

Business & Economic Development Advisory Committee

Minutes

13 August 2024

Our Vision

*A City which values its heritage, cultural diversity,
sense of place and natural environment.*

*A progressive City which is prosperous, sustainable
and socially cohesive, with a strong community spirit.*

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City of
Norwood
Payneham
& St Peters

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VENUE Mayors Parlour, Norwood Town Hall

HOUR 6.30pm

PRESENT

Committee Members Ms Amanda Pepe (Acting Presiding Member)
Cr Victoria McFarlane
Cr John Callisto
Ms Amanda Grocock
Mr Ben Pudney
Mr Joshua Baldwin
Mr Matt Grant
Ms Trish Hansen

Staff Mario Barone (Chief Executive Officer)
Lisa Mara (General Manager, Governance & Civic Affairs)
Claire Betchley (Manager, Marketing & Place Activation)

APOLOGIES Mayor Robert Bria (Presiding Member)
Cr Grant Piggott
Ms Rebecca Thomas

ABSENT Nil

TERMS OF REFERENCE:

The Business & Economic Development Advisory Committee is established to fulfil the following functions:

- *To provide high-level independent expert advice to the Council on economic development matters and employment growth opportunities in the City of Norwood Payneham & St Peters and to have oversight of the continued implementation of the Council's Economic Development Strategy.*
- *To identify issues, opportunities, and initiatives which impact on business and economic development in the City of Norwood Payneham & St Peters.*
- *To provide advice to the Council and recommend actions, including the conduct of studies associated with business and economic development, as required, in order to facilitate the identification of opportunities, issues, strategies and actions.*
- *To assist the Council to facilitate and promote economic growth and development in the City of Norwood Payneham & St Peters.*
- *To provide advice to the Council as required, to facilitate the creation of business networks (both within South Australia and Australia), which provide benefits for the City of Norwood Payneham & St Peters and the business sector.*
- *To provide strategic direction and leadership to ensure that members of the business community are able to participate in the development and implementation of the City's business and economic development outcomes.*
- *Conduct forums to identify and articulate relevant information in respect to services and activities in the City of Norwood Payneham & St Peters that contribute to the City's economic growth.*
- *Advocate and work actively with State and Federal Governments and their agencies, the private sector and relevant peak bodies on key economic priorities which deliver positive outcomes for the City and the community.*
- *Consider and advise the Council on medium and long term matters relevant to business and economic development within the City of Norwood Payneham & St Peters.*

1A. APPOINTMENT OF ACTING PRESIDING MEMBER

Mr Ben Pudney moved:

That Ms Amanda Pepe be appointed Acting Presiding Member for this meeting.

Seconded by Cr John Callisto and carried unanimously.

1B. CONFIRMATION OF MINUTES OF THE BUSINESS & ECONOMIC DEVELOPMENT ADVISORY COMMITTEE MEETING HELD ON 28 MAY 2024

Ms Amanda Grocock moved that the Minutes of the Business & Economic Development Advisory Committee meeting held on 28 May 2024 be taken as read and confirmed. Seconded by Ms Trish Hansen and carried unanimously.

2. PRESIDING MEMBER'S COMMUNICATION

Nil

3. PRESENTATION

A presentation was made to the Committee by Mr Ray Garrand from Acil Allen (Consultants), regarding the *Glynde and Stepney Food and Beverage Precinct and Startup Hub Business Case*.

4. STAFF REPORTS

4.1 GLYNDE AND STEPNEY FOOD AND BEVERAGE PRECINCT AND STARTUP HUB – BUSINESS CASE

REPORT AUTHOR: General Manager, Governance & Civic Affairs
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4549
FILE REFERENCE: qA109047
ATTACHMENTS: A - B

PURPOSE OF REPORT

The purpose of this report is to present the *Glynde & Stepney Food and Beverage Precinct and Startup Hub Business Case* to the Business & Economic Development Advisory Committee (the Committee) for consideration.

BACKGROUND

As Committee Members will recall, at its meeting held on 3 October 2023, the Council allocated funding as part of the 2023-2024 Budget to undertake a detailed economic and strategic options analysis to inform the Council's strategic vision and strategic planning for the Employment Zones in Glynde and Stepney.

In accordance with the Council's resolution, an invitation to submit a quotation to undertake the delivery of the *Glynde and Stepney Economic, Market & Strategic Options Analysis* was undertaken and following the assessment of the submissions, Acil Allen was awarded the contract for Phase 1 of the *Glynde and Stepney Economic, Market & Strategic Options Analysis*.

Due to the extensive scope of work, the Project has been split into two (2) phases and Acil Allen has been appointed to deliver the following seven (7) components as part of Phase 1 – Comparative Analysis of the Project:

- identify the level of current demand and forecast growth (anticipated future demand) for not only food and beverage manufacturing, but also light industrial land more generally, as well as competing demands on the land use based on the location of the precincts;
- include a comparison of the Glynde and Stepney food and beverage manufacturing precincts with other similar precincts across the greater Adelaide region, the State and more broadly across Australia (supply) – considering current performance and potential performance;
- identify any challenges or barriers that could hinder the growth of food and beverage manufacturing in these precincts;
- identify key trends across the industrial property market; identify gaps in the market and providing some direction on whether Glynde and Stepney should be a start-up location or an incubator for food and beverage manufacturing;
- outline the opportunity cost of retaining these two (2) precincts as employment land versus other land uses (ie residential) or sacrificing employment land for residential, in the case of Stepney;
- provide guidance on the level of private and public investment that is required to protect these precincts for light industrial/manufacturing and more specifically, for the expansion of food and beverage manufacturing in these precincts; and
- include an investigation into the highest and best land use for each of the two (2) precincts.

The items that are to be undertaken as part of Phase 2, are:

- a cost benefit analysis of a range of options including retaining employment zones for light industry, creating food and beverage precincts, allowing market driven changes or rezoning to accommodate residential uplift;
- determine the value of the arterial road fronting land versus non-arterial road fronting land for small scale food and beverage manufacturing and more generally light industrial uses;
- evaluate existing infrastructure (at a high level) and identify the upgrades that are required to accommodate the potential land uses and the heavy vehicles that will support the efficient functioning of these precincts. Identify if there are any bottlenecks or limitations that could hinder growth; and
- examine employment generation should the food and beverage sector expand and what the potential loss of employment in other sectors might be if the Council focuses on the food and beverage manufacturing sectors - as well as the implications of losing employment land for the purposes of residential development and what that means in terms of providing jobs close to where people live.

At its meeting held on 28 May 2024, a presentation was provided to the Committee by Mr Ray Garrard of Acil Allen regarding the *Glynde and Stepney Economic, Market & Strategic Options Analysis*.

A copy of the *Glynde and Stepney Economic, Market & Strategic Options Analysis Report* is contained within **Attachment A**.

Following consideration of the presentation and the report regarding the matter, the Committee resolved the following:

1. *the Committee notes the contents of this report; and*
2. *the Council invites all Glynde and Stepney food and beverage manufacturers to a "Round Table" event, to discuss and gather their comments regarding the issues impacting the Glynde & Stepney precincts to be considered as part of the Glynde and Stepney Economic Market & Strategic Options Analysis Project.*

Since that time, the *Glynde and Stepney Food and Beverage Precinct and Startup Hub Business Case* has been prepared by Acil Allen, as part of the project.

At this stage, the Round Table event has not yet been scheduled, as it would be appropriate to conduct the Round Table event with the Glynde and Stepney food and beverage manufacturers to discuss both the *Glynde & Stepney Economic, Market & Strategic Options Analysis* and the Draft *Glynde and Stepney Food and Beverage Precinct and Startup Hub Business Case* (the Business Case), following the Committee's consideration of the Business case.

The Round Table discussions will be organised to occur in October 2024.

Mr Ray Garrard of Acil Allen will be in attendance at the meeting to provide a presentation to the Committee regarding the *Glynde and Stepney Food and Beverage Precinct and Startup Hub Business Case* to allow for further discussion and input before the document is finalised.

A copy of the *Draft Glynde and Stepney Food and Beverage Precinct and Startup Hub Business Case* is contained within **Attachment B**.

RELEVANT STRATEGIC DIRECTIONS & POLICIES

The key strategic documents that align with this Project are listed below:

- *The 30 - Year Plan for Greater Adelaide;*
- *Greater Adelaide Regional Plan – Discussion Paper;*
- *CityPlan 2030: Shaping Our Future – Mid Term Review 2020;*
- *City of Norwood Payneham & St Peters - Economic Development Strategy 2021-2026; and*
- *South Australia's Small Business Strategy 2023 – 2030.*

FINANCIAL AND BUDGET IMPLICATIONS

The Council has allocated a budget of \$50,000 for the *Glynde and Stepney Economic, Market & Strategic Options Analysis*.

DISCUSSION

The *Glynde & Stepney Economic, Market & Strategic Options Analysis* (the Report), examines the key market trends in the food and beverage sector, including household food consumption trends and the factors that influence consumer purchasing decisions and market demand.

The Report has also considered the key success factors required for food and beverage precincts and provides a comparative analysis of the Glynde and Stepney food and beverage precincts against a number of similar precincts as well as the existing strengths, opportunities and constraints of the Glynde and Stepney food precincts.

Glynde and Stepney are located in close proximity to the Adelaide CBD and have a strong manufacturing history and food culture. Glynde and Stepney are located in close proximity to the Adelaide CBD, and have a strong manufacturing history and food culture. The Report highlights that both precincts “*face significant challenges due to their lack of amenity, poor parking and local infrastructure and predominance of other manufacturing and commercial operations within the precinct*”.

The Glynde precinct for example, is bordered by main arterial roads, however public transport options are limited and therefore visitors to the precinct are required to travel by car to the precinct. There are also issues in terms of the interface of residential and light industrial land uses and the use of residential streets by heavy vehicles needing to access the precinct.

A number of businesses in the Glynde precinct also lack sufficient off-street parking, and it is common practise within the precinct for vehicles to be parked on footpaths. The Report acknowledges the challenges in addressing these issues, as many businesses were established prior to any planning regulations.

Whilst the Report identifies the strategic importance of protecting the precinct from land uses such as bulky goods and shopping/retail centres, it also acknowledges that “*A significant investment would be required by Council to upgrade infrastructure and improve urban amenity to make the precinct more customer and business friendly. This investment will be important to revitalise the precinct, increase its profile and help to better balance the interface between residents and light industry.*”

The Stepney triangle is located approximately 2km from the Adelaide CBD. Like the Glynde precinct, the Stepney triangle is bordered by busy arterial roads. The precinct can be accessed via numerous public transport routes and provides a range of shops, services and entertainment.

Whilst similar to the Glynde precinct in terms of the width of the streets and issues associated with on-street parking, the local amenity is far more attractive, with Linde Reserve providing a valuable asset within the Stepney Triangle for both employees and visitors to the precinct.

The Report concludes that the Stepney Triangle “*is more suitable for the development of a start-up food and beverage manufacturing precinct due to its closer proximity to the CBD, lot sizes, better urban amenity and the niche offerings within the precinct*”, however suggests that the Council will need to invest in the local infrastructure to “*revitalise the precinct.*”

Draft Glynde and Stepney Food and Beverage Precinct and Startup Hub Business Case

The *Draft Glynde and Stepney Food and Beverage Precinct and Startup Hub Business Case* (the Business Case), has been prepared on the basis of transforming Stepney into “*a more visible and dedicated food and beverage manufacturing precinct with an initial focus on supporting both existing businesses and start-ups within the Stepney Triangle*”.

“*The aim is to foster a dynamic startup ecosystem within Stepney and Glynde that supports entrepreneurs from across the food and beverage manufacturing sectors (as well as other sectors) by fostering innovation, collaboration and sustainable growth.*”

However, as identified within the *Glynde & Stepney Economic, Market & Strategic Options Analysis*, the Stepney Triangle presents the most compelling case for a Startup Hub and therefore the focus of the Business Case is on a model based on establishing an “*Urban Food and Beverage Manufacturing Precinct*”.

“An Urban Food and Beverage Manufacturing Precinct which involves a startup hub would leverage the following characteristics of Stepney:

- *small lot sizes appropriate for startups*
- *close to the CBD, attracting a skilled, highly educated, and entrepreneurial workforce*
- *long and successful food manufacturing history and culture*
- *supporting local infrastructure with maintenance completed or planned*
- *close to Norwood and CBD commercial shopping areas which are potential areas for supply*
- *predominantly zoned as Employment Lands.”*

The Business Case suggests that it is important that this initiative is industry lead and that the focus of a startup hub, would not be on the physical infrastructure but on the basis on supporting resources, and the provision of mentorship and networking opportunities to help startups grow and to attract high-growth firms to the precincts.

OPTIONS

Not Applicable.

CONCLUSION

The establishment of a food manufacturing precinct in Stepney, presents numerous economic opportunities. Capitalising on Stepney's strategic location for the establishment of a Startup Hub has the potential to become a catalyst for sustainable economic growth, benefiting both the local community and the broader region which in turn aligns with the State's economic development goals and could contribute significantly to South Australia's position in the global food industry.

With this in mind, it is important to undertake a strategic approach to ensure the preservation of the Stepney Triangle as a key area for light industrial and food and beverage manufacturing in Eastern Adelaide.

COMMENTS

Nil.

RECOMMENDATION

1. That the Committee endorses the *Draft Glynde and Stepney Food and Beverage Precinct and Startup Hub Business Case* for the purpose of conducting the Round Table discussions with the Glynde and Stepney food and beverage manufacturers.
2. That the Committee notes that the outcome of the Round Table discussions with the Glynde and Stepney food and beverage manufacturers will be considered as part of the final *Glynde and Stepney Food and Beverage Precinct and Startup Hub Business Case*.
3. The Committee notes that the final *Glynde and Stepney Food and Beverage Precinct and Startup Hub Business Case*, will be presented to the Committee for consideration and endorsement following the conclusion of the Round Table discussions with the Glynde and Stepney food and beverage manufacturers.

Cr Callisto moved:

- 1. That the Committee endorses the Draft Glynde and Stepney Food and Beverage Precinct and Startup Hub Business Case for the purpose of conducting the Round Table discussions with the Glynde and Stepney food and beverage manufacturers.*
- 2. That the Committee notes that the outcome of the Round Table discussions with the Glynde and Stepney food and beverage manufacturers will be considered as part of the final Glynde and Stepney Food and Beverage Precinct and Startup Hub Business Case.*
- 3. The Committee notes that the final Glynde and Stepney Food and Beverage Precinct and Startup Hub Business Case, will be presented to the Committee for consideration and endorsement following the conclusion of the Round Table discussions with the Glynde and Stepney food and beverage manufacturers.*

Seconded by Mr Ben Pudney and carried unanimously.

5. OTHER BUSINESS

Nil

6. NEXT MEETING

Tuesday 29 October 2024

7. CLOSURE

There being no further business the Acting Presiding Member declared the meeting closed at 7.53pm.

Mayor Robert Bria
PRESIDING MEMBER

Minutes Confirmed on _____
(date)