context, there is a role for Main North Road and North East Road in the city economy whether it be automotive sales and related services, local shops, bulky goods or specialist services such as medical or aged care. This reinforces a view that these arterial roads need something extra to attract apartment, office or mixed use investment to complement their traditional roles. “Places” for investment must be created, but more importantly in a period of fiscal constraint, property owners also need to be informed and mobilised to realise the potential of their assets. As such a targeted redevelopment strategy is needed in tandem with place creation.
4. Strategic Context

The following documents demonstrate the effort to date by Councils to maintain and expand the local economies and Main North Road and North East Road. This strategy builds on these efforts with greater focus.

The City of Prospect and Town of Walkerville work together through the Eastern Region Alliance (ERA), a group of six (6) eastern metropolitan councils who voluntarily work together for the benefit of their local communities and the eastern region community as a whole.

City of Prospect Economic Strategies

Strategic Economic Development Plan 2014-2018

This document supports local businesses to grow and prosper through:

- Place Making Strategies, including Tourism and Events
- New Investment and Business Attraction
- Digital Economy Strategy
- Capacity Building and Strategic Partnerships
- Planning and Infrastructure Development.

Underlying economic strengths are identified including:

- the skills of its residents
- changes in land use patterns targeted at local economic driver sectors
- leveraging the early roll out of NBN to every premise (FTTP) in the council area; and
- capitalising on the ideal location of the attractive inner metropolitan region suburbs, between the bustling Adelaide CBD and the booming northern Adelaide region.

The most relevant of the six strategies in the local Economic Development Plan to this arterial road investment strategy is “6. New Investment and Business Attraction”. Prospect and Walkerville councils’ have changed their Development Plans and zoning to attract investment through the Inner Metropolitan Growth Development Plan Amendment.

In addition, Master Plans have been prepared for the rejuvenation of Prospect Road, Churchill Road, Main North Road and the Prospect Oval area.

Actions which are completed or in train for Investment Strategy 6 are:

- Promote the changes to Council's Development Plan via the Inner Metropolitan Growth DPA to encourage better land uses from the City's main transport corridors.
- Develop Master Plans to foster distinctive “senses of place” (“villages”) to emerge across Prospect/ERA (e.g. Main North Road).
- Develop and promote an Investment Attraction Prospectus marketing the ‘value proposition’ of Prospect (and ERA) to prospective investors, developers and business operators, to attract a desirable mix and balance of commercial and retail investment to our city.
- Facilitate, target and encourage appropriate and diverse commercial investment across targeted key industry groups.
- Identify, promote and market strategic site development within our area.
- Support retail, commercial and home business development across the City.

Digital Economy Strategy

The main actions identified by the Prospect Council for this strategy are:

- Promote Prospect as one of Adelaide's most liveable inner suburbs, with world class digital connections (all areas NBN connected), clean and green amenity, strategically ideal for retail and commercial investment.
- Capitalise on the National Broadband Network to provide hi-tech enabling communications infrastructure across our City.
- Facilitate equitable access and availability of world class internet speeds, carried by both fibre optics and wireless infrastructure for commercial and
residential use.

- Promote uptake and use of the National Broadband network.
- Establish a Digital Hub as the primary digital interaction, education and training site for our community.
- Seek to improve the communication links between government and business.
- The existence of a FTTP NBN in the study area and its capacity to attract ‘new economy’ investment should be promoted more.

City of Prospect Business Case: Export Hub

The City of Prospect has identified an opportunity for SME, micro and sole trader businesses in an Export Services Incubator (ESI) program and creation of a co-working space in Prospect at the ‘ABC Building.’ Named Export Hub, this space will have an export services focus and aims to:

- Create up to 115 new jobs and 575 indirect employment
- Provide an export services incubator program
- Offer master classes and workshops exclusively to residents of Export Hub
- Manage and provide various office facilities through external providers
- Partnerships with University of Adelaide and Eastside Business Enterprise Centre provide networks and benefits for residents at Export Hub.

Town of Walkerville Strategies and Plans

Aspects of the Town of Walkerville’s Strategic Community Plan 2016 – 2020 that are likely to positively influence the investment attraction strategy include:

- Focus area 2: ‘Sustainable and resilient future, based on sensitive and sensible approaches to planning, heritage, economic development and the public realm’ with a specific initiative for ‘development which supports mixed use, higher density and activation along arterial corridors.’
- Extracts that encourage business opportunities and strengthen the local village quality of main streets and centres including business support programs and supportive planning policies.
- The Inner Urban Corridor (Mixed Use) Zone, extending along part of Main North Road in Medindie and North East Road in Walkerville.
- Membership of the Eastern Regional Alliance and their economic initiatives described above.

The arterial road frontages are important to Walkerville’s economy and rate base given their predominantly residential population.

State and Federal Government Strategies

Economic Priority Areas for South Australia

State economic priority areas identified by the State relevant to this investment attraction strategy are:

- A globally recognised leader in health research, ageing and related services and products
- The Knowledge State – attracting a diverse student body and commercialising our research
- Growing destination choice for international and domestic travellers
- Growth through innovation
- South Australia - the best place to do business
- Adelaide, the heart of the vibrant state
- South Australia’s small businesses have access to capital and global markets.

2016 Annual Investment and Trade Statement – SA Government (Investment Attraction SA)

This document promotes and highlights SA trade and investment opportunities through presentation of the State’s competitive and comparative advantages, export performance, examples of success and government support available through IASA.
Federal Government Strategy

Over the past decade, the Federal government has continued to develop a closer working relationship with local government. The policies and funding strategies have seen funds being directed into regional economies, supporting micro reform and meeting local needs. Councils have developed strategies aimed at taking advantage of Federal funding initiatives. They have developed projects that require Federal collaboration to be realised and are continuing to lobby and build partnerships at a national level to deliver outcomes that benefit local economy and contribute to engaging local communities in a global marketplace.

Currently the Prospect and Walkerville Councils interact with the Federal government in a number of areas including grant funding; and through the Eastern Region Alliance. These areas are likely to play a role in the funding of any investment attraction strategy elements.

Implementation actions for the Investment Attraction Strategy will have greater impact and chances of funding support through alignment with these priorities of programs. Lobbying government is an important part of achieving success.
5. Conditions for Success on Comparable Roads

Investigation of comparable inner Adelaide road renewals reveal key factors for success, including:

- the critical role of public realm infrastructure improvements
- the necessity for pro-active and flexible zoning policies
- the desirability of larger site areas (e.g. Port Road)

lower traffic volumes (or larger road, e.g. Port Road)

These factors are analysed briefly in Table 3 below:

### Table 3. Conditions for Success on Comparable Roads

<table>
<thead>
<tr>
<th>Conditions for Success</th>
<th>Churchill Road and Prospect Road, Prospect</th>
<th>Walkerville Terrace, Walkerville</th>
<th>Goodwood Road, Unley</th>
<th>Inner Port Road, Brompton / Hindmarsh</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Pro-active Council</strong></td>
<td>Yes, specific promotion such as branding and trader organisations, shared ‘vision’</td>
<td>Yes, specific promotion such as branding and trader organisations, shared ‘vision’</td>
<td>Yes, specific promotion such as branding and trader organisations, shared ‘vision’</td>
<td>Yes, specific promotion such as branding and trader organisations, shared ‘vision’</td>
</tr>
<tr>
<td><strong>Infrastructure Improvements/Corridor Amenity</strong></td>
<td>Yes, contributed to recent major improvements on both Roads, cited as a key reason for attracting investment.</td>
<td>Yes, contributed to streetscape improvements</td>
<td>Yes, funded public realm improvements</td>
<td>Yes, footpath upgrades</td>
</tr>
<tr>
<td><strong>Market demand/Investment</strong></td>
<td>Major land price advantage on Churchill Road until recently; demand has seen values increase significantly; with activity decreasing</td>
<td>High demand from catchment; competitive values</td>
<td>Competitive fringe values; demand is variable, needing most conditions for success</td>
<td>Strong demand over recent years for office development and limited residential</td>
</tr>
<tr>
<td><strong>Historic strip centre/Anchor uses</strong></td>
<td>Churchill Road has very limited high street history but values and polices were sufficient to attract apartment investment; Prospect Road was an historic high street requiring renewal</td>
<td>Historic shopping strip/centre; needed recent renewal boosted by major supermarket</td>
<td>Historic retail strip in Unley; needed recent renewal</td>
<td>Historic inner shopping area; renewal driven by tram extension, council policies and the success of Bowden</td>
</tr>
<tr>
<td><strong>Zoning/Development policies</strong></td>
<td>Yes - necessary condition to attract investment</td>
<td>Yes - necessary condition to attract investment</td>
<td>Yes - necessary condition to attract investment</td>
<td>Yes - necessary condition to attract investment</td>
</tr>
</tbody>
</table>
### Conditions for Success

<table>
<thead>
<tr>
<th>Land Use mix</th>
<th>Churchill Road and Prospect Road, Prospect</th>
<th>Walkerville Terrace, Walkerville</th>
<th>Goodwood Road, Unley</th>
<th>Inner Port Road, Brompton / Hindmarsh</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Churchhill Road offered large sites separated from incompatible uses; a greater mix of land uses – Prospect Road attracted investment by reinforcing its high street strengths</td>
<td>Historic and attractive character mix remains</td>
<td>Historic mix has been revived by reinforcing its high street strengths, limited by lot sizes and traffic volumes</td>
<td>Large and deep sites attracted larger modern office development with at grade parking possible</td>
</tr>
</tbody>
</table>

| Bank lending policies/taxation policies | Prudential bank lending policies have arguably slowed apartment investment activity on Churchill Road as budget apartment market depth is uncertain; Prospect Road is considered a much safer (commercial and retail) investment destination by lenders with land rates increasing | Bank lending policy was not a major factor | Bank lending is an investment constraint | Bank lending is an investment constraint |

| Economic cycle | An upturn will improve activity on Churchill Road and the main inner city arterials; Prospect Road has become a mature and attractive destination with resilience to economic cycle impacts | Buffered from cycle impacts | Vulnerable to cycle impacts but strengthening | An upturn will reinforce further renewal on large sites along Port Road for a range of commercial, retail and apartment uses |

| Traffic volumes | Lower | Lower | Lower | Comparable but has large median reserve |
6. Research and Case Studies

Research into urban design and urban economics has come together in recent years to show that the prerequisites for successful urban investment and business innovation goes well beyond location in relation to labour and markets. While accessibility to these factors is important, the creation of urban places has become paramount to successful urban renewal in response to the new information and service dominated economies.

Places like Bowden, Tonsley, Mawson Lakes and the CBD of Adelaide have responded to the need for locations where information sharing and collaboration are becoming more important than competition between isolated firms. The business park and stand-alone retail centre models are falling out of favour as mixed use, high amenity locations are becoming the preferred option for businesses. International examples (see below) include Chattanooga (very fast data network asset) and Georgia Tech with a university as the ‘anchor.’

These growth and innovation areas need a balance of economic, physical and network assets. Economic assets are the businesses and firms that make up the area - both drivers (anchors) and supporting businesses which produce goods and services. Physical assets are those that make the place; they can be public streets and plazas or privately-owned cafes; they provide the connectivity to promote collaboration and exchange. Networking assets are the connections between businesses, often found where agglomeration of uses occurs. Fast data networks are a crucial networking asset.

Activity hubs place emphasis on quality of life and integrating business and recreation. The growing preference of workers is to congregate in vibrant neighbourhoods that offer choices in housing, transportation and amenities. Activity hubs contain a mix of economic, physical and networking assets. A variant on this model of mixed use, place based asset balanced areas has been the main driver behind this Investment Attraction Strategy.

Leveraging existing and future anchors to create vibrant hubs or nodes along the roads in coming years is achievable. The following case studies provide examples of these mixed use districts at work.

Best Practice Case Studies

Bridge Road, Richmond, Victoria

Bridge Road is a retail, residential and health precinct in Melbourne’s inner eastern suburb of Richmond. Formerly a popular retail and fashion destination, Bridge Road experienced an increase in vacancy rates as the popularity of online shopping and one-stop retail centres (e.g. Westfield) rose. High rent, council rates, land taxes and a change to pedestrian access across Bridge Road have also been blamed for the downturn.

A shift in focus from retail to residential apartments, offices, cafes, restaurants and health services connected to the nearby Epworth Hospital saw a reduction in vacancies on the strip.

Lessons/Local opportunities:

- Retail vacancy rates may improve with a shift to residential development (apartments)
- Recent demand has been from service-based occupiers, either allied health leveraging off nearby hospitals or start-ups and creative firms
- Traders point to a change in the layout of tram stops which made access across Bridge Road difficult as one of the main contributors to a previous slump in economic activity – good pedestrian access and connectivity is vital.

Parramatta Road, Sydney, NSW

A Housing Strategy assigned to a 20 kilometre section of Parramatta Road aims to build 27,000 homes with a minimum 5% affordable housing. The initial plans for residential dwellings have been scaled down from 40,000 homes due to concerns about local infrastructure capabilities. Recent focus has switched to commercial development and job creation.

With an expected diversion of 50,000 cars per day once WestConnex motorway is completed, the new housing development is expected to revitalise the area. Supporting infrastructure projects will be brought in by the state government in partnership with councils and include a rapid bus route to the...
CBD, streetscape greening and upgrades, pedestrian walkways, urban plazas and cycleways.

**Lessons/Local opportunities:**
- Council and state government partnerships allow for creation of housing and commercial development alongside viable infrastructure provision and streetscape upgrades.
- Public investment in tired areas can bring opportunities for commercial development and job creation.
- A holistic approach to building a community is required (i.e. not just housing development)

**Georgia Tech, Atlanta, Georgia, USA**

The Georgia Tech University has applied a rounded approach to creating a local community (“Tech Square”) as students are engaging with businesses related to their studies that have set up on-campus.

A flow-on demand for apartments, work spaces, shops and services has evolved around the campus for students, staff and business owners. Public realm improvements surrounding the university include a disused railway line converted into a multi-use trail with public art installations and a green space/plaza overpass linking opposite sides of a major freeway for pedestrians and cyclists.

Upfront costs in public infrastructure has motivated an interest from private investment and a value capture model surrounding the multi-use trail has provided a revenue stream for councils.

**Lessons/Local opportunities:**
- Initial attraction for an anchor business (e.g. university) can create a flow on demand for supporting businesses, housing, shops, services.
- Collaboration between multiple interests (e.g. state and local governments, universities, hospitals, large and small businesses) is required for successful establishment and growth of precincts.
- Ensure planning and land use policies allow for business attraction and growth and are not restrictive
- Potential to establish a value capture model – observe the pilot project underway for the Infrastructure Scheme in South Australia
- Smart urban design and landscaping can create green, open spaces even alongside busy transport corridors.
- Ensure good connectivity for pedestrians and cyclists across and surrounding arterial roads.

**Innovation Districts, various locations, USA**

A new urban form is emerging in the United States where anchor institutions (predominantly research universities and medical centres) and related businesses cluster; connecting with start-ups and business incubators in one geographic location. These clusters are encouraging open innovation and sharing of ideas.

Physically compact, transit-accessible, good technical facilities (including high speed internet), mixed use housing, office, retail and high amenity are prevalent in these ‘Innovation Districts.’ They offer opportunities for expanding education and employment opportunities in the surrounding area (often located in low and moderate-income neighbourhoods).

These districts no longer apply the model of traditional science or research parks which have been identified as too spatially isolated, car centric, have limited opportunities for interactions and encouraged a culture of secrecy instead of sharing ideas.

**Lessons/Local opportunities:**
- Identify a potential geographic location for an Innovation District - requires mixed use development, good connectivity, accessible by public transport, walking, cycling.
- Promote the benefits of fibre to premises NBN connectivity or SABRENet connections.
- Potential innovation drivers include research/medical institutions, large firms, start-ups and entrepreneurs focused on new technology development and small to medium sized enterprise.
- Investigate potential for anchor institutions or large businesses to be established.
Engage with Intelligent Communities and other programs that assist with adaption to today's 'Broadband Economy'.

**Chattanooga Economic Renewal, Chattanooga, Tennessee, USA**

The small city of Chattanooga in Tennessee has taken advantage of three assets: quality place making, unique anchor institutions and a strong collaborative innovation network.

The installation of an extensive high-speed internet network (10 Gigabit speed – 100 times faster than NBN) has attracted start-up accelerators, tech events, entrepreneurs and led to the creation of an innovation district. Collaboration between public and private interests, along with civic institutions, has allowed the innovation districts in Chattanooga to grow.

However, the city’s economic renewal has brought issues with gentrification, rent increases and shortfalls in affordable housing for existing residents, creating serious income inequality.

**Lessons/Local opportunities:**
- Investment in parks, greening, streetscape upgrades, mixed use developments and high-speed internet attracts initial interest to a locality.
- Identify and attract unique anchors
- Ensure that the focus is not exclusively about attracting a specific demographic to the area.
- Provide affordable housing, create educational and employment opportunities for existing community members to ensure they are not left behind in the economic renewal process.

**GigCity, Adelaide, South Australia**

GigCity is connecting businesses to affordable high-speed internet. Located at key innovation precincts, GigCity offers 1 gigabit per second internet (100 times faster than the national average) to help businesses develop and access new markets.

Businesses must be located at a GigCity precinct within Adelaide to be eligible (residential users not permitted). Currently 13 locations around Greater Adelaide have been identified.

**Lessons/Local opportunities:**
- High-speed internet encourages business growth and new opportunities.
- A SABRENet connection extends to the Prospect Thomas Street Library. Prospect Council is currently seeking its extension under the GigCity program to the ABC Building on North East Road, thus making both sites ideal for the location of high data using businesses such as incubators and ICT offices.
- The development of an Export Hub incubator in the ABC Building could be a catalyst for commercial development on North East Road. This will benefit both Prospect and Walkerville Councils. The addition of a GigCity connection to this project is essential to successfully redeveloping and revitalising this area.

**Future Employment Industries**

The figures and trends shown on Graph 3 below indicate ‘growth sectors’ on a state-wide scale. Can they be applied to our roads? The top five growth sectors are definitely applicable and reinforce specific investment targets.

**Benefits of investment in public realm upgrades**

Table 4 below is evidence of the ‘design dividend’ often spoken of in planning and development. While other factors have no doubt had an influence, the relatively small investment by Councils and State Government has leveraged millions of dollars of investment in these road corridors.
Table 4. Road Corridor Upgrades: Investment Returns

<table>
<thead>
<tr>
<th></th>
<th>Prospect Road</th>
<th>Churchill Road</th>
<th>Walkerville Terrace</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Number and Value of Private Sector Investment</strong></td>
<td>11</td>
<td>$32.635m</td>
<td>27</td>
</tr>
<tr>
<td><strong>Ratio of public sector infrastructure investment to private sector development investment</strong></td>
<td>1 : 7.4</td>
<td>1 : 29</td>
<td>1 : 26 (excl. The Watson)</td>
</tr>
</tbody>
</table>

Source: Jensen PLUS, Town of Walkerville, City of Prospect
7. Consultation

Design, property and construction industry experts and organisations have been consulted for this strategy. They comprise:

- The Maras Group - Mr. Theo Maras and Mr Steve Maras, Directors
- Colliers International - Mr. Ben Heritage, Senior Commercial Agent
- JLL – Mr David Snoswell, Director Research
- JLL – Mr Roger Klemm, Director
- McGees Property – Mr Simon Lambert, Director
- Connekt - Mr. Brett Williams, Director
- UDIA – Pat Gerace, CEO and the Study Tour to USA
- PCA – Ms. Torie Brown Policy Director and the Main Street Committee
- Grieve Gillet Andersen Architects – Mr Steve Grieve, Director (retired)
- Hansen and Yuncken – Mr Michael Wilkinson Business Development Manager
- Renewal SA - Mr Martin Coote, Senior Commercial Adviser
- Rivergum Homes - Mr John Blaess, General Manager
- Health Partners – Mr Byron Gregory, CEO
- Southern Cross Homes: Mr Carsten Dethlefsen
- Property and Advisory – Mr Andrew Lucas
- City of Prospect – Key Executives and Economic Development Division staff
- Town of Walkerville – Key Executives

Key Consultation Outcomes

The recurrent response was that Main North Road and North East Road were major investment attraction challenges due to their extent and their low amenity (traffic, noise, cleanliness, safety, age of buildings, public realm, small site offerings and low asset appreciation). Responses regarding attracting investment included:

1. Bank lending policies are currently conservative with residential apartment development particularly sensitive due to possible oversupply in the City and inner suburbs.
2. Anecdotally and through observation, long-standing property owners may be delaying redevelopment; properties ‘don’t owe the owner anything’ as costs and debt have been sunk, while the appetite for risk via new development has diminished over the years.
3. There will always be a place for specialised businesses benefitting from high exposure that are not concerned about high traffic volumes and amenity issues. Despite these locations being typically attractive to invest in due to lower entry costs, they are often illiquid with low capital appreciation and difficult on-selling.
4. The gateway corridors should be business focused rather than ‘main street’ or living area focused.
5. Many people including those in the property industry are not aware in detail about what happens along these corridors in terms of economic activity, types of business and recent investment.
6. Corporate office development is unlikely on small lots with housing adjacent.
7. Large retail development is unlikely due to small lot size.

In summary, many responses indicated uncertainty which shows a more forensic approach is necessary in terms of responding to future trends, changing corridor perception, positive marketing and better presentation to attract more investment.
8. Vision and Priorities for Attracting Investment

The vision and priority areas to focus on below are drawn from the existing condition assessment, research and case studies and consultation summarised in previous sections, including:

- anticipated change and disruption in key automotive, retail and commercial sectors of the urban economy
- local competitive advantages along the corridors
- State and Adelaide-wide opportunities generating sector growth through new businesses and new infrastructure
- International and local research on how urban areas and corridors are successfully renewing economically and socially.

Vision

The gateway arterials to central Adelaide from the north will be attractive tree-lined commercial corridors.

They will contain sectoral activity hubs where similar businesses and people will gather, clustered around key anchor uses such as major corporate offices, retail centres, health and aged care centres, innovation and learning centres and modern multi-brand vehicle dealerships.

Cafés, restaurants, recreation outlets and local parks service the hubs, providing daily meeting places for the local community and visitors to share and collaborate at work and leisure.

These hubs will have well defined access, high local connectivity, affordable parking; high speed digital connection, attractive public spaces and functional improvements to footpaths, lighting, signage and road pavements. As traffic conditions on the roads change, residential development will enable location populations to grow.

Note the majority of the Priority Areas are across two Councils areas. As such, the formation of cross Council revitalisation project teams and master plans are essential.

Priority Area One:

A mixed use innovation hub attracting more healthcare, aged accommodation, data driven businesses, retail, recreation and service businesses on Main North Road Prospect, focused on the Barker Road /Thomas Street locality, building on the existing attributes of rear lanes, school, high speed data network availability, major sites for re-development, frontage to existing parks, sporting clubs, existing shops and cafes, accompanied by new tree planting, signage and public art. This area is prioritised for public realm upgrades in the shorter term (Prospect Council).

Priority Area Two:
An area for start-up businesses, entrepreneurs, mature company offices, shops, hotel-related apartment extensions and medium density residential development on and around an ‘ABC Hub’ at Collinswood, and Walkerville, partnering with the federal government, state government and other key private land holders. This area is prioritised for public realm upgrades in the shorter term (Prospect and Walkerville).

Priority Area Three

A short-term investment opportunity for the adaptation or renewal of the (closing) Calvary Hospital site for specialised medium density residential development such as:

- Aged accommodation/retirement living
- Community housing
- Medium density apartment living
- Defence housing

Consideration should be given to expanding Priority Area Three along the southern North East Road frontages in both Walkerville and Collinswood.

Priority Area Four

Renewed promotion of “Scotty’s Corner” (Nottage Terrace-Main North Road intersection) for mixed use redevelopment focusing on commercial uses benefitting from high exposure; medium density hotel/serviced apartment development; with café and services built in to the development, to be accompanied by public realm upgrades.

Priority Area Five

Continue the upgrading and consolidation of car dealership premises on Main North Road Medindie and Prospect, promoting the integration of restaurants and cafes and other attractions into multi-brand dealership centres. Where larger sites become available on the corners of side streets, consider high quality office/showroom units or possibly designer apartments oriented away from Main North Road, taking advantage of the Medindie address.
Priority Area Six

Anticipate the future of Northpark Retail centre and other smaller centres without further traditional retail investment and with the increase of online shopping and associated supply applications. Encourage the centre owner to promote Northpark as a future experiential centre with recreation, community and service centres, supporting new ‘big box’ retail formats, with Council support.

Priority Area Seven

Promote the areas between the priority area clusters for continuing niche and boutique shops, offices and services, preferably with a capacity to employ professionals living locally.
9. Issues and Opportunities Analysis

Analysis of the issues and opportunities identified in response to the vision and priority areas are summarised in the following table. Key issues are identified by the highlighted rows.

<table>
<thead>
<tr>
<th>Issue</th>
<th>Opportunity/Action</th>
<th>Capacity to Implement</th>
</tr>
</thead>
<tbody>
<tr>
<td>A clear vision</td>
<td>Articulating a specific vision for the Council sectors of MNR and NER is necessary to generate investor confidence. This vision will complement development policy and zoning and each Councils' strategic directions</td>
<td>High</td>
</tr>
<tr>
<td>Reduce traffic volumes of 52,900 - 47,000 vpd MNR; and 46,400 NER</td>
<td>Both Main North Road and North East Road could become 'main streets' with a significant reduction in traffic volumes. Such a reduction is not considered likely in the short or medium term</td>
<td>Low (in the short term)</td>
</tr>
<tr>
<td>Difficult access to individual businesses and properties</td>
<td>Council with DPTI to inform, advocate and facilitate (through amalgamation of properties) better access using slip lanes or similar.</td>
<td>Low</td>
</tr>
<tr>
<td>Identify and promote existing clusters of similar uses</td>
<td>Council to advocate amalgamation of car yards (Main North Road), electrical precinct, bulky goods formation (North East Road), health and ageing related organisations (North East Road and Main North Road), responding to anticipated new economy requirements in SA/Adelaide. Identify 'anchors' which are documented as investment attractors e.g. shopping centres, education sites, hospitals/health care, universities, sports/community precincts</td>
<td>High</td>
</tr>
<tr>
<td>Leveraging Land Ownership by Council/public sector/NGO's</td>
<td>Council to target and promote catalyst sites/pilot projects such as Prospect Oval area, Tram Barn site, ABC site, health precinct (Clayton Church Homes and Calvary); promote joint ventures, delayed land payments and similar incentives for ground-breaking exemplar projects (e.g. Tram Barn site). Enlist support of DPTI and ODASA Promote specific properties and area envisaged as development sites for commercial, residential or mixed use development Council to target specific investor groups through campaigns</td>
<td>Low (very few Council-owned sites)</td>
</tr>
<tr>
<td>Prepare more detailed Policy direction</td>
<td>State government (DPTI) to lead on more fine-grained design-focused zoning (allowing wider range of uses) to respond to precinct conditions e.g.: Potential deepening of corridor mixed use zones to provide more viable investment sites</td>
<td>High (mostly in place)</td>
</tr>
</tbody>
</table>
# Investment Attraction Strategy for Main North Road & North East Road

<table>
<thead>
<tr>
<th>Issue</th>
<th>Opportunity/Action</th>
<th>Capacity to Implement</th>
</tr>
</thead>
<tbody>
<tr>
<td>_</td>
<td>Detailed built form design guidance for commercially feasible densities and heights (and less restrictive use zoning) for sites and specific precincts separated from adjoining low density housing;</td>
<td></td>
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<tr>
<td>_</td>
<td>Detailed design guidance and less restrictive zoning for walkable areas separate from established quality housing, within 5 minutes or less of shopping centres (Northpark and NER neighbourhood centre)</td>
<td></td>
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<tr>
<td>_</td>
<td>Detailed design guidance regarding access and parking for key and amalgamated sites</td>
<td></td>
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<tr>
<td>_</td>
<td>Detailed design guidance for sites adjoining open space and parks which are under-utilised</td>
<td></td>
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<tr>
<td>_</td>
<td>Provide guidance as part of Planning and Design Code</td>
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</table>

### Improve Amenity and Quality of Public Realm

- With DPTI and other departments create a pilot Green Corporate Boulevard along MNR beginning where investment occurs in the shorter term – in both Prospect and Medindie. Undertake similar pilot improvements on NER where new investment occurs, comprising street tree planting, overhead powerline removal, re-sheeting of road and other place making initiatives. Justification is well-documented through the ‘design dividend’ research and changes in property values and perceptions; integrate planting, footpath and access improvements with state-funded road re-surfacing programs

- Provide incentives for property owners to ‘green’ their road frontages where possible i.e. Council parks and gardens staff provide labour for installation of agreed planting proposals

- Provide incentives for developers to provide noise insulation, air quality control and security/access in their building design

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<tbody>
<tr>
<td></td>
<td>Improve Amenity and Quality of Public Realm</td>
<td>High</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Low (budget implications)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Low (budget implications)</td>
</tr>
</tbody>
</table>

### Connecting with the ‘Twin Economies’ of Prospect and Walkerville

- Blandy’s work contrasts the ordinary level of local GDP of the council areas (Prospect) with the high GDP of residents; essentially the resident population is diverse, is comparatively well educated with higher incomes, but working and producing mainly outside of the council areas. Councils have an opportunity to work together to get more value from investment.

- Promote the skilled local workforce to investors and their agents

- Consider an aging in place promotion to investors where local residents are provided with local choices supporting independent and productive retirement, health care and community services

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<tr>
<td></td>
<td>Connecting with the ‘Twin Economies’ of Prospect and Walkerville</td>
<td>High</td>
</tr>
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</table>

### Targeting commercial use investors to match envisaged future uses

- Councils (with Invest SA and DSD) to identify local demand profiles for inner city locations based on research showing the trend for a concentration of businesses in central/inner city locations. This would include future defence sector related needs, health and ageing, large technology/digital economy participants (promoting high capacity fibre networks on MNR and NER).

- Focus on promoting to ‘high-tech’ markets and demand in line with State and Federal strategies.

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<tbody>
<tr>
<td></td>
<td>Targeting commercial use investors to match envisaged future uses</td>
<td>Very high</td>
</tr>
</tbody>
</table>

### Target residential use investors

- Residential development investment should not be discounted despite the Green Corporate Boulevard vision for Main North Road. North East Road is also in desirable suburbs for inner city living. Despite current low amenity and land rates as significant

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<tbody>
<tr>
<td></td>
<td>Target residential use investors</td>
<td>Low</td>
</tr>
<tr>
<td>Issue</td>
<td>Opportunity/Action</td>
<td>Capacity to Implement</td>
</tr>
<tr>
<td>-------</td>
<td>-------------------</td>
<td>-----------------------</td>
</tr>
</tbody>
</table>
| Build and support strong Local Business Groups | Councils to facilitate the engagement of local businesses and land owners to:  
- Inform the Investment Strategy implementation  
- Ensure support for the Investment Attraction Strategy  
- Lobby Federal and State divisions and program providers  
- Lobby potential investors into the areas  
- Consider amalgamations of sites in the areas  
- Engage in feasibility assessments – with Council support  
- Develop a brand and website for specific hubs and zones, individually or collectively | High |
| Joint Programs across Councils | Promote and facilitate the current ‘GigCity’ program; also job generator Incubator programs; also Eastern Regional Alliance joint activity on arterial road investment. Develop joint planning teams and mini Master Plans on seven sites. | High |
| Early Incentives Programs | Councils with State and Federal participation identify early incentive to get investors in – rate holidays; land tax assistance etc. | Low |
| Promote Specific Priority Areas and their attributes | Highlight special sites which are underutilised or have greater potential than ‘normal arterial road’ sites in terms of:  
- separation from incompatible uses  
- scale  
- capacity for ease of access/egress  
- major intersection exposure  
- proximity to large scale development  
- walkable distance to facilities – cafes, shops  
- existing anchor proximity e.g. aged accommodation, medical, retail, car yards, community use, special arterial use - e.g. Prospect Oval; Tram Barn site; ABC building, NER Neighbourhood Centre; Northpark Centre; In front of cemetery; adjacent to open space and laneways (Peppermint Gums, St John’s Wood Reserve)  
Councils to promote their infrastructure improvement programs; promote the trends for inner city living with accessible social contact remaining highly desirable as well as use of ICT systems and advances  
Promote café/restaurant establishments to support priority areas | High |
<p>| Financial incentives from Council | Identification of site amalgamation potential | Low due to current / |</p>
<table>
<thead>
<tr>
<th>Issue</th>
<th>Opportunity/Action</th>
<th>Capacity to Implement</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Joint promotion of key hubs with support of property owners; provide examples of potential concepts with property owners to highlight development potential</td>
<td>foreseeable commitments</td>
</tr>
</tbody>
</table>
Summary - What’s missing on Main North Road and North East Road?

This analysis and the data suggests a number of factors to address, some more practical than others, to attract investment to Main North Road and North East Road. The investment potential of both roads is not as obvious as other nearby roads, with consultation and anecdotal evidence indicating they are perceived as having lower amenity, lower safety, poorer access and tired infrastructure.

The key elements missing on Main North Road and North East Road are:

- A reduced traffic volume, providing better amenity and safety and access to properties.
- Large lot sizes enabling viable floor plates with sub-CBD parking and access solutions.
- Increasing land rates. Rates per square metre have fallen in recent years and may decline further with car dealership contraction.

These elements are unlikely to be realised in the short and medium term. More practical elements to focus on are:

- Investment in public realm infrastructure to improve visual and functional quality, including safety and amenity. The data indicates this element is achievable and furthermore is highly likely to attract additional investment to Main North Road and North East Road.
- Targeted promotion of the areas, identifying their strengths and opportunities to specific audiences.
- Working with property owners in key precincts to understand development potential and act on it.
- Prioritisation of key projects
- Joint ‘Mini Master Plans’ developed between Councils.
### 10. Implementation Program for Council – Investment Attraction Strategy

The following ten actions form the core of the recommended implementation study for Council to adopt, responding to the Vision, Priority Areas and research and analysis.

<table>
<thead>
<tr>
<th>Action (in priority order)</th>
<th>Tasks</th>
<th>Outcome + Timeline</th>
<th>Responsibility</th>
</tr>
</thead>
</table>
| 1. Engage with existing local business sectors along common gateway corridors | Councils jointly engage with local businesses and property owners along common corridors and separately in areas wholly within their boundaries. Engagement with target groups of land owners and businesses with common land uses and common issues. These groups will include:  
1.1 Car dealerships along the Medindie and Prospect section (Priority Area Five), Car dealerships along Main North Road north from Nottage Terrace (Priority Area Five) and other outliers.  
Outcomes of engagement will be to:  
- Determine the common challenges of downsizing and its likely location  
- Establish areas of agreement on a future vision including amalgamation and merging, releasing land of sufficient size for office/showroom development or other uses and establishing a 'hub' of dealerships with cafes and entertainment, parking areas and safe access to meet changes in what vehicles are sold and how they are sold  
1.2 Shopping centre owners and tenants (Priority Area Six).  
Outcomes will be:  
- Actions to respond to disruption through the entry of Amazon and online shopping  
- Identification of land of sufficient scale to attract new retail investors and operators in the retail and leisure sectors  
- Focus on meeting future local and community needs in food services, convenience goods, leisure and meeting places.  
1.3 Hospitals, aged care providers, medical centres and allied health generators (Priority Area One and Priority Area Three - currently for sale).  
Priority Area 3 outcomes of engagement will be to:  
- Determine the local expansion needs of the aged care/aged accommodation sector and how it can occur locally. This will include potential NDIS facilities, ageing in place development, establishment of one-stop facilities, based on GP services, allied health and specialist services. | 2017-2018 | Council led with state agencies |
<table>
<thead>
<tr>
<th>Action (in priority order)</th>
<th>Tasks</th>
<th>Outcome + Timeline</th>
<th>Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>- Inform them of likely opportunities resulting from Calvary Hospital closure and other designated activity nodes.</td>
<td></td>
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<td></td>
<td>- Link them with prospective inward investors wishing to move closer to the city (from the north).</td>
<td></td>
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<tr>
<td></td>
<td>- Start up, small and fledgling businesses requiring assistance to adapt to disruption and technologies advantages (Priority Area 2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.4</td>
<td>1.4 Entrepreneur, start-up and business hub operators and funders with a specific focus on the ABC area and the Thomas Street area.</td>
<td></td>
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<tr>
<td></td>
<td>- Outcomes will establish the process and intent in accelerating investment in these priority areas</td>
<td></td>
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</tr>
<tr>
<td>1.5</td>
<td>1.5 Small business associations and operators/owners.</td>
<td></td>
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<tr>
<td></td>
<td>- Outcomes to determine their capacity to amalgamate, expand, sell and invest – and record this data.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>2. Develop an updated ‘Prospectus’ specifically for the study area</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2.1 Based on content provided in this Strategy and additional material, target the Prospectus at both smaller current investors and larger longer-term investors highlighting the likely future changes to the function and appearance of the roads.</td>
<td>Mid 2018</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2.2 Promote the major existing competitive advantage of FTTP throughout the city and key areas of very fast data networks.</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>2.3 Offer potential for negotiation on a ‘package’ of prioritised, fast-tracked public realm improvements should major investment occur and stay for a period of years.</td>
<td></td>
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<tr>
<td></td>
<td>2.4 Promote the key activity hubs and their potential offering to broker negotiation with existing operators in the key sectors described.</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>2.5 Distribute the Prospectus to the Key Builder/Developer Organisations and Investor Organisations (see Appendix 1)</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>2.6 Load the Prospectus on to Network Prospect and promote through Town of Walkerville’s economic development programs.</td>
<td></td>
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<td></td>
<td>2.7 Include a document of properties on the market</td>
<td></td>
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<tr>
<td>3.</td>
<td>3. Develop a marketing campaign</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3.1 Prepare a marketing campaign including:</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Development of a specific brand, e.g. “Prospect Investment Corridor”</td>
<td></td>
<td>Late 2018</td>
</tr>
<tr>
<td></td>
<td>- Articles in mainstream media</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>- Placements in social media</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Action (in priority order)</td>
<td>Tasks</td>
<td>Outcome + Timeline</td>
<td>Responsibility</td>
</tr>
<tr>
<td>---------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
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</tr>
<tr>
<td></td>
<td>- A video of Council leaders and investor experts highlighting the advantages of investment in the gateway corridors and the changes underway (multi-lingual)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.2</td>
<td>Promoting broadband availability, FTTP, Network Prospect, GigCity linkages, other digital economy initiatives set the inner north apart from other areas outside the CBD. The demand and application of this advantage will increase exponentially over coming years, with NBN unlikely to significantly even the playing field. Councils should continue their collaboration and strengthen their program of:</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>- Promoting their competitive advantage to the ICT sector, large and small</td>
<td></td>
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<tr>
<td></td>
<td>- Identifying individual businesses likely to be attracted to a more urban and well-serviced environment from outlying suburbs.</td>
<td></td>
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</tr>
<tr>
<td>4.</td>
<td>Engage with investors locally, interstate and (through State Government and major agents) overseas</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.1</td>
<td>Ensure investors and their representatives, including superannuation funds and consortia (see Appendix B) are aware of the vision for the Prospect and Walkerville Investment Corridors and the rate of positive change likely in the future with amenity likely to improve. Highlight:</td>
<td>Late 2018</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- The opportunities for large site assembly as existing businesses contract, close or renew.</td>
<td></td>
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<tr>
<td></td>
<td>- The results of land owner/business owner engagement</td>
<td></td>
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<tr>
<td></td>
<td>- Current sites for sale or ripe for redevelopment</td>
<td></td>
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<tr>
<td></td>
<td>- Engagement with investors will be guided initially by the outcomes of Action 1 as will Action 5 to some extent.</td>
<td></td>
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<tr>
<td></td>
<td>- The capacity for Federal and State assistance (e.g. Job Accelerator Program, City Deals potential).</td>
<td></td>
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<tr>
<td>5.</td>
<td>Hold targeted events directed and prepared for specific economic sectors</td>
<td></td>
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</tr>
<tr>
<td>5.1</td>
<td>Promote the activity hub concept, the anchor and support uses anticipated (the sites identified as available through Action 1), and the areas in the Vision and Priority Areas to:</td>
<td>Late 2018</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- The ICT sector represented by major ‘big data’ uses, internet providers and defence companies, government services and online retailers.</td>
<td></td>
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<td></td>
<td>- Major education institutions including universities and major schools</td>
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<td></td>
<td>- Health care providers and insurers, practitioners, institutions providing aged care, aged accommodation, rehabilitation and NDIS accommodation including:</td>
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<td></td>
<td>- Tier One Community Housing providers</td>
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<td></td>
<td>- Major church groups</td>
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<td></td>
<td>- Insurers such as Health Partners, providing their own medical centres</td>
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<td></td>
<td>- Consulting specialists</td>
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<td></td>
<td>- Defence industries – major defence contractors that may wish to move closer to the city while retaining high quality fibre connections</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Action (in priority order)

#### Tasks
- Motor Trades Association of Australia (SA)
- Major commercial property agents
- Major retailers
- Small business groups
- A list of specific sectors targets are contained in the Appendix B.

<table>
<thead>
<tr>
<th>Outcome + Timeline</th>
<th>Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>6. Plan and budget for capital works around major activity hubs</td>
<td>Council and State Government</td>
</tr>
<tr>
<td><strong>6.1 North East Road</strong></td>
<td>Both Councils with Eastern Region Alliance</td>
</tr>
<tr>
<td>- A joint Councils greening (street tree planting) program on both sides of the road between Stephen Terrace/Nottage Terrace and Rutherglen Street/ St Andrews Street, commencing with the area between Redmond Street and Galway Ave/ Burlington Street (footpaths are considered satisfactory in this area);</td>
<td></td>
</tr>
<tr>
<td>- Further pedestrian refuge crossings, side street and public realm furniture works could also be considered.</td>
<td></td>
</tr>
<tr>
<td>- A dual Council submission (or Eastern Region Alliance submission) for PLEC funding to underground power lines along the Walkerville section of North East Road, to match undergrounding and lighting poles on the Collinswood side of the road.</td>
<td></td>
</tr>
<tr>
<td>- Re-sheeting of the road</td>
<td></td>
</tr>
<tr>
<td><strong>6.2 Main North Road - Medindie/Prospect/ Thorngate</strong></td>
<td>Council</td>
</tr>
<tr>
<td>- Joint council funding of selected street tree planting on both sides of this section (footpaths are considered satisfactory in this area); further refuge crossings and street furniture could be considered.</td>
<td></td>
</tr>
<tr>
<td>Action (In priority order)</td>
<td>Tasks</td>
</tr>
<tr>
<td>---------------------------</td>
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</tr>
<tr>
<td>7. Develop Concept Plans to guide investors to specific priorities to strengthen the vision in terms of economic, physical and networking assets, for inclusion in the Planning and Design Code. The areas and concept plans should be prioritised with both Walkerville and Prospect focusing together on one area per year, integrated with their master plans and works programs.</td>
<td>Council endorse the key areas and specific properties for the promotion for office or mixed use development. Councils should identify one project per year from the seven Priority Areas. Concept Plans should incorporate/identify: 7.1 North East Road:  - The ABC building as a future hub for incubator offices and supporting development; possible residential in the future subject to assessment. Stronger connection is required between the ABC site and the shopping centres, preferably by new access route off North East Road.  - Office development for medical specialist and related services on the Walkerville side, close to shops and public transport, related to extension of aged care hospital and aged care facilities.  - Focus development connectivity between the Collinswood shopping centres, the ABC building and the ABC centre across the road in Walkerville.  - Create a pedestrian refuge for crossing North East Road between Fuller Street and Burlington Street. 7.2 Main North Road Medindie/Prospect:  - Corner properties in both Medindie and Prospect are suitable for office/showroom development, with potential side street access for car parking (combined with potential local road restrictions/barriers).  - Nottage Terrace/MNR intersection properties (Scotty’s Motel and adjacent properties) should continue to be promoted for iconic office, hotel and residential development. 7.3 Main North Road – Prospect/Nailsworth:  - Promote areas currently occupied by marginal car yards on larger allotments for future larger offices and showrooms generally; smaller offices throughout this section.  - Nottage Terrace/Main North Road intersection for high visibility major development/landmark sites.  - Other major sites such as Radio Rentals, Tram Barn, area backing onto cemetery.  - In Priority Area One, promote more aged accommodation, health care, community/NDIS housing, particularly on the western side of MNR. On the eastern side (around Thomas Street), promote technology offices requiring high speed broadband. 7.4 For specialist residential development target specific sites with:  - Rear access laneways and corner location for vehicle access.  - Sufficient scale to achieve required separation from established housing.  - Capacity to face open space reserves.  - Immediate access to local shopping and health services.</td>
</tr>
<tr>
<td>Action (in priority order)</td>
<td>Tasks</td>
</tr>
<tr>
<td>---------------------------</td>
<td>-------</td>
</tr>
</tbody>
</table>
| - Immediate access to local sporting and community clubs.  
- Sufficient size to achieve north-south orientation away from Main North Road. | | | |
| 7.5 For hospital, health and medical development:  
- Encourage health and medical relocated development on the Dean Group properties between the Walkers Arms and Calvary Hospital. | | | |
| 8. Provide a rapid development advisory service | 8.1 In response to the outcomes of Implementation Actions 1, 2, 4 and 5 ensure Council staff and members fully understand the current and likely future development policy framework for Main North Road and North East Road  
8.2 Have concept plans from Action 7 to promote and advise on key sites and amalgamations  
8.3 Give development applications in the strategy area priority for rapid assessment | Late 2018 | |
| 9. Incubator Business Pathways | 9.1 Ensure incubator businesses nurtured in Priority Area One and Two stay in the local area and preferably on the arterial roads by:  
- Promoting available space and premises on Main North Road and North East Road  
- Continuing to maintain a database on incubator businesses  
- Regular contact with incubator businesses and their associates | On-going | |
| 10. Liaise with Renew Adelaide to fill vacant properties in designated priority areas | 10.1 Seek to partner with Renew Adelaide and state agencies to improve the occupancy rates of selected corridor properties, particularly for start-up and entrepreneur businesses. | Early 2018 | |
11. Proposed Content for ‘Prospectus’ Document

Welcome

Inner city sections of Main North Road and North East Road are key ‘gateway’ investment locations ready now for investment and development, identified as the Prospect Investment Corridor and the Walkerville Investment Corridor. The City of Prospect and the Town of Walkerville have designated these areas as shown on the plans overleaf.

These two primary northern inner city road corridors have a long and successful history of providing a diversity of commercial services and shops for local residents, workers, as well as commuters on their way to and from Adelaide’s nearby CBD.

Recent zone changes along the roads now encourage medium density development of four to five storeys for retail, office, light industry and residential uses. Flanked by desirable inner city residential areas, these corridors now have extra value and attraction for investment to serve the local community and beyond.

The Council is preparing to do their part to add even more value to your investment and make the corridors look and work better.

Now is an ideal opportunity to invest in these locations so you can take advantage of, and add value to, this future investment, backed by government support at both the local and state level.

Our Vision for Main North Road and North East Road

Main North Road and North East Road will be transformed into tree-lined gateways to the City providing modern office space, shops and services with the best broadband speeds in Adelaide.

Investment will be focused around activity centres where services and great meeting places will be provided. Start-up businesses and entrepreneurs will cluster at the ABC building on North East Road offering a great technology and café based experience.

Modern offices will provide for corporate businesses on iconic sites with easy access and parking. Existing professional and personal services offices will renew their premises. Health and aged care and aged accommodation form a stronger cluster on both Roads. Shops will range from new large format stores in key centres to the specialist retail offers the Roads are known for.

All this activity will be supported by State government and Council to realise the potential offered by new simpler and flexible development policies, new look roads and attractive places to stop.

Ten Reasons to Invest

1. Location, location, location!

Main North Road and North East Road in the City of Prospect and Town of Walkerville are ideally located with high level access to markets, roads such as the non-stop northern corridor; Adelaide Airport; defence and ship-building hub suppliers in northern Adelaide; as well as a white collar labour force. Access and connectivity is CBD quality without the congestion. The City of Prospect and Town of Walkerville areas offer high amenity, value for money housing and great lifestyle. All properties are connected directly to the National Broadband Network.

2. Thriving Existing Businesses

Great businesses and facilities are already located on these roads and draw people to these locations, including:

**Main North Road, Prospect**

- Medical Centre
- Aged Care and Head offices for Clayton Church Homes
- Supermarket, government services and specialty shops at Northpark centre
- Nailsworth Primary School
- Radio Rentals, Officeworks and other bulky good outlets
- Modern car dealerships for Mitsubishi, Jeep, Toyota, Hyundai, Holden and Renault
- Council open space and reserves including Prospect Oval offering alternate frontages
- Sporting clubs nearby
Rear laneway opportunities for property access and local movement networks

**North East Road, Walkerville and Collinswood**
- The Australian Broadcasting Commission (ABC) Office Building
- Export Hub at the ABC
- Walkers Arms Hotel
- Modern specialty food shops
- Aged care hospital and accommodation
- New investment by the Peregrine Corporation
- New medium density residential development approved by Walkerville Council

**Main North Road, Medindie, Thorngate and Prospect**
- Modern car dealerships for Volkswagen, Skoda, Subaru, Peugeot, Ford and Kia
- Scotty's Motel
- Multi-storey offices in Prospect
- Proximity to Adelaide Park Lands and Aquatic Centre
- Adjoining some of Adelaide's highest value residential inner suburbs
- High exposure intersection sites (Main North Road/ Nottage Terrace)

These businesses are established, successful and do not include the many smaller specialty businesses choosing the gateway corridor as their home.

### 3. Anchor Uses, Target Areas

Anchor uses which generate economic activity with a cluster of supporting uses around them include:
- The Calvary Rehabilitation Hospital site for aged care services site in Walkerville
- The Walkers Arms Hotel area, Walkerville
- The extensive ABC Shopping Centre in Walkerville
- The ABC office and cultural centre with at grade car park areas in Collinswood
- Northpark Shopping Centre with a number of major stores and specialty shops in the locality
- Specialty (take-away) food clusters in Collinswood
- Thomas Street / John Street locality for major commercial/institutional site development – with rear lane and local park access
- Capacity for Nailsworth Primary School to become an education hub
- Prospect Medical Centre including GP services and Cosmetic and Vein Clinic

Prospect Oval with a number of community sporting clubs and facilities nearby
- The cluster of car dealerships on Main North Road Prospect
- The major high exposure sites at the intersection of Nottage Terrace and Main North Road – Scotty's Motel, and the large vacant and derelict sites
- High end car dealerships on Main North Road Medindie, including potential Park Land frontage
- Corporate office development in Thorngate/Prospect locality

These uses provide a direction for future investment focus and development policy modification if required.

### 4. Low Vacancy Rates

Vacancy rates are widely used as an indicator of economic health in commercial and business areas. Generally low vacancy rates on the gateway corridors indicate a steady demand for the type of businesses on these roads. The dated presentation of many premises could suggest opportunities for businesses that:
- may not be expanding due to small specialised services and customers
- may have longer-term owners without debt and not motivated to invest until the benefits of new development or public realm upgrades are observed ‘next door’
- may not understand the recent opportunities unlocked by changed zoning.

These possibilities and the low vacancy rates on Main North Road and North East Road compared to rates elsewhere suggest an area ripe for renewal.

### 5. ICT – A Major Competitive Advantage

The City of Prospect and Town of Walkerville are fully NBN connected with Fibre to the Premises!! This gives a real and major competitive advantage to large data businesses particularly those involved in major initiatives in Adelaide, such as defence programs, game developers and movie / special effects developers. Increasingly, these services will also support many mainstream businesses which are currently often challenged with Fibre to the Node networks.

In addition, a very fast SABRENet data Network is available in the vicinity of Thomas Street on Main
North Road. The City of Prospect has also established the very successful Network Prospect – a network to support local businesses and professional groups with networking events, a business directory and a professionals group.

**Vacancy results by strip - 2016**

<table>
<thead>
<tr>
<th>Precinct</th>
<th>Shop/commercial units</th>
<th>Occupied units</th>
<th>Vacant units</th>
<th>Vacancy rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prospect Road</td>
<td>164</td>
<td>154</td>
<td>10</td>
<td>6.10%</td>
</tr>
<tr>
<td>Prospect Road ‘Village Heart’</td>
<td>41</td>
<td>39</td>
<td>2</td>
<td>4.88%</td>
</tr>
<tr>
<td>Walkerville Terrace</td>
<td>62</td>
<td>61</td>
<td>1</td>
<td>1.61%</td>
</tr>
<tr>
<td>Main North Road</td>
<td>283</td>
<td>274</td>
<td>9</td>
<td>3.18%</td>
</tr>
<tr>
<td>North East Road</td>
<td>46</td>
<td>42</td>
<td>4</td>
<td>8.70%</td>
</tr>
</tbody>
</table>

**6. Local Successes Nearby – Council & Investor Partnerships**

Council have led initiatives contributing to successful investment attraction on similar roads. Witness the recent investment on Churchill Road, Walkerville Terrace and Prospect Road.

The City of Prospect and Town of Walkerville know how to get it done!

With investment in the public realm including footpaths, lighting, tree planting and assistance from the State Government with road re-sheeting, the following tables show the very significant private investment attracted in response to infrastructure improvements initiated by council.

**7. Competitive Land Values**

Comparative land values shown below demonstrate the Prospect and Walkerville Investment Corridors as highly competitive for commercial development.

**Road Corridor Upgrades: Investment Returns**

<table>
<thead>
<tr>
<th></th>
<th>Prospect Road</th>
<th>Churchill Road</th>
<th>Walkerville Terrace</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upgrade Investment (State &amp; Council)</td>
<td>$4.4m ($32.6m)</td>
<td>$3.2m ($92.5m)</td>
<td>$785,000 ($20.4m)</td>
</tr>
</tbody>
</table>
Commercial Land Rates on Inner Northern Road Frontages

<table>
<thead>
<tr>
<th>Land Rate Range ($1m²)</th>
<th>Prospect Road</th>
<th>Churchill Road</th>
<th>Main North Road</th>
<th>North East Road</th>
</tr>
</thead>
<tbody>
<tr>
<td>≥ 1500 (up to 1800)</td>
<td></td>
<td>≤ 1300 (up from 500)</td>
<td>≤ 1000 (recent sales data)</td>
<td>&lt; 1000 (recent sales data)</td>
</tr>
<tr>
<td>Capital Improvements</td>
<td>Substantial</td>
<td>Minor</td>
<td>Moderate</td>
<td>Moderate</td>
</tr>
<tr>
<td>Lot Size</td>
<td>Smaller</td>
<td>Larger</td>
<td>Medium</td>
<td>Medium</td>
</tr>
</tbody>
</table>

9. More convenient than the CBD

Businesses on Main North Road and North East Road have free car parking, readily accessible off the side streets and directly next to the premises. Outside of peak hours, car parking is available on sections of Main North Road. Both customers and employees benefit from free parking.

In addition, both gateway corridors have frequent and reliable public transport with buses no more than 10 minutes apart connecting to the CBD, Mawson Lakes (University of SA) and beyond. Congestion is negligible with traffic generally flowing well, including during peak hours.

10. Inner Suburban Apartment and Office Activity

Inner suburbs in cities across the developed world are offering alternate locations for start-up businesses, retail experiments and places to meet and relax with food and coffee. They are becoming the preferred location for innovation hubs where businesses and individuals can share experiences and information face-to-face as well as through fast data transfer.

Prospect Road, Walkerville Terrace and Churchill Road have been successful. Main North Road and North East Road are next!

Eight actions Council is taking to win your investment

Council wants your investment and is prepared to invest alongside you. To ensure that available opportunities are promoted and that your investment is successful, Council will:

1. Engage with local business along the gateway corridors through this Investment Attraction Strategy.
2. Engage with local and interstate investors to ensure they are aware of the opportunities in different sectors. Engagement should be focused on holding targeted pitch/promotion events to specific business sectors such as: Medical, Retail, Education, Office, Aged Care and Accommodation/NDIS, Defence.
3. Develop a specific Investment Attraction brochure as a result of this Investment Attraction Strategy, distributing it as a key component of a marketing campaign for the Prospect and Walkerville Investment Corridors, including social media.
4. Work on seven anchor precincts and associated capital works to improve the public realm and add value to new private investment.
5. Ensure that Development Concept Plans are established for each anchor precinct – in collaboration with property and business owners. These will provide clarity and certainty to decision making for future development proposals.
6. Provide rapid development advisory service to secure approvals quickly, with minimal delays.
7. Ensure that start up business graduating from incubators are provided with options to either relocate to the Prospect and Walkerville Investment Corridors or become tenants of new office developments.
8. Ensure that the residential amenity and lifestyle advantages of living in the City of Prospect and Town of Walkerville (compared to similar localities in the eastern states) including Broadband access via Fibre to the Premises is promoted.
Appendix A

Inner Urban Investment Context
The City of Prospect and Town of Walkerville residents are, according to most indicators, well-educated, well-serviced and have higher than average incomes. An aging population in Walkerville and Prospect will counter this somewhat but the two areas are well-placed to meet the challenges of the future. They both have specialised retail and commercial service areas but not major employment centres. In many respects, recent development – or lack of it - along Main North Road in Prospect and North East Road in Walkerville runs contrary to the well-being of their leafy surrounds.

Inner city main road properties are generally considered less attractive investments because:

- They are more specialised with a smaller demand.
- While it may be cheaper to enter these sub-markets, asset appreciation rates are often lower and exiting the ‘main road’ market is more difficult. This is especially so in low-growth phases of the economic cycle.
- They may have lower amenity in terms of appearance, noise and perceived safety, often due to high volumes of traffic.

The challenge to shape an Investment Attraction Strategy in these circumstances calls for:

- An understanding of the social, economic and environmental context, considering local and city-wide demographics; demand and supply trends in office and apartment markets; and increasing recognition of place-making to attract tenants, customers and investors.
- Combining urban planning and design principles with economic development principles.
- A fine-grained approach to analysis of the areas to identify and promote sites which have greater investment potential.

Broad socio-economic trends for inner Adelaide include:

- Dominance of the State economy by Adelaide’s CBD and northern areas, producing some 80% of the state’s wealth; this dominance is likely to continue and increase.
- Services (business and personal) are growing much faster than other (goods) sectors as the demand for services outstrips the demand for goods (ABS 5206); more people are working in services (ABS 6291).
- Most new jobs are trending towards the centre of cities while most new homes are on the edge (Grattan Institute).
- Physical proximity still matters; and digital technology increases the importance of being close to others.
- The most intense economic activity is in the city CBD and inner city.
- Inner suburbs have higher levels of tertiary education, access to jobs and higher incomes, (Blandy 2014).
- Inner suburbs have greater accessibility for families with children.
- The housing offer is widening but is still restrictive, particularly for affordable/first home buyers; nationally, people want more medium density housing products than the market supplies (Grattan Institute).
- Medium density/apartment housing markets in Adelaide are smaller and currently over-supplied, in the city square mile especially.
- Public transport is more frequent and reliable in the inner city; an extended inner suburban tram network is being planned for Adelaide.
- Home ownership is reducing for younger age groups, particularly low-income earners. This offers the opportunity for new rental investment models.
- The need for car sales yard areas will be reduced, forcing rationalisation and land release.

Changing personal transport trends include:

- Inner suburban residents trend of using a wider range of modes including public transport, walking and cycling is likely to continue.
- Electric and driverless cars are more likely to reduce congestion (on arterial roads) through ride-sharing and more rational on-road behaviour.
- Electric vehicles and driverless cars are likely to reduce road noise and increase corridor amenity, as well as potentially reduce the need for parking.
Appendix B

Investment Attraction Drivers – Potential Targets
Drivers of economic activity are those activities which generate more than local demand and therefore bring customers and trade from outside the area.

With this definition, most sectors can be potential economic drivers for the City of Prospect and Town of Walkerville due to their council areas' smaller scale and absence of major industry/employment areas. The arterial roads in the City of Prospect and Town of Walkerville have been the main employment and growth areas and need to remain so for the ‘new economy’ service sectors and other specialised and local economic activities. The high amenity in the majority of the surrounding areas dictates a higher and better (residential) use right next to the arterial roads.

Office and commercial investment and development is the prime target for Main North Road and North East Road (except in small pockets in Fitzroy and the southern end of North East Road). Residential intensification should not be discounted for the inner north in these pockets. Recent zoning (Development Control) policy changes encourage such development.

Growth sectors will offer more activity opportunities and these sectors in the future SA/Adelaide economy (Northern Economic Plan 2016) comprise:

1. Professional services (financial, business, personal);
2. Hospitality and tourism including food and beverage;
3. Digital information and communications technology;
4. Building construction and renewal; (including affordable/community housing, special group housing e.g. defence personnel, office development);
5. Health, aged care and disability (including aged housing and disability housing);
6. Defence;
7. Mining equipment and technology services;
8. Education and childhood services;

All these sectors should be considered for investment attraction to the inner northern arterials; first determining their general needs; their relevance to inner suburban main roads and possible sites and then targeting investment sources. However, an approach of ‘building on strengths’ suggests that priority target sectors for investment attraction to the inner north should be for premises / development suitable for:

1. Small business generally
2. Food and beverage outlets
3. Professional services including health, education and finance
4. Defence, mining, technology and the public sector
5. Digital information and communications technology.

These sectors align with the data from property agencies (see section 2) as the most likely future office space occupants. Representatives of these sectors should be considered as a priority in promotion of the Investment Attraction Strategy. The representatives include the key developers and organisations below.
Key Builder/Developers and Organisations

Retail:
- Adelaide Development Company (Ian Marker, Lael Mayer)
- Cohen Group/ Titanium Property Investment
- EPC Pacific
- Precision Group (Sean Bonet)
- Peregrine Corporation (John Domino)
- Axiom Pty. Ltd. (Paul Rouvray)
- Hames Sharley (Darren Bilsborough / Andrew Russell)
- Weinart Group – H & M opportunity
- George Kambitsis and Simon Chappell
- Aldi (Nigel Uren)
- Kaufland
- Chapleys (Spero and Nick Chapley)

Office:
- Defence Teaming Centre
- George Kambitsis
- Charter Hall
- ABC owners
- Hans Ehmann
- Lend Lease

Healthcare:
- Clayton Church Homes
- ACH
- ECH
- Health Partners
- BUPA
- Lend Lease
- GP+
- Dental Programs
- Southern Cross Homes
- Anglicare
- Uniting Church
- Aged & Community Services SA & NT
- Allied Health Professionals
- MedDev SA
- Blue Sky Real Estate (Richard McLachlan)
- C-Bus Property (Chris Kakoufas)
- Buildtec (Anthony and Michael Carrocci)
- Equity and Advisory (Stephen Young, Mark Vartuli)
- Sarah Homes
- Rossdale Homes

Universities:
- University of South Australia
- Adelaide University
- Flinders University
- Carnegie Mellon University

Advisers/Independents:
- Damien Brown
- Hamish Brown
- Leedwell (Andrew Zammit, John Savva)
- MRS (Andrew McIntyre)
- Phil Duval
- Property & Advisory (Geoff Hayter)

Agents and Lobby Groups:
- Property Council (SA)
- UDIA (SA)
- Australia-China Business Council
- Invest SA
- McGees Property
- JLL
- Colliers International
- CBRE
- Ryan Revellia
- Master Builders South Australia
- Civil Contractors Federation of SA
- Planning Institute of Australia
- Urban Development Institute of Australia
- Austmine
- SA Chamber of Mines and Energy
- South Australian Tourism Industry Council

Residential:
- Defence Housing Authority
- Palumbo
- Scott Salisbury
- Rivergum
- Catcorp
- Tritan Corporation (Greg Molfetas)
- Nigel Brophy (ex Investec)