

7.4 Glenferrie Hawthorn Shopping and Business Centre - Marketing and Business Development Fund

Executive Summary

Purpose

The purpose of this report is for Council to consider submissions and objections received following public notice of Council's intention to declare a special rate and charge for a marketing and business development fund for the Glenferrie Hawthorn Shopping and Business Centre (**Centre**) and to determine whether to declare the Proposed Glenferrie Hawthorn Special Rate and Charge Scheme (**Proposed Scheme**).

Background

The Glenferrie Hawthorn Shopping and Business Centre's current five year special rate and charge scheme is due to expire on 30 June 2022. The Scheme funds marketing and business development initiatives in the Centre. The Glenferrie Road Shopping Centre Association (**GRSCA**) requested Council declare a renewed special rate and charge scheme to apply for five years from 1 July 2022 to 30 June 2027.

On 28 March 2022, Council resolved to commence the statutory process to declare the Proposed Scheme by giving public notice of the Proposed Scheme in response to the GRSCA's request. Public notice of the Proposed Scheme was made in The Age newspaper on 2 April 2022 and on Council's website and individual notices were sent to each person who will be liable to pay the Special Rate and Charge. Council invited submissions and objections regarding the Proposed Scheme to be lodged by 6 May 2022.

Key Issues

The following is a summary of the submissions and objections to the Proposed Scheme received during the public notice period:

Submissions

Council received sixteen submissions in response to the public notice from sixteen property owners within the Scheme area.

Each of the submissions received indicated opposition to the Scheme.

Objections

Any person who is liable for or otherwise required to pay the special rate or charge is entitled to object in writing. Council received sixteen valid objections from such persons, who represented sixteen properties, indicating opposition to the Proposed Scheme.

Of these objections, it should be noted, that fourteen of the sixteen, were submitted by the same person – two as an individual and twelve as a director signatory for four different companies.

Of the objections received, all had a right to object in their right as owners, or by providing documentary evidence of their right to object based on liability for the Special Rate and Charge.

Council officers were able to establish a right to object for the sixteen rateable properties to which the objections relate by matching the submitter or company names with Council's rates record of property owners, or as a result of evidence provided with the submission. As such, Council officers consider bona fide objections were made with respect to a total of sixteen properties. This equates to 2.8% of the 555 rateable properties in the Proposed Scheme. Because objections were received in respect of fewer than 50% of those properties to be included in the Scheme, Council may resolve to declare the Proposed Scheme.

Implications of submissions

The objectors also made submissions in response to the Proposed Scheme.

The concerns about the Proposed Scheme identified in the objections and submissions are summarised in the table below.

Reason for objection	No quantifiable benefit/Affordability	Affordability (incl. COVID-19 impacts)	Incorrectly zoned/transparency concerns
Number of properties represented	1	1	14

A copy of the submissions received are contained within **Confidential Attachment 6** to this report.

Council officers consider that the low number of submissions and objections may be attributed to the value provided by the GRSCA in support of businesses throughout COVID-19, increasing communication and information sharing and seeking to identify ways to support them throughout these unprecedented times. The GRSCA also introduced several new initiatives to drive spending in businesses over the past five years and the Marketing Coordinator consistently spent time regularly visiting businesses face to face, and providing regular, timely information to assist them with their business. GRSCA also sends surveys to seek improvements for a personalised service to engage businesses in the GRSCA's activities and respond to feedback on business needs.

Council officers are of the opinion that the submissions received do not warrant any change to the declaration of the Proposed Scheme.

Further consideration is given to the submissions in Section 4 of the report.

Declaration of the Proposed Scheme will ensure support for a comprehensive marketing and business development program, which will provide a special benefit for businesses and commercial property owners in the Centre.

If declared, the Proposed Scheme will apply for five years commencing 1 July 2022 and ending on 30 June 2027 and will raise approximately \$209,375 in the first year, with a total levy of approximately \$1,046,875 expected over five years.

The amount levied will increase each year consistent with the March quarter Consumer Price Index (All Groups, Melbourne) ("CPI") which will be applied to the rate in the dollar and the minimum and maximum charges, along with any increases in the Capital Improved Value ("CIV") of rateable properties during the life of the Proposed Scheme.

Confidentiality

Confidential information is contained in **Attachment 6**, as circulated in the confidential section of the agenda attachments, in accordance with Section 66(2)(a) and the definitions of 'confidential information' in Section 3(1) of the Local Government Act 2020. The information relates to personal information, being information which if released would result in the unreasonable disclosure of information about any person or their personal affairs.

Council has obtained legal advice on 24 May 2022, which has been considered as part of preparing this report.

Officers' recommendation

That Council resolve to:

1. Receive and note the written and verbal submissions and objections.
2. Declare the Glenferrie Hawthorn Special Rate and Charge in accordance with Section 163 of the Local Government Act 1989 ("the Act") as follows:
 - a) a Glenferrie Hawthorn Special Rate and Charge be declared for a period of five years commencing on 1 July 2022 and concluding on 30 June 2027.
 - b) the Glenferrie Hawthorn Special Rate and Charge be declared for the purpose of defraying expenses of advertising, promotion, centre management, business development and other incidental expenses associated with the encouragement of commerce in the Glenferrie Hawthorn Shopping and Business Centre (Centre), which:
 - i. Council considers is or will be of special benefit to those persons required to pay the Glenferrie Hawthorn Special Rate and Charge; and
 - ii. arises out of Council's functions of:
 - encouraging and promoting economic sustainability, commerce, retail activity and employment opportunities in and around the Glenferrie Hawthorn Special Rate and Charge area and the broader municipal district; and
 - providing good governance in its municipal district for the benefit and wellbeing of the municipal community.

- c) the Glenferrie Hawthorn Special Rate and Charge so declared will be assessed and levied in accordance with the following:

- i. in **Primary Area (Zone 1)** - in the first year a rate of 0.021 cents in the dollar of the Capital Improved Value (CIV) of each rateable property in the area subject to the Glenferrie Hawthorn Special Rate and Charge, subject to the following minimum and maximum charges per occupancy per annum.

Precinct	Minimum and Maximum per annum
<u>Primary Area (Zone 1):</u> This zone includes ground and upper level properties on Glenferrie Road and associated side streets between Barkers Road and Burwood Road, Hawthorn as shown on the boundary plan for the Glenferrie Hawthorn Special Rate and Charge.	<u>Ground level</u> Minimum - \$350 Maximum - \$5000 <u>Upper level/s</u> Minimum - \$220 Maximum - \$1500

- ii. in **Secondary Area (Zone 2)** - in the first year a rate of 0.018 cents in the dollar of the Capital Improved Value (CIV) of each rateable property in the area subject to the Glenferrie Hawthorn Special Rate and Charge, subject to the following minimum and maximum charges per occupancy per annum.

Precinct	Minimum and Maximum per annum
<u>Secondary Area (Zone 2):</u> This zone includes ground and upper level properties on Burwood Road and associated side streets between Drill Street and Paterson Street, Hawthorn as shown on the boundary plan for the Glenferrie Hawthorn Special Rate and Charge.	<u>Ground level</u> Minimum - \$250 Maximum - \$3600 <u>Upper level/s</u> Minimum - \$120 Maximum - \$1000

- iii. The quantum of the rate in the dollar of the CIV of each rateable property in the area, and the quantum of the minimum and maximum charges, will be adjusted on 1 July 2023 and on each anniversary of that date by the March quarter Consumer Price Index (All Groups, Melbourne) ("CPI") during the 12 months preceding the end of that March quarter.
- iv. The CIV of each parcel of rateable land is the CIV of that parcel of land at the time of levying the special rate and charge in each year. The CIV may change in the period during which the Glenferrie Hawthorn Special Rate and Charge is in force, reflecting any revaluations and supplementary valuations which take place.

- d) the area for which the Glenferrie Hawthorn Special Rate and Charge is so declared is the area highlighted in the plan annexed to this report as (Attachment 2) ("the Area").
 - e) the land in relation to which the Glenferrie Hawthorn Special Rate and Charge is so declared is all land within the Area primarily used, or adapted or designed to be used, for commercial purposes.
 - f) the total cost of performing the function and the total amount of the special rate and charge to be levied is approximately \$209,375 in the first year with a total levy of approximately \$1,046,875 over the five years of the scheme, having regard to adjustments in the CIV of the rateable properties and the application of CPI to the rate in the dollar and minimum and maximum charges as described in paragraph 2(c) of this resolution or such other amount as is lawfully levied as a consequence of this resolution.
 - g) the benefit ratio, being the estimated proportion of the total benefits of the Glenferrie Hawthorn Special Rate and Charge to which the performance of the function or the exercise of the power relates (including all special benefits and community benefits) that will accrue as special benefits to all of the persons who are liable to pay the Glenferrie Hawthorn Special Rate and Charge, is 100%, as the community benefit is considered to be nil.
 - h) the criteria to be used as the basis for levying the Glenferrie Hawthorn Special Rate and Charge is ownership of any land described in paragraph 2(e) of this resolution.
 - i) the owners of the land described in paragraph 2(e) of this resolution will pay the Glenferrie Hawthorn Special Rate and Charge on the same date or dates as Council's general rates are due.
 - j) Council will, subject to the Local Government Act 1989, require a person to pay interest on any special rate and charge which that person is liable to pay and has not been paid to the date specified for its payment.
- 3. Notify each person who made a submission or objection of Council's decision and reasons for the decision.
 - 4. Write to the owners and occupiers of properties within the Glenferrie Hawthorn Special Rate and Charge scheme advising them of the decision embodied in this resolution and associated appeal rights.
 - 5. Authorise the Director Community Support to enter into an agreement with the Glenferrie Road Shopping Centre Association in relation to expenditure of the Glenferrie Hawthorn Special Rate and Charge scheme proceeds.
 - 6. Authorise the Director Community Support to levy the Glenferrie Hawthorn Special Rate and Charge in accordance with Section 163(4) of the Local Government Act 1989.

Responsible director: Carolyn McClean, Director Community Support

1. Purpose

The purpose of this report is for Council to:

- consider submissions and objections received following public notice of its intention to declare a special rate and charge for a marketing and business development fund for the Glenferrie Hawthorn Shopping and Business Centre (Centre), and
- determine whether to declare the Proposed Glenferrie Hawthorn Special Rate and Charge Scheme (Proposed Scheme).

2. Policy implications and relevance to community plan and council plan

Activity centres play an important economic and community role in the City of Boroondara. There are over 5,000 businesses in 53 centres in the municipal district. Council recognises the valuable role a special rate and charge scheme plays in providing support for commercial centres in Boroondara and provides support to facilitate the preparation and implementation of these schemes.

The Boroondara Community Plan 2021-2031 notes a key theme as 'Local Economy' which contains strategies such as 'Local retail precincts provide a gathering point for residents and attract shoppers through supporting initiatives which encourage a range of businesses needed by the community', 'shopping centres and strips are hubs of community activity through activating local shopping precincts', and 'local visitation is increased through showcasing and promoting local shopping and attractions'.

The Proposed Scheme also supports Council's Economic Development and Tourism Strategy 2016-2021 and its key objective to 'facilitate the development of best in class neighbourhood shopping centres throughout the City'. A related action in this regard is to 'continue with the special rate and charge scheme program and associated support and liaison with trader associations and groups to optimise business development and marketing in key shopping centres.

3. Background

Glenferrie Road has been designated as one of three "Activity Centres" in Clause 21.08 of the Boroondara Planning Scheme which states 'Activity centres are well established, vibrant centres that provide a wide range of activities. They provide a destination for commercial activity for those within the City of Boroondara as well as neighbouring cities.

The Centre is expected to continue to be a:

- focal point for a wide range of economic and social activities, including retail, commercial offices, community and civic facilities, as well as leisure and entertainment uses, and
- successful and vibrant shopping centre serving the needs of local residents and visitors.

A special rate and charge scheme was first introduced in the Centre in 1991 and there have been successive special rate and charge schemes declared since. During this time, the Glenferrie Road Shopping Centre Association (GRSCA) has implemented the schemes with Council's oversight and has undertaken a wide range of activities associated with the promotion and marketing of the Centre.

The Centre's current five year special rate and charge scheme is due to expire on 30 June 2022. The scheme funds marketing and business development initiatives in the Centre. The GRSCA has requested Council declare a renewed special rate and charge scheme to apply for five years from 1 July 2022 to 30 June 2027.

During the past five years, the Centre has experienced a significant increase in marketing and promotional activity undertaken by the GRSCA and supported by the marketing and business development fund. These include:

- employing a marketing coordinator for the Centre
- marketing, advertising and promoting the Centre
- delivering the Glenferrie Road Festival with increased community participation (although not in 2021 due to COVID-19)
- organising seasonal promotions and activities to increase visitation to and vibrancy within the Centre - Spring Racing, Halloween, Christmas, Easter, Mother's Day, Father's Day, Boroondara Health and Wellbeing Expo, GlenCom Comedy Festival and Glenferrie Christmas Markets (although many were not delivered in 2020 and 2021 due to COVID-19)
- publishing Tag Magazine, a 32-page lifestyle magazine delivered to 5,000 homes (this ceased in 2020 and will be online moving forward)
- delivering shop local campaigns
- delivering the Park Street Market during the Summer months of 2020/21
- contributing to Council's monthly graffiti removal program
- providing input and advice into Council's Glenferrie Road placemaking program
- improving the online presence of the Centre and its businesses through a Centre directory and website - <https://www.glenferrie.com.au/>
- advertising in a variety of local media as well as marketing activities across digital, social, video, direct mail and tourism publications
- facilitating networking sessions between traders for the purpose of information sharing and support
- developing and maintaining strong relationships with local community organisations, including Hawthorn Community Chest, Camberwell Rotary, Servants Community Housing, Hawthorn Community House, Inner East Health, Swinburne University and local primary schools
- providing regular updates to traders via email, print and phone
- facilitating business development seminars and networking functions for businesses in the Centre
- liaising and advocating on behalf of the Centre with all levels of government.

As part of the Proposed Scheme, with the support of Council, the GRSCA conducted a business survey with traders in October 2021 and prepared the Glenferrie Hawthorn Strategic Business Plan 2022-2027 (Strategic Plan) which articulates a vision, implementation actions and a budget for the Centre **(Attachment 3)**.

The Strategic Plan envisages 'Glenferrie Hawthorn will be a vibrant and accessible place where everyone feels welcome; where people meet to shop, learn, and experience. The local economy and community will flourish, with people and businesses representing the area's rich diversity. As a thriving retail and commercial centre, it will provide for the needs of the local community, students, academics, and commercial operators. Glenferrie has the best of everything and is recognised as the pre-eminent precinct in eastern Melbourne for shopping, entertainment, and services.

In support of the vision, the Strategic Plan has four specific goals and a number of objectives aimed at keeping the Centre viable and growing. It includes the following:

Goals

- provide tangible benefits to Association members
- manage an effective and efficient Association
- seek improved physical amenity, create a personality for the precinct
- explore productive community partnerships.

Objectives

- to improve awareness of a range of businesses, amenities, promotions, and events
- to develop the 'brand' and 'personality' for the precinct to give it a strong image and identity for both our customers and the traders to buy into
- to seek the best parking options, pedestrian access for customers and staff
- to encourage public transport and bike riders (both customers and staff)
- to improve visitation to peripheral areas i.e. Burwood Road East & West, Glenferrie Road South of Burwood Road
- to build on the Centre's position as the major activity centre in Boroondara and as a premium lifestyle activity centre, where there is always something happening
- to increase customer visitation
- to improve vacancy rates
- to attract quality businesses to the area.

If the Proposed Scheme is declared, it will assist the GRSCA in implementing strategies and actions to realise the vision, goals and objectives as set out in the Strategic Plan in the coming years. This includes business development initiatives such as promotional activities to support businesses to recover from the impact of COVID-19, as well as capacity building programs to equip businesses to be more resilient and agile in the face of threats, along with marketing and public relations strategies, community development initiatives as well as car parking, streetscape and infrastructure improvements.

The Strategic Plan estimates the cost of undertaking the Proposed marketing, community and business development initiatives outlined in the Strategic Plan will require an annual budget of approximately \$209,375 in 2022/23, with Consumer Price Index (CPI) increases each year.

If declared, the Proposed Scheme will provide funds to assist the GRSCA in competing with other single owner hard-top centres, such as Chadstone, Doncaster and the CBD, some of which have marketing and promotions budgets which are understood to be over \$1,000,000 per year.

In the interests of supporting the ongoing viability of the Centre, the GRSCA formally wrote to Council on 10 September 2021 (**Attachment 4**) requesting that Council renew the Current Scheme, which is due to expire on 30 June 2022. A plan of the Proposed Scheme area (**Attachment 2**) and details of the Proposed Scheme (**Attachment 1**) are further discussed in the next section of this report.

Special rate and charge schemes are active in seven other shopping centres within Boroondara and support marketing and promotional activities. They reflect an important co-operative initiative between Council and the respective trader associations in continuing to actively promote and support local businesses and the ongoing viability of the shopping centres.

Public notice of the Proposed Scheme

There are currently 555 rateable properties included in the Proposed Scheme area. At its meeting on 28 March 2022, Council resolved to give notice under Section 163 of the *Local Government Act 1989* ("the Act") of its intention to declare a special rate and charge for the Centre.

On 2 April 2022, Council gave public notice of the Proposed Scheme and provided written notice to affected owners and occupiers.

Council invited submissions and objections regarding the Proposed Scheme to be lodged by 6 May 2022 and sixteen submissions and sixteen objections were received. Council officers have considered the submissions and further discuss the findings in the following section of this report. >>

4. Outline of key issues/options

The request for a special rate and charge scheme to fund promotion, marketing and business development activities in a shopping centre must be considered by Council in line with the provisions of the Act. The Act contains several requirements to be followed by Council when considering whether to declare a special rate and charge scheme. These primarily relate to the method of calculating the levy (**Attachment 1**) and the consideration of submissions and objections (**Attachment 5**).

Section 163A of the Act entitles any person to make a submission in relation to Council's proposal to declare the Scheme.

In accordance with Section 223(1)(d)(i) of the Act, Council or a committee of the Council must consider all submissions and reports made in respect of the Scheme.

Further, a person who is required to pay the special rate and charge is entitled to exercise a right of objection pursuant to Section 163B of the Act. This right of objection is in addition to the right to make a submission.

Ordinarily, it is the owner of a property who has the right to object to a Proposed Scheme, as they are liable to pay the special rate or charge. However, an occupier (tenant) may object (instead of the property owner) if the occupier submits documentary evidence with their objection showing it is a condition of their lease requiring the occupier to pay any special rate/charge for the property.

In accordance with Section 163B(6) of the Act, Council cannot proceed to introduce a special rate or charge if Council receives objections from persons who will be required to pay the special rate or special charge in respect of a majority of the rateable properties on which the special rate or special charge would be imposed.

Submissions to the Proposed Scheme

Council received sixteen submissions which expressed concern about the Proposed Scheme, each from the owner of property that will be subject to it.

Objections to the Proposed Scheme

Council received sixteen valid objections representing sixteen properties indicating opposition to the Proposed Scheme.

Of these objections, it should be noted, that fourteen of the sixteen were submitted by the same person – two as an individual and twelve as a director signatory for four different companies.

Of these objections, all had a right to object in their right as owners, or by providing sufficient documentary evidence of their right to object based on liability for the Special Rate and Charge. Council officers were able to establish this by matching the submitter or company names with Council's rates record of property owners, or as a result of the provision of other documentary evidence. Accordingly, Council considers these to be bona fide objections.

The valid objections equate to 2.8% of the 555 rateable properties in the Proposed Scheme. Because fewer than 50% of the properties in respect of which the Scheme would be imposed lodged an objection, Council is permitted to declare the Proposed Scheme but must still consider the concerns raised.

Analysis of the submissions and objections

In addition to objecting to the inclusion of certain properties within the Proposed Scheme, each submission and objection received by Council made comments regarding the Proposed Scheme. Council must consider these comments prior to determining whether to declare the Proposed Scheme.

The reasons for objecting to the Proposed Scheme are summarised in the table below.

Reason for objection	No quantifiable benefit/Affordability	Affordability (incl. COVID-19 impacts)	Incorrectly zoned/transparency concerns
Number of properties represented	1	1	14

a. No quantifiable benefit/Affordability

One valid objection received stated the Proposed Special Rate and Charge is of no benefit to their tenant and others and that the activities staged in previous years have had no benefit to anyone. It also stated affordability for their tenant has been severely affected by lockdowns even with landlord's rent reductions.

Council officers' analysis

The Proposed Scheme is designed as a comprehensive marketing and business development program to benefit all businesses in the Centre. The five year Strategic Business Plan (**Attachment 3**) adopted by the GRSCA, outlines a series of marketing and business development initiatives geared to provide special benefits to a wide range of businesses in the Centre.

While financial hardship is not a consideration in determining whether to introduce a special rate and charge scheme, if the Proposed Scheme is introduced, individual rate payers may request relief from Council on the grounds of financial hardship. It is important to note evidence would need to be produced by the ratepayer in support of the request, and a decision will be made at Council's discretion.

In addition to there being relief available for ratepayers experiencing financial hardship, it is considered the collective marketing program organised by the GRSCA would be a key measure to continue promoting the Centre, improving its trading performance and overall commercial appeal. So, while it comes at a cost to each person liable to pay the Special Rate and Charge, Council officers note that the Scheme will confer special benefits on each person liable to pay it.

b. Affordability (COVID-19 impacts)

One valid objection received stated that in owning a Quest apartment over the last two years, business has either been non-existent or barely operational. It stated that turnover has been down and great losses from businesses has been had. Adding another "Special rate and Charge Scheme" to people's outgoings is making it harder by adding in another expense for people to find.

Council officers' analysis

Similarly, to what is said above, ratepayers experiencing financial hardship may apply to Council for relief from the Special Rate and Charge. Council officers consider that it is appropriate for this to be managed on a case-by-case basis, and that the special benefit conferred by the Proposed Scheme outweighs the costs imposed on each person liable to pay the Special Rate and Charge such that the relevant considerations favour declaring the Proposed Scheme.

c. Incorrectly zoned/transparency concerns

Fourteen valid objections of the sixteen received were identical and lodged by the same owner in respect of 14 separate rateable properties included in the Proposed Scheme. Each of these objections stated that:

- Council should not classify the north end of Glenferrie Road as Primary Area (Zone 1), it should be classified as Secondary Area (Zone 2); and
- the sum of approximately \$200,000 raised yearly by the Proposed Scheme will not be appropriately monitored by Council.

Council officers' analysis

The Proposed Scheme area, including zone boundaries, is consistent with previous scheme areas. The objections do not specify the definition of the “north end of Glenferrie Road” however the properties are generally located on the west side of Glenferrie Road between Barkers Road and Hawthorn Grove. No reason was provided for the proposed change to the zoning for these properties. Officers consider this stretch of Glenferrie Road derives the same ‘special benefit’ afforded to the other properties located in the Primary Area (Zone 1). Accordingly, Council officers consider that it is appropriate for the Zone boundaries to remain fixed in their existing positions and that there is no basis on which to justify rezoning the “north end of Glenferrie Road” in the way Proposed.

With respect to the statement that the Special Rate and Charge will not be appropriately monitored by Council, the Proposed Scheme will be governed by a five year Agreement between Council and the GRSCA, based on an annually updated 5 year Strategic Business Plan, Annual Business Plan and budget and comprehensive reporting requirements. In the past, agreements have made provision for substantial scrutiny, accountability and oversight, particularly in relation to the application of Scheme funds. Currently, the agreement with the GRSCA requires that Scheme funds are released twice annually only after the GRSCA submits:

- independently audited financial statements;
- minutes of Committee meetings;
- contact information for office bearers;
- evidence of insurance;
- confirmation in writing that a register of members is kept;
- minutes of the Annual General Meeting; and
- a copy of their submission of an Annual Statement to the Registrar of Incorporated Associations.

Council will enter a fresh agreement with the GRSCA if the Proposed Scheme is declared, which will provide for each of these key reporting and accountability mechanisms. Accordingly, Council officers are satisfied that Council will be well-positioned to exercise a high degree of supervision and oversight over the GRSCA and that the expenditure of Scheme funds distributed to the GRSCA will be closely monitored by Council, as it has under the current scheme.

5. Consultation/communication

On 2 April 2022, a Public Notice declaring Council's intention to introduce a Glenferrie Hawthorn Special Rate and Charge for a marketing and business development fund was published in The Age newspaper and on Council's website. In addition, a letter was sent to all affected property owners and occupiers outlining the details of the Proposed Scheme and providing information on how a submission or objection could be made. Submissions and objections were required to be lodged by 6 May 2022.

Sixteen valid objections and sixteen submissions were lodged in respect of a total of sixteen properties that will be subject to the Proposed Scheme. This equates to approximately 2.8% of the 555 rateable properties in the Proposed Scheme.

If Council decides to declare the Proposed Scheme, all affected property owners and occupiers will be notified of Council's decision and appeal rights under Sections 185 and 185AA of the Act.

6. Financial and resource implications

If declared, the Proposed Scheme will be in place for a period of five years between 1 July 2022 and 30 June 2027. The Proposed Scheme has been designed to reflect the varying level of special benefit likely to be derived by various properties, depending on their location within the precinct.

In the first year of the Proposed Scheme, the total amount to be raised is estimated to be \$209,375 with a total amount of approximately \$1,046,875 expected over five years. The amount levied is likely to increase each year given the application of the CPI to the rate in the dollar and the minimum and maximum charges, along with likely increases in the CIV of rateable properties over the life of the Proposed Scheme.

Administration of the Proposed Scheme (if declared) will take place through Council collecting the Glenferrie Hawthorn Special Rate and Charge proceeds and then distributing them to the GRSCA in two instalments each year to spend in accordance with their strategic and annual business plans.

The provision of Scheme funds to the GRSCA will be in accordance with the terms of an agreement entered into between Council and the GRSCA, which will impose obligations regarding the use of Scheme funds and reporting to Council.

The costs of administrative time involved in establishing the Proposed Scheme, ensuring the funds are collected and approving business plans and financial reports upon which the expenditure is based is accommodated within the Local Economies team departmental budget.

In the absence a Special Rate and Charge Scheme, the GRSCA would not have the funds to pursue its objectives.>>

7. Governance issues

The list of prescribed human rights contained in the Victorian Charter of Human Rights and Responsibilities has been reviewed and it is considered the Proposed actions contained in this report present no breaches of, or infringements upon, those prescribed rights.

The officers responsible for this report have no direct or indirect interests requiring disclosure.

If Council chooses to declare the Proposed Scheme, the administration of the GRSCA will be subject to an agreement between Council and the Association.

8. Social and environmental issues

Supporting the continuing viability of local shopping centres through promotion and marketing funds provides a positive impact on community and social wellbeing by offering the local community places for interaction and convenient access to services.

Successful and vibrant local shopping centres provide the local community with accessible services and the need to travel less to obtain goods and services, and in doing so, provide an environmental benefit.

9. Evaluation and review

If the Proposed Scheme is declared, Council will enter into an agreement with the GRSCA in relation to expenditure of the proceeds.

Under this agreement, the GRSCA will be required to submit an annual budget and business plan to Council for approval prior to each financial year. The GRSCA will also be required to provide financial statements and reports and a member of the Local Economies team will attend the GRSCA's Annual General Meeting.

Payment of Scheme funds to the GRSCA will be dependent upon the GRSCA complying with its obligations under the agreement. This ensures a level of accountability concerning the use of Scheme funds.

10. Conclusion

The process outlined in this report provides a summary of submissions received following public notice of Council's intention to declare a special rate and charge for a marketing and business development fund for the Glenferrie Hawthorn Shopping and Business Centre for the purposes of Council's consideration of declaring the scheme.

The request before Council represents an ongoing commitment by the GRSCA to a coordinated approach to promoting the Centre and ensuring its continued long-term viability. It is considered the continuation of the special rate and charge scheme through the Proposed Scheme is an appropriate and important cooperative initiative between the GRSCA and Council that will confer a range of benefits on the persons required to pay the Special Rate and Charge.

Manager: **Nick Lund, Manager Liveable Communities**

Report officer: Lucinda Bakhach, Local Economies Lead

ATTACHMENT 1

Details of the Proposed Glenferrie Hawthorn Special Rate and Charge scheme**Duration**

It is proposed that the Glenferrie Hawthorn Special Rate and Charge (**Proposed Scheme**) for the Glenferrie Road Shopping and Business Centre (**Centre**) be declared for a period of five years commencing on 1 July 2022 and concluding on 30 June 2027.

Purpose

The Proposed Scheme will be declared for the purpose of defraying expenses of advertising, promotion, centre management, business development and other incidental expenses associated with the encouragement of commerce in the Centre, which Council considers is or will be of special benefit to those persons required to pay the special rate and charge.

Council will administer the Proposed Scheme and levy and collect payments. These payments will then be distributed to the Glenferrie Road Shopping Centre Association (**GRSCA**) to fulfill the purposes outlined above through its administrative, marketing, engagement and promotional activities, consistent with the agreement to be entered into.

Funds from the Proposed Scheme may also be spent on the GRSCA's administrative and management costs. For example, the GRSCA may employ a part-time bookkeeper to assist with preparation of the budget and financial records relating to the implementation of the Proposed Scheme, the salary of whom may be paid for out of the Proposed Scheme funds. The role of such a person is limited to management and administration of the Proposed Scheme, and may not be used for the carrying out of the GRSCA's affairs generally.

The above activities are all associated with the encouragement of commerce, retail and professional activity and employment at the Centre. The Proposed Scheme will enhance the viability of the precinct as a commercial, retail and professional area through increased economic activity. This, in turn, will confer a special benefit on all of the commercial properties located in and around the Centre that are liable to pay the Glenferrie Hawthorn Special Rate and Charge.

Area

The Proposed Scheme will apply to all rateable properties located in the relevant area within the Centre that are used, adapted or designed to be used primarily for commercial purposes.

The Proposed Scheme area is shown in the plan of the Glenferrie Hawthorn Special Rate and Charge Area. The area can be described as follows:

- Primary Area (Zone 1): This zone includes ground and upper level properties on Glenferrie Road and associated side streets between Barkers Road and Burwood Road, Hawthorn as shown on the boundary plan for the Glenferrie Hawthorn Special Rate and Charge; and
- Secondary Area (Zone 2): This zone includes ground and upper level properties on Burwood Road and associated side streets between Drill Street and Paterson Street, Hawthorn as shown on the boundary plan for the Glenferrie Hawthorn Special Rate and Charge.

Maximum Total Levy

Before declaring a special rate and charge scheme, Council must determine the "total amount" of the special rate and charge to be levied. The total amount may not exceed the maximum total amount calculated by the formula:

$$R \times C = S$$

where –

R is the benefit ratio, being the estimated proportion of the total benefits of the scheme to which the performance of the function or the exercise of the power relates (including all special benefits and community benefits) that will accrue as special benefits to all of the persons who are liable to pay the special rate and charge;

C is the total cost of the performance of the function or the exercise of the power; and

S is the maximum amount that may be levied from all persons who are liable to pay the special rate and charge.

Benefit ratio – ‘R’

A further formula is used to determine the benefit ratio (R):

$$\frac{\text{TSB (in)}}{\text{TSB (in) + TSB (out) + TCB}} = R$$

TSB (in) is the estimated total special benefit for those properties that Council proposes to include in the scheme.

TSB (out) is the estimated total special benefit for those properties with an identified special benefit that Council does not propose to include in the scheme.

TCB is the estimated total community benefit.

This formula is set out in accordance with section 163(2A) of the *Local Government Act* 1989 and is elaborated on in the *Ministerial Guideline on Special Rates and Charges* published in September 2004.

With respect to the total special benefits, it is determined that all rateable properties used, adapted or designed to be used primarily for commercial purposes in the Centre (as generally described above in the section under “Area”) will receive a special benefit from all of the activities undertaken with funds raised under the Proposed Scheme.

With respect to community benefits, there are no community benefits included in the Proposed Scheme. Any benefits to people visiting the businesses in the Centre are included in the special benefits conferred on those businesses.

The calculation of the benefit ratio is therefore as follows:

$$\frac{1.0 (100\%)}{1.0 (100\%) + 0 + 0} = 1.0 (100\%)$$

Total cost of the service – ‘C’

The total amount of the scheme is approximately \$1,046,875 or such other amount as is lawfully levied as a consequence of the declaration. This figure is supported by the GRSCA based on their previous expenditure, and five year strategic business and financial plan.

Maximum amount – ‘S’

Having calculated the total cost and the benefit ratio, the maximum total levy, in accordance with section 163(2A) of the *Local Government Act* 1989, is \$1,046,875 or such other amount as is lawfully levied as a consequence of the declaration. Council intends to levy this amount under the Proposed Scheme.

Apportionment

The determination of apportionment criteria (or the basis of distribution of the Glenferrie Hawthorn Special Rate and Charge) is a separate process from the calculation of the maximum total levy.

It is proposed that the Glenferrie Hawthorn Special Rate and Charge will be assessed and levied as follows:

- i. Primary Area (Zone 1) - in the first year of the special rate and charge scheme, a rate of 0.021 cents in the dollar of the Capital Improved Value (CIV) of each rateable property in the Proposed Scheme renewal area subject to the following minimum and maximum charges per occupancy per annum (Table 1).

Precinct	Minimum and Maximum per annum
<u>Primary Area (Zone 1):</u> This zone includes ground and upper level properties on Glenferrie Road and associated side streets between Barkers Road and Burwood Road, Hawthorn as shown on the Scheme boundary plan	<u>Ground level</u> Minimum - \$350 Maximum - \$5000 <u>Upper level/s</u> Minimum - \$220 Maximum - \$1500

- ii. Secondary Area (Zone 2) - in the first year of the special rate and charge scheme, a rate of 0.018 cents in the dollar of the Capital Improvement Value (CIV) of each rateable property in the Proposed Scheme renewal area subject to the following minimum and maximum charges per occupancy per annum (Table 2).

Precinct	Minimum and Maximum per annum
<u>Secondary Area (Zone 2):</u> This zone includes ground and upper level properties on Burwood Road and associated side streets between Drill Street and Paterson Street, Hawthorn as shown on the Scheme boundary plan	<u>Ground level</u> Minimum - \$250 Maximum - \$3600 <u>Upper level/s</u> Minimum - \$120 Maximum - \$1000

It is further proposed that the persons liable to pay the Glenferrie Hawthorn Special Rate and Charge will do so on the same date/s as Council's general rates are due, and that they be required to pay interest on any amount which has not been paid.

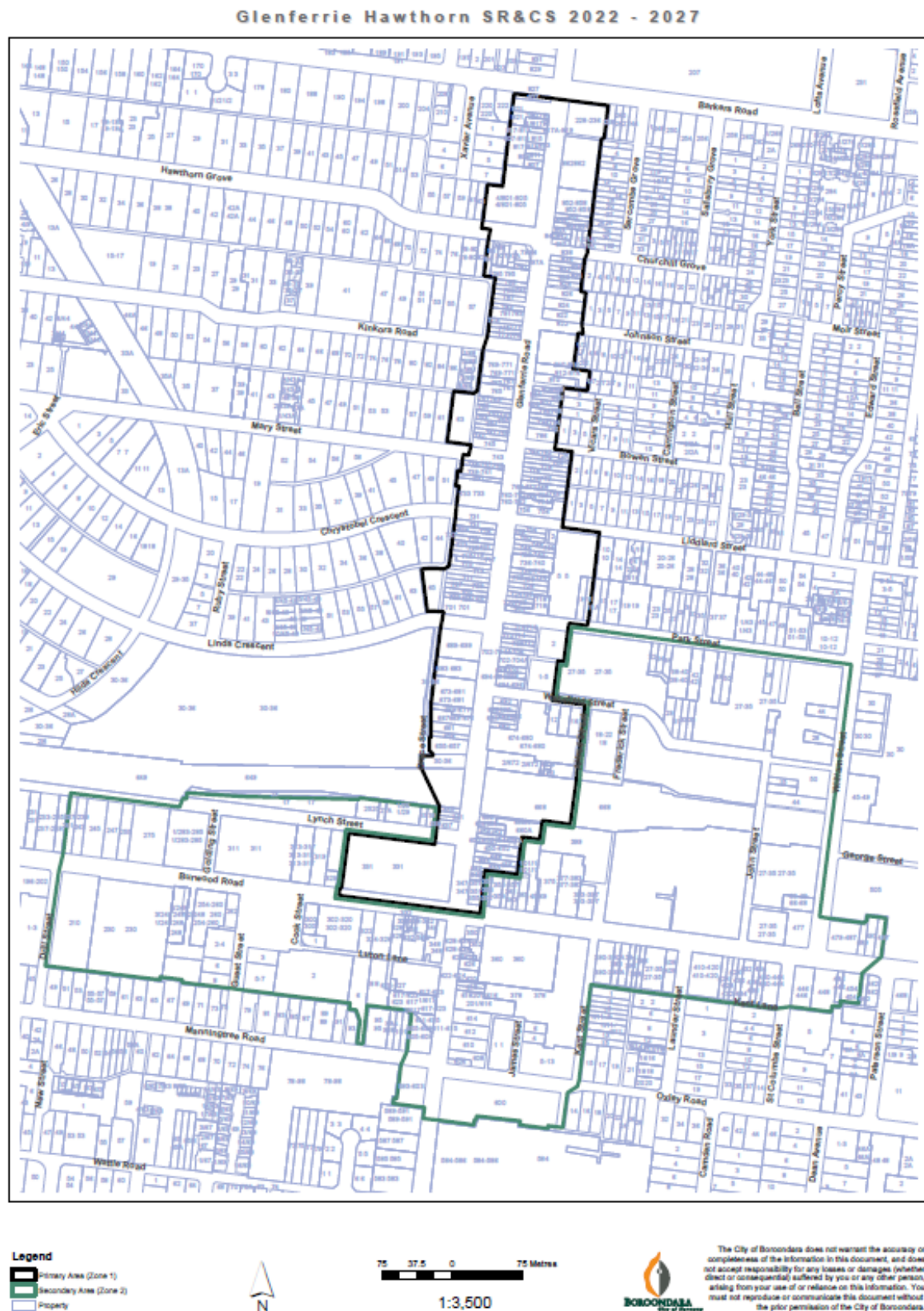
The quantum of the rate in the dollar of the CIV of each rateable property in the area, and the quantum of the minimum and maximum charges, will be adjusted on 1 July 2023 and on each anniversary of that date by the March quarter Consumer Price Index (All Groups, Melbourne) (CPI) during the 12 months preceding the end of that March quarter.

The CIV of each parcel of rateable land is the CIV of the parcel of land at the time of levying the Glenferrie Hawthorn Special Rate and Charge in each year. The CIV may change in the period

during which the Proposed Scheme is in force, reflecting any revaluations and supplementary valuations which take place.

ATTACHMENT 2

Proposed Glenferrie Hawthorn special rate and charge scheme 2022 - 2027 (the Plan)





Strategic Business Plan

2022-2027

Prepared by
Glenferrie Road Shopping Centre Association Inc.
December 2021 - January 2022

Glenferrie Road Shopping Centre Association Inc.

ATTACHMENT 3**Glenferrie Hawthorn Strategic Business Plan**2**1. INTRODUCTION**

The purpose of this report is to outline an ambitious five-year Strategic Business Plan for the Glenferrie Road Hawthorn Activity Centre. The Plan provides a consolidated vision for the centre together with an integrated set of strategies to achieve the vision and improve the centre. The Plan, funded by the City of Boroondara, has been prepared in a very consultative process involving representatives from the Glenferrie Road Hawthorn Shopping Centre Association and Council, with assistance from Creative Community Enterprises

The Business Plan is based on:

- The statement of purposes of the Association
- The Glenferrie Road Hawthorn Shopping Centre Association Business Plan for 2022/2027
- Glenferrie Place Making Consultation
- Business Survey (October 2021)
- Workshop discussion with representatives from the Association in (September / October / November 2021)

The Glenferrie Road Association is an incorporated body currently representing owners and business operators of approximately 600 rateables units consisting of approximately 300 businesses. The Statement of Purposes of the Association is as follows:

- To work in conjunction with the Glenferrie Place Making Team to act as the central coordinating body to help in the post COVID recovery of the Glenferrie Road Shopping Centre
- To serve as a collective voice for businesses in the centre
- To direct and manage funds collected for marketing and business improvement in the centre
- To develop Glenferrie Road Shopping Centre Brand
- To organise marketing, promotion, business, and community development programs to enhance the centre
- To connect with existing customers in the centre and undertake activities to attract new customers
- To encourage stronger customer loyalty to the goods and services provided in the centre
- To communicate regularly with traders and other business operators in the centre
- To assist in improving the mix of businesses in the centre where possible
- To assist and advise business in the centre on techniques to improve their performance
- To continue to develop a stronger relationship with Council in discussing matters of mutual concern to improve the centre
- To lobby Council and Government for improvements in the appearance and operation of the centre
- To authorise and administer the expenditure of monies raised under the Special Rate Scheme - Glenferrie Road

The Association operates through a Committee of Management and a centre coordinator. The Association is funded by a special rate levied by the City of Boroondara, currently raising approximately \$ 224000 in 2020/21. In addition, Council provided \$ 40,000 in 2020/21 for the Glenferrie Road Festival. Details of the Committee and coordinator as well as the special rate are provided in the Appendix.

Glenferrie Road Shopping Centre Association Inc.

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Glenferrie Hawthorn Strategic Business Plan

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2. PROFILE OF THE CENTRE

Glenferrie Road Hawthorn is located approximately six kilometers east of the Melbourne CBD. A plan of the centre supported by the current (2017-2022) special rate and charge in Figure 1. There are no proposed changes to the areas.

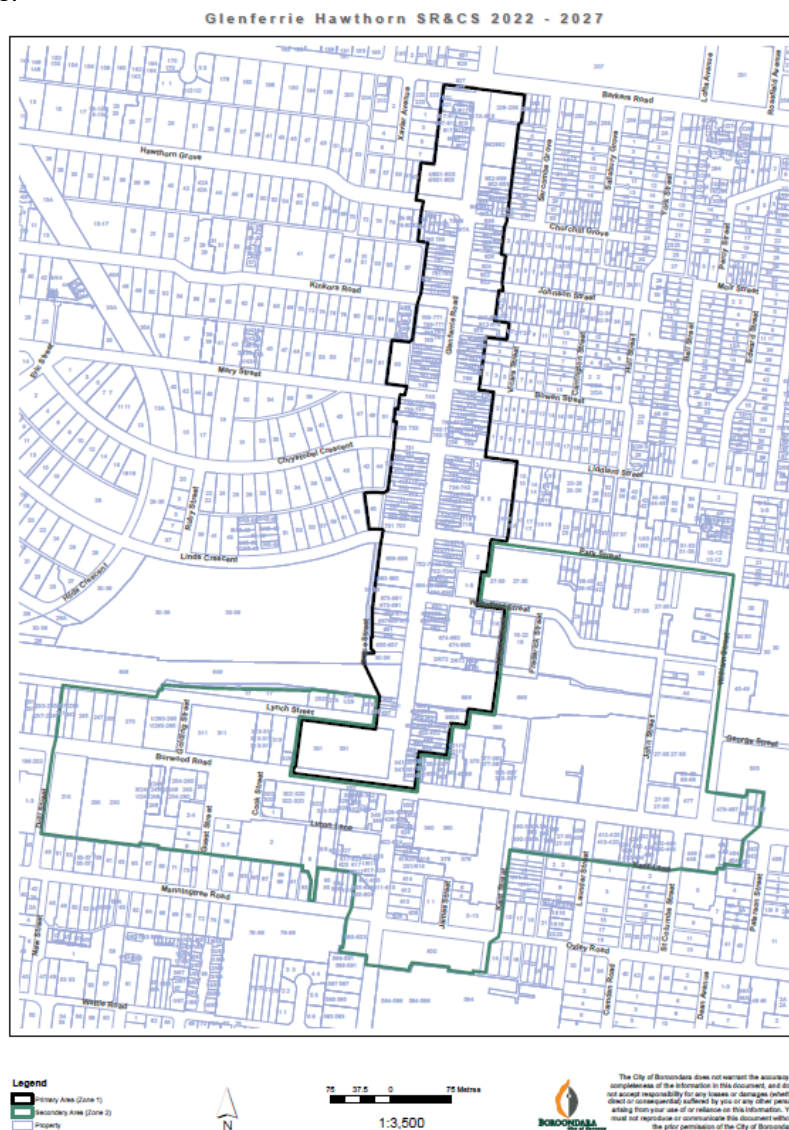


Figure 1 Extent of the Glenferrie Activity Centre

Extent of the Glenferrie Activity Centre

The Glenferrie Hawthorn centre has a total retail and commercial area of approximately 160,000 square metres in 2021 and is a focal point for a wide range of economic and social activities, including retail facilities, commercial offices, higher educational, community and civic facilities, as well as leisure and entertainment uses.

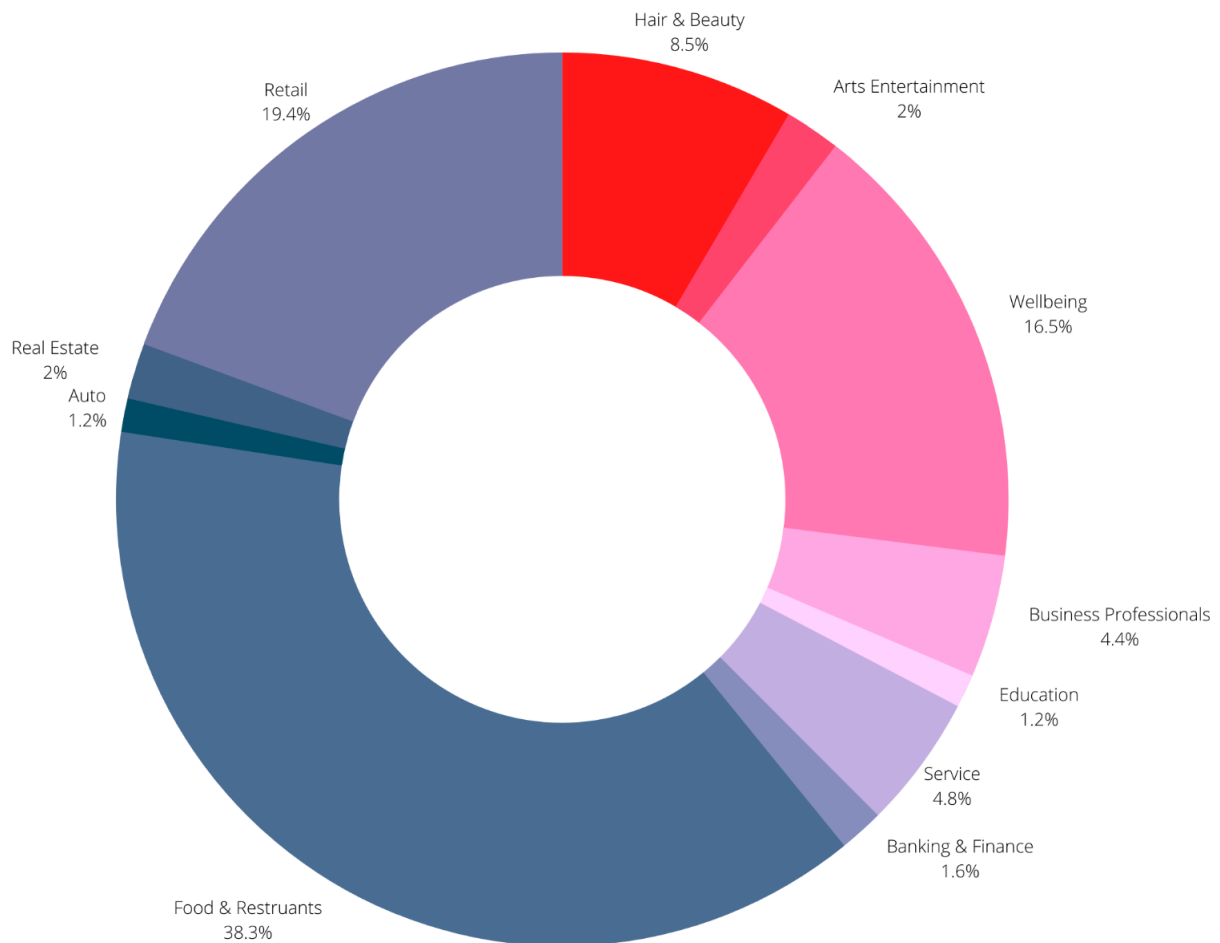
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Glenferrie Hawthorn is a highly successful and vibrant shopping centre that serves the needs of residents, as well as people who visit the centre for work or study. The primary retail catchment area is within a 3-kilometre radius of the centre. Smaller scale office functions also are an important part of its commercial role. Complementing both the retail and office roles is its extensive food and entertainment offer, which is an important contributor to the life and activity of the streets.

The Swinburne University campus and associated student housing make Glenferrie a key higher educational hub in eastern Melbourne.

Glenferrie Hawthorn Business Mix October 2021

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3. MARKETING OVERVIEW

Over the last 5 years, the marketing program undertaken by the Glenferrie Hawthorn Shopping Centre Association has focused on delivering events and in centre promotions to best provide a vehicle for our traders to capitalise on residents and encourage them to re-engage with the local businesses. Some of the below activities were postponed due to the COVID 19 restrictions in 2020/2021.

The **Glenferrie Festival** is now one of the largest community festivals in Melbourne and is now considered to be a major event by the Victorian State Government. 2017 saw the largest festival yet, with over 100,000 people attending, 230 stalls, raising more than \$35,000 for local community organisation and continued with similar results in 2018/19. The event was canceled in 2020 due to the COVID 19 pandemic. As the event grows the actual spend becomes less through income and sponsorship for the event. Aim over the 2022/2027 period is to reduce the actual cost to the traders.

Halloween has now been running for 8 years, with over 4000 attending in 2019, this brings out the whole community who enjoy the evening trick or treating and then dining in local eateries.

Christmas The trader's association have added to the festive decorations supplied by the City of Boroondara, each year the trader's association has had Santa in the precinct, with Santa appearing Virtually in 2020 so he was COVID Safe.

Tag Magazine was launched in 2015, a 32-page lifestyle, hyper local content marketing publication delivered to 5000 homes with a readership of over 15,000 per edition. Publication was ceased in 2020 and will be moved online going forward.

Seasonal Promotions, each year the GTA has produce seasonal promotions such as Mother's Day shop and Win, Easter Shop and Win, Father's Day Shop and Win. All the above promotions promoted the precinct through social media. Thanking our locals while increasing the engagement on our social media platforms.

Shop Local Campaign & Bin wraps Shop local campaign has been a huge success with much talk being created by the initiative, shop local combined with our use of bin wraps have been the cornerstone of all marketing, drawing attention from both locally and afar.

Park Street Market PMS, Run over the summer of 2020/2021 for three months and due for return December of each year in the lead up to Christmas each year. PSM creates an opportunity for business across the whole precinct to come together in a community market, concentrating on produce and Christmas the market was well attended by locals who loved the concept

www.glenferrie.com.au has grown to be a "go to" for locals and traders alike over the last 5 years. The site consistently has over 7,000 unique visitors per month, listing over 90 unique events each month totaling in over 1,000 events per year as well as local trader Job listings, business articles and a member resources section that has proved invaluable over the pandemic.

Social Media the GTA operate two social media handles across Facebook and Instagram, over the 5 years of the current SRCS the GTA have significantly increased its followers and the engagement across both handles. When compared to like trader' associations, it has outperformed in both attracting new followers and increasing engagement.

Communication. The GTA regularly communicates to its membership. The last two years has seen the communication not only increase significantly but also in complexity due to the pandemic. The GTA on average has communicated with its members 125 times per year. The GTA regularly communicates to its

Glenferrie Road Shopping Centre Association Inc.

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local audience up to 4 times per day through social media.

Community Partnering & Engagement. The GTA are truly part of the community, with strong mutually beneficial partnerships with Hawthorn Community Chest, Camberwell Rotary, Servants Community Housing, Hawthorn Community House, Inner East Health and Swinburne University. Improve existing relationships with local primary schools.

4. CONSULTATION & FEEDBACK

Community Consultation External.

The people that make up the Glenferrie Hawthorn Community have been consulted in several different ways over the last few years about what they want from their precinct, previously those consultations have been narrowly skewed towards the desired outcomes of the GTA membership. In 2019 the City of Boroondara initiated the Glenferrie Placemaking Project, where more than 1000 people shared their ideas at the Glenferrie Festival, 400 residents were surveyed by phone and over 200 people attended in person seminars/workshops. For the first time we now have an idea of what our end user wants. They result of the consultation differ from what the GTA members perceive they want. The GTA have used the results of this consultation in its development of the 5-year strategic plan.

The Draft Place Plan for revitalizing Glenferrie is included in the Appendix.

Community Consultation Internal.

Over the last 5 years the GTA has surveyed residents about what they want in their local precinct. The emphasis was about what we could do better as a trading group.

Key findings:

Aspects of the centre that were well regarded by customers at that time were its positive energy and its dynamic feel, the considerable choice of cafes and dining experiences, together with the dynamic influx of the student population. The centre was active both day and night. The survey also highlighted the everyday convenience of the supermarkets and banks, variety of businesses, Lido Cinema, Hawthorn Leisure and Aquatic Centre, old-fashioned village ambience and the quality and variety of food that was available, access to public transport and the improved bike lane.

The Glenferrie Festival, spring horses had 69% of respondents recalling the events/promotion.

97% of respondents thought that the Glenferrie Festival was 100% financed and organised by the City of Boroondara, due to the scale & complexity.

Aspects less well regarded were the traffic congestion, lack of appropriate parking, cleanliness of the precinct and the number of cheaper fast-food stores did not represent the local community.

The most important improvements suggested by customers at that time were footpath improvements (wider & cleaner), more parking, longer parking times so they could enjoy all that Glenferrie has to offer. Improved lighting, greater variety of shops, more major events/opportunities to go out within the precinct, improved facilities such as toilets and baby change rooms, bike parking that represent the local residents.

Key new businesses that were desired in the centre at that time were a greater variety of non-fast-food retailers, bar's, sit down restaurants, consumer electronics, homewares, large format supermarket, fresh produce, and Saturday Markets. Overwhelmingly our local catchment wants high quality, high service

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businesses. They want to shop local. Quality products (locally preferred), high service with knowledge is the desire.

Business Sentiment

The Glenferrie Trades Association has over the previous 5 years been in regular contact with its members, via email newsletters and face to face.

Over the last 2 years of restrictions due to COVID 19 the GTA has been a vital source of information for our members. Many of our members have commented that it has been their go to source during the pandemic as it was timely and in an easily digestible form.

Our coordinators even during lockdowns were available for all traders 7 days and would do physical checkups on businesses to see how they were coping either via phone or face to face.

The GTA committee along with our coordinators regularly visit businesses in the precinct to speak to our membership about up-and-coming events, networking, meetings, online forums, trading patterns and assistance they may need. Our membership is cautious about the future, but they have become more engaged with the Association which is born out in the actual physical number of businesses attending or wanting to be involved with what the GTA is doing even if some are still wary of attending events due to COVID 19.

- October AGM – Online 22 businesses attended
- December Networking event attracted 55 business representatives
- Christmas Markets, 45 businesses participated.
- Glenferrie Festival 2022, 143 GTA member businesses are currently registered to participate, this will increase as we get closer to the date.

The Glenferrie Traders Association Committee (17 Active Committee Members), through its regular interactions with our members are confident that a majority of our traders will support the cooperative marketing scheme for 2022 – 2027.

During the 2nd quarter of the 2020/2021 financial year, the GTA conducted an online Business Survey which was distributed to all business on the GTA data base. The summary of the findings is outlined below.

Key findings of survey:

Support for the marketing and business development supplied by the association was very strong with 79% of respondents reporting they would like to see the marketing and business development fund (scheme) continue to support the activities of the association.

The majority of respondents came from the “Food & Restaurants” (40%) and Health and Wellbeing”(30%), 80% were business owners.

Issues effecting business performance:

- 77% of respondents ranked parking as the most pressing issue that they would like the association to represent their views on.
- 73% wanted the association to assist with the vacancies rate in the precinct
- 91% of respondents wanted the association to assist with the general cleanliness of the precinct

Participation / Communication

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- 3% of respondents wanted to take an active role in the association (join the management committee)
- 66% of respondents reported participating in marketing and events that were facilitated by the association over the last 12 months (COVID Period)
- 97% reported regularly receiving communication from the association.
- 92% of respondents found the assistance offered by the association during COVID 19 was very helpful
- 90% of respondents said that the association COVID 19 updates were their main source of information regarding restrictions, grants and general COVID 19 information.

Performance

- 78% of respondents believed the association had assisted them over the last 12 months.
- 93% of respondents believed that their business would improve over the next 12 months.
- 62% of respondents were either somewhat satisfied to extremely satisfied with the centres marketing and promotional events over the last 12 months.

Awareness

- 93% were aware of the GTA
- 42% of respondents were aware of the contribution to the scheme that supports the center manager in facilitating marketing, promotions and festivals and support.
- 38% of respondents were aware of the center logo.
- 69% of respondents were aware of the GTA website

Survey Support for the Scheme

- 79% of respondents reporting they would like to see the marketing and business development fund (scheme) continue to support the activities of the association.
- 8% of respondents reported they would not like to see the marketing and business development fund (scheme) continue to support the activities of the association. This was mainly due to trying to reduce outgoings in line with reduced revenue due to COVID 19
- 88% of respondents would like to see the Glenferrie Festival continue.
- 21% have sought more information about the association and its plans for 2022

The Glenferrie Traders Association Committee believe that regular feedback received from our members (qualitative) combined with the results of the business survey (quantitative) that there is strong support for a special rate to support the marketing activities of the Glenferrie Traders Association.

Business Visioning Workshops

A Business workshop was held, in October, the feedback from this workshop has been used in the

Glenferrie Road Shopping Centre Association Inc.

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5. KEY ISSUES AND OPPORTUNITIES**Strengths**

The strengths of the centre are considered to be its variety and eclectic nature; leisure and lifestyle orientation; the positive energy and dynamic of the centre, reflecting the choice of retail, cafes and dining experiences, together with the dynamic of a student population, young affluent families and retirees; its day and night activity; its affluent catchment area; the everyday convenience of the supermarkets, fresh food outlets and banks; availability of public transport; close to Swinburne University and private schools; range of specialist retail businesses and well known franchise chain stores with savvy experienced and resilient traders; strong business services niche; the high level of employment particularly in the education sector.

Weaknesses

The weaknesses of the centre are considered to be its very elongated shape, disconnected pedestrian flow and congested traffic conditions; the perceived difficulties in getting a car parking space; high rents; imbalance in the business mix towards food at the expense of general merchandise; vandalism caused by night time patrons; lack of greenery; lack of signage to off-street parking areas; limited lighting in some areas; overhead powerlines and tram lines; lack of public toilets/facilities; the poor state of the public transport interchange around Glenferrie Station; little understanding of the role of Council v's the Traders Association.

Opportunities

The opportunities of the centre are considered to be its potential to be a stronger destination centre; new commercial development opportunities; the extent of Council support and resources available to all businesses; more involvement from young people and the local school communities; new marketing initiatives (e marketing); implementation of the recently approved Glenferrie Place Plan in terms of physical improvements in the centre; developing strong relationships with Swinburne University (particularly its international students); encouraging more intensive residential development in and near the centre; developing stronger business-to-business links; enhancing the website; improving communication with businesses.

Major opportunity is to grow the income of the GTA, adopting a commercial philosophy that meets our traders needs and our vision, increasing visitation and visitor spend. Creating Events that have a commercial outcome that can then fund other promotional activity. The GTA have seen how this has started to happen with the Glenferrie Festival and now have the opportunity to further expand.

Threats

The threats to the centre are considered to be:

- Increased completion from major centers, offer, parking, continual investment/improvement in facilities
- Swinburn – Reduced capacity, onsite tuition after COVID 19 (Students & Teaching Staff)
- Business Mix (Station Precinct) is currently skewed towards students, with high rents many businesses will fold in this area.
- Business Mix Quality – Resident's expectations not being met by the types of businesses opening and bypassing the precinct
- Online Retail
- Vacancy Rates / Rent – per square meter significantly higher on average than other like centres
- Work From Home - reeducation in office staff supporting businesses during the week

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4. FUTURE DIRECTIONS

Vision

Glenferrie will be a vibrant and accessible place where everyone feels welcome; where people meet to shop, learn, and experience. The local economy and community will flourish, with people and businesses representing the area's rich diversity. As a thriving retail and commercial centre, it will provide for the needs of the local community, students, academics, and commercial operators. Glenferrie has the best of everything and is recognised as the pre-eminent precinct in eastern Melbourne for shopping, entertainment, and services.

Goals

- **Provide tangible benefits to Association members**

This will involve an active marketing program, effective communication with stakeholders and business development support across all major categories.

- **Manage an effective and efficient Association**

The committee of management will meet governance requirements through regular meetings, sound procedures, and responsible funds management.

- **Seek improved physical amenity, create a personality for the precinct**

Included in this goal are the needs to maintain centre appearance and to seek improvements in infrastructure, design, streetscape, art and facilities such as parking and pedestrian access and shop upgrades, in line with the Glenferrie Placemaking Draft Proposal

- **Explore productive community partnerships**

Within resource constraints support will be provided for local charitable organisations and opportunities for mutually beneficial programs and events identified and implemented.

Objectives

- To improve awareness of range of businesses, amenities, promotions, and events
- To develop our 'brand' and 'personality' for the precinct to give it a strong image and identity for both our customers and the traders to buy into
- To seek the best parking options, pedestrian access for customers and staff
- To encourage public transport and bike riders, [both customers and staff]
- To improve visitation to peripheral areas i.e. Burwood Road East & West, Glenferrie Road South of Burwood Road
- To build on Centre's position as the major activity centre in Boroondara and as a premium lifestyle activity centre, where there is always something happening
- To increase customer visitation
- To improve vacancy rates
- To attract quality businesses to the area

Mission Statement of the Association

To promote and market the Glenferrie Hawthorn Precinct as a convenient essential provider of goods and services to internal and external customers

Glenferrie Road Shopping Centre Association Inc.

Principles and Values

The values that underpin the precinct are for all our members and stakeholders to work together with integrity, consideration, respect and support toward each other, staff, customers, visitors and the local community. The values that drive our Association are accountability, openness, cooperation, and responsiveness.

5. STRATEGIES AND ACTIONS

The following set of strategies and actions aims to realise the vision for the Glenferrie Road Precinct. The Key priorities over the next five years are:

5.1 Marketing and Public Relations

This is the major priority of the Association's work. The marketing program is to continue with the current branding statement as well as continuing the emphasis on events. More engagement with property owners about the overall marketing approach is to occur. The recommended strategies are:

Strategic Marketing

- www.glenferrie.com.au to become the preeminent authoritative resource for residents and visitors to use when wanting to know what is happening in Glenferrie. As an aggregate of over 100 unique events in the precinct combined with GTA initiated major events, we plan to grow the traffic and recall.
- Make greater use of the City of Boroondara's website and Facebook to promote images and stories about the Precinct
- Work to establish Glenferrie Hawthorn as a stronger tourist destination through involvement with the Destination Melbourne program and other tourism opportunities.

Major Events

"There is always something happening in Glenferrie"

The Glenferrie Precinct over the last 5 years has consolidated it with over 100 unique events each month generated by our trading group and Arts and Culture precinct that is home to events throughout the year, Glenferrie has a competitive advantage 4 key major events each year that will not only promote the area as a key Boroondara Entertainment Precinct, increasing visitation and impacting on the local economy, but also ensuring that all our major business categories are promoted.

The 4 Key Events Are:

- Glenferrie Festival – March each year
- Boroondara Health and Wellbeing Expo - August year 1 & April & August subsequent years
- GlenCom – Comedy Festival - October each year
- Glenferrie Christmas Markets – Nov/Dec each year

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Projected attendance and economic impact included in section 6.3.

Digital Marketing

- www.glenferrie.com.au to become the preeminent authoritative resource for residents and visitors to use when wanting to know what is happening in Glenferrie. As an aggregate of over 100 unique events in the precinct combined with GTA initiated major events, we plan to grow the traffic and recall. Local Job's, Business Profiles, customer offers.
- www.glenferrie.com.au to become the go to for all members for information that will assist them with their business, B2B offers, members resources, precinct prospectus, leasing, promotional information and how to become involved all in one place with easy digital forms that capture all interactions between members and the association.
- Segmentation of social channels to better to communicate to each customer profile, through the use of FB, Insta, Youtube, Podcasts and Tick Tok targeting strategies.
- 4 Promotional Activities planned specifically to increase social media uptake of each channel and promote specific business categories not captured in the Major Event Categories

5.2 Community Development

Community development is an important spin-off of the current marketing and promotional strategies being undertaken by the Association. The recommended strategies for the future are:

- Continue to involve schools, kindergartens, sporting clubs, artist groups and other community organisation in the Centre's promotional activities, particularly the Glenferrie Road Festival.
- Continue to organise and provide shop and give gift cards for community groups
- Designate a particular charity such as the Hawthorn Community Chest and Rotary to which the Association would develop partnership and sponsorship arrangements
- Develop links and mutual support measures with local community organisation such as the Hawthorn Community House, Inner East Health, and the Glenferrie Primary School.
- aid international students at Swinburne University
- Continue to support the Servants community housing, integrating its residents into the local community and developing training and employment opportunities.

5.3 Business Development**Retaining and Improving Existing Businesses**

It is important to have continuous upgrading, development, and renewal of products/services, shopfronts, and service. The recommended strategies over the long Glenferrie Road Shopping Centre Association Inc.

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term are:

- Continue to inform and encourage businesses to participate in professional development and training programs (including those seminars and workshops organised by the City of Boroondara) to build up their skills and make improvements to individual shops and offices
- Assist businesses in developing an online component of their business through developing a website
- Apply collective pressure on businesses to make improvements to shop facades, signage, and internal presentation to project a smarter more engaging image
- Continue with assistance of Swinburne University Student, market research on business needs/desires for business development and training

Improving the Business Mix by Attracting Appropriate New Businesses

It is recommended that the following measures be taken to strengthen the Centre's business mix:

- Monitor Glenferrie Hawthorn's business mix to identify gaps and develop a list of desired new businesses (e.g., boutique or unique businesses)
- Develop a brief prospectus for investors outlining the case for establishing the proposed new operations in the centre, indicating its current mix, primary catchment area, sociodemographic profile, and future vision.
- Approach landlords and real estate agencies and encourage them to attract the desired new businesses, suggest popups for empty stores
- Directly approach the desired new types of businesses and present them with the prospectus, and encourage them to locate at Glenferrie Hawthorn

Improving Resilience: association, businesses & landlords: Recover & Grow during COVID 19

Key learnings from the impact of COVID 19 is that the association, businesses, and landlords need to more resilient and able to pivot their business model to adapt in time frames that were previously unheard of. The Glenferrie Traders Association promotional program will help businesses and the precinct to head towards recovery, however it is improving resilience and agility across all stakeholders that will be key to a sustainable post pandemic recovery and sustainable growth.

- Future Proofing: Work with Swinburne to develop a program, audit for businesses and landlords, to understand gaps in business models and possible threats and how to turn them into opportunities or mitigate losses.
- Education, Adaptations and Actions: Source relevant and practical training and development programs/strategies to assist all stake holders grow their understanding and knowledge

5.4 Car Parking, Streetscape, and Infrastructure Improvements

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This is a key priority. The recommended strategies are:

- The below recommendations have been reinforced by the adoption of the Glenferrie Draft Plan, which the trader's association fully supports as of 26th October 2021
- Lobby Council to establish a multi-level car park to address the needs of Glenferrie businesses and Swinburne University students, explore opportunities of public, private partnership model.
- Continue to work with Council to develop and implement a coordinated Streetscape Plan for the wider Glenferrie Precinct, develop plan that will include the adaption of PTV super stops, to attract funding from PTV and State Authorities for streetscape improvements.
- As part of this plan, design a more pedestrian-friendly centre with wider footpaths providing larger spaces for outdoor dining, entertainment, and other leisure activities
- Lobby VIC Track to improve the area adjacent to the railway station with better lighting and other measures to enhance the safety of the area
- Lobby to improve the appearance of the railway line bridge including lighting of the bridge at night
- Encourage the organisation of transport planning research to establish the modes of transport used to access different parts of the Precinct, the period of visitation for different types of activities, perceived problems, and desired solutions
- Promote alternatives to car travel to and in the Precinct, such as walking, cycling, and public transport by encouraging improvements to infrastructure (e.g., location of and frequency of bicycle racks) supporting these alternatives

6. MANAGEMENT AND FINANCE

For the success of an ongoing business development and marketing program in Glenferrie Road, it is critical to sustain a strong association with a professional part time coordinator. The recommended strategies are:

6.1 Glenferrie Road Hawthorn Shopping Centre Association

The recommended strategies to sustain and improve the management and communication processes are:

- Continue to elect a strong Committee each year. Work to ensure that there is an appropriate representation on the Committee from different types of businesses with different skills in different parts of the centre. Develop a succession plan for the executive members.
- Continue to organise regular meetings of the Committee to direct and monitor the Glenferrie Road Shopping Centre Association Inc.

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agreed program of activities

- Establish Committee members as representatives/ambassadors for designated precincts in the centre. Encourage regular street walking and visits by Committee members to businesses in their respective precincts to enhance the Committee's visibility
- Work to achieve more active involvement in the Association from businesses with fresh ideas
- Continue to take a very pro-active role with the City of Boroondara and other Government agencies in facilitating improvements in the centre. Encourage Council to continue to provide regular audits of public infrastructure and ongoing infrastructure maintenance
- Continue to communicate and connect effectively with businesses in the centre. Continue to prepare and distribute a monthly newsletter and to make regular visits to keep businesses up to date with proposed new events and activities in the centre

6.2 Centre and Marketing Coordinator

The Association is committed to continuing to employ a centre and marketing coordinator for 25 hours per week. The key strategies going forward for the coordinator to achieve this are:

- To generate funding/income streams other than the special rate and/or charge scheme or grants from the City of Boroondara to fund further marketing and business development opportunities - target of \$352,00 per annum as detailed in 6.3. **Target for 2017/2022 was \$52,000 pa, \$97,000 achieved on average each year*
- Expand the branding, strategic marketing, and promotional initiatives, as outlined above
- Continue to communicate the marketing agenda with all businesses in the wider centre through regular electronic updates and personal visits to business premises. Develop stronger connections with major businesses along Burwood Road
- Continue to encourage all businesses to develop their electronic communication and social networking capability, starting in the first instance with email
- Continue to maintain strong relationships with the local community to continue to foster ongoing connections with the centre including during centre promotions and develop stronger loyalty from these groups towards the centre
- Undertake discussions with property owners and real estate agents to encourage improvements to the appearance of buildings in the centre as well as to encourage appropriate new businesses to be interested in establishing in the centre as

Glenferrie Road Shopping Centre Association Inc.

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vacancies arise

- Continue to inform businesses about training programs to motivate and educate them to make improvements to their businesses
- Continue to lobby, with the Committee executive, Council, and other Government agencies to achieve the recommended car parking and streetscape improvement priorities outlined above

6.3 Financial Strategy

The proposed Glenferrie Hawthorn program has been based on an annual special rate of \$209,375 plus income generated by events, advertising, and sponsorship. The proposed scheme factor in annual CPI increases also assist in keeping pace with increase in costs, however understanding the challenging economic landscape and the increased need to keep cost to businesses at a minimum and the increased ability of the association to raise funds through other means the committee decided to request council to decrease the percentage rate and adjust the minimum and maximum charges of the proposed scheme.

It is estimated that the cost/expenditure of undertaking the proposed marketing, community, and business development initiatives as outline in the Strategic Business Plan will be approximately \$561,530 in 2022 – 2023. A strategic breakdown of the overall budget in 2022 -2023, this will form the base plan for the period of 2022/2027 among key activities is estimated as follows:

Glenferrie Road Shopping Centre Association Inc.

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Income	Income	Grants	Totals	% of Income	Projected Event Attendance	Estimated \$ spend per customer	Multiplier Effect Additional Spend Generated by GTA
Projected SRCS Income Year 1	\$ 209,375		\$ 209,375	37.1%			
Sponsorship Festival	\$ 10,000		\$ 10,000	1.8%			
Glenferrie Festival Income	\$ 60,000	\$41,000	\$ 101,000	17.9%			
GlenCom - Comedy Festival Income	\$ 241,000		\$ 241,000	42.7%			
Comedy festival Sponsorship	\$ -		\$ -	0.0%			
Total Income	\$ 520,375	\$41,000	\$ 561,375	100.0%			
Expenditure			Totals	% of Spend	Projected Additional \$ Generated		
Events - Core Major							
Glenferrie Festival (March)			\$ 180,000	32.4%			
Boroondara Wellbeing Expo (Aug)			\$ 12,000	2.2%			
GlenCom - Comedy Festival (Oct)			\$ 241,000	43.3%			
Christmas Market (Nov - Dec)			\$ 16,000	2.9%			
Promotions - Non Core							
Mother's Day (May)			\$ 2,500	0.4%			
Father's Day (Sept)			\$ 2,500	0.4%			
Hair & Beauty (Oct)			\$ 2,500	0.4%			
Marketing Manager 25 hours/week							
Creative Community Enterprises (CCE)			\$ 80,000	14.4%			
Social Media	Included in CCE		\$ -	0.0%			
Website							
Hosting			\$ 560	0.1%			
Maintenance	Included in CCE		\$ -	0.0%			
Content Creation	Included in CCE		\$ -	0.0%			
Data	Included in CCE		\$ -	0.0%			
Operational Costs							
Insurance			\$ 4,650	0.8%			
Book Keeping	Included in CCE		\$ -	0.0%			
Monthly Audit			\$ 4,200	0.8%			
Graffiti Removal Program			\$ 7,793	1.3%			
Subscriptions/Comms/Other			\$ 7,800	0.9%			
Total Expenses			\$ 561,503				
Total Projected Income			\$ 561,375				
Difference between Income SRC \$ & Projected spend			-\$ 352,128				

Expenditure for the proposed program through will exceed the funds received by Glenferrie Road Shopping Centre Association through the special rate and charge scheme by \$351,458.9. This shortfall will be made up through revenue sourced the following ways: Figures based on conservative projections.

Income - Glenferrie Festival *Based on previous income	\$ 60,000
Sponsorship - Glenferrie Festival *Based on previous	\$ 10,000
Triennial Grant – Glenferrie Festival *1 year remaining	\$ 41,000
Ticket Sales – Comedy Festival *60% ticket sales	\$ 241,000
Total	\$ 352,000

Glenferrie Road Shopping Centre Association Inc.

ATTACHMENT 3**Glenferrie Hawthorn Strategic Business Plan**

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The Glenferrie Festival is currently funded partly by the City of Boroondara through a Triennial Community Strengthening Grant, the amount is \$41,000 pa. This grant expires in 2022. The Glenferrie Road Shopping Centre will apply for a further 3 years of grant funding for 2024 - 2027. This has been included in the Financial Strategy

The GRSCA will expand its program while providing its members a return to the original base rate of the scheme equivalent to Year 1 2012. This will be compensated through generating income outside of the special rate levy:

- Sponsorship – Glenferrie Festival, Comedy Festival
- Ticket Sales – Comedy Festival
- Glenferrie Festival Income – Ride Ticket Sales, Site Sales, Merchandise
- Grants: Local Government, VIC State Government

The Association will continue to have a financial accountability system in place to meet the reporting requirements of both Consumer Affairs Victoria and the City of Boroondara's Contract with Business Associations relating to the special rate.

6.4 Monitoring and Evaluation

The degree of achievement of the actions outlined in the Business Plan is to be evaluated at regular intervals throughout each financial year.

Key performance indicators to be included in the evaluation are:

- extent of completion of projects specified in the Business Plan
- extent of business involvement and engagement with the Association Committee
- level of business participation in activities and promotions
- business and customer perceptions about the success of individual promotions and advertising campaigns
- business perceptions about changes in the overall profile and trading performance of the centre
- financial accountability
- Business Survey conducted yearly
- Customer Survey conducted yearly
- Income v's Outgoings

An evaluation report is to be prepared for the Association at the end of each financial year of the program. The report is to address the degree of compliance with the performance indicators outlined above. It is to be

submitted to Council as part of the accountability requirements for the program. It also is to be used as a basis for developing a more detailed action program and budget for the following financial year.

A simple chart is to be developed and regularly updated during each financial year of the five-year program. The chart is to indicate, for each strategy in the Business Plan, the progress in achievement and the overall outcomes after completion

Glenferrie Road Shopping Centre Association Inc.

Appendix

The Appendix provides further background information on the Glenferrie Road Hawthorn centre, its management committee, centre coordinator and special rate details.

The Glenferrie Placemaking Draft Report

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Management Committee

The Committee of the Glenferrie Road Shopping Centre Association and Centre Coordinator for 2021/2022 are:

- President – Wendy Fantasia
- Vice President – Neville Lee
- Secretary – Sam Aldemir
- Treasurer – Marc Brown
- Centre Marketing Manager – Steve Williams
- Committee Members
 - Gary Mink
 - Lucas Hipkins
 - Michaela Dwyer
 - Leon Mugavin
 - Mathew Phillip
 - Steph Horn
 - Kim Burton
 - Bruno Dipietro
 - Nick Angelopoulos
 - Montserrat Pezzimenti
 - Olga Makarova

Current Special Rate Details

The Association is funded primarily by a special rate and charge scheme covering approximately 600 ratable units in the defined centre. In the first year Council declared a special rate and charge for the centre raised \$208,000 with a CPI increment in each of the following five years. The current special rate and charge scheme expires on 30 June 2022, thus the need to support a further renewal to continue marketing and business development activities in the centre.

Data Base

The Glenferrie Traders Data Base consists of 284 unique businesses, 43 Community Groups which make up the approximately 600 ratable units in the defined precinct.

Glenferrie Road Shopping Centre Association Inc.

ATTACHMENT 4



Glenferrie Road Shopping Centre Association Inc (A0034478D)

PO Box 2051

HAWTHORN VIC 3122

10th September 2021

Attention Ms Lucinda Bakhach
Local Economies Lead
City of Boroondara
Private Bag 1
CAMBERWELL VIC 3124

Dear Lucinda

**GLENFERRIE ROAD SHOPPING CENTRE ASSOCIATION MARKETING AND BUSINESS DEVELOPMENT
FUND**

The current five-year Marketing and Business Development Fund concludes in June 2022. At the Glenferrie Road Shopping Centre Association meeting held on August 6th 2021 it was agreed that the scheme was beneficial for business in the Glenferrie & Burwood Road precinct. The Committee supported the request to renew the scheme for a further five years.

On behalf of the Glenferrie Road Shopping Centre Association, I request that the Council initiates a process for a rate and or charge to continue the marketing, promotion, and business development of the Activity Centre.

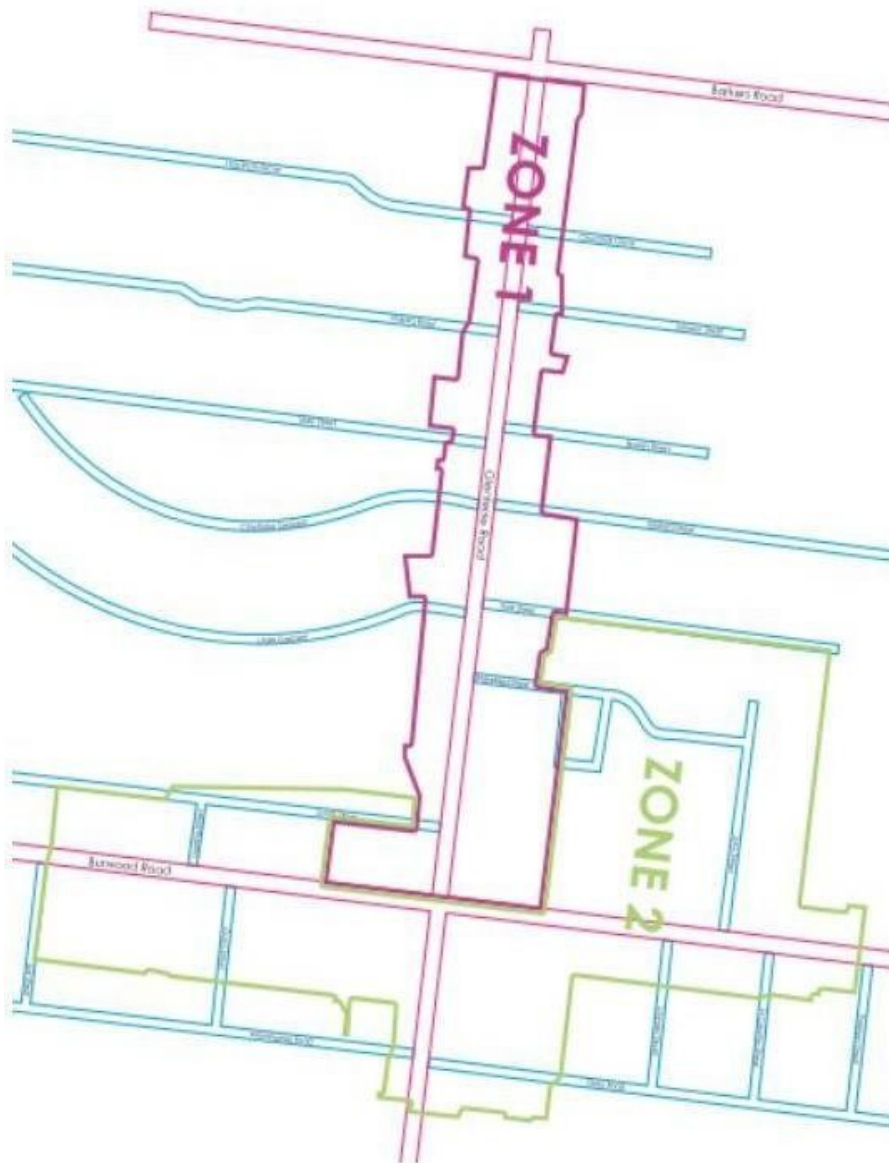
The purpose of the scheme is for advertising, promotion, centre management, business development and other incidental activities associated with the encouragement of commerce in Glenferrie & Burwood Road Activity Centre. The scheme is proposed to operate for a period of 5 years from July 1, 2022 to June 30, 2027

The proposed properties to be covered by the renewed special rate and charge are reflected in the attached plan. The area can generally be described as all ground and upper level commercial properties in Glenferrie Hawthorn Shopping Precinct are comprising of.

- Glenferrie Road and associated side streets between Barkers Road and Oxley Road
- Burwood Road and associated side street between Drill Street and Paterson Street

It is proposed that there be a designated Primary and Secondary Area as well as ground and upper levels to reflect the different locations and levels of benefit from the scheme in the centre.

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Consequently, the GRSCA supports the proposed Glenferrie Hawthorn special rate and chart to be assessed and levied as follows:

- I. Primary Area (Zone1) - in the first year of the special rate and charge scheme, a rate of 0.021 cents in the dollar of Capital Improved Value (CIV) of each rateable property required to pay special rate and charge subject to the following minimum and maximum charge per occupancy per annum

Zone 1	Minimum	Maximum
Ground Level	\$350	\$5000
Upper Level	\$220	\$1500

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- II. Secondary Area (Zone2) - in the first year of the special rate and charge scheme, a rate of 0.018 cents in the dollar of Capital Improved Value (CIV) of each rateable property required to pay special rate and charge subject to the following minimum and maximum charge per occupancy per annum

Zone 2	Minimum	Maximum
Ground Level	\$250	\$3600
Upper Level	\$120	\$1000

For the period between July 1 2022 through to June 30 2027 each property in the Special Rate Levy is to pay the applicable rate of cents per dollar of the respective property's Capital Improved Value, which combined for all properties will recover the total amount of the Special Rate to be levied for that year being approx \$208,000.

The proposed Special Rate levy has been developed in line with the Glenferrie Road Shopping Centre Association Strategic Business Plan 2022-2027. This plan is estimated a forecasted total budget of approx. \$1.04 million plus CPI to be applied each year over the life of the agreement, to carry out its marketing, promotion, and business development program. A copy of the Strategic Plan will be forwarded

The Glenferrie Road Shopping Centre Association would like to acknowledge the support from City of Boroondara Council and in particular Local Economies Team in the preparation of this proposed scheme renewal

Yours sincerely



Wendy Fantasia
President
Glenferrie Road Shopping Centre Association
PO Box 2051
HAWTHORN VIC 3122

ATTACHMENT 5

Objection/Submission process pursuant to the *Local Government Act 1989*

Section 163(1) of the *Local Government Act 1989* (the **Act**) empowers a council to declare a special rate and charge for the purposes of defraying expenses in relation to the council's functions and powers if the council considers that it will be of special benefit to the persons required to pay the special rate and charge.

Submissions and Objections

Section 163A of the Act allows any person to make a submission in relation to Council's proposed declaration. Submissions must be lodged within twenty-eight (28) days after the date of a public notice, and will be considered in accordance with section 223 of the Act.

In addition, any person who will be required to pay a special rate and charge is also entitled to exercise a right of objection under section 163B of the Act.

Section 163B(4) provides that any person who will be required to pay the special rate and charge is entitled to exercise the right of objection. Section 163B(5) goes on to state that, for the purposes of sub-section (4), a person who is an occupier is entitled to exercise the right of objection if the person submits documentary evidence with their objection which shows that it is a condition of the lease under which the person is an occupier that the person is to pay the special rate and charge.

Objections must be in writing and lodged within twenty-eight (28) days of the date of a public notice.

Objections and Council's decision

Where a special rate and charge is proposed to recover an amount that exceeds two thirds of the total cost of a scheme, a council can only make a declaration under section 163(1) of the Act after complying with the objection process set out in section 163B of the Act.

Significantly, Council cannot proceed to declare a special rate and charge if Council receives valid objections in respect of more than 50% of the rateable properties on which the special rate and charge would be imposed.