

## LEGISLATIVE ASSEMBLY

FOR THE AUSTRALIAN CAPITAL TERRITORY

STANDING COMMITTEE ON PLANNING, TRANSPORT AND CITY SERVICES Jo Clay MLA (Chair), Suzanne Orr MLA (Deputy), Mark Parton MLA

Submission No 36 -

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Inquiry into Giralang

Shops

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## To whom it may concern,

I have been a resident of Giralang since June 2001, moving to Canberra to take up the position of the Manager Neighbourhood Planning at the ACT Government's Planning Authority (then the Planning and Land Management now part of the Environment, Planning and Sustainable Development Directorate). At the time the Giralang Shops were very neglected and whilst not derelict they were not inviting, lacked amenity and did not provide a range of goods and services. The anchor tenant, the IGA was small and run down failing to entice people to shop there apart from the convenience of picking up the occasional essential item like milk. The Tavern did not function as a community hub, instead adding to the feeling that the precinct was seedy and not welcoming.

Whilst it was widely accepted at the time that shopping malls, such as Westfield Belconnen were capturing the majority share of the retail dollar in Australia at the expense of strip shopping centres, the owners of the Giralang Shopping precinct appeared to be making no effort to compete for retail shoppers or retailers. The appearance of the shops screamed defeat and decay. Unsurprisingly Giralang residents shopped elsewhere. It is arguable that allowing the shops to decline was a deliberate step on behalf of the owners. In 2004, a year before the IGA closed the sole owner of the lease, Nikias Nominees proposed the redevelopment of the site as a residential only precinct.

This proposal was rejected by Giralang Residents and the Planning Authority and the Minister at the time informed the proponent that it would not support a residential only precinct. Eventually, three years after the closure of the IGA, the proponent submitted a development application for a residential/commercial development comprising three commercial units and 13 residential units in 2008. The ACT Planning and Land Authority (ACTPLA) refused this application in part because it did not provide for enough commercial development.

A year later the proponent lodged another development application for a commercial development comprising a supermarket of 2561 square metres gross floor area (GFA) and five speciality shops. This again was rejected by ACTPLA as the development would overload the site in terms of what would be appropriate for retail at a local centre level. Whilst there was no plot ratio in the territory Plan at that time the Local Centres Precinct Code stated that "Local centres are smaller shopping centres throughout Canberra that provide for convenience retailing and other accessible, convenient shopping and community and business services to meet the daily needs of the local population". It appears that this development application was more suited to a Group or Town Centre and leaves you wondering if the proponent deliberately did this as they never seriously considered developing the site for commercial purposes.

Following the 2009 rejection, and five years after the closure of the IGA, the proponent submitted another development application with a more modest commercial development,

comprising a supermarket of 1666.7m<sup>2</sup> GFA and specialty shops. This was approved in October 2010 but appealed. Legal proceedings associated with the appeal played out over the next six years until in September 2016 the Supreme Court dismissed the appeal.

It then took the proponent over 12 months to contact the Giralang community and announce at a meeting on 5 December 2017, a concept plan for redevelopment of the Giralang Shops. The

concept was for a ground floor 1000m<sup>2</sup> supermarket, four ancillary retail outlets and 54 apartments over three further floors. At the community meeting there was a sense of relief that at last something may be happening on the derelict site even if there was some concern over the scale of the development. The relief later turned to despair when in April 2020 the proponent called a halt to work after failing to secure the supermarket operator that would supposedly

make it financially viable.

It is interesting to note that while Nikias Nominees have failed to attract a supermarket that the

Capital Airport Group have managed to secure an 1000m<sup>2</sup> IGA supermarket (the Farm IGA) at Denman Prospect, Canberra Outlet Centre has opened the SuperGrocer, GEOCON has secured a Woolies Metro in their Belconnen development and DOMA have secured a Woolies Metro for their new Dickson development. Both Dickson and Belconnen will have two Woolies. It is understood that Harris Farm are also considering opening in Canberra.

What incentives have these developers been offering to the supermarkets that Nikias Nominees has not? Was it generous rent subsidies or is it that they are able to offer a potentially more vibrant and lively centre something that would be difficult to achieve at the Giralang Centre when it was proposed that the Chabad Jewish school was going to take up a significant part of the GFA in the commercial part of the development. This would not lead to the steady flow of foot traffic through the shops the same way that a medical centre would for example. Instead it would likely concentrate visitation into the same two peaks associated with the adjacent Giralang Primary School – school drop off and pick up time. It would have also provided an opportunity for a local pharmacy – another business likely to even out footfall.

The Giralang Community Nature Play Park, a collaboration between the ACT Government and Nikias Nominees, was another lost opportunity to market a vibrant and lively centre and attract a supermarket tenant. This rarely used park, could have provided the opportunity for an enclosed playground for younger children to play whilst their parents or carers enjoyed a coffee in an adjacent café overlooking the site – similar to what occurs at the Jamieson Centre at Ricardo's. This would have evened out visitation to the centre, including on weekends and potentially attracted regional as well as local shoppers to the centre.

It is also worth noting that it is not only Giralang that is struggling to attract a supermarket of

1000m<sup>2</sup>. It has also been an issue with Coombs. It may be time that the ACT Government made

the maximum GFA for supermarkets in local centres  $1500m^2$ . It is understood that this has occurred in Wright with the Woolworths being developed at KOKO by Pelle Projects and PK Nominees Developments. The size increase here was potentially the outcome of the independent review into development in the Molonglo Valley, which was tabled in the Legislative Assembly in June 2020.

We are fast approaching the 20<sup>th</sup> anniversary of the closure of the Giralang Shops. The ACT Government must act now to ensure that the development of this site is complete before we reach the anniversary. I would recommend:

1) increasing the GFA for a supermarket to 1500m2 and giving the lessee twelve months to secure a tenant and restart construction;

2) if the above is not meet the ACT government should look to terminate the lease and either develop it themselves for a combination of shops, an upgraded community centre and/or indoor sporting facilities plus a mix of private and social housing or release the site to market stipulating in the lease purpose clause some or all of the above.

Kind regards

Ms R Chivers

