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Southbank Retail Expansion Assessment

Input to the Southbank Structure Plan

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INTRODUCTION

Background

Melbourne City Council (MCC) commissioned Essential Economics Pty Ltd to undertake an analysis of the potential for expansion in the retail sector in Melbourne's Southbank precinct in the period to 2040. This analysis will inform the current Southbank *Draft Southbank Structure Plan 2010* in regard to the nature and extent of potential retail expansion in identified 'hubs', and related aspects that may be relevant to the Draft Structure Plan.

Objectives

The objectives for this study are as follows:

1. To provide a 'reality check' on the three recommended 'hubs' identified in the Draft Structure Plan 2010 for retail (and other uses) and the prospects for ground floor retail on main street frontages (eg City Road), including emphasis on convenience retail to meet local needs.
2. To provide projections of the amount of retail floorspace (with an emphasis on local shopping) that can be supported in Southbank by local residents and workers when Southbank is at capacity by around 2040.
3. To identify potential locations for local convenience retailing, including supermarket(s), having regard for relevant parts of the Draft Structure Plan.

This assessment is prepared on the basis of informing the Draft Southbank Structure Plan in relation to the identified 'hubs' for retail and other activities, and the potential for developing active street frontages. In addition, where appropriate, the study also identifies likely additional locations or different types of retail that could potentially activate areas in Southbank.

Approach

- Consultation with City of Melbourne officers involved in the preparation of the Draft Southbank Structure Plan.
- Analysis of Southbank:
 - Overview of the Draft Structure Plan insofar as it addresses retail aspects and identified locations for retail
 - Estimates of resident population, workforce and visitor numbers associated with Southbank
 - Estimates of the current retail situation in Southbank, including retail floorspace, and consideration of factors underlying retail growth to 2040
 - Projections of retail floorspace and potential locations in Southbank to 2040
- Presentation of key findings and recommendations associated with potential retail activities in identified 'hubs' or along active street frontages in Southbank

1 SOUTHBANK PROFILE

This Chapter describes the current context for retailing in Southbank including the definition of the Southbank Study Area, an overview of retail-related aspects in the Draft Southbank Structure Plan 2010, and estimates of Southbank resident population and workers, and other visitors to Southbank.

1.1 Southbank Study Area

The study area is defined by the following boundaries:

- To the north: Yarra River
- To the south: Dorcas Street
- To the east: St Kilda Road
- To the west: Montague Street, Westgate Freeway and Kings Way

The study area includes 'Southbank' and 'South Wharf', as identified in Figure 1.1 on the following page.

1.2 Draft Southbank Structure Plan 2010

The City of Melbourne's Draft Southbank Structure Plan 2010 (the 'Draft') provides a vision and strategy for the development of Southbank over the next 30 years to 2040.

One of the issues identified in the Draft is that *"The suburb lacks a central 'heart' that can serve as the focal point of community facilities, as a commercial hub and a welcoming place for social gathering"* (p5).

The Draft notes that the current 'heart' to Southbank is *"at the edge the Southbank Promenade. This is a regional tourist attraction and does not provide a local heart to Southbank. The lack of local convenience shopping, services and facilities decreases local amenity and drives locals out of Southbank to South Melbourne and the Hoddle Grid to get these things"* (p17).

Among the short-to-medium term proposals is the development of *"... three new local activity nodes to be focal points in Southbank of new commercial, retail and community infrastructure development and local social life"* (p17). These new 'hubs' would address the present situation where residents and workers have to access retail and other local needs from areas that are not conveniently located to their place of residence or work in Southbank.

Each of the three 'hubs' would provide an integrated destination for local shopping, dining, community facilities and commercial premises. Although such activities can also locate elsewhere in Southbank, the 'hubs' would be the initial focal points for providing these services.

The 'hubs' are described as follows (p25):

- **Boyd School Activity Node:** Located in area bounded by Kings Way, City Road, Balston Street and Kavanagh Street (Melway, 1DL7). Re-development to include a library and community centre on Council land, with residential tower and retail on private land.



Figure 1.1 Study Area and Proposed Activity Nodes

Source: MapInfo, Google Earth Pro
 Produced by: Essential Economics



Study Area



Proposed Activity Node



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Arts Precinct Activity Node: Located at intersection of Sturt Street and Southbank Boulevard (Melway 1D, T7) and adjacent to Arts and Entertainment Precinct. Development is proposed to serve residents within a 5-minute walk, as well as visitors to the arts precinct, and would include restaurants, bars, commercial premises and local convenience that complements the arts function.

- **CityLink Deck Activity Node:** Located at Sturt Street in the vicinity of the West Gate Freeway / CityLink off-ramps. This locality is planned as an area to deliver substantial range of mixed uses including retail, restaurants, bars, commercial, residential and community infrastructure, and with potential to act as “*a major new economic and social heart for Southbank*”, noting it is a 10-minute walk from most locations in Southbank.

As noted, an objective for this study is to provide a ‘reality check’ on these three recommended ‘hubs’ in terms of potential for retail (and other uses), as well as commenting on the prospects for ground floor retail on main street frontages (eg City Road). The emphasis of the analysis is ensuring the provision of convenience retail to meet local needs in Southbank.

1.3 Southbank Resident and Worker Populations

Total Visitors (2008)

An estimated 86,700 persons visit Southbank on a weekday, according to the Central City Users Survey 2008 (Market Solutions Pty Ltd, p18), with approximately 39,000 (or 45%) of these visits associated with work trips. On weekends, the daily average number of visitors is estimated at 74,400 persons, most of whom (76%) are visiting for the purpose of dining, going to the casino or a nightclub/social event.

The Central City Users Survey - which is compiled from interview surveys and intercepts - provides comprehensive information on user types and the incidence of visitation level to Southbank. However, the number of residents and workers at Southbank appears to be an under-estimate, having regard for ABS Population and Housing Census 2006 information and updates of that information..

Noting this limitation, for the purpose of this retail assessment figures relating to residents and workers are drawn from Census material (ABS *Population and Housing Census* and the City of Melbourne’s *Census of Land Use and Employment* or ‘*CLUE*’) which is updated and presented in the Draft Southbank Structure Plan 2010.

Importantly, residents and workers are the main markets for ‘convenience retail’ at Southbank. ‘Convenience Retail’ in this context refers to those goods and services that are typically required on a day-to-day basis by households and individuals, and examples include groceries, drycleaning, chemist, newsagent, and a component of food catering (cafes, restaurants, takeaway food). Tourists and other visitors to Southbank may also make these purchases (especially in the Food Catering sector), but the focus in this assessment is on the typical ‘convenience’ shoppers comprising Southbank residents and workers.

Existing Residents and Workers - 2010

Estimates presented in the Draft Southbank Structure Plan 2010 show that the resident population in Southbank in 2010 comprises 10,500 persons, while the number of people at work in Southbank totals 38,100 persons. A small share of the people who work in Southbank also live in Southbank and this share is estimated at 2.5% of the workforce and represents approximately 1,000 persons.

The resident and workforce populations represent the ‘target market’ for new convenience and service retail facilities (and other activities) that would be provided in the three ‘hubs’ identified in the Draft Plan. The Plan acknowledges that some of these activities may also be accommodated along street frontages in the Southbank area.

Forecast Residents and Workers - at capacity

Work undertaken in the preparation of the Draft Southbank Structure Plan 2010 (p29) shows that, at capacity, Southbank could accommodate a maximum resident population of 74,000 persons (in 57,000 dwellings) and accommodate a maximum of 56,000 workers. These capacities would be expected to be reached around 2040 (Draft, p15).

Thus, Southbank could be expected to accommodate an additional +63,500 new residents and an additional +17,900 new workers by the time the locality is fully developed. These forecasts represent significant increases in the resident and worker populations, and are shown in Table 1.1.

Table 1.1: Resident and Workforce Populations, 2010 and 2040 (at capacity)

	2010	2040	Change
Residents	10,500 persons	74,000 persons	+63,500 persons
Workforce	38,100 persons	56,000 persons	+17,900 persons

Source: Draft Southbank Structure Plan 2010, p21

In addition, visitations associated with tourists and other visitors can also be expected to increase as the overall Melbourne visitor market further expands, and as the underlying appeal of Southbank as a place to visit continues to develop through new attractions, improved streetscapes, enhanced local amenity, attractive built form, and so on.

Overall, the opportunity for the provision of additional retail and other facilities and services to meet resident, worker and visitor needs will expand. However, for the purpose of this report, the focus is placed on potential retail requirements to meet the convenience retail needs of residents and workers as these needs are under-provided at the moment, as noted in the Draft.

1.4 Conclusion

By 2040, a very significant population comprising 74,000 people are expected to be living at Southbank if the locality develops to ‘capacity’, plus 56,000 workers (a small share of whom will also be Southbank residents). These residents and workers will generate demand for convenience retailing, much of which should be met in Southbank in view of the need to provide these people with ‘convenience’ in high amenity, attractive locations when accessing their day-to-day shopping needs.

2 SOUTHBANK RETAIL DEVELOPMENT POTENTIAL

This Chapter provides forecasts of retail floorspace demand and supply in Southbank to 2040, having regard for the resident and workforce markets which are served by Southbank retailers; the anticipated growth in resident and workforce numbers in Southbank over the forecast period; and the existing supply of retail floorspace at Southbank. These calculations of retail floorspace demand and supply provide the basis for an assessment of the three ‘hubs’ identified in the Draft Southbank Structure Plan 2010 in the subsequent Chapter 4.

2.1 Existing and Forecast Available Convenience-Related Retail Spending

Convenience-type retail located at Southbank (and which includes grocers, convenience stores, newsagents and the like) serves two main markets: those who reside at Southbank and those who work there. Some of this type of retailing will also be supported by tourists and other visitors to Southbank, although the main retailing of interest to these visitors would be in such areas as clothing, artworks, giftware and the like, and a range of cafe and restaurant opportunities.

Each of the two main markets is described below in relation to retailing.

Residents

In terms of convenience and service retailing, the resident population at Southbank in 2010 has an estimated total available retail spend of approximately \$85 million on convenience and service retail. In essence, these are expenditures on day-to-day needs, ranging from groceries to newspapers and chemist supplies and liquor. By 2040, when Southbank is expected to be ‘at capacity’ in terms of residential development, the total amount of available retail spend of the resident population on convenience and service retail would be in the order of \$745 million (expressed in constant 2010 prices).

The basis for these estimates is shown in Table 2.1. The forecasts take into account the significant rate of growth anticipated in resident population numbers over the period to 2040, combined with real growth in spending per capita averaging 0.75% pa over the forecast period.

Table 2.1: Forecast of Retail Spend Per Capita on Convenience Goods, Service Retail and Food Catering Available from Resident Population at Southbank, 2010 and 2040 (in \$2010 prices)

Retail Category	Convenience Retail ⁽¹⁾	Service Retail ⁽²⁾	Food Catering ⁽³⁾	Total
Per Capita				
2010	\$5,640/capita	\$500/capita	\$1,900/capita	\$8,040/capita
2040 ⁽⁴⁾	\$7,060/capita	\$630/capita	\$2,380/capita	\$10,070/capita
Total ⁽⁵⁾				
2010	\$59.2 million	\$5.3 million	\$20.0 million	\$84.5 million
2040	\$522.4 million	\$46.6 million	\$176.1 million	\$745.2 million

Source: Essential Economics and estimates of average daily spend in 2040 at 2010 prices

Note: (1) Convenience Retail includes grocers, butcher, chemist, newsagent, etc. MarketInfo retail spending data

(2) Service Retail includes drycleaner, DVD hire, hairdresser, repairs, etc. MarketInfo retail spending data

(3) Food Catering includes cafes, restaurants and takeaway food

(4) Allow for real growth in per capita spend of 0.75% pa (5) Resident Population – see Table 1.1

Although Southbank residents currently spend a total of some \$85 million pa on convenience-type retailing, only a relatively small share of this spending (as later identified) is actually directed to retailers located at Southbank, as residents also to shop in the nearby CBD, and in Clarendon Street and at the South Melbourne Market, and at other convenient locations, including shops close to their place of work.

Workforce

In terms of convenience and service retailing, the workforce population at Southbank in 2010 has an estimated total available retail spend of approximately \$114 million on convenience and service retail which relate to day-to-day needs, such as newspapers, chemist supplies, lunch, and drycleaning. By 2040, when Southbank is expected to be 'at capacity' in terms of office development, the total amount of available retail spend of the workforce population on convenience and service retail would be in the order of \$210 million (expressed in constant 2010 prices).

The basis for these estimates is shown in Table 2.2 and takes into account the anticipated significant growth in the Southbank workforce over the period to 2040, combined with real growth in real spending per capita averaging 0.75% pa.

Table 2.2: Forecast of Available Retail Spend by Southbank Workforce on Convenience Goods, Service Retail and Food Catering, 2010 and 2040 (in \$2010 prices)

Retail Category	Average Daily Spend of Southbank Workers (1)	Average Annual Convenience Spend of Southbank Workers ^{(1) (2)}	Total Available Spend on Convenience Retail at Southbank (3)
Per Capita			
2010	\$12.50/capita/day	\$3,000/capita	\$114.3 million/yr
2040 ⁽⁴⁾	\$15.60/capita/day	\$3,755/capita	\$210.3 million/yr
Increase, 2010 – 2040	-		+\$96 million/yr

Source: Essential Economics and estimates of average daily spend in 2040 at 2010 prices

Note: (1) Retail includes Convenience, Retail Services and Food catering (eg, grocers, butcher, chemist, newsagent, cafe, etc. MarketInfo retail spending data
(2) allow for 240 working days per worker per year
(3) workforce – see Table 1.1
(4) allow for 0.75% pa real growth in per capita/yr spend

Total Available Convenience-Related Retail Spend of Residents and Workers

In total, Southbank residents and workers have available spend on convenience-type retailing totalling an estimated \$199 million in 2010. By 2040, with increases in resident and workforce populations and with allowance for real growth in per capita spending, the available spend on convenience-type retail is expected to increase to \$955 million pa (expressed in constant 2010 prices). The estimates are summarised in Table 2.3. This growth in available spending is significant and reflects the expectation - as expressed in the Draft Southbank Structure Plan - that Southbank will accommodate substantial numbers of new residents and workers over the 30-year period.

For the **Southbank residents**, only a small proportion of their available spend on convenience-type retail would be expected to be captured at Southbank retail premises. This is the case due to the limited existing provision of convenience-type retailing in Southbank, combined with the opportunities residents have to also undertake some of this spending at nearby centres (eg, CBD and Clarendon Street) and markets (South Melbourne Market and Queen Victoria Market), as well as undertaking a share of their spending associated with journeys to or from place of work. Having regard for these

competitive opportunities for such spending, the assessment in Table 2.3 allows for 20% of the available convenience-type spend of Southland residents to be directed to retailers located at Southbank in the current situation, increasing to 50% by 2040. The balance in residents' convenience spending (50% in 2040) would be directed to the other destinations, beyond Southbank, as mentioned above.

The **Southbank workforce** can be expected to direct most of their convenience-related spending to retailers located in Southbank, hence the 75% allowance for such spending shown in the Table. This assumption is made on the basis that these retail premises will actually locate in Southbank to serve this market. If the retail services are not available in Southbank, then a higher share of workforce spending will be directed to retailers located in the CBD and other nearby shopping destinations such as Clarendon Street in South Melbourne.

Table 2.3: Available Retail Spend by Southbank Residents and Workforce on Convenience Goods, Service Retail and Food Catering, 2010 and 2040 (in \$2010 prices)

Retail Category	Southbank Residents (1)	Southbank Workforce (2)	Total
2010			
Available Spend on Convenience-Type Retailing	\$85 million	\$114 million	\$199 million
Share to Southbank Retailers ⁽³⁾	20%	75%	
Spending Directed to Southbank Retailers	<u>\$17 million</u>	<u>\$86 million</u>	<u>\$103 million</u>
2040			
Available Spend on Convenience-Type Retailing	\$745 million	\$210 million	\$955 million
Share to Southbank Retailers ⁽³⁾	50%	75%	
Spending Directed to Southbank Retailers	<u>\$373 million</u>	<u>\$158 million</u>	<u>\$531 million</u>
2010 – 2040 Net Increase	<u>+\$356 million</u>	<u>+\$72 million</u>	<u>+\$428 million</u>

Source: Essential Economics

Notes: (1) refer Table 2.2

(2) refer Table 2.3

(3) consultant estimate for allocation of local spending. This estimate of existing share of spending allocated locally (20%) would be higher if Southbank had a supermarket

In total, over the period 2010 to 2040, convenience-type retail spending expected to be directed to Southbank would be in the order of \$531 million pa (in constant 2010 prices). This available spending would only be captured in Southbank if the retail premises are actually developed at Southbank.

2.2 Existing Retail Floorspace Supply

Southbank has an existing supply of 51,400 m² of retail floorspace, according to information sourced from the City of Melbourne's CLUE census (2008). This figure is adopted as the base year total for **2010**, having regard for planning permit information provided by the City of Melbourne which indicates that no significant additions to retail floorspace occurred in Southbank during the period 2008 to date.

For the purposes of this report, 'Retail' has been categorised into seven categories: Food Catering, Fresh Food, Apparel, Department Stores, Home and Leisure, Personal, and Other Miscellaneous. These categories are based on the 2008 ANZSIC codes. Table 2.4 provides a summary of Southbank's existing retail floorspace provision.

Table 2.4: Existing Retail Floorspace in Southbank by Category

Floorspace Category	Ground Floor	Non-Ground Floor	Total Floorspace	Share of Total Retail at Southbank	Share of Total Retail in CBD
Fresh Food	3,240m ²	70m ²	3,310m ²	6.4%	5.1%
Food Catering	17,630m ²	8,590m ²	26,220m ²	51.0%	31.8%
Apparel	1,750m ²	2,760m ²	4,510m ²	8.8%	16.6%
Department Stores	-	-	-	-	21.3%
Home & Leisure	8,370m ²	2,880m ²	11,250m ²	21.9%	14.1%
Personal (eg, chemist, laundry, hairdresser)	1,280m ²	1,860m ²	3,140m ²	6.1%	5.9%
Other Miscellaneous (eg, electrical repair, other)	1,730m ²	1,270m ²	3,000m ²	5.8%	5.2%
Total Occupied Retail Floorspace	34,000m²	17,430m²	51,430 m²	100.0%	100.0%
Shopfront Non-Retail (eg, bank, travel agency, real estate agency)	4,800m ²	4,300m ²	9,100m ²	-	-

Source: City of Melbourne, CLUE 2008. Figures rounded.

The Fresh Food, Personal and Miscellaneous retail categories broadly comprise those retail activities which are associated with **convenience and service retail** (ie, retail which meets day-to-day or weekly needs of households and individuals) and account for 18% of all retail floorspace at Southbank. In contrast, retail categories comprising Apparel, Department Stores, and Home & Leisure are broadly described as **comparison retail** (ie, involving purchase of retail merchandise on the basis of comparative value, quality, fashion, etc) account for 31% of all retail, while **food catering** (restaurants, cafes, takeaway) accounts for the remaining 51% of retail floorspace.

Food Catering, Home & Leisure, and Apparel are the types of retail which attract destination shoppers/diners and those out browsing or sight-seeing. In view of the tourists and other visitors attracted to Southbank, combined with the location of most of the retailing along the southern edge of the Yarra River at Southbank Promenade (Southgate) and at Yarra Promenade (Crown Casino), it is of no surprise that these forms of retail activity dominate. Southbank residents and workers also support a component of Food Catering, including their lunches and dining out.

This identification of retailing by type in Southbank also highlights that relatively small areas of retail floorspace are provided for convenience and service retail that is otherwise in demand by residents and the workforce. Referring to Table 2.4, existing floorspace allocated to convenience retailing (Fresh food, Personal and Other retailing) totals 9,450m², plus an allowance for 10% of Food Catering which adds a further 2,620m² of floorspace, giving a total provision of convenience retail floorspace of 12,000m².

When CBD floorspace by type is compared with the Southbank situation, it is evident that each centre has a similar distribution of retail, with each centre having a relatively high share of retail floorspace in comparison shopping and food catering, as shown in Table 2.4. This pattern is to be expected in view of the CBD's role as the most significant retail destination for visitors from metropolitan Melbourne and from interstate and abroad, while the Southbank's high share in this type of retailing largely reflects the retailing offer available to tourists and other visitors.

In contrast, a neighbourhood centre which has the role of serving local needs would expect to have the vast majority of its retail floorspace in convenience and service retail activities, with very little floorspace in comparison retail or in food catering. Thus, in Southbank's case - which is being planned as a 'suburb' in the Structure Plan - the lack of convenience and service retail to meet the needs of residents and workers is clearly evident. The Plan seeks to address this aspect.

Existing convenience retail provision at Southbank (away from the Yarra River promenades) is very disappointing. For example, the Sturt Street Shopping Centre (containing a small IGA supermarket) is the only 'centre' that has been developed, yet most of the floorspace is vacant; this is not surprising as this centre has frontage to busy Sturt Street (generating little foot-traffic), comprises a poorly-lit, narrow arcade of around six tenancies (four of which are vacant), and the development overall has a very low level of amenity. The arcade leads to a small carpark at the rear, but the appeal of the centre is *lack lustre*. Moreover, the main land uses in the area do not generate much foot-traffic during the day, and the western side of Sturt Street, opposite the centre, consists of expansive areas of roadway associated with freeway on- and off-ramps.

Other convenience-type shops are located in a few locations around Southbank, but these locations appear to be based on maximising the ground floors of office and residential buildings, rather than providing any planned approach to retail and other service provision to residents and workers. For example, the Eureka building has a pharmacy and 7-Eleven at ground floor, while a lone Asian grocery store is located in City Road (and remains padlocked until the store opens at 11.30am each day). Four IGA supermarkets are located in small premises and provide a local level of service. Several retail premises are 'for lease' in Kavanagh Street and City Road and in a number of the newer office blocks.

The only other ground level tenancies in shop-front types of premises are mainly occupied by real estate agencies, printers, car sales, and a few cafes/bars.

With continuing growth in the size of Southbank's resident population and workforce, the locality's retail role would be expected to expand in the years ahead due to considerable growth in available retail spending. However, growth in retail activity at Southbank will only be achieved if the retail developments actually take place in a planned and integrated manner. At present, it appears that retail activity in Southbank has been forgotten in all of the planning for the high-rise towers and roadways that feature in this area.

The following Section 2.3 provides an indication of the level of retail floorspace that resident and workforce spending can support by 2040, and this information provides input to the assessment of retail 'hubs' identified in the Structure Plan.

2.3 Potential Retail Floorspace Supply, 2040

Retail Floorspace Potential for Residents and Workers

As indicated in Table 2.3, an estimated \$531 million pa in retail expenditures would be expected to be directed to convenience-type retailers located in Southbank by 2040. These retailers would include, for example, supermarket/s, convenience stores, general stores, hairdressers, DVD hire, chemists, newsagents, and cafes, restaurants and bars (noting that a large share of this Food Catering component would also be supported by visitors to Southbank).

Taking the forecast of available spending in 2040 (\$531 million), combined with an appropriate average sales density figure (\$9,400/m²), an estimated 56,000m² in convenience-type retail floorspace could be supported in Southbank by 2040. The existing supply is estimated (from CLUE) at 12,000m² (rounded), and thus the potential increase in retail floorspace at 2040 would be in the order of 44,000m². These calculations are shown in Table 2.5.

Table 2.5 also shows that the existing level of available spending by Southbank residents and workforce would support 17,000 m² of retail floorspace, yet the estimated existing provision of such floorspace totals just 12,000 m² (as calculated in the previous Section), thus indicating an existing under-supply

equivalent to 5,000 m². This under-provision is not a surprise, as the Draft Structure Plan also highlights the lack of this type of retail floorspace at Southbank to meet the day-to-day needs of Southbank residents and workers.

In total, Southbank could support an estimated 44,000 m² of new retail floorspace allocated to convenience-type retailing for residents and workers by 2040.

Table 2.5: Estimates of Supportable Floorspace in Convenience-Type Retailing at Southbank, 2010 to 2040

Location	2010	2040
Available Spend on Convenience-Type Retailing ⁽¹⁾	\$103 million	\$531 million
Average Sales Density ⁽²⁾	\$6,000/m ²	\$9,400/m ²
Retail Floorspace Supported (rounded)	17,000 m²	56,000 m²
Existing Convenience-Type Retail Floorspace ⁽³⁾	12,000 m ²	12,000 m ²
Existing Under-Provision of Floorspace	5,000 m²	-
Future Potential Provision of Floorspace	-	44,000 m²

Source: Essential Economics Pty Ltd
 Note: (1) refer Table 2.3
 (2) allow average annual increase of 1.5%
 (3) refer Section 2.2

Retail Floorspace Type

The potential demand for new retail floorspace at Southbank will include such retailers as supermarket, chemist, newsagent, drycleaner, cafe and restaurant.

The provision of these different types of retail premises will be influenced by the existing under-provision (5,000m²) and the types of retail this can support, as well as the extent of annual growth in the balance of floorspace required over the forecast period which is expected to average approximately 1,500m² a year (ie, 39,000m² plus 5,000m² = 44,000m² over 30 years).

While the additional 44,000m² in convenience-type floorspace supportable at Southbank by residents and workers is substantial, this figure reflects the forecasts showing a very large resident population of 74,000 persons and a workforce of 56,000 persons by 2040. The resident population, alone, is equivalent to a catchment that would support a large sub-regional shopping centre, typically anchored by two or three supermarkets, two discount department stores and many small shops. While the composition of such a centre may change over the extensive 30-year forecast period, the magnitude of retail floorspace involved is unlikely to alter significantly.

At the present time, convenience-type retail floorspace is dispersed around Southbank. Some premises are located at Southgate and at Crown Casino (such as takeaway food and restaurants that mainly serve tourists and other visitors to these areas), while small convenience shops and takeaway food premises are spotted around the wider Southbank area. Examples include the Sturt Street Shopping Centre (which is mainly vacant), and several localities which have just one or two traders, such as chemist, Asian grocery, small IGA supermarket + liquor, 7 Eleven, Pizza, and the like.

The dispersed nature of residential development at Southbank, combined with the dispersed nature of existing retail development, is reflected in the observation that no single centre exists to serve the day-to-day convenience-type retail needs of residents and workers. This situation would be expected to change as residential and workforce population numbers increase over the coming years, but this will require good planning for local activity centres serving Southbank.

In view of the forecast growth in resident and workforce numbers and in retail spending, it is appropriate to forecast these retail needs in terms of the types of retail that can be readily supported.

The existing Southbank resident population of 10,500 persons is sufficient to support a full-line supermarket of around 3,000 m², based on the 'rule of thumb' that each resident supports an average of 0.3m² each; thus, 10,500 residents x 0.3m² = 3,150m². This supermarket would also be supported by the Southbank workforce as many workers undertake some of their day-to-day shopping close to work or on the way to or from work (mainly on the homeward journey).

A further 'rule of thumb' is that the area of retail floorspace in small shops that can be supported by supermarket trade is broadly equivalent to about two-thirds of the area of the supermarket. Thus, a supermarket of (say) 3,000 m² can support a further 2,000 m² in specialty shops. These specialities would typically comprise a baker, greengrocer, butcher, chemist, newsagent, drycleaner, takeaway food outlets, florist, shoe repair, and the like, as well as providing space for small offices that may see an opportunity for business development (such as a real estate office or travel agent). In total, a small neighbourhood centre of around 5,000 m² in retail floorspace could be supported in this manner, and this would be an effective first stage development of a neighbourhood centre serving parts of Southbank. This type and extent of convenience retail development is supportable in Southbank in 2010.

As Southbank's resident population and workforce numbers continue to expand, new opportunities will develop for further retail provision. The high density nature of residential and office development would indicate that the three 'hubs' proposed for Southbank could ultimately average around 10,000m² each in retail floorspace terms by 2040 (thus accounting for a total of 30,000m² of retail floorspace in these hubs), and with one of the hubs taking on a larger role in the provision of a wider range of retailing to meet resident and worker needs. As well as the convenience-retail component (supermarket, chemist, etc), these centres would also include provision for cafe and restaurant premises to serve residents and workers (and this provision is included in the floorspace figures presented above).

At an average of 10,000m² in retail floorspace each (30,000m² in total), the three 'hubs' would be similar to a conventional neighbourhood centre, but retail floorspace forecasts indicate that at least 14,000m² more than this amount of convenience-type retail floorspace could be required by 2040 to support the growth in numbers of Southbank residents and workers – a share of this future floorspace would also be supported in nearby South Melbourne, while some residents would continue to access convenience-type retail from the CBD and Queen Victoria Market.

Table 2.6: Estimates of Supportable Floorspace in Convenience-Type Retailing at Southbank by 5-Year Intervals, 2010 to 2040

Period	New Retail Floorspace Provision	Cumulative Total
2010-2015 (incl provision to address existing under-supply)	10,000 m ²	10,000m ²
2015-2020	7,000m ²	17,000m ²
2020-2025	7,000m ²	24,000m ²
2025-2030	7,000m ²	31,000m ²
2030-2035	7,000m ²	38,000m ²
2035-2040	6,000m ²	44,000m ²

Source: Essential Economics Pty Ltd (Figures rounded)

Other Retail Floorspace Demand

As this assessment demonstrates, current and future Southbank residents and workforce can be expected to support a significant provision of convenience-type retail floorspace to meet their day-to-day requirements over the forecast period to 2040.

In addition, the resident population of 74,000 persons will also support an extensive provision of comparison retail floorspace over this period. On a per capita basis, an individual supports approximately 2.1m² of retail floorspace, and this average figure increases over time due to real increases in income; approximately 50% of this provision is for convenience and service retail and the 50% is for comparison retail.

The **convenience** retail provision is dealt with in previous sections of this report. Taking the **comparison** retail component, and allowing for a per capita provision of 1.05m²/capita (ie, 50%), the 74,000 residents would support approximately 78,000m² of comparison retail floorspace (the figure floorspace in 2040 would be expected to be higher where allowance is made for real growth in the ratio of comparison retail floorspace per capita). A share of this comparison retail floorspace will be provided at places including Southgate and Crown Casino and in other locations, as well as in the CBD. However, provision should also be made for a share of this future retail floorspace to be accommodated at Southbank, having regard for the fact that this is where the underlying resident demand is (and will be) located.

Note that this report does not address in detail the planning requirements necessary to accommodate at Southbank a share of comparison-type retail generated by Southbank residents, as the emphasis is on developing and supporting convenience retailing in local hubs and at other appropriate locations.

2.4 Conclusion

By 2040, Southbank is expected to accommodate sufficient numbers of existing and new residents and workers to support additional retail floorspace estimated at 44,000m² to meet convenience-type retail demand. Already, sufficient current demand exists to support an estimated 5,000m² in retail floorspace; this existing under-provision means residents and workers currently do not enjoy the higher level of shopping choice, amenity and convenience that would otherwise be expected in an area such as this. This situation is very evident in terms of the existing retail provision which is generally poorly-located in respect to residential/office localities, lacking in amenity and often comprising lower-order tenants.

Over the forecast period to 2040, significant growth is forecast to occur in Southbank in terms of demand generated by local residents and workforce, leading to further growth in the requirement for additional retailing, especially convenience retail activities that would normally be accessed locally in Southbank. If this retailing is not provided locally, Southbank loses an opportunity to create 'community centres' for residents and workers, and these people would continue to experience poor accessibility to such services that should really be available within walking distance of home or place of work.

The next Chapter provides a review of the locational and other attributes of the three 'hubs' identified in the Draft Southbank Structure Plan and the appropriateness of these 'hubs' as locations for future retail convenience-type activity.

3 COMMENTS ON PROPOSED RETAIL 'HUBS' AND OTHER LOCATIONS

This Chapter provides comment on the appropriateness of the three 'hubs' which are identified in the Draft Structure Plan, as well as providing comment on potential retail locations which may be identified elsewhere in Southbank.

The 'hubs', as described in Section 1.2, are as follows:

- Boyd School Activity Node
- Arts Precinct Activity Node
- CityLink Deck Activity Node

Each is described in the following sections in terms of their appropriateness in accommodating a share of new convenience retail floorspace generated by Southbank residents and workers to 2040.

3.1 Boyd School Activity Node

Location and Site Attributes

This potential activity node is bounded by Kings Way, City Road, Balston Street and Kavanagh Street, and is located at the western edge of Southbank (not including South Wharf, which is located further west on the Yarra River). The site covers an area of approximately 8,000 m².

The site contains an old school building (possibly of heritage value) and a number of smaller buildings which are likely to have been used as classrooms.

Site amenity is very low on the western boundary of the site as it borders the Kings Way overpass.

Potential Retail Role of Hub

Council owns the school site and plans to develop a community centre, while on nearby land the development of a residential tower is approved which may possibly include a retail component.

A retail 'hub' at this location would serve a local or neighbourhood convenience retailing role, and the retail composition would likely include a supermarket (say, 3,000 m²) and supporting small tenancies (say, 2,000 m²). The tenancies would include, for example, newsagency, chemist, bakery, greengrocer, drycleaner/laundrette, takeaway food, cafe, coffee shop, liquor store and the like.

The main catchment from which the centre would draw most of its trade would be bounded by City Road, Kings Way, West Gate Freeway and Power Street. All land within this main catchment would be situated not more than 250 m from the site. Most custom would be walk-in by residents and workers. Although the site with frontage to City Road enjoys main road access and visibility, it is unlikely that a centre of this size would attract much 'passing trade', especially as City Road is a heavily-trafficked arterial road and with through-traffic that would be most unlikely to stop for convenience retail. It is unlikely that a small centre at this location would attract custom from beyond Kings Way, further west.

Ultimate residential population and workforce numbers in this main catchment is not known as many sites have redevelopment potential to high densities. However, as earlier noted, a full-line supermarket requires a residential population of at least 10,000 residents in order to trade in a commercially viable manner.

Any retail development on this site would need to be situated at ground level (especially for convenience retail) and should be oriented away from the very low amenity Kings Way. Frontage to City Road would be important for the purpose of commercial exposure (while not expecting to capture any significant passing trade from this location, as mentioned above).

3.2 Arts Precinct Activity Node

Location and Site Attributes

This node is shown in the Draft Plan as centred over the intersection of Southbank Boulevard and Sturt Street. This intersection is developed with the new Melbourne Recital Hall on the south-eastern corner, and with major office blocks on the other three corners. Apart from redevelopment prospects many years hence, potential does not exist for a retail hub at these corner sites in view of their existing level of development, although a couple of possible 'hub' sites are to be found in Sturt Street, immediately south of Southbank Boulevard.

These sites include:

- 102-108 Sturt Street, which is an old single-storey building which extends through to Moore Street and provides off-street parking. The site area totals approximately 3,500 m²; and
- a site opposite in Sturt Street which covers an area of approximately 1,000 m² and is also used for at-grade car parking. No structures exist on this land.

Although these two sites are identified as having development potential, it is not immediately known if the respective owners have plans for other (non-retail) forms of development. This is an area for appraisal by Council.

Potential Retail Role of Hub

These sites offer development opportunities for a relatively small provision of convenience retail activities (noting that the owners of these sites may have other plans). Each site is well-located in terms of walk-in access from surrounding office and residential developments.

The main catchment these retail facilities would serve is located broadly within an area bounded by Grant Street, Power Street, City Road and St Kilda Road. These two sites would be unlikely to draw much custom from passing traffic along Sturt Street, or from residents and workers north of City Road.

In terms of floorspace, each of the two sites would only accommodate a small area of retail floorspace: possibly 3,500 m² and 1,000 m², respectively, if developed only on ground level and with basement and/or above ground carparking.

These are not large floorspace components, even in terms of providing for retail at the neighbourhood centre level. As previously indicated, a neighbourhood activity centre would normally be anchored by a full-line supermarket (of 3,000 m² and above), plus small tenancies of up to a total of 2,000 m², giving

total retail floorspace in the order of 5,000 m². Such floorspace cannot be accommodated on these sites unless it is provided over more than one level. Over time, retail development in areas such as this may well cover more than one level; however, the convention is presently for single-level development, and this is especially important for supermarket retailing in terms of accessibility and convenience.

A further consideration is that smaller supermarkets could become the norm in future years, and this is pattern of development is becoming evident in some locations, such as the inner city. In fact, Southbank has four small IGA supermarkets. However, the reality is that shoppers like to have access to larger, full-line supermarkets due to the wider retail offer such facilities provide. This pattern is borne out by the higher patronage levels (including higher average spend per shopper) at larger supermarkets compared with smaller ones.

3.3 CityLink Deck Activity Node

Location and Site Attributes

This node covers an extensive area of some 45,000 m² and comprises on- and off-ramps associated with the West Gate Freeway and CityLink. Existing roads which serve this general locality are Sturt Street, Power Street and Kings Way.

Potential Retail Role of Hub

As a future retail hub, this node is likely to offer a longer-term prospect for development (rather than near-term), having regard for the complex pattern of freeway on- and off-ramps which connect with main roads in the area including Sturt Street, Power Street and Kings Way, and the likely substantial capital cost in providing a deck over this expansive area of roads and associated roadway reservations.

In view of the very significant capital costs involved in decking the site, it would be necessary to achieve high-density residential and/or office development, and of sufficient size (in numbers of units and floorspace) to cover the additional capital costs associated with the decking.

In a retail context, the site is of sufficient area to support a major retail complex which would serve the surrounding Southbank area. With such a major retail development component, and which is likely to serve a catchment population of sub-regional size (ie, 74,000 residents and 56,000 workforce), it would be expected that such a centre would comprise comparison retail as well as convenience retail. With this critical mass, and with the inclusion of the comparison retail component (eg, a department store, discount department store, boutiques), it would be acceptable to see retail development over more than one floor. This could be accommodated at the CityLink Deck Activity Node, but would likely be a longer-term development opportunity in view of capital cost associated with the decking.

3.4 Street Frontage Development

It appears that most street frontages in Southbank have already been developed with office and residential towers, and that very few of these developments have retail at ground floor.

Some opportunities to incorporate retail uses along City Road may exist where redevelopment or refurbishment of long-established buildings occurs. However, such redevelopment needs to be integrated, where possible, with redevelopment in adjoining buildings, thus creating sufficient floorspace and 'critical mass' for the retail activities to survive. At the present time, such development only occurs on an *ad hoc* basis, with some new developments incorporating say, a chemist and a

convenience store at ground floor, while other developments continue to place offices at ground floor (such as a bank or a real estate office). This latter example means a lost opportunity to introduce retail activities.

A further issue associated with street frontage development for retail use is that individual retail uses are developed in some buildings but not in others, thus further adding to the 'spotty' location of retail around Southbank. Hence, the strong need to achieve a much higher level of integration of retail uses into new and refurbished buildings.

Opportunities may exist to include retail uses in the 'retro-fitting' of existing buildings in Southbank as these buildings come up for redevelopment. However, Southbank is a relatively new area, with new buildings, and it will be many years before such 'retro-fitting' can be introduced. In the meantime, other sites in Southbank will need to be identified as potential locations for new retailing to meet local needs.

In addition, every effort should be made by Council as the planning authority to ensure that new development proposals (for residential or office towers) incorporate appropriate retail components, and that such developments are integrated, where possible, with adjoining sites. Developments such as the Sturt Street Shopping Centre must be avoided; they do not contribute significantly to the retail offer, and the design aspects (such as incorporating small shops in narrow arcades that lead to nowhere of significance) are appalling.

3.5 Retail Floorspace Provision to 2015

This assessment (Table 2.6) shows that by 2015 Southbank will require a total of approximately 10,000 m² in new convenience-type retail floorspace. This figure includes the existing under-supply estimated at 5,000 m² plus the 5,000 m² required to meet population and spending growth between 2010 and 2015. This floorspace demand could be met by retail development as follows:

- two of the identified hubs, namely the Boyd School node and Arts Precinct node which together have a combined land area of approximately 12,500 m² (assuming car parking can be accommodated as part of the overall development of these sites including office or residential towers); plus
- new retail floorspace under consideration in one or two current projects in Southbank, such as at 66-70 Southbank Boulevard where an 1,800 m² supermarket is proposed.

Beyond 2015, new sites would need to be identified in Southbank, or new opportunities identified to retro-fit existing office/residential buildings as they fall due for refurbishment and remodelling over time. In some cases, buildings with street frontages may offer opportunities for the inclusion of retail facilities at ground floor. The principal difficulty in accommodating new and expanded retail facilities will be associated with locating the opportunities for such development and to ensure, where possible, that such retail developments occurring in individual buildings can be integrated so that a range of retail can be provided in a locality that provides a 'critical retail mass' for the local community. The incorporation of community facilities into these hubs will also be important in strengthening this community role.

If suitable sites cannot be found in Southbank for new retail facilities, the available spend of residents and local workforce can be expected to be directed to retailers in the CBD and in South Melbourne and in other retail centres in this generally inner city region, such as Chapel Street.

3.6 Conclusion

Three nodes are identified as potential local or neighbourhood activity centres in the Draft plan. Two of these nodes - the Arts Precinct Activity Node and the Boyd School Activity Node - offer only relatively small opportunities for the provision of retail floorspace to meet the convenience retail needs of Southbank residents and workers. The **Boyd node** (site area 8,000 m²) presents the best opportunity for a retail component in the short-term, while the **Arts Precinct node** has just two small sites (land area of 3,500 m² and 1,000 m² respectively) that would accommodate very small areas of retail floorspace relative to the significant levels of demand (60,000 m²) identified earlier in this report.

The **CityLink Deck node** (decked site area of 45,000 m²) offers the best opportunity to accommodate a sizeable retail component to meet Southbank needs; however, the construction costs associated with decking would be very substantial, making this a potential, longer-term opportunity.

Until locations can be found in Southbank for new retail development with sufficient critical mass to attract and retain Southbank shoppers, it is most likely that today's substantial levels of escape spending to other centres, such as the CBD and South Melbourne, will continue. Such an outcome does not contribute to a sense of place in Southbank for residents and their local community, and nor does this situation provide the accessibility, convenience and amenity that is now accepted as the norm in the planning and design of new activity centres.

In regard to other locations, a requirement could be introduced for ground floor retail to be accommodated in new office and residential towers. However, the nature of these new developments (in effect, free-standing towers) means that a street frontage (such as City Road) would potentially have a multiple of small retail premises at ground floor, but none having sufficient 'retail mass' (individually or collectively) to attract and retain local shoppers.

The other option is to ensure that when existing buildings are re-modelled or refurbished over time these buildings are 'retro-fitted' with retail components to meet local convenience shopping needs. However, the same problem remains: potentially, these 'retro-fitted' developments would not have sufficient 'retail mass' (individually or collectively) to attract and retain local shoppers.

One conclusion is that the opportunity to provide adequate retail facilities to meet resident and workforce needs in Southbank has largely been lost, unless requirements can be introduced to ensure new developments, where appropriate, provide convenience retail facilities at ground floor.

4 CONCLUSION

The following main points are identified from this assessment of future retailing in Southbank:

1. **Objective**: This report provides a 'reality check' on three localities identified in the Melbourne City Council's *Draft Southbank Structure Plan 2010* as potential 'hubs' for the location of retail and community facilities and services. The report provides projections on the amount of retail floorspace (focusing on convenience retailing) required in Southbank to 2040 when resident population and workforce numbers are expected to be at capacity. Comments are also provided in respect to other sites in Southbank which may have potential in accommodating retail facilities.
2. **Draft Southbank Structure Plan 2010**: The Draft Structure provides a vision and strategy for the development of Southbank over the next 30 years to 2040. One of the issues identified in the Draft is that *"The suburb lacks a central 'heart' that can serve as the focal point of community facilities, as a commercial hub and a welcoming place for social gathering"* (p5). The Draft notes that *"The lack of local convenience shopping, services and facilities decreases local amenity and drives locals out of Southbank to South Melbourne and the Hoddle Grid to get these things"* (p17).
3. **Local Activity 'Hubs'**: Among the short-to-medium term proposals presented in the Draft is the development of *"... three new local activity nodes to be focal points in Southbank of new commercial, retail and community infrastructure development and local social life"* (p17). These new 'hubs' would address the present situation where residents and workers have to access retail and other local needs from areas that are not conveniently located to their place of residence or work in Southbank. Each of the three 'hubs' would provide an integrated destination for local shopping, dining, community facilities and commercial premises. Although such activities can also locate elsewhere in Southbank, the 'hubs' would be the initial focal points for providing these services.
4. **Southbank Residents and Workforce**: Currently, Southbank has a resident population estimated to total 10,500 persons, plus a workforce of 38,100 persons (noting that an estimated 1,000 persons are residents who also work in Southbank). By 2040, a very significant population comprising 74,000 people are expected to be living at Southbank if the locality develops to 'capacity', plus 56,000 workers (a small share of whom will also be Southbank residents). These residents and workers will generate demand for convenience retailing, much of which should be met in Southbank in view of the need to provide these people with 'convenience' in high amenity, attractive locations when accessing their day-to-day shopping needs.
5. **Existing Retail Floorspace at Southbank**: Southbank has an existing supply of 51,400 m² of retail floorspace, according to information sourced from the City of Melbourne's CLUE census. Assessment of retailing by type in Southbank highlights that relatively small areas of retail floorspace are provided for convenience and service retail that is otherwise in demand by residents and the workforce. As indicated in CLUE, existing floorspace allocated to convenience retailing (Fresh food, Personal and Other retailing) totals 9,450m², plus an allowance for 10% of Food Catering which adds a further 2,620m² of floorspace, giving a total supply of convenience retail floorspace at Southbank of 12,000m². However, existing residents and workforce at Southbank could support an estimated 17,000 m² of convenience retail floorspace; thus, an existing under-provision of 5,000 m² in this type of floorspace is in evidence in Southbank. This situation means residents and workers currently do not enjoy the higher level of shopping choice, amenity and convenience that would otherwise be expected in an area such as this. Existing retail is generally poorly-located in respect to residential/office localities, lacking in amenity and often comprising lower-order tenants.

6. **Potential for Expanded Retail Provision at Southbank:** Potential for new retail floorspace provision at Southbank is based on several aspects: the opportunity to significantly improve the existing floorspace provision which is under-provided in terms of quantity; the opportunity to upgrade existing provision which is generally poor in terms of presentation, amenity and accessibility; and the significant opportunity for expanded levels of floorspace to meet forecast growth in Southbank's resident and workforce numbers. This growth will contribute significantly to requirements for additional convenience retailing to meet day-to-day needs such as supermarkets and other grocery outlets, chemist, newsagent, baker, drycleaning, and so on. Considerable demand will also be generated for comparison retailing (clothes, homewares, etc) but much of this will be accommodated by retail facilities in Southbank (at Southgate, Crown Casino and South Wharf), and at the CBD and at other localities such as Clarendon Street in South Melbourne and Chapel Street in Prahran.
7. **Future Convenience Retail Floorspace Supported by Residents and Workers:** By 2040, Southbank is expected to accommodate sufficient numbers of existing and new residents and workers to support an estimated 44,000m² in new retail floorspace to meet convenience-type retail demand. Already, sufficient current demand exists to support an estimated 5,000m² in retail floorspace. The forecast level of floorspace supportable in Southbank is based on forecasts of resident and workforce numbers (sourced from the Draft Plan) combined with estimates of per capita retail spending; the retail spending estimates are then converted to retail floorspace estimates.
8. **'Hubs' for Community Activity Identified in the Draft Plan:** Three 'hubs' are identified in the Draft Plan: Two of these nodes - the Arts Precinct Activity Node and the Boyd School Activity Node - offer only relatively small opportunities for the provision of retail floorspace to meet the convenience retail needs of Southbank residents and workers. The **Boyd node** (site area 8,000 m²) presents the best opportunity for a retail component in the short-term, while the **Arts Precinct node** has just two small sites (land area of 3,500 m² and 1,000 m² respectively) that would accommodate very small areas of retail floorspace relative to the significant levels of demand (60,000 m²). It is not known if these two sites in the Arts Precinct node would be available for to accommodate a retail component. The **CityLink Deck Activity Node** (decked site area of 45,000 m²) offers the best opportunity to accommodate a sizeable retail component to meet Southbank needs; however, the construction costs associated with decking would be very substantial, making this a potential, longer-term opportunity.
9. **Street Frontages:** While a requirement for ground floor retail to be accommodated in new office and residential towers could be specified for new developments, the nature of these new developments (in effect, free-standing towers) means that a street frontage (such as City Road) could potentially have a multiple of small retail premises at ground floor, but none having sufficient 'retail mass' (individually or collectively) to attract and retain local shoppers. Until suitable locations can be found in Southbank for new retail development with sufficient critical mass to attract and retain Southbank shoppers, it is most likely that today's substantial levels of escape spending to other centres, such as the CBD and South Melbourne, will continue. Such an outcome does not contribute to a sense of place in Southbank for residents and their local community, and nor does this situation provide the accessibility, convenience and amenity that is now accepted as the norm in the planning and design of new activity centres.
10. **'Retro-fitting':** An option may involve a requirement that where existing buildings are re-modelled or refurbished over time they are 'retro-fitted' with retail components to meet local convenience shopping needs. However, the same problem remains as with street frontage locations: potentially, these 'retro-fitted' developments would not have sufficient 'retail mass' (individually or collectively) to attract and retain local shoppers.

11. **Retail Floorspace Provision to 2015**: This assessment (Table 2.6) shows that by 2015 Southbank will require a total of approximately 10,000 m² in new convenience-type retail floorspace. This figure includes the existing under-supply estimated at 5,000 m² plus a further 5,000 m² required to meet population and spending growth between 2010 and 2015. This floorspace demand could be met by retail development as follows:
- a. two of the identified hubs, namely the Boyd School node and Arts Precinct node which together have a combined land area of approximately 12,500 m² (assuming car parking can be accommodated as part of the overall development of these sites including office or residential towers); plus
 - b. new retail floorspace under consideration in one or two current projects in Southbank, such as at 66-70 Southbank Boulevard where an 1,800 m² supermarket and 620 m² in three small tenancies is proposed and is currently going through the planning process.
12. **Beyond 2015**, new sites would need to be identified in Southbank, or new opportunities identified to retro-fit existing office/residential buildings as they fall due for refurbishment and remodelling over time. In some cases, buildings with street frontages may offer opportunities for the inclusion of retail facilities at ground floor. The principal difficulty in accommodating new and expanded retail facilities will be associated with locating the opportunities for such development and to ensure, where possible, that such retail developments occurring in individual buildings can be integrated so that a range of retail can be provided in a locality that provides a 'critical retail mass' for the local community. The incorporation of community facilities into these hubs will also be important in strengthening this community role.