



BUILDING PROSPERITY

Economic Development Strategy 2012 – 2016



CONTENTS

- | | | | |
|-----------|---------------------------|-----------|---|
| 1 | Introduction | 20 | Strategic Themes |
| 3 | Our Economic Vision | 21 | 1. Business Support |
| 5 | Overview Strategic Themes | 22 | 2. Thriving Precincts |
| 7 | A Snapshot of Our City | 24 | 3. Destination Marketing and Development |
| 17 | Key Challenges | 26 | 4. Business Development for the Creative City |
| | | 28 | Monitoring and Evaluation |

INTRODUCTION

A thriving economic base is vital to all communities and the City of Stonnington is committed to creating the best possible environment for business investment and success.

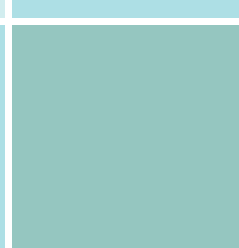
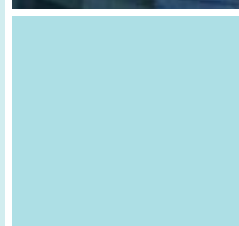
Council recognises that the entire business sector makes a valuable contribution to Stonnington adding to the City's vibrancy and sustainability. Businesses play an essential role in maintaining a high quality of life for residents, as well as people who work in and visit our City.

The *Economic Development Strategy 2012–2016* builds on the work Council already undertakes in the area of economic development. The document outlines our strategies for ensuring the continued growth and strength of our local economy.

Council's vision is to embrace Stonnington's mature economy and support a diverse and resilient business community which is intrinsically linked to the sustainability, prosperity and wellbeing of the wider community.

We have some of Melbourne's best shopping, entertainment and lifestyle precincts and boast an enviable range of fashion retailers, cafes and bars. Stonnington is home to leading educational and medical facilities. Professional services provided by a broad range of small to medium enterprises continue to strengthen because our proximity to Melbourne and creative industries present a crucial opportunity for future growth.

Council has a key role to play in strengthening the capability of existing and new enterprise. We are focussed on building partnerships with other levels of Government, as well as business and industry to provide an environment where businesses can succeed and our City can prosper.



**BUILDING PROSPERITY IS CENTRAL
TO STONNINGTON'S ECONOMIC
DEVELOPMENT STRATEGY.**



OUR ECONOMIC VISION

TO EMBRACE STONNINGTON'S MATURE ECONOMY AND SUPPORT A DIVERSE AND RESILIENT BUSINESS COMMUNITY WHICH IS INTRINSICALLY LINKED TO THE SUSTAINABILITY, PROSPERITY AND WELLBEING OF THE WIDER COMMUNITY.

THE IMPORTANCE OF PROSPERITY AND LIVEABILITY

Prosperity has been identified as a key pillar in the Council Plan 2009–2013.

The strategic objective is that 'Stonnington will be a prosperous community and a premier tourist and retail destination with thriving local businesses and an entrepreneurial spirit'.

The Council Plan outlines seven strategies to enhance prosperity of the city. These principles underline the development of this strategy:

- promote activities that support and develop local business with a focus on neighbourhood retailers
- promote Stonnington as a premier retail and tourism destination with its unique attractions and shopping strips
- develop relationships with key stakeholders to foster opportunities that will provide positive outcomes for the community
- further the existing relationships between late night operators, the community and Council to work together to actively improve late night amenity
- work collaboratively with regional partners to implement agreed strategies to benefit our combined communities

- improve the quality of Stonnington's retail precincts to match the aspirations of being a premier retail and tourism destination
- support the local community through challenging economic environments.

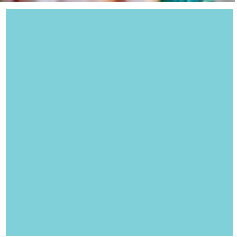
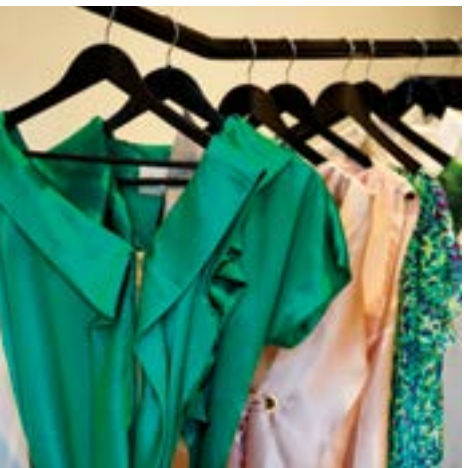
Liveability has also been identified as a key pillar in the Council Plan 2009–2013.

The strategic objective is that 'Stonnington will be the most desirable place to live, work and visit in Melbourne'.

Strategies include:

- maintain and enhance the public realm to provide safe, accessible, usable, clean and attractive spaces and streetscapes
- maintain and upgrade the infrastructure and services necessary for the seamless day-to-day operations of the City
- understand the uniqueness of Stonnington's shopping strips to promote their attraction to a diverse community

Below image of NICA graduates performing at the inaugural Melbourne Circus Festival hosted by the National Institute of Circus Arts in 2011. Photos by David Wyatt.



OVERVIEW STRATEGIC THEMES

1.

BUSINESS SUPPORT

Strategy: To build the capacity, skills and resilience of the business community.

2.

THRIVING PRECINCTS

Strategy: To maintain attractive and vibrant precincts which are embraced by residents and visitors and where businesses thrive.

3.

DESTINATION MARKETING AND DEVELOPMENT

Strategy: To continue to attract visitors to Stonnington, maximise the quality of the visitor experience and to grow visitor expenditure.

4.

BUSINESS DEVELOPMENT FOR THE CREATIVE CITY

Strategy: To attract and promote the growth and development of creative industries in our City.





ECONOMIC DEVELOPMENT IS INTRINSICALLY LINKED TO COMMUNITY WELLBEING AND LIVEABILITY.

THE ROLE OF COUNCIL

The City of Stonnington acknowledges that market forces (global, national and regional) drive investment and development. Council is also conscious that State and Federal Governments provide advice and assistance to business; however Council is committed to playing an active role in ensuring the economic wellbeing of the municipality.

Our role is to provide leadership on the strategic direction of economic development in the City of Stonnington. This can be achieved through articulating a clear vision for the economic health of the City and working with businesses at all levels to achieve that goal.

We have a key role in helping strengthen the capability of existing and new businesses, building partnerships with other levels of Government and agencies and providing an environment where businesses can thrive.

In formulating the Economic Development Strategy, Council has been guided by a number of key policy documents and initiatives which include the Council Plan, Inner Melbourne Action Plan, Municipal Strategic Statement, Chapel Vision Structure Plan, Arts and Cultural Strategy, Public Realm Strategy and Southern Melbourne Plan – Regional Development Australia.

Beyond Business

Businesses make a valuable contribution to the vibrancy and sustainability of our city and are important partners in maintaining a high quality of life for residents, as well as people who work in and visit our City. However, economic development goes beyond a pure focus on business.

Economic development is intrinsically linked to community wellbeing and liveability, and initiatives developed as part of the Strategy must help create and preserve the community's sense of place, history and culture ensuring Stonnington is the most desirable place to live, work and visit in Melbourne.

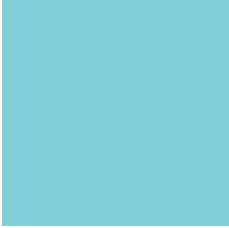
For many people, their local 'main street' is a symbol of community pride and identity

Economic Value of Main Streets, Mainstreet Australia, May 2011

A SNAPSHOT OF OUR CITY



STONNINGTON INCLUDES MELBOURNE'S BEST SHOPPING AND LIFESTYLE PRECINCTS AND BOASTS AN ENVIABLE RANGE OF FASHION RETAILERS, CAFES, BARS AND SERVICES.



THE CITY IS WELL KNOWN FOR ITS LIVEABILITY WITH PARKS AND GARDENS, LEAFY STREETS AND HISTORIC ARCHITECTURE.

A PRIZED LOCATION

Stonnington is located in the heart of inner Melbourne. On the fringe of the CBD alongside the Yarra River, Stonnington includes Melbourne’s best shopping and lifestyle precincts and boasts an enviable range of fashion retailers, cafes and bars. The City is well known for its liveability with parks and gardens, leafy streets and historic architecture. The area is well serviced by public transport.

POPULATION

The estimated population of the City of Stonnington in 2012 is 101,489. Stonnington has a relatively young population with 29 per cent of residents aged 20 to 34 years and 47 per cent of the population younger than 35. More residents live alone (35 per cent) than live as couples without dependents (28 per cent) or couple families with dependents (20 per cent).

By 2031, Stonnington’s population is expected to grow by 16 per cent to 117,780 with the most significant increase occurring in the age group 70 to 84 years which will increase by 42 per cent. This trend is affected by the aging baby boomer generation as well as an increase in lifespan generally.

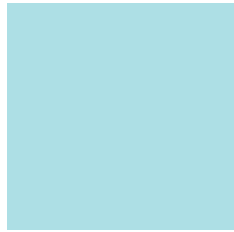
Stonnington has a culturally and economically diverse population. The municipality is made up of people from more than 135 countries who speak more than 108 languages. The top five non-English languages are Greek, Chinese, Italian, Russian and Indonesian.

Housing ranges from some of Melbourne’s finest mansions to large blocks of public housing, an indication of the community’s contrasting lifestyles, aspirations and expectations.

STONNINGTON LOCATION MAP

The City of Stonnington is located in Melbourne's inner south-eastern suburbs, alongside the Yarra River, covering an area of 25.62 square kilometers. The City takes in the suburbs of Prahran, Windsor (part), South Yarra (part), Toorak, Armadale, Malvern, Malvern East, Kooyong and Glen Iris (part).





PROFESSIONAL, SCIENTIFIC AND TECHNICAL SERVICES ARE STRONGLY REPRESENTED DUE TO STONNINGTON'S PROXIMITY TO THE CBD.

BUSINESS PROFILE

Stonnington is home to 15,734 businesses including 3,500+ home-based businesses.

Several stand-alone institutions are major employers and attract and nurture other related businesses. These include: Swinburne University of Technology, Holmesglen TAFE and Monash University (just outside the municipality), Cabrini Hospital and the Alfred Hospital (just outside the municipality).

Professional, Scientific and Technical Services are strongly represented due to Stonnington's proximity to the CBD. This business classification represents a broad range of small and medium size businesses across a range of industries including architecture, engineering, law, accounting, advertising, market research and management consultancy services. This sector represents something of a hidden component of the economy as businesses are typically located throughout the municipality.

Revenue generated by Professional, Scientific and Technical Services is in excess of \$1.2 billion, followed by the Rental, Hiring and Real Estate sector (\$1 billion).

Retail features strongly with a large network of principal, major and local shopping areas across the municipality.

It is no surprise that rising land values have largely driven out manufacturing and other production-based industries. Remaining industrial areas within Stonnington are small and earmarked for review. The revenue generated from manufacturing (\$980 million) belies its small base. For the study undertaken, (graph overleaf) manufacturers include bakeries and cake shops. Remaining manufacturers in the area are potentially generating significant revenue as well.

The three most common occupations in Stonnington are professionals, managers and administrative workers. Around 23 per cent of Stonnington workers are employed locally.

CREATIVE INDUSTRIES

Creative industries such as film, video production, media services and creative and performing arts services are well represented in inner Melbourne – and present a crucial opportunity for future growth.

The Inner Melbourne Action Plan supports the further development of creative businesses. According to the Inner Melbourne Action Plan (adopted in 2005), there is a strong link between creative capital and economic success. International thinking suggests there is a high correlation between those employed in highly skilled, creative occupations and the level of economic prosperity of a region.

“The industries of the twenty-first century will depend increasingly on the generation of knowledge through creativity and innovation.”

Landry & Bianchini 1995



NUMBER OF BUSINESSES REGISTERED IN STONNINGTON

Industry	No. of Businesses
Rental, Hiring and Real Estate Services	2887
Professional, Scientific and Technical Services	2694
Financial and Insurance Services	2106
Health Care and Social Assistance	1310
Retail Trade	1222
Construction	1114
Accommodation and Food Services	603
Wholesale Trade	554
Administrative and Support Services	510
Agriculture, Forestry and Fishing	452
Other Services	438
Manufacturing	408
Non Classified	355
Arts and Recreational Services	313
Transport, Postal and Warehousing	287
Information, Media and Telecommunications	259
Education and Training	156
Public Administration and Safety	27
Mining	27
Electricity, Gas, Water and Waste Services	12
Total	15,734

*Source: Counts of Australian Businesses, including Entries and Exits, June 2007 – June 2009
Businesses by Industry Division by Statistical Local Area by Employment Size Range, June 2009*

NUMBER OF PEOPLE WORKING IN STONNINGTON BY USUAL PLACE OF RESIDENCE

Council	No. of People
Stonnington	10,454
Glen Eira	4102
Monash	3799
Boroondara	3767
Port Phillip	2500
Whitehorse	1804
Kingston	1668
Bayside	1675
Casey	1330
Knox	1283
All Other	12,000
Total	44,382

Source: 2006 Census of Population and Housing, Customised Data Report Table 1: number of Persons by Usual Residence by Place of Work Reference Period: 8 August 2006

THE STRENGTH OF RETAIL

Retail is the most visible sector in Stonnington and remains pivotal to the City's prosperity and local amenity. Stonnington's 26 retail and activity centres range from clusters of local shops to Australia's most famous shopping strip, Chapel Street, and the nation's largest shopping centre, Chadstone. The retail precincts attract quality retailers and the amenity provides lively places for locals and visitors to gather, socialise and enjoy. Retail and hospitality have long been important economic drivers in Stonnington and are integral to the City's identity and character. They are also vital to the economic viability of Stonnington's other industries.

The first commercial activity along Chapel Street was established in the late 1830s, making it one of the oldest shopping strips in Melbourne.

The Chapel Vision Structure Plan notes the regional role Chapel Street plays as a tourism, entertainment and retail centre. It is the third biggest retail hub in Victoria and, after the CBD, the most significant

main street based retail centre and amongst the top 10 in Australia. Its economic role in the context of Stonnington is substantial. It also performs an important local retail role servicing the local community with over 40 per cent of retail expenditure being of local origin.

Chadstone, developed in the 1960s, is the number one performing shopping centre in Australia according to the Big Guns Survey 2010. The centre attracts close to 20 million visits per year and draws people from a wide area across Melbourne as well as interstate and overseas.

Chadstone consists of 530 stores including a significant collection of luxury brands – Chanel, Jimmy Choo, Louis Vuitton and Prada. Anchor tenants include David Jones, Myer, K-Mart, Target, Coles, Woolworths, Aldi and Hoyts cinemas. The centre has a special role for fashion shopping and it performs strongly on most retail benchmarks. Annual sales turnover is estimated to be \$1.3 billion.

ACTIVITY CENTRE HIERARCHY

The Municipal Strategic Statement (MSS) identifies the following hierarchy of shopping centres in Stonnington:

PRINCIPAL	<p>Regional centre with both local and regional roles accommodating larger scale retail uses, complementary entertainment uses and goods and services to meet everyday and speciality needs:</p> <ul style="list-style-type: none"> • Prahran/South Yarra (includes Forrest Hill) • Chadstone
MAJOR	<p>Sub-regional centre with both local and sub-regional roles accommodating a variety of goods and services to meet both everyday and speciality needs:</p> <ul style="list-style-type: none"> • Glenferrie Road, Malvern • High Street, Armadale
LARGE NEIGHBOURHOOD	<p>Larger local centres catering for everyday needs and wider speciality retail, office and service markets:</p> <ul style="list-style-type: none"> • Toorak Village • Toorak Road, South Yarra (west end) • Chapel Street, Windsor • Hawksburn
SMALL NEIGHBOURHOOD	<p>Small local centres catering for local and everyday retail, office and service activities and needs of the surrounding area:</p> <ul style="list-style-type: none"> • Waverley Road, Malvern East • Other small activity centres • B2 zones
MIXED USE	<p>Areas scattered throughout Stonnington containing a mix of service and industrial uses but also some retail and residential uses:</p> <ul style="list-style-type: none"> • Small Mixed Use areas • B5 zones

EMPLOYMENT

Total employment for Stonnington is estimated to be 44,382. Retail trade provides almost a quarter of all jobs. Retail's prominence also helps the accommodation, cafes and restaurants sector.

Employment (Jobs) January 2011

Retail Trade	9672
Health Care and Social Assistance	6335
Professional, Scientific and Technical Services	5136
Accommodation and Food Services	4035
Education and Training	3498
Construction	2033
Other Services	1913
Financial and Insurance Services	1633
Information Media and Telecommunications	1573
Manufacturing	1555
Wholesale Trade	1522
Administrative and Support Services	1451
Rental, Hiring and Real Estate Services	1140
Public Administration and Safety	897
Arts and Recreation Services	678
Transport, Postal and Warehousing	581
Electricity, Gas, Water and Waste Services	86
Agriculture, Forestry and Fishing	67
Mining	45

REVENUE

The graph below illustrates the total value of goods and services generated by businesses based in Stonnington.

Revenue (\$m) January 2011

Professional, Scientific and Technical Services	1258.2
Rental, Hiring and Real Estate Services	1047.3
Manufacturing	981.8
Retail Trade	933.4
Construction	914.9
Financial and Insurance Services	910.6
Information Media and Telecommunications	653.0
Health Care and Social Assistance	627.2
Wholesale Trade	543.4
Accommodation and Food Services	487.1
Education and Training	381.0
Administrative and Support Services	299.2
Other Services	217.6
Transport, Postal and Warehousing	167.2
Public Administration and Safety	146.3
Arts and Recreation Services	117.8
Electricity, Gas, Water and Waste Services	60.3
Mining	28.8
Agriculture, Forestry and Fishing	13.7

Source: REMPLAN incorporating ABS 2006 Census Place of Work Employment Data; ABS 2007 / 2008 National Input Output Tables; ABS June 2011 Gross State Product.



WAGES AND SALARIES

Total wages and salaries paid to employees who work in Stonnington are estimated to be \$2.7 billion per annum. Two sectors, Professional, Scientific and Technical Services and Health Care and Social Assistance, account for almost a third of the area's total wages and salaries.

The strong representation of Health Care can be attributed in part to the presence of several significant hospitals: Cabrini, The Avenue and

Victoria House. While the Alfred Hospital is located just outside the City of Stonnington boundary, like the other hospitals in the municipality, it has a strong impact with the location of allied health and medical services nearby.

Education also figures strongly as a major sector employer with a range of primary, secondary and tertiary institutions located within Stonnington.

Wages and Salaries (\$m) January 2012

Professional, Scientific and Technical Services	410.7
Health Care and Social Assistance	398.3
Retail Trade	350.4
Financial and Insurance Services	253.2
Education and Training	251.2
Wholesale Trade	156.5
Administrative and Support Services	130.3
Accommodation and Food Services	120.1
Manufacturing	110.1
Construction	105.9
Information Media and Telecommunications	99.7
Rental, Hiring and Real Estate Services	86.8
Other Services	79.1
Public Administration and Safety	75.1
Transport, Postal and Warehousing	39.1
Arts and Recreation Services	29.0
Electricity, Gas, Water and Waste Services	12.9
Mining	5.6
Agriculture, Forestry and Fishing	1.6

Source: REMPLAN incorporating ABS 2006 Census Place of Work Employment Data; ABS 2007 / 2008 National Input Output Tables; ABS June 2011 Gross State Product.



TOURISM

Stonnington is well represented by the key tourism attributes which attract visitors to Melbourne including shopping, dining, entertainment, arts, culture and events. As part of the Inner Melbourne region, which collectively draws more than 11 million visitors annually, Stonnington is one of Australia's premier tourism destinations and shopping is a key attraction.

The importance of tourism to the local economy is clear. Generally tourism employment is largely related to the accommodation sector; however in

Stonnington the impact of tourism is far more diverse with employment attributed to retail, accommodation, hospitality, transport, education, property and business as well as health and community services.

For each tourism dollar spent in Stonnington, two thirds is spent on retail, transport, accommodation and hospitality.

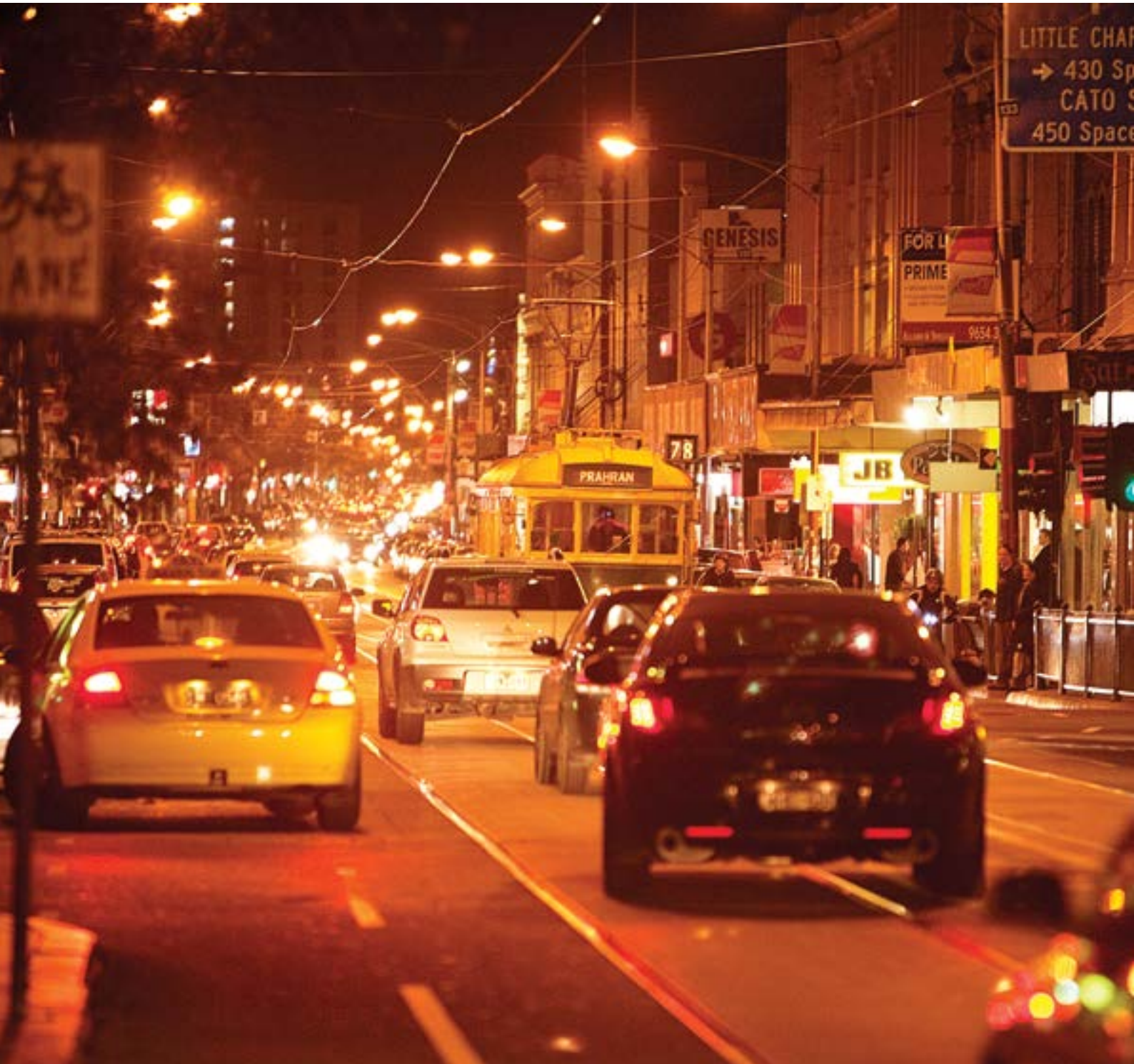
The graph below shows the number of jobs directly attributable to tourism in Stonnington.

Employment Attributable to Tourism February 2012

Retail Trade	742
Accommodation and Food Services	691
Education and Training	199
Transport, Postal and Warehousing	142
Administrative and Support Services	131
Arts and Recreation Services	117
Health Care and Social Assistance	54
Rental, Hiring and Real Estate Services	35
Manufacturing	32
Other Services	30
Information Media and Telecommunications	22
Wholesale Trade	18
Ownership of Dwellings	1
Agriculture, Forestry and Fishing	1
Electricity, Gas, Water and Waste Services	0
Mining	0
Professional, Scientific and Technical Services	0
Public Administration and Safety	0
Financial and Insurance Services	0
Construction	0

Source: REMPLAN incorporating ABS 2006 Census Place of Work Employment Data; ABS 2007 / 2008 National Input Output Tables; ABS June 2011 Gross State Product.

AS CONSUMERS CHANGE THEIR SHOPPING HABITS,
CHANGE IN THE RETAIL SECTOR WILL FOLLOW WITH THE
REORGANISATION OF RETAIL SPACE AND THE RETAIL MIX.



KEY CONSIDERATIONS

THERE ARE SERIOUS CHALLENGES IN THE GLOBAL ECONOMY WHICH ARE PROVIDING AN UNCERTAIN MACRO ENVIRONMENT, IMPACTING ON BUSINESS AND CONSUMER CONFIDENCE IN AUSTRALIA.

THE CHANGING ECONOMY

There are serious challenges in the global economy which are providing an uncertain macro environment. The financial turmoil in the US and Europe and uncertainty about how long it will take to resolve the sovereign debt issues is seriously impacting business and consumer confidence in Australia.

Overall economic conditions in Australia are subdued. There is strong evidence of a patchwork economy; resources, mining and professional service based industries report relatively solid conditions, while retail is deteriorating to concerning levels and manufacturing is lagging. Vehicle sales have fallen 2.2 per cent and the real estate market has drifted downwards with potential buyers unsure about interest rates. Inbound tourism is weak and the high Australian dollar is driving people overseas for holidays (and shopping).

Consumer confidence is weak and with levels of pessimism not seen for two years, according to the Westpac Melbourne Institute. Concerns about the carbon tax appear to be undermining consumer confidence. The impact is particularly noticeable in retail, as consumers choose to save rather than spend. The household saving ratio is at a 24-year high.

COMPETITION

Stonnington offers a competitive advantage for business because of its proximity to the CBD. The area is well serviced by public transport, the economy is mature and retail precincts are well established. However, commercial rents are amongst the highest in Melbourne, especially in Chapel Street, South Yarra where prime real estate commands between \$1300 and \$1500 a square metre, well ahead of rents in neighbouring Bridge Road, Richmond and Burke Road, Camberwell. Rental income in South Yarra is more than double commercial rent in High Street, Armadale which averages between \$450 and \$700 per square metre. Reports indicate that major shopping centres are prepared to lower rent to retain the right tenancy mix.

Competition for business (both retail and services) comes from the CBD as well as neighbouring municipalities of Yarra, Port Phillip, Boroondara and Glen Eira. The rollout of the National Broadband Network will also give municipalities like Moreland a competitive edge as business and industry take advantage of the high speed broadband network.

CHANGES IN SHOPPING HABITS

Compounding the retail decline is the rise in online spending.

While online retail represents less than 5 per cent of all retail, it is growing rapidly. A report by PricewaterhouseCoopers (PwC) showed online spending was expected to surge by 25 per cent, to almost \$6 billion in 2011. PwC found 44 per cent of all online spending went offshore and better prices were the overwhelming reason shoppers made overseas purchases.

Importantly, online shopping has the power to drive change in strip shopping streets and the move away from the traditional try-and-buy will also impact on hard top shopping centres. As consumers change their shopping habits, change in the retail sector will follow with the reorganisation of retail space and the retail mix.

Retail analysts predict there will be an increase in food, entertainment and services like massage and beauty, which the internet cannot provide. There will also be a rise in boutique retailing and 'showrooms' which will allow internet consumers to touch and feel the online product.

Smart retailers understand the changing environment and are moving to operate through multi channels allowing consumers a variety of ways to purchase – through a retail store, a web site and a smartphone application.

The challenge is for bricks and mortar retailers to rethink their current transaction driven business model in order to add new value to the physical retail experience. Retailers need to adjust to a new set of business conditions. The opportunity is less about transactions and more about creating valued customer experiences and customer relationships.

It is important that provision is made for flexibility and diversity within the Stonnington Planning Scheme to allow for change of use and a more efficient use of vacant shops and shop tops.

HIGH LAND VALUES

The locational advantages that Stonnington offers will continue to be sought after by an increasing number of people who want to live and work in the inner city. As the population and economy of Stonnington continues to grow, the level of competition between land uses will increase. Increased development is likely to occur around activity centres and large institutions or in areas where the value of land is relatively lower and sites can be amalgamated.

It is an ongoing challenge to balance the pressure for residential development with protecting key sites which support Stonnington's business, commercial and remaining manufacturing roles. Retaining a diversity of land use is essential.

The Municipal Strategic Statement (MSS) provides a strong platform which defines land uses. Under the MSS, future growth is focused on the larger (principal and major centres) where there is a sustainable balance of retail service, entertainment and residential uses.

There is an opportunity to attract and foster industries which can take advantage of Stonnington's prized location and which can provide employment and services eg. technology, communication and creative services, but there are limited sites where these relatively high value and low impact businesses can be located.

INCREASED TRAFFIC

Managing the impact of increased traffic and congestion is an issue which is not unique to Stonnington but as an inner city municipality the effects on residents, workers and visitors are substantial.

Council supports sustainable transport initiatives but recognises that the infrastructure to improve public transport services (including frequency and capacity) is a long term issue requiring considerable funds from the State Government and transport providers.

Five daytime surveys were undertaken in Chapel Street between June 2010 and October 2011. Data on the average spend and mode of transport was analysed.

The study found that 60 per cent of people travelled to Chapel Street using a sustainable mode of transport – tram, train or walked or rode a bike.

The average spend of all shoppers in the survey period was \$118. The average spend of shoppers who travelled by sustainable transport was \$93.

The results were mirrored in similar surveys undertaken in Toorak Road, High Street and Glenferrie Road.

The challenge is to increase the number of people travelling to the precinct by sustainable transport and to grow the average spend of this group.

Two further surveys were conducted in Chapel Street in the evening from 7pm to 1am in February and August 2011.

According to the surveys the typical Chapel Street evening customer travels by car (29 per cent) or taxi (37 per cent). The survey found 34 per cent travelled by sustainable transport.

The vast majority of nightclub patrons (74 per cent) expected to leave Chapel Street by taxi. If not, they would walk (10 per cent).

Two of the most requested improvements were for more parking and increased late night / early morning tram and train services.

STRATEGIC THEMES



A NEW INITIATIVE IS THE FORMATION OF THE STONNINGTON BUSINESS ROUNDTABLE, TO BE MADE UP OF LOCAL BUSINESSES REPRESENTING A RANGE OF LOCAL INDUSTRY SECTORS.

1.

BUSINESS SUPPORT

Strategy: To build the capacity, skills and resilience of the business community.

Traditionally, this is an area of support provided by Council, with the intention to strengthen local businesses and build resilience and capability within the business community. Council currently provides support to business through education, training and mentoring programs. These programs will be expanded to further support business growth and provide networking opportunities for businesses to connect and engage with each other.

For this business support to be effective, Council must truly be connected to the business community and provide support which is relevant and needed.

A new initiative is the formation of the Stonnington Business Roundtable, to be made up of local businesses representing a range of local industry sectors. The role of the Stonnington Business Roundtable would be to meet with Council and provide market intelligence and advice on issues, opportunities and emerging business trends.

Council also has a role to provide relevant information, data, research and analysis to local businesses to assist them in making informed decisions and planning for the future.

Actions:

- Establish a Business Roundtable which meets regularly and provides Council with advice on issues, opportunities and emerging business trends
- Develop a Stonnington business networking group which provides opportunities for local businesses to connect and do business together
- Deliver a comprehensive business education and seminar program, partnering with State Government, industry stakeholders and specialist providers
- Provide information on data, research and analysis to local businesses
- Continue to promote and educate businesses and consumers about Fair Trade
- Develop a Stonnington Business Tool Kit – a compilation of resources available online which maps the steps required in setting up new businesses in Stonnington, including permits and planning applications
- Increase the Stonnington business database
- Provide regular information via the business database on support and programs for business
- Seek regular feedback on ways the Economic Development Unit can improve the delivery of services for business.

STRATEGIC THEMES



2. THRIVING PRECINCTS

Strategy: To maintain attractive and vibrant precincts which are embraced by residents and visitors and where businesses thrive.

Stonnington's economic precincts are a hub for retail and business activity and the high profile precincts of Chapel Street, High Street, Toorak Road and Glenferrie Road are strongly linked to the identity, character, amenity and liveability of Stonnington as well as the wellbeing of residents, workers and visitors.

Each of the prime shopping precincts has a distinctive tenancy mix which underpins its character, from the Tudor facades of Toorak Village, to the bohemian edge of retro boutiques in Chapel Street, Windsor. Precincts such as Hawksburn and other neighbourhood villages also have a strong sense of place and benefit from their proximity to the higher profile shopping strips.

The Forrest Hill Precinct, South Yarra, an area designated for urban renewal, bounded by Chapel Street, Toorak Road, Alexandra Avenue and Yarra Street, will have a significant impact on the northern end of the city. It is projected that by 2031, Forrest Hill will accommodate 2500 dwellings, office space of 22,000 square metres and over 9000 square metres of retail. The precinct is currently undergoing substantial change with some \$2 billion of Capital Improved Value based on current development built and planning permits approved.

Stonnington's activity centres will continue to provide a major focus for retail and employment. Structure Plans have been prepared for Forrest Hill, Prahran/South Yarra (*Chapel Vision*) and Toorak Village. An Urban Design Framework has been prepared for the Waverley Road, Malvern East Neighbourhood Activity Centre.

There is opportunity to review land use within the municipality with a particular focus on areas for

future economic growth. A commissioned study would identify future demand for land use and the drivers for change. This would also include analysis of local activity centres to encourage their preferred local centre focus. The review would inform changes in land use within the Planning Scheme.

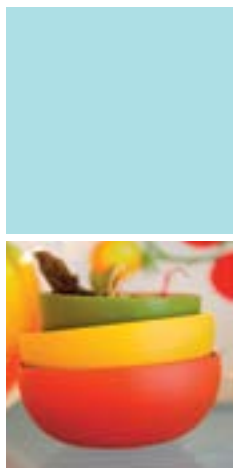
The Economic Development Strategy encourages the retention of industries which provide local services and employment and are innovative or technology intensive.

The heritage character of buildings contributes to the identity of the precincts and it is important it be retained and incorporated in redevelopment. The appearance of precincts is of key importance. The deterioration of buildings and lack of maintenance and upkeep by landlords is an ongoing issue.

The evening and late night economy in Stonnington, particularly the Chapel Street entertainment precinct, is acknowledged for its economic impact and its contribution to the vitality of our city. Regular research is undertaken into both the daytime and night-time economies to understand visitation, expenditure, length of stay and activities, as well as perceptions of safety and amenity. Of particular importance is the diversity of offerings in the late night economy.

Council manages the Stonnington Liquor Accord, a partnership between key groups who share a common goal for safe and well managed environments at licensed venues.

Access, parking and through traffic are becoming increasingly difficult problems in the major centres. Improved transport, improved safe access to car parks and public transport are fundamental to the ongoing viability of economic precincts.



STONNINGTON'S ECONOMIC PRECINCTS ARE A HUB FOR RETAIL AND BUSINESS ACTIVITY AND ARE LINKED TO THE CHARACTER, AMENITY AND LIVEABILITY OF THE CITY.

Actions:

- Review land use with a focus on future economic growth and identify future demand for land use
- Review the role and hierarchy of the activity centres and their preferred future land use balance
- Support the review of the local activity centres currently zoned Business 2 (office dominant) with a view to their rezoning to Business 1 (shop dominant) where appropriate to reflect their preferred local centre role
- Support the development of Structure Plans for Glenferrie Road, Malvern and High Street, Armadale, Chadstone and Glen Iris to guide future use and development of these centres
- Review, implement and monitor structure plans for Chapel Street and Toorak Road
- Request engagement with Glen Eira Council on the development of the Caulfield Structure Plan due to its impact on Dandenong Road / Waverley Road, East Malvern
- Continue to invest in infrastructure within economic precincts to provide optimum streetscapes, footpaths, street furniture, public toilets and lighting as well as sculptures and art based initiatives
- Update the Style Guide for economic precincts and provide guidelines for gateway and precinct branding which reflects the unique characteristics of the area
- Drive place making initiatives in economic precincts, in partnership with business associations and private and public sector stakeholders
- Continue to support and administer the five special rate schemes for marketing and promotion of business precincts
- Continue to collect business data, undertake economic research and provide up-to-date information and analysis to business
- Continue to work with the Stonnington Liquor Accord and support the implementation of the Liquor Accord Action Plan
- Advocate and support improvements to sustainable transport and improved public transport services
- Encourage businesses to be involved and active in Business Associations

STRATEGIC THEMES



3.

DESTINATION MARKETING AND DEVELOPMENT

Strategy: To continue to attract visitors to Stonnington, maximise the quality of the visitor experience and to grow visitor expenditure.

Tourism is a vital part of Stonnington's economy with shopping, dining, entertainment and arts and culture attracting visitors and generating employment.

As part of the Inner Melbourne region, which collectively draws more than 11 million visitors annually, Stonnington is one of Australia's premier tourism destinations and shopping is a key attraction. Hospitality, entertainment, arts and culture also attract visitors to our City.

Tourism is a highly competitive sector and with the rise in the Australian dollar and overseas holidays becoming increasingly affordable, the focus should be on:

- attracting visitors
- the quality of the visitor experience in Stonnington
- increasing yield.

Work will be delivered in conjunction with the Strategic Plan being undertaken by the IMAP Tourism Working Group (Inner Melbourne Action Plan). The purpose of the IMAP Tourism Plan is to work collaboratively to strategically develop and position Inner Melbourne as a vibrant and welcoming destination.

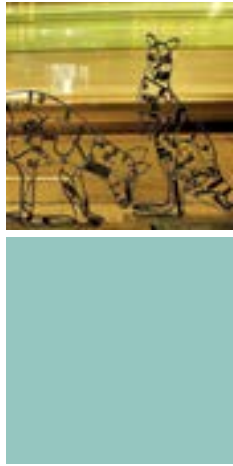


**STONNINGTON IS ONE OF AUSTRALIA'S
PREMIER TOURISM DESTINATIONS AND
SHOPPING IS A KEY ATTRACTION.**

Actions:

- Continue to participate in the IMAP Regional Tourism Program
- Work in partnership with Destination Melbourne and participate in promotional campaigns and industry development programs
- Conduct familiarisations of the local area for visiting journalists, local businesses and tourism professionals
- Communicate the value of tourism and its importance to the local economy
- Conduct tourism audits to measure and track customer experiences being delivered in retail, hospitality and accommodation services
- Further develop the Visiting Friends and Relatives market and increase residents' awareness of local attractions, shopping and dining experiences to increase visitor expenditure
- Continue to leverage Stonnington events to grow economic benefits for local businesses
- Facilitate service skills training for retail, hospitality and accommodation businesses
- Provide access to information and training on key international markets (China and India)
- Identify cultural tourism assets and promote these, in conjunction with the Arts and Culture Strategy.
- Investigate a tourism ambassador program for key tourism precincts
- Engage with State Government regarding proposed activation of the lower Yarra River
- Advocate for a tourism tram, based on the City Circle Tram model
- Further develop events and promotions to encourage visitation and shopping

STRATEGIC THEMES



4.

BUSINESS DEVELOPMENT FOR THE CREATIVE CITY

Strategy: To attract and promote the growth and development of creative industries in our City.

Creative industries include fashion, information technology, graphic design, computer gaming, music, film and video production, media related services, performing arts, along with allied businesses which link to those industries. The concentration of creative industries in inner Melbourne has been identified through Inner Melbourne Action Plan (IMAP) as a competitive advantage for the region and an opportunity for future growth.

There is an opportunity for the City of Stonnington to turn this competitive advantage into economic performance. The digital creative sector (which blurs the line between information, communication and technology) is an area which could be further developed to drive employment and local exports.

The City of Stonnington's Arts and Cultural Strategy 2011–2015 positions Stonnington as a Creative City, with a focus on creative communities and creative

spaces. Central to the strategy is the recognition and further development of creative clusters and future development of a creative hub.

Creative clusters already exist within Stonnington but there is limited, if any, interaction between the groups / organisations. Council has acknowledged its role in facilitating communication and interaction within the creative clusters. The Economic Development Strategy supports work to map creative clusters and will identify how to strengthen creative clusters and attract, develop and support creative industries.

There is further opportunity to develop this sector in partnership with both State and Federal Governments and through IMAP to support creative businesses with a focus on 'new knowledge and ideas, design or creative endeavours'.



THE CONCENTRATION OF CREATIVE INDUSTRIES IS A COMPETITIVE ADVANTAGE FOR THE REGION AND OPPORTUNITY FOR FUTURE GROWTH.

Actions:

- Identify and map existing clusters of creative industries in Stonnington
- Investigate ways to develop and strengthen clusters
- Identify potential spaces for incubators for creative industries
- Develop and implement a 'shop top' strategy to attract and develop creative industries in unused space above retailers /ground floor businesses
- Encourage wireless hotspots in economic precincts and Council buildings including Town Halls and Libraries
- Further strengthen relationships with Swinburne University of Technology and Holmesglen TAFE
- Leverage opportunities provided by Federal and State Governments to support creative industries
- Work with the Inner Melbourne Action Plan to activate strategy 7.2 to support creative industries



MONITORING AND EVALUATION

The implementation of the Economic Development Strategy needs to be regularly monitored and evaluated. Council must be satisfied that progress is being made in relation to the four strategic themes with actions undertaken and the impact benchmarked. Learnings also need to be captured to improve future delivery and decision making.

An implementation plan has been developed and will be monitored by the City of Stonnington's Economic Development Unit.

New census data will be noted as baseline data. Primary consumer research will be undertaken to assess levels of expenditure in retail precincts and perceptions about amenity and safety.

The Stonnington Survey Group will be used to understand residents' views of economic development programs, local businesses and retail precincts.

Satisfaction surveys will continue to monitor the effectiveness of business events and the economic impact of key events including the L'Oreal Melbourne Fashion Festival and Stonnington Jazz. Data will be collected on vacancy rates in economic precincts and the value of tourism.

The Economic Development Unit will conduct an annual survey to seek feedback from businesses about the effectiveness of the programs and actions undertaken as part of the Strategy, monitor business activity and confidence and identify issues and emerging trends.

An annual update will be provided to Council on the Strategy's implementation.

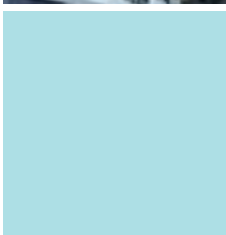
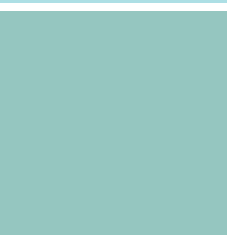
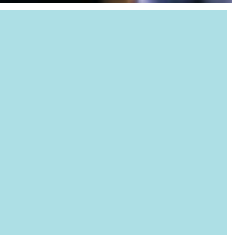
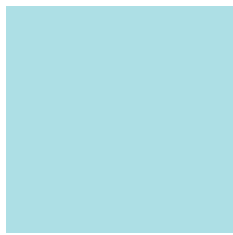


CONTACT US

For more information on economic development and business education please contact:

The Economic Development Unit (03) 8290 1333
or email business@stonnington.vic.gov.au

www.stonnington.vic.gov.au



CITY OF STONNINGTON

T: 03 8290 1333 F: 03 9521 2255
E: council@stonnington.vic.gov.au
PO Box 21 Prahran, Victoria 3181

SERVICE CENTRES

Cnr Glenferrie Road and High Street, Malvern
Cnr Chapel and Greville Streets, Prahran
www.stonnington.vic.gov.au

