

# NYORA DEVELOPMENT STRATEGY

## PROPERTY AND ECONOMIC ISSUES AND OPPORTUNITIES

SOUTH GIPPSLAND SHIRE COUNCIL AND PLANISPHERE

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# 1. INTRODUCTION

## 1.1. ENGAGEMENT

Urban Enterprise are engaged as a sub-consultant to Planisphere to provide economic and property analysis to inform the Nyora Development Strategy, a project undertaken for South Gippsland Shire Council (Council).

## 1.2. SCOPE

The scope of Urban Enterprise's input to the Development Strategy includes:

- A background review of relevant documents and information;
- A summary of the economic role of Nyora in the municipal and regional context;
- Preparing a business overview of the town centre;
- Prepare an analysis of competing activity centres;
- Review demand indicators for commercial land in Nyora;
- Supportable retail floorspace;
- Assessment of land area requirements;
- Assessment of strategic site options to meet floorspace requirements;
- Undertake discussions with land owners and Vic Track; and
- Town centre boundary and commercial layout assessment.

## 2. BACKGROUND DOCUMENTS

### 2.1. INTRODUCTION

This section includes a review of existing background documents relating to Nyora relevant to the property and economic considerations for the Development Strategy.

### 2.2. NYORA STRUCTURE PLAN

The Nyora Structure Plan was prepared by Planisphere in June 2013 for Council and Regional Development Victoria. The Structure Plan is the most important document in setting out the current planning and development context for this Development Strategy.

Key findings relevant to this project are as follows.

#### POPULATION AND GROWTH

- Nyora had approximately 900 residents in 2006. The growth rate between 2001 and 2006 was 1.7% per annum. The Structure Plan projected that the population by 2030 will be 1,460 residents based on a growth rate of 2.1% per annum. *Note: population and demographic data has been updated in this report to include 2011 Census results;*
- The increase of 500 residents would mean an additional 213 households by 2030 at an average of 2.6 people per household;
- The Structure Plan identifies large areas at the fringes of the township that could support residential growth. The key growth area is currently subject to a Planning Scheme Amendment process to rezone 119 hectares of land to allow lots in the order of 750sqm at to yield an estimated 700 – 800 lots.

#### RETAIL AND TOWN CENTRE

- The Structure Plan identifies a small existing commercial centre comprising of post office and a general store of approximately 120 sqm. Along with these sites are a vacant hotel at the corner of Mitchell Street and Lang Lang - Poowong Road, and a pizza restaurant on Lang Lang - Poowong Road;
- Nyora has no clear 'town centre', forcing residents to shop outside of the township;

- In 2010, it was estimated that Nyora residents spent approximately \$11.5 million on retail products, which could support a retail floorspace of 2,000 sqm, at a rate of 2.1 sqm per person. Actual retail floorspace is 120sqm which highlights the lack supply, forcing residents to spend outside the township;
- Approximately 1000 sqm to 2000 sqm of retail floorspace (or 4000 sqm of zoned land) will be required in Nyora by 2030;
- The Structure Plan recommended to remove the Township Zone (TZ) and provide a Commercial 1 Zone (C1Z) along the south side of Mitchell Street, including the triangle site of the former hotel on the corner of Mitchell Street and Davis Street. This recommendation has since been implemented.

#### INDUSTRIAL AND EMPLOYMENT

- The Structure Plan notes that Nyora has a significant amount of industrial land and activity for the town's relatively small scale. The existing industrial activities include:
  - Farm supplies and animal feed;
  - Construction materials and earthmoving;
  - Engineers;
  - Septic tank supplies; and
  - Equine equipment and supplies.
- There are 10 industrial enterprises in Nyora, of which 8 are located in Industrial 3 Zone. There also appears to be 6 vacant lots, each of approximately 1,400sqm in the existing industrial zones;
- Nyora has a number of industrial businesses that serve national and international markets, however, local industrial businesses are not well represented (with the exception of the auto-mechanic on Davis Street), meaning that residents would be likely to use industrial businesses in surrounding towns.
- If Nyora is to have 1,460 residents by 2030, an additional 2.78 ha of industrial land will be required, based on 0.15 ha per small industrial lot.

### 2.3. DEVELOPMENT FORECASTS FOR NYORA

The Development Forecasts for Nyora report (**Development Forecasts**) was prepared in 2010 by Tim Nott and Matters More for Council.

The report noted that Nyora residents are increasingly being able to access jobs 'locally', with more also travelling further, mostly to inner Melbourne. Residents are generally travelling north and north-west to access jobs in the southern suburbs of Melbourne, while there are no residents of Nyora that work in the Latrobe Valley.

Table 1 reproduces the Development Forecasts estimate of the scale and type of retail activity centres that would be supported by five population growth scenarios for Nyora, as well as the scenario of no further land release. *Note: the data and assumptions used by Tim Nott to prepare these projections have been updated in this report (Section 3).*

**TABLE 1** RETAIL ACTIVITY CENTRES UNDER FIVE GROWTH SCENARIOS, NYORA, 2030

Development scenarios	No further land	Existing conditions continued	State Government forecast	Commuter town	Rapid growth	Explosive growth
Population in each scenario by 2030	1,040	1,350	1,460	1,640	2,110	5,000
People in surrounding rural areas	500	500	500	500	500	500
<b>Total catchment population</b>	<b>1,540</b>	<b>1,850</b>	<b>1,960</b>	<b>2,140</b>	<b>2,610</b>	<b>5,500</b>
Support for local centre	Yes	Yes	Yes	Yes	Yes	Yes
Support for small neighbourhood centre	Yes	Yes	Yes	Yes	Yes	Yes
Support for neighbourhood centre	No	No	No	No	No	Yes

Source: Tim Nott - Development Forecasts, 2010

For the 'Explosive growth' scenario, the report estimates that Nyora would require a Neighbourhood Centre, including a medium to large supermarket (around 3,000sqm).

All other scenarios would require a small neighbourhood centre, including a small supermarket (up to 1,000sqm in the case of the Rapid growth scenario).

In addition to the retail space required, space for other activities would also be needed, such as doctors, other health practitioners, veterinarians, professional services and real estate agents. Non-retail demand was assumed to be 30% of the total floorspace.

The Development Forecasts include the following land requirement estimates for the two higher growth scenarios as follows:

- Allowing for retail space of 1,500 sqm under the **Rapid Growth** scenario, total floorspace in the activity centre would be needed in the order of 2,200 sqm. Assuming single storey development, the total area needed for the activity centre would be approximately 0.5 ha. However, taking into account the existing pattern of allotment; 0.5 ha is likely to be a minimum size; and
- Under the **Explosive Growth** scenario, the retail floorspace requirement would be 4,400 sqm (0.8sqm per person for 5,500 people). 50% of the centre would be non-retail space since this sized centre could also accommodate a higher level of community services. Providing for car-parking, the total area required for the centre would be 1.9 ha.

### 2.4. NYORA COMMUNITY INFRASTRUCTURE PLAN

The Nyora Community Infrastructure Plan was prepared by Council in 2014. The purpose of the Plan was to:

- Guide the development, timing, design and location of community infrastructure over the next 20 years;
- Identify and prioritise services and facilities required for an emerging population;
- Present key recommendations for community infrastructure that will address needs over the short, medium and long term;
- Develop a plan of possible locations and facilities for identified priorities; and
- Support funding submissions and timing.

The Plan builds on the findings of the Nyora Structure Plan and the Development Forecasts report, and identifies the following property and economic issues relevant to this Development Strategy:

- A number of home based businesses are located in Nyora, including massage, dog and cat grooming, a driving school and book keeping;
- Sand mining industries are located within 7km of the township of Nyora with many transport trucks operating around the area;
- A survey of Nyora residents indicated that residents shop in 13 different suburbs or towns on a regular basis, with some residents accessing up to 4 different towns for shopping in a typical week. The majority of respondents shop in Pakenham (48). Many residents access services in neighbouring towns where they shop, especially where there are supermarkets such as in Poowong, Lang Lang and Korumburra;
- The Nyora Urban Design Framework, 2005, provides conceptual plans and sketches of urban design improvements near the town centre including a retail facility and community centre on the northern side of Mitchell Street.
- In the first instance the provision of a small supermarket, pharmacy and petrol station would increasingly service the needs of residents. Residents indicated interest in a supermarket, pharmacy and specialty shops to be located in the town, and supported retention of Toby's Paddock as parkland for recreation, leaving the area to the south of Mitchell Street for future retail development.
- The recommendations from the Nyora Structure Plan, Nyora Urban Design Framework and Nyora Community Plan are consistent in recognising the benefits that increased retail would contribute to increasing the character of the town centre and the needs of the local community.
- The central location of retail in the town centre enhances the village character. This town centre boundary includes: Mitchell Street, Henley Street, Davis Street, the strip along Davis Street, the former hotel and take away pizza store. Further retail shops should be located within this business zone area.

In respect of retail and commercial facilities, the Plan recommended:

- A supermarket development in Mitchell Street as an extension to the general store to cater for the needs of the current population with investigation of larger supermarket as demand increases;

- A pharmacy in the town with nurse practitioner would be a start to the provision of health services to the broader community. Further health consulting rooms in a community hub or similar multipurpose centre could be considered; and
- Support development of a fuel outlet if financially viable.

## 2.5. SOUTH GIPPSLAND HOUSING AND SETTLEMENT STRATEGY

The South Gippsland Housing and Settlement Strategy (the Settlement Strategy) was prepared for Council in 2012 by a consultant team including Urban Enterprise and led by Planisphere.

The Settlement Strategy outlines the strategic framework for urban development in the Shire, and identifies Nyora as a 'peri-urban settlement' with the following growth pressures:

- Demand for lifestyle properties and some standard density commuter lots;
- Demand on existing primary school associated with growth; and
- Limited service provision in comparison to high growth projection.

The Settlement Strategy includes the following findings and commentary relevant to the economic and property aspects of the development strategy:

- As designated settlements begin to grow there may be sufficient demand for additional full line supermarkets, particularly in the north-west of the Shire, such as Korumburra. Given the relatively low population in South Gippsland, a supermarket is currently a higher order retail facility, and careful consideration should be given to the locations of future supermarkets given the significant trade that can be expected to be drawn to this location as a proportion of existing expenditure in the Shire and impact on local businesses and amenity. As a general rule, higher order retail facilities should be located in District Towns or larger.
- There is low non-retail commercial demand across the Shire. This is largely due to the absence of larger regional centres which are typically the location for public and private sector regional offices. However, a small amount of non-retail commercial land use should be facilitated to support areas experiencing significant retail and residential growth. This is particularly important in retaining local employment and reducing environmental impact related to work travel. Further, new business opportunities



should be sought to support the principle of diversifying and strengthening the economy as directed by the Economic Development and Tourism Strategy 2012.

## 2.6. KEY FINDINGS AND IMPLICATIONS

The key findings relevant to this project are as follows:

- A population growth rate of 2.1% per annum was used to inform the Nyora Structure Plan. This data was based on information prior to the 2011 Census, meaning the data is in need of updating;
- Existing studies identify the lack of retail and commercial facilities in the town and the need for further services to be provided to reduce escape expenditure and support the significant growth that is projected to occur in the town over the next 20 years;
- Multiple studies identify that increased retail and commercial services could enhance the character of the town as well as meeting the needs of locals.
- Projections prepared in 2010 estimate that population growth scenarios could result in a 2030 population of between 2,610 and 5,500 in the Nyora catchment, resulting in demand for between 2,200 and 4,400 sqm of retail floorspace in the town by 2030.

It is clear through existing studies that there is a very low provision of local retail and commercial facilities, as well as a relative lack of local industrial businesses to meet population-driven demand.

The majority of Nyora residents' retail expenditure currently 'escapes' to other towns. The projected strong population growth rates of in excess of 2% per annum will generate significant additional demand for retail and commercial land over time.

It will be important for the Development Strategy to update the data and analysis prepared in recent studies, and to investigate opportunities to improve the economic containment of the town for current and future residents. The current economic and property context is considered in the following sections.

## 3. PLANNING AND ECONOMIC CONTEXT

### 3.1. INTRODUCTION

The section provides an overview of the location and economic function of Nyora as influenced by the role of nearby towns and activity centres.

### 3.2. BUSINESSES AND ZONES

Nyora includes a range of planning zones, including a small section of Commercial 1 Zone in the centre of the township, and a section of Industrial 3 Zone to the north of the railway line. The planning zones are shown in Figure 1.

Nyora has a largely undefined town centre. There is approximately 400 sqm of retail floorspace in 3 premises dispersed across the Commercial 1 Zone, including a General Store, opportunity shop and pizza / takeaway shop. There is also a post office (150 sqm).

Table 2 shows land and floorspace area within each commercial and industrial zone. Although this is a relatively low provision of retail and commercial floorspace, residents of Nyora have a broad range of retail and employment options nearby, including in other townships, regional centres and the Melbourne metropolitan area), which is likely to have somewhat restricted past demand for floorspace growth in Nyora itself. The location and role of competing centres is discussed in Section 3.3.

TABLE 2 NYORA COMMERCIAL AND INDUSTRIAL ZONED LAND

Zone	Area (Ha)	Properties (no.)	Vacant properties (no.)	Occupied Business Floorspace (sqm)	Vacant Business floorspace (sqm)
C1Z	2.33	14	2	400 (retail) + 150 (commercial)	220
IN3Z	3.36	17	6	3,323	0

Source: Planning Maps Online, compiled by Urban Enterprise 2015.

In the Commercial 1 Zone there are:

- 2.33 ha in 14 properties;
- Only 4 properties are currently operating with a commercial or retail land use; and
- 2 vacant/unused properties, with 220sqm of vacant floorspace. One of these, the Nyora Hotel, is currently for sale. (It is understood that a Planning Permit has recently been approved for a pharmacy use on the hotel site).

In the Industrial 3 Zone, there are:

- 15 properties totalling 3.36 ha of land;
- 9 properties with active industrial operations; and
- 6 vacant sites totalling 1.00 ha.

There is also a motor mechanic operating within the General Residential Zone on Davis Street, with a floor area of approximately 220 sqm.

**FIGURE 1** PLANNING ZONES - NYORA



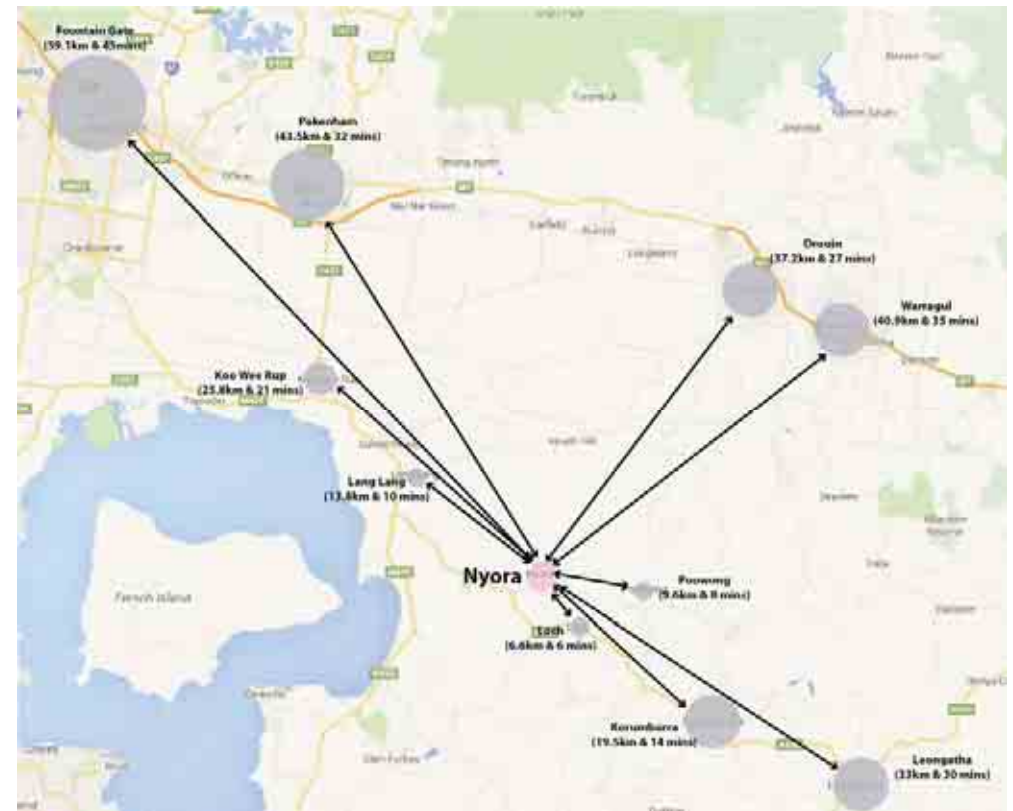
Source: Planning Maps Online.

**3.3. COMPETING TOWNSHIPS AND ACTIVITY CENTRES**

The economic role of Nyora is influenced by a number of small settlements in South Gippsland, activity centres in Cardinia Shire and regional centres in South Gippsland. Major activity centres in south-east metropolitan Melbourne such as Fountain Gate will also attract a significant share of retail expenditure.

Figure 2 shows the location of these surrounding towns in relation to Nyora. The retail supply and role of each centre is discussed in detail after Figure 2.

**FIGURE 2** LOCATION OF SURROUNDING TOWNSHIPS AND COMPETING SUPPLY



Source: Google Maps, Urban Enterprise.

### FOUNTAIN GATE

Fountain Gate is a regional shopping centre located in Narre Warren, approximately 45 minutes drive north-west of Nyora. The centre is located on the Princes Highway and is readily accessible to residents of the Nyora area by car, especially those commuting to work in metropolitan Melbourne.

Fountain Gate is one of the largest shopping centres in Australia and has a wide range of major retailers, including department stores (Myer), discount department stores Target, Kmart, Big W and Harris Scarfe, and other major retailers and entertainment facilities including Woolworths, Coles, Aldi, JB HiFi, Village Cinemas and an Apple Store.

Fountain Gate is expected to attract a significant proportion of expenditure on higher order goods of residents in the Nyora area due to the range of major retailers available, particularly Myer, and the presence of Village Cinemas. The role of Fountain Gate will continue to be an important influence on the retail expenditure behaviour of the north-western section of South Gippsland Shire, due to the ongoing trend in peri-urban areas of former Melbourne residents purchasing housing in smaller towns and rural areas and commuting to the metropolitan area for work, and to access retail and other services.

### PAKENHAM

Pakenham is located 44 km and a 32 minute drive from Nyora. A strong retail and commercial core is clearly defined in Pakenham in the areas on and surrounding Main Street. There is a significant commercial centre with two full line supermarkets and discount department stores. The two supermarkets also form two separate shopping centres with other stores attached, providing a range of goods and services.

Pakenham attracts trade from established suburbs in the south-eastern corridor, nearby growth areas and small towns, particularly to the east due to the size of the retail and commercial activity and the range of goods provided.

### WARRAGUL

Warragul is located 41 km and a 35 minute drive from Nyora. There is a clear retail and commercial precinct in Warragul with a number of large retailers such as Target Country and Priceline. There are also two full line supermarkets, Woolworths and Coles.

Residents from surrounding towns and rural areas are attracted to Warragul due to the range of goods provided and excellent accessibility on the Princes Highway corridor. Although Nyora residents are unlikely to undertake shopping trips to Warragul, the availability of higher order retailers to the north will restrict any potential catchment area growth in the rural areas and small towns to the north of Nyora and Poowong.

### LEONGATHA

Leongatha is the regional centre for South Gippsland, containing a range of civic, education, retail and commercial facilities. The town centre contains a significant range of independent specialty retailers and commercial offices, anchored by a full-line Woolworths Supermarket and a Supa IGA supermarket, and supported by a local cinema.

Leongatha is expected to continue to capture a proportion of expenditure from Nyora residents due to the strong civic, employment and regional connections, however a greater share of expenditure is likely to be captured by newer and larger retailers to the north-west of Nyora, such as Pakenham, Fountain Gate and Koo Wee Rup.

### KOO WEE RUP

Koo Wee Rup is strategically located near the junction of the South Gippsland Highway and Koo Wee Rup Road providing a road connection to the Princes Freeway. The recent completion of the Koo Wee Rup Bypass has further improved the access to South Gippsland via the Princes Freeway, meaning that many Nyora residents will travel to and through Koo Wee Rup on a regular basis for employment, health, recreation and shopping trips.

Koo Wee Rup contains a relatively new full-line Woolworths supermarket, the closest modern full-line supermarket to Nyora (21 minutes drive). The town also includes a range of local specialty retailers, and non-retail attractors such as the Koo Wee Rup Health Service and a secondary college.

It is expected that Koo Wee Rup will attract a proportion of supermarket expenditure from the Nyora area, until such time that local supermarket floorspace is provided.

### DROUIN

Drouin is located 37 km and a 27 minute drive from Nyora. It has a clear Town Centre defined largely by the strong retail and commercial activity on the main street. A variety of

businesses work in conjunction with a Woolworths to provide a Town Centre to the towns. It is noted that Nyora residents are unlikely to shop frequently at Drouin, however the proximity of a full line supermarket plays a role in defining the catchment to the north.

### KORUMBURRA

Korumburra is located 20 km and a 14 minute drive from Nyora. Korumburra provides a strong main street of retail and commercial activity containing a variety of convenience and discretionary retailers, including a medium-sized SUPA IGA supermarket.

Korumburra services the local township and surrounding small towns and rural areas (including Nyora) for weekly supermarket and specialty shopping needs.

### LANG LANG

Of the three smaller townships near Nyora, Lang Lang is located 14km and a 10 minute drive from Nyora. The population of Lang Lang was 1,347 residents in 2011. Lang Lang's main retail strip stretches between the Palace Hotel and a small IGA supermarket, and includes mainly local convenience retail stores.

### POOWONG

Poowong (population 607 in 2011) is located 10km and an 8 minute drive from Nyora. Poowong has a clear town centre including the Poowong Hotel, a café, post office, a small IGA supermarket and a hardware store. The supermarket is likely to attract trade from surrounding rural areas and the smaller townships of Nyora and Loch.

### LOCH

Loch is a small township (967 residents in 2011) located 7 km and a 6 minute drive from Nyora with a small but defined town centre. There are more than ten businesses operating in the centre, all of which are independent operators. The township primarily serves the convenience retail needs of the local residents, and also attracts an increasing number of tourists and local hospitality expenditure due to recent opening of a new brewery / distillery and cafes.

TABLE 3 COMPETING CENTRES HIERARCHY

Town	Hierarchy position and role	Major retailers	Travel time from Nyora	Relevance to Nyora catchment
Fountain Gate	Major Regional Centre	Myer, Kmart, Target, BigW, Woolworths, Coles, Aldi, Apple, JB HiFi.	45 minutes	High – comparison goods
Pakenham	Sub-Regional (Principal Activity Centre)	2 full line supermarkets (Coles & Woolworths), discount department stores.	32 minutes	High – comparison goods
Warragul	Sub-Regional Centre	2 full line supermarkets (Coles & Woolworths), Target Country, Priceline.	35 minutes	Low
Leongatha	Sub-regional Centre	Woolworths, Supa IGA, Target Country, wide range of independent specialties and commercial offices.	30 minutes	Medium – comparison goods, civic and commercial role.
Koo Wee Rup	Large Neighbourhood Centre	Full line Woolworths (new), smaller Foodworks, specialty shops.	21 minutes	High – supermarket
Drouin	Large Neighbourhood Centre	1 full line supermarket (Woolworths).	27 minutes	Low
Korumburra	Large Neighbourhood Centre	1 medium sized supermarket (SUPA IGA, 1,965sqm).	14 minutes	High – weekly and convenience supermarket and specialties
Lang Lang	Town Centre	1 small supermarket (IGA, 810sqm).	10 minutes	High – convenience
Poowong	Town Centre	1 express supermarket (IGA, 4405sqm).	8 minutes	High – convenience
Loch	Local Centre	None (tourism and hospitality role, brewery and cafes)	6 minutes	High - hospitality
Nyora	Local Centre – convenience retail only.	None	-	

Source: Urban Enterprise, 2015.

### 3.4. RETAIL PROVISION

The retail provision per capita in Nyora and surrounding towns varies significantly. For example:

- The suburb of Lang Lang has a population of approximately 1,400 residents, and a retail provision of around 5,000 sqm, equating to around 3.6sqm per capita;
- The suburb of Poowong has a population of approximately 600 residents, and a retail provision of approximately 2,600 sqm, equating to more than 4 sqm per capita; and
- The suburb of Loch has a population of approximately 1,000 residents, and a retail provision of approximately 1,700 sqm, equating to 1.7 sqm per capita.

By comparison, the suburb of Nyora has a retail provision of just 0.3 sqm per capita, indicating that demand for convenience and local retail goods and services from Nyora residents is being met by retailers in nearby towns. This results in a very high level of 'escape' expenditure from Nyora that could be drawn to the town if new retailers were established.

The ability to reduce escape expenditure will rely on the attraction of a new anchor retailer such as a small supermarket, which will in turn rely on a sufficient population catchment to underpin its viability given that there are already a number of established smaller supermarkets in the area.

While there is clearly the opportunity to reduce escape expenditure in Nyora, the ultimate market share of retail in the town will remain low due to the high levels of competition from other towns, larger retailers (including full line supermarkets) in regional centres such as Leongatha and Koo Wee Rup), and major retailers in Pakenham and Fountain Gate.

A typical benchmark for the market share of a local retail centre is in the order of 20% of the expenditure available in the local retail catchment. Estimates of supportable floorspace in Nyora are provided later in this report.

### 3.5. KEY FINDINGS

The key findings relating to the economic context of Nyora are as follows:

- There is currently a low supply of retail floorspace in Nyora of approximately 400 sqm, and the town centre is not well defined;
- Nyora performs only a convenience retail role, with the majority of local retail expenditure undertaken in other towns such as Poowong, Lang Lang, Korumburra, Koo Wee Rup, Pakenham and Fountain Gate;
- The suburb of Nyora has a retail provision of just 0.3sqm per capita, indicating that demand for convenience and local retail goods and services from Nyora residents is being met by retailers in nearby towns. This results in a very high level of 'escape' expenditure from Nyora that could be drawn to the town if new retailers were established;
- Much of the Commercial 1 Zone in Nyora contains residential dwellings, a legacy of the previous Township Zone;
- There are 6 vacant industrial land parcels totalling 1ha as part of the 3.4ha Industrial 3 Zone.

## 4. DEMOGRAPHIC AND EMPLOYMENT PROFILE

### 4.1. INTRODUCTION

This section will provide an analysis of the current demographic of Nyora as well as the employment of residents within Nyora.

### 4.2. DEMOGRAPHIC PROFILE

The Nyora Community Infrastructure Plan, 2014, provides recent data relating to the demographics of the suburb of Nyora. A number of points relating population, growth and other demographic information are noted in the Community Infrastructure Plan as follows:

- Nyora is close to the Cardinia Shire which has had the second highest growth in Victoria in 2012 of 5.2%;
- Currently there are 1,332 people living in 450 households in Nyora with an average household size of 2.8 people, in comparison to South Gippsland where households average 2.4 people;
- According to 2001 data, there is a higher proportion of people aged 35 – 70 with 53% in Nyora compared to 47% in South Gippsland. There are less people aged over 75 years, 3.4% in Nyora compared with 6.6% in South Gippsland. There are considerably less people aged 20 – 35 in Nyora (22.8%) when compared to South Gippsland (28.5%);
- There are 450 families in Nyora with an average of 2 children per family. In Nyora in 2011 there were 175 couples with children, comprising 13% of households.
- In 2011 Nyora had the youngest median age of all towns in South Gippsland;
- 23.9% went on to complete Year 12 or equivalent, compared with 33.1% for the South Gippsland Shire.

### 4.3. EMPLOYMENT PROFILE

The Nyora Community Infrastructure Plan includes the following commentary on the employment profile of Nyora residents:

- 97.1% of the population (660 people) are employed and 3.2% (21 people) are unemployed. More people in Nyora work full time (59%) than in South Gippsland (55%) and less people work part time (30%) than in South Gippsland (39%);
- The majority of residents in South Gippsland West statistical local area (SLA) work within the area 1,668 (63%);
- A survey of Nyora residents undertaken during October 2013 found that respondents (n=159) worked in 44 different towns or suburbs. Most respondents work in Nyora and Dandenong (21). Many residents work in Melbourne (18) and the eastern suburbs, Korumburra (17), Leongatha, Pakenham (12) and Cranbourne (10).

ABS Census data on employment by industry and occupation of Nyora residents in 2011 is shown in Tables 4 and 5, indicating that compared with Regional Victorian averages:

- A greater proportion of Nyora residents are employed as Technicians and Trade workers and machinery operators and drivers (35%, compared with 22% across regional Victoria);
- A lower proportion of Nyora residents are employed as Managers or Professionals (21%, compared with 32% across regional Victoria); and
- A greater proportion of Nyora residents are employed in “industrial” sectors such as manufacturing, construction, wholesale trade and transport, postal and warehousing (45%, compared with 26% across regional Victoria).

TABLE 4 OCCUPATION OF NYORA RESIDENTS, 2011

Occupation	Nyora (Suburb)	% of total	Regional Vic. %
Managers	68	11%	15%
Professionals	63	10%	17%
Technicians and Trades Workers	136	22%	15%
Community and Personal Service Workers	54	9%	10%
Clerical and Administrative Workers	80	13%	12%
Sales Workers	53	8%	10%
Machinery Operators and Drivers	82	13%	7%
Labourers	87	14%	12%
Inadequately described	7	1%	1%
<b>Total</b>	<b>630</b>	<b>100%</b>	<b>100%</b>

Source: ABS Census 2011

TABLE 5 INDUSTRY OF NYORA RESIDENTS, 2011

Industry	Nyora (Suburb)	% of total	Regional Vic. %
Agriculture, Forestry and Fishing	45	7%	8%
Mining	7	1.1%	0.8%
Manufacturing	113	18%	10%
Electricity, Gas, Water and Waste Services	6	1.0%	1.5%
Construction	95	15%	9%
Wholesale Trade	36	6%	3.1%
Retail Trade	56	9%	12%
Accommodation and Food Services	39	6%	7%
Transport, Postal and Warehousing	35	6%	4.2%
Information Media and Telecommunications	0	0.0%	1.1%
Financial and Insurance Services	11	1.7%	2.0%
Rental, Hiring and Real Estate Services	3	0.5%	1.1%
Professional, Scientific and Technical Services	26	4.1%	4.0%
Administrative and Support Services	19	3.0%	2.6%
Public Administration and Safety	26	4.1%	6%
Education and Training	27	4.3%	8%
Health Care and Social Assistance	54	9%	13%
Arts and Recreation Services	6	1.0%	1.3%
Other Services	21	3.3%	3.6%
Inadequately described	6	1.0%	1.0%
<b>Total</b>	<b>631</b>	<b>100%</b>	<b>100%</b>

Source: ABS Census 2011



## 5. DEMAND FOR RETAIL AND COMMERCIAL FLOORSPACE

### 5.1. INTRODUCTION

This section includes an assessment of current and future demand for retail and commercial floorspace within Nyora based on a range of population growth scenarios.

### 5.2. POPULATION AND GROWTH

Previous assessments have noted the wide range of population growth rates that could be experienced in Nyora over the short to medium term. Projections published by the State government are generally only reliable at the regional level, and do not necessarily reflect the local conditions that will influence changes in population levels such as the recent availability for developments in Nyora to connect to reticulated sewerage.

The historical population growth rate in the Nyora region has been relatively low (in the order of 1% per annum over 10 years), and Victoria in Future (VIF 2015) projections for the region are for population growth of **1.2%** over the period 2011 to 2031.

Forecast ID provides population projections at smaller geographic areas, however these projections are often underpinned by a review of available land supply and therefore do not always take into account underlying demand and “step-changes” in population growth rates that could be stimulated by events such as infrastructure upgrades and rezoning. Forecast ID projects a growth rate of **2.5%** for the Nyora-Poowong area, including an allowance for 320 dwellings to be constructed within the Wallis Watson Nyora development between 2018 and 2036 (18 dwellings per annum), 100 dwellings to be constructed in “future urban areas” in Nyora between 2026 and 2036 (10 per annum), and a low to moderate level of infill development across the area of 3 to 12 dwellings per annum.

A summary of population growth indicators and projections is provided in Table 6. It is noted that the Nyora Community Infrastructure Plan (2014) allows for a population growth rate of between 2.5% and 3.6% per annum between 2016 and 2031 (average 2.8% per annum), based on Nyora accommodating 50% of the future growth in the Nyora, Poowong and Loch area projected by Forecast ID.

TABLE 6 POPULATOIN GROWTH INDICATORS AND PROJECTIONS

Geographic Area	Type	Period	Growth per annum	Source
Nyora Urban Centre Locality	Historical	2001 - 2011	2.6%	ABS Census
Korumburra Statistical Area 2	Historical	2004 - 2014	1.0%	ABS Regional Population Growth
Korumburra VIF Statistical Area	Projection	2011 - 2031	1.2%	Victoria in Future 2015
Nyora – Poowong region	Projection	2016 - 2036	2.5%	Forecast ID, 2015
Nyora	Projection	2010 - 2030	2.1%	Development Forecasts Report, 2010
Nyora	Projection	2016 - 2031	2.8%	Nyora Community Infrastructure Plan, 2014

Source: Compiled by Urban Enterprise, sources listed in table.

Other assessments of potential population growth include higher growth scenarios, including:

- The Development Forecasts report prepared in 2010, which included scenarios of:
  - 2.7% as a “commuter town” scenario;
  - 4% to reflect “rapid growth”; and
  - 8.6% to reflect “explosive growth”.
- A residential assessment prepared by Spade Consultants for the Wallis Watson development which included upper population growth scenarios of 3.3% and 5% (if competitively priced new land supply was made available).

It is noted that the Wallis Watson development to the north of Nyora is expected to yield an estimated 700 – 800 lots if rezoned. The zoning of this land would most likely stimulate a

short to medium term increase in development activity and population growth given the strong levels of demand experienced in comparable peri-urban towns within 100km of Melbourne in recent years. This area could ultimately accommodate in the order of up to 2,000 new residents.

Due to the construction of the Sewerage Scheme in Nyora, as well as the proposed rezoning to create a significant residential growth area for the town, it is likely that population growth rates in Nyora will be higher than previous years and higher than the projected growth rates of surrounding areas in South Gippsland, at least in the short to medium term.

Based on the review of historical growth and various projections and scenarios for growth, it is considered prudent for the development strategy to assess the potential impact of four growth scenarios as shown in Table 7.

In practice, the growth rate would be expected to fluctuate somewhat within this broad range of 2.5% to 6.5% per annum as land is released, and the most likely short to medium term average growth rate would be expected to fall between 3% and 5% per annum.

After a likely short term spike in building activity as a result of rezoning of the Wallis Watson land, it is likely that demand rates will settle to a more steady medium to long term rate that reflects the regional and local projections in the order of 2% - 3% per annum.

**TABLE 7** POPULATION GROWTH RATE SCENARIOS

Average annual population growth rate	
Low	2.5%
Medium	4.0%
High	6.5%

Source: Urban Enterprise, 2016.

### 5.3. RETAIL AND COMMERCIAL CATCHMENT

Based on the location and scale of competing retail centres outlined in Section 3, the primary catchment of Nyora for retail and commercial purposes is considered to largely align with the boundary of the Nyora suburb as shown in Figure 3. This catchment includes the township itself and the surrounding rural area.

Given that each of Poowong, Loch and Lang Lang include local retail services, these towns and their immediate surrounds are not considered to form part of the local catchment of Nyora. That is not to say that some expenditure will not transfer between the towns, however the majority of expenditure that could be captured within the township of Nyora in the future is expected to be generated by households within the catchment shown in Figure 3.

**FIGURE 3** ESTIMATED RETAIL AND COMMERCIAL CATCHMENT AREA OF NYORA



Source: REMPLAN Map Builder, 2011.

The population of the catchment in 2011 was 1,397 persons according to the ABS Census. Population growth scenarios for the retail catchment are shown in Table 8, using the various scenarios outlined in this report.

**TABLE 8** SUMMARY OF POPULATION GROWTH SCENARIOS IN THE CATCHMENT

Scenario		2011	2016	2021	2031	2036	2016-2036
Low	2.50%	1,397	1,468	1,661	1,879	2,126	+938
Medium	4.00%	1,397	1,468	1,786	2,173	2,644	+1,749
High	6.50%	1,397	1,468	2,012	2,756	3,776	+3,705

Source: Urban Enterprise.

### 5.4. RETAIL EXPENDITURE AND MARKET SHARE

In 2016, it is estimated that Nyora residents will spend an average of \$12,764 per person on retail goods and services (based on Market Info data), resulting in a total catchment area retail expenditure of \$18.7m.

There is currently only 400 sqm of retail floorspace in Nyora, generating an estimated \$2m in turnover per annum (assuming an average turnover density of \$5,000 per sqm). This equates to a current market share of approximately 11%, a very low share for a town of the size of Nyora, with 89% of expenditure 'escaping' to other towns.

Local retail centres typically capture around 20% of the total expenditure available from their immediate catchment, with the remaining 80% 'escaping' to higher order centres including full-line supermarkets, bulky goods centres and discount department stores.

Based on a 20% market share, the 2016 population of Nyora could support a local retail centre in the order of 700 sqm, almost twice the current retail floorspace in the town.

## 5.5. PROJECTED RETAIL DEMAND AND SUPPORTABLE FLOORSPACE

Over time as the catchment population grows, local retail expenditure - and therefore the supportable retail floorspace in Nyora - will increase. The impact of population growth on total retail expenditure and supportable floorspace is modelled in Table 9 on the following page under the low, medium and high growth scenarios.

The current and projected retail expenditure characteristics of Nyora residents are based on the following assumptions:

- Population growth at 2% for the period 2011 to 2016, and then at the designated scenario rate for the remainder of the study period;
- Real expenditure growth per capita of 1% per annum;
- Cost escalation of 2% per annum to bring values to 2015 dollars;
- Turnover density growth of 0.5% per annum;
- A consistent market share of 20% for the low and medium growth scenarios, increasing over time to 30% for the high growth scenario to reflect the elevation of the potential retail role of Nyora to a Neighbourhood Centre; and
- Passing trade generating 5% of total sales.

Based on the model findings as summarised in Table 9, it is estimated that at 2026 (10 years), the following retail conditions will exist:

- Supportable retail floorspace will range from approximately 1,000 to 1,500 sqm;
- In addition to the existing 400 sqm of convenience retail, a small supermarket could be supported under the high growth scenario;
- Under the medium growth scenario, a small supermarket may be supported, however this would only be a limited floorspace supermarket (in the order of up to 400sqm).
- A small number of specialty retailers could also be supported which primarily perform a convenience role, such as a chemist and hairdresser.

It is estimated that at 2036, the following retail conditions will exist:

- Under a low growth scenario, a small supermarket could be supported;
- Under a medium growth scenario, the supportable retail in the town could include a small supermarket and a range of other retail facilities;

- Under the high growth scenario, the significant catchment of in excess of 5,000 people would support in the order of 4,000sqm. This is a sufficient floorspace to support a larger independent supermarket (up to 2,000sqm) and a range of specialty shops and services.

Under each scenario, a small independent supermarket would be the first step towards reducing escape expenditure and improving the retail offer of the town. Attracting this type of anchor tenant (in the order of 400sqm to 600sqm) would most likely attract other smaller retailers to collocate with the supermarket.

TABLE 9 PROJECTED RETAIL DEMAND AND SUPPORTABLE FLOORSPACE

Growth Scenario	2011	2016	2021	2026	2031	2036	Change (2016-26)	Change (2016-36)
<b>Catchment Population (persons)</b>								
Low (2.50%)	1,397	1,468	1,661	1,879	2,126	2,406	+411	+938
Medium (4.00%)	1,397	1,468	1,786	2,173	2,644	3,217	+705	+1,749
High (6.50%)	1,397	1,468	2,012	2,756	3,776	5,174	+1,288	+3,705
<b>Expenditure per person (\$/p)</b>								
All	\$12,127	\$12,764	\$13,435	\$14,142	\$14,885	\$15,668	+\$1,377	+\$2,903
<b>Total Expenditure (\$)</b>								
Low (2.50%)	\$16,941,106	\$18,741,329	\$22,318,833	\$26,579,241	\$31,652,912	\$37,695,088	+\$7,837,912	+\$18,953,759
Medium (4.00%)	\$16,941,106	\$18,741,329	\$24,000,421	\$30,735,290	\$39,360,062	\$41,548,175	+\$11,993,961	+\$22,806,845
High (6.50%)	\$16,941,106	\$18,741,329	\$27,027,147	\$38,976,245	\$56,208,216	\$81,058,695	+\$20,234,916	+\$62,317,366
<b>Nyora Market Share (%)</b>								
Low (2.50%)	20%	20%	20%	20%	20%	20%	0%	0%
Medium (4.00%)	20%	20%	20%	20%	20%	20%	0%	0%
High (6.50%)	20%	20%	20%	22%	27%	30%	+ 2%	+ 10%
<b>Supportable Floorspace (sqm)</b>								
Low (2.50%)	659	710	823	955	1,108	1,286	+245	+576
Medium (4.00%)	659	710	885	1,104	1,378	1,719	+395	+1,009
High (6.50%)	659	710	997	1,541	2,640	4,111	+831	+3,402

Source: Urban Enterprise.

## 5.6. COMMERCIAL FLOORSPACE DEMAND OVER TIME

Data relating to employment within small areas such as Nyora is not available from the ABS Census. However, local employment within Nyora can be estimated through a range of methods, including the following:

- Surveys of the local population; and
- Applying employment benchmarks to existing business floorspace.

The survey of Nyora residents undertaken by Council in October 2013 found that of the 159 responses, 21 residents stated that they were employed in Nyora (13%). If this rate is extrapolated to the full working population of the township of 630, there would be 82 residents employed in the local area, some of whom would be expected to be employed in the rural area surrounding the town as opposed to township locations.

Existing floorspace within designated employment areas (Commercial and Industrial zones) within Nyora includes retail (400 sqm), a post office (150 sqm) and industrial (3,323 sqm). There is also a mechanic operating in the General Residential Zone (220 sqm), and other employment uses on farms in proximity to the township.

Using employment density benchmarks for each land use type, the total non-retail employment within Nyora is estimated at approximately 48 people, as shown in Table 10.

TABLE 10 EXISTING EMPLOYMENT IN NYORA

Land Use	Occupied Business Floorspace	Employment density (sqm per employee)	Estimated employment
Commercial	150	30	5
Industrial	3323	85	39
Other (mechanic)	220	55	4
<b>Total</b>	<b>3693</b>		<b>48</b>

Source: Urban Enterprise.

This level of employment results in a ratio of jobs per employed resident of approximately 1:13 (based on 630 employed residents as at the 2011 Census).

Assuming that 8% of residents are employed in the township (a conservative estimate) and that the employment profile of residents remains constant, population growth is likely to generate demand for between an additional 35 to 140 new employees in the township between 2016 and 2036. This is a broad approach to provide an indication of potential demand for commercial floorspace in the town.

Another way to measure commercial land demand over time in small centres is to apply a benchmark floorspace provision relative to retail floorspace. In smaller retail centres, non-retail commercial floorspace is typically limited to small offices such as accountants and lawyers, real estate agents and health services. These land uses would typically consume floorspace equivalent to between 25% and 50% of retail floorspace, resulting in the following floorspace requirements (adopting 35% for the purposes of this study):

- Medium growth retail requirement of 1,100sqm at 2026 and a supporting commercial requirement of 400sqm, and 1,700sqm at 2036 with a supporting 600sqm of commercial floorspace;
- High growth retail requirement of 1,500sqm at 2026 and a supporting 500sqm, and 4,000sqm at 2036 with 1,400sqm supporting commercial floorspace.

## 5.7. LAND REQUIREMENTS

It is considered prudent to plan for both the medium and high growth scenarios as part of this development strategy to ensure that sufficient land is made available for retail and commercial needs over the longer term, acknowledging that it is very difficult to project likely rates of growth in this context.

In principle, future retail and commercial floorspace needs should be met wherever possible within existing commercial zoned land, supplemented by new commercial land if required.

The current Commercial 1 Zone includes a number of parcels used for residential purposes which could be converted to small commercial uses over time (such as offices or medical centres), however their relatively small size means that more significant retail development (such as a supermarket) would require larger sites outside the main Mitchell Street strip.

Typically, retail and commercial floorspace that is newly developed has a site coverage in the order of 40%, meaning that the land requirements shown in Table 11 would be needed for retail and commercial use under each scenario.

**TABLE 11** LAND REQUIREMENTS, RETAIL AND COMMERCIAL DEVELOPMENT TO 2036

Scenario	Retail floorspace (sqm)	Commercial floorspace (sqm)	Total Floorspace (sqm)	Land Area
Medium growth	1700	600	2300	0.6ha
High growth	4000	1400	5400	1.4ha

Source: Urban Enterprise.

It is noted that there is some capacity in the existing Commercial 1 Zone, such as vacant lots on Davis Street and residential properties on Mitchell Street that could be developed or converted for small to medium scale retail and/or commercial uses. Therefore, the land requirements shown in Table 11 would be an upper estimate of the area needed to be allocated for a stand-alone retail development given that some floorspace could be accommodated within existing buildings and vacant lots.

It should also be noted that the high growth scenario of 6.5% per annum is unlikely to be sustained over the entire period, and that population growth would be expected to settle somewhat to a rate in the order of 3% to 4%.

The following section investigates the potential sites in the town that could accommodate retail and commercial land requirements over time.

## 5.8. PROPERTY AND LOCATION CONSIDERATIONS

When planning for future retail and commercial land uses, the following location considerations should apply:

- Proximity to existing commercial uses – existing zoned land should be utilised as a priority;
- Proximity to existing community, recreation and education facilities;
- Proximity to major roads;
- Proximity to public transport; and
- Proximity to a significant proportion of current and future housing.

It is important for any future retail and commercial land uses in Nyora to be located to enable ready access for local residents, including existing dwellings and future dwellings (for example the Wallis Watson development). Equally important is facilitating a cluster of retail, commercial and community uses in a single location to encourage trip sharing, walking and community engagement.

In the context of Nyora, the central Commercial 1 Zone provides a clear town core from a planning perspective, however this area has only recently been included in this zone through the Nyora Structure Plan process and no new commercial activity has taken place since rezoning. While the Commercial 1 Zone is considered an appropriate location for commercial and retail land use, property within the zone is relatively fragmented and therefore more suitable to small businesses than an anchor retailer such as a supermarket.

The attractiveness of the central core of the town for retail uses is underpinned by the variety of supporting and complementary facilities adjacent to the commercial 1 Zone, including:

- Bus stops and an arterial road;
- Community facilities on Henley Street;
- Heritage and tourism value of the Nyora train station;
- Community open space and recreation facilities on VicTrack land immediately to the north; and
- Reasonable proximity to recreation and education uses along Grundy Avenue.

The existing town core is also easily accessible from the future Wallis Watson development to the north.

From a property development perspective, the following key considerations should be taken into account:

- Sites or precincts for retail and commercial use need to be sufficiently large to accommodate current and future floorspace requirements and ancillary land needs such as car parking, landscaping, loading and access;
- Ideally the chosen site or sites would be in single ownership, or a number of large adjacent lots which can be readily consolidated; and
- Sites are more 'development ready' if there is minimal value in improvements (eg. vacant or underutilised land, or low value improvements nearing the end of their economic life).

Based on the various location and property considerations, 6 areas of interest have been identified for future retail and commercial use in the town. These areas are shown in Appendix A.

- **Area A** has an area of 4,800 sqm and is comprised of 2 vacant land parcels in State government ownership. The sites are adjacent to existing public uses including a community centre and CFA base;
- **Area B** has an area of 1.32ha and comprises 4 parcels in separate private ownership. These sites are relatively underutilised, with some sites containing low value improvements. The area has one frontage to the Road Zone 1. An extension to Area B could annex the three smaller lots to the south-east if required;
- **Area C** has a combined area of 7,000 sqm across 3 parcels in separate ownership, including 2 parcels privately owned and one owned by the State government. The sites are separated by the Nyora Hotel site and the Grundy Avenue road reservation, and abut the Road Zone 1.
- **Area D** has a total area of approximately 5,100 sqm and includes three separately owned parcels in the Commercial 1 Zone, each 1,700 sqm in area. The sites are improved by established houses and gardens, and are located on the prime



commercial corner in the town abutting the Road Zone 1, opposite open space and bus stops, and between the existing retail facilities in the township;

- **Area E** covers an area of approximately 0.7 to 1ha on the existing rail reserve owned by the State government and managed by VicTrack. This site is not a separately disposable parcel of land, but appears unused and could provide a large site in single ownership central to the town and opposite the existing employment area. The site would have access to both major roads through Nyora; and
- **Area F** covers a total area of 1.5ha in two separately owned parcels in the Low Density Residential Zone. This area is located on the northern side of the rail reserve, closest to the new Wallis Watson development but still adjacent to the existing town core.

### 5.9. VICTRACK LAND

The rail reserve which bisects the town is owned by the State and managed by VicTrack. The rail line has not been in service for many years, other than for an occasional tourist train. The section of track through Nyora has not been used by the tourist train in recent times due to maintenance costs, and the tourist train association is understood to have recently dissolved.

Much of the rail reserve land within the Nyora town centre is leased to Council and community groups for community, recreation and tourist rail purposes. The former train station building is understood to be currently used by the local Op Shop.

The VicTrack land provides a strategic opportunity for development in Nyora, given that it is centrally located, includes large sections of unused or rarely used land, and adjoins the existing Commercial 1 and Industrial 1 Zones.

However, preliminary discussions with VicTrack revealed that it is unlikely that any parts of the rail reserve will be made available for private development. As such, the areas of interest held in private ownership should be investigated as a priority.

## 6. INFRASTRUCTURE FUNDING

### 6.1. OVERVIEW

The projections for significant residential growth in Nyora will give rise to the need for a range of infrastructure upgrades and new projects. Infrastructure requirements will vary depending on the location, scale and timing of development, as well as the mechanisms through which improvements can be funded.

### 6.2. DEVELOPMENT CONTRIBUTIONS

Council can collect development contributions through section 173 agreements with key developers, or, as of 2016, through an Infrastructure Contributions Plan (ICP) for new growth areas. These mechanisms provide for contributions to be collected towards the delivery of new infrastructure such as roads, intersections, drainage works, community facilities and open space.

It is understood that a section 173 agreement requires the developers of the Wallis Watson development to make a cash contribution to Council of \$9,000 per lot, which will ultimately provide in the order of \$6m to upgrade existing infrastructure in the town. Contributions are payable for each stage of subdivision, meaning that it may take a significant amount of time until a substantial infrastructure project can be delivered through these contributions.

### 6.3. SPECIAL CHARGE SCHEMES

It is understood that Council has longer term plans to implement a Special Charge Scheme to deliver infrastructure improvements to established areas of Nyora. Special charge schemes are an appropriate method to collect funds to contribute to infrastructure upgrades in areas of fragmented land ownership.

However, Special Charge Schemes can be challenging and time consuming to implement given that all owners that derive a benefit from the works are required to contribute to the cost, and an equitable apportionment needs to be struck between direct beneficiaries, indirect beneficiaries and Council.

Council's special charge scheme policy is available on the Council website, and identifies that Council will implement Special Charge Scheme if:

- "Council contributes a third (33.33%) or more of the cost of the Scheme without the support of affected property owners", or
- If there is a minimum of 70% of property owner support in writing to contribute financially to the works Scheme."

In the case of fragmented ownership and low rates of prospective development / change in parts of Nyora, it is considered that Special Charge Schemes could form part of the funding mix for localised road, drainage, footpath and shared path improvements (for example, in the Low Density Residential areas).

### 6.4. OPPORTUNITIES

An increased rate of development in Nyora – stimulated in the first instance by the Wallis Watson development if approved – will generate funds and additional demand for new infrastructure. In particular, demand for community and open space improvements will increase, and funds collected through development contributions can be used to upgrade existing facilities which will benefit both existing and new residents.

An important consideration for Council will be to investigate options for funding of key infrastructure projects in areas of fragmented ownership, and to ensure that an appropriate mechanism is considered for those projects that will be critical to the long term urban structure of the town. The new ICP system is expected to come into effect in 2016, allowing Councils to impose a standard levy to a development area to fund major roads,

## 7. ISSUES AND OPPORTUNITIES

### 7.1. INTRODUCTION

Based on a review of background information and key datasets, the following issues and opportunities are identified from an economic and property perspective.

### 7.2. ISSUES

- There is no defined town centre and a significant under provision of retail and commercial floorspace. This results in expenditure and turnover escaping to other towns and municipalities;
- Recent connection to reticulated sewerage is expected to result in strong residential growth of the town which will increase the need for additional retail services and employment within the town;
- Nyora competes with a number of towns and regional centres for retail and commercial activity. The established pattern of retail expenditure in these competing centres will mean that a strong competitive framework will remain throughout the planning period;
- Without a retail anchor such as a supermarket, it will be difficult to attract other retails and commercial services to locate in the town. Supermarkets - including small supermarkets - generally require a significant population to be viable;
- Land ownership in the town centre is relatively fragmented and much of the Commercial 1 Zone has legacy residential use. There is likely to be the need to consolidate lots in order to create developable parcels for an anchor retail use;
- There is a lack of service industrial businesses meeting local population needs.

### 7.3. OPPORTUNITIES

- There is currently a high level of escape retail expenditure. There is a clear opportunity to establish additional retail floorspace in the short term to improve market share and generate additional economic activity in the town.

- Significant projected population growth will increase local retail expenditure and present the opportunity to support an anchor retailer by 2026 (small supermarket), especially if conventional density residential growth is permitted in the north-eastern growth area. Longer term growth to 2036 could support a larger independent supermarket in excess of 1,500sqm if strong population growth rates are achieved;
- Vacant land parcels exist in the industrial zone, presenting the opportunity for new locally oriented service businesses to establish. Research will need to ascertain whether these lots are likely to be made available to the market in the planning period.
- Changing demographics and employment profiles will generate opportunities for more employment to be located within Nyora. Evidence of many home based businesses located within the town points to existing demand for small businesses which is likely to increase over time with population growth. Existing dwellings in the Commercial 1 Zone along Mitchell Street present an opportunity for conversion and/or redevelopment to accommodate small businesses and medical services;
- There are a number of underutilised lots in or near the town centre which could be consolidated for retail and commercial development, subject to the intentions of owners and appropriate facilitation of development.
- New development will generate funds towards infrastructure improvements, many of which could benefit the broader community. Funds should be allocated towards key civil and community projects which will support the growth of the town from a local to a neighbourhood centre with commensurate commercial and community facilities. Catalyst infrastructure to support development in established areas, such as drainage works to the south of the town centre, should be investigated as a priority.

APPENDIX A AREAS OF INTEREST FOR TOWN CENTRE RETAIL AND COMMERCIAL DEVELOPMENT

