



6 February 2009

Ashington  
Level 13  
77 King Street  
SYDNEY NSW 2000

ATTENTION: Nick Wyeth

**RE** 33 Cross Street Double Bay  
Retail Strategy

Dear Nick

As you are aware BC Associates Pty Ltd has been appointed by Ashington to advise upon and develop a strategy for the retail component of the 33 Cross Street Double Bay redevelopment.

In undertaking our initial review of the redevelopment plans we have considered the range of alternative retail strategies that may be adopted. These are summarised and commented upon as follows:

▪ **Multi Level Retail**

This approach to retail is largely only appropriate in CBD or regional and sub regional shopping centre environments. It relies upon extremely large catchments and high volumes of pedestrian traffic.

Within the context of Double Bay with its village character and street front retail it is not appropriate.

▪ **Enclosed Retail Centre**

This concept generally relies upon an internalised temperature controlled mall layout and major anchor tenants to generate pedestrian activity. Non traditional or non retail anchors such as railway stations and airports also work for this model.

Again within the context of Double Bay and in particular the size of the subject site and its location within the heart of the "village" character this strategy is not appropriate or desirable.

▪ **Street Front Retail**

This is the format contained within traditional strip, village and main street retail environments. These environments have normally grown organically over time

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although planned village environments have emerged in recent years as an alternative to enclosed retail centres.

Invariably these environments are at their most dynamic in aspirational and relative affluent city fringe suburbs.

Also there is an increasing customer response to these environments as an alternative to the homogenous character of the enclosed retail centre. In fact many major shopping centre owners and developments are now incorporating elements of the traditional retail village to increase market penetration and provide a point of difference.

Double Bay is defined by this format however its relative strength and profile has waned over the last 20 years.

The key to this format is a physical environment that reinforces the village character and a tenant mix that embraces the market needs and provides a point of difference to the mainstream retail centres.

Where these formats often fall down is in the disparate ownership structures which do not embrace centralised tenant mix planning and marketing philosophies necessary to compete against enclosed retail centres.

For individual sites the constraint is the amount of street frontage available.

- **Open Piazza**

This format embraces elements of the village and enclosed retail centre and historically is the heart of most European villages. It allows a greater concentration of retail concepts within a contained street front environment.

Multiple natural pedestrian connections into and through these environments are important as is the strength of the tenant mix. Also important is a diversity of uses above and around the piazza such as residential, commercial and hotels.

### **33 Cross Street Double Bay**

The existing retail configuration on the site comprises an internalised mall format which has been constrained by the relative small site size necessary for this retail format, lack of an anchor tenancy to draw pedestrian activity and poor sight lines and ceiling heights. This retail configuration on the site has performed poorly over time and for the reasons outlined herein is inappropriate for the site and in particular this precinct within Double Bay.

The appropriate retail strategy for the site embraces first and foremost the village format upon which Double Bay is famous. The proposed layout incorporates an increased retail

shopfront presence onto Cross Street which effectively provides a continuous retail frontage between the adjoining properties.

Additionally we believe the retail will be enhanced by incorporating an open air piazza format that embraces the existing pedestrian connections to adjoining developments and streets.

Whilst a strong tenant mix will be important this allows the pure street front retail approach to be enhanced with a more significant critical mass of retail concepts that provide the basis for a greater impact and catalyst for further change in Double Bays profile.

The retail layout and concept is consequently based upon sound established principles and detailed consideration is currently being given to the appropriate mix and configuration of retail concepts to be targeted.

Accordingly the retail strategy for the site as outlined herein and in the concept plans is the most suitable for the site and provides the basis for the best possible enhancement to the immediate retail environment and the overall Double Bay character and profile.

Kind Regards



Michael Chapman  
Principal  
BC Associates Pty Ltd