

# Coffs Central

There's a new 'down-town' at Coffs Harbour; the main retail strip of the city has been transformed with the final piece of the jigsaw, the totally redeveloped Coffs Central, about to reach completion within the coming months.

Owners Gowings have a long history in Australian retail and their approach to this redevelopment has been entirely 'retail focused'. The new Coffs Central sits at the heart of the new 'down-town', providing a premium location for discerning retailers.



The stunning frontage to the main retail strip.



At first sight of it, you'd wonder how Gowings ever got hold of Coffs Central; slap bang in the middle of the major retail street; an obviously powerful, very sleek, architecturally striking retail development. It's a double story structure with an impressive glass frontage; floor to ceiling, state of the art shopfronts on two levels; and on the upper level, a huge balcony providing a 50 metre long al-fresco dining extension to the Food Court overlooking the main retail strip of the city. You might wonder which major shopping centre player owns it?

It's the heart of Coffs Harbour right opposite City Square and with 170 metres of prime street frontage; it dominates the centre of Harbour Drive, the main retail strip. It presents well from the 9 metre wide, raised pavement, dotted with a variety of al-fresco dining

components overflowing from the sumptuous eating establishments flanking it.

Coffs Harbour – according to CSIRO, the most liveable climate in Australia – nestled between a high mountain backdrop and literally dozens of unspoilt beaches. It's idyllic, surrounded by luxurious vegetation and exotic farmland – bananas abound, as do blueberries; then there's tourism, fishing, manufacturing. Coffs Harbour has a campus of Southern Cross University, several radio stations along with a public and a private hospital. Its economy is sound, prosperous and it continues to grow at an exceptional rate; the population of the region is approaching the 75,000 mark.

And at its epicentre? Coffs Central.

It's an investment by Gowings, owner of the former iconic Sydney department store which stood for the best part of a

century at the corner of George and Market Streets, part of Australia's retail history with its genesis dating back to 1868. Gowings moved out of retail in 2001 investing across different asset classes to take advantage of changing economic cycles. 70% of its core investments are in shopping centres located in northern NSW including Port Central in Port Macquarie.

Coffs Central has undergone a massive redevelopment and is scheduled for completion later this year.

To understand Coffs Central, to appreciate Gowings' transformation of the centre, how they came to acquire such a jewel, you need to look at the history. Alan Bond consolidated the site, which included what was formerly a section of Castle St, the Walton's store and several other business properties, back in the early 1980s; you can see why. At that time Coffs Harbour was





already well established as a favourite holiday destination for those to the south, Sydney included. As well, it had all the credentials to be a fashionable and smart location for retirees along with a younger sophisticated set looking for a 'sea-change'. Its geographical beauty coupled with the almost perfect climate had made it a target for Japanese players who at the time, had decided Australia's east coast was the perfect place for major property investment.

It was acquired by Leda Holdings who opened the 'Palms Shopping Centre' in 1986 with a Coles supermarket as the ground floor anchor. In 1998 it passed to the Commonwealth Bank who sold it to the Hunter Group in 2002; AMP purchased it in 2005.

But back in the mid-eighties, shopping centre development was about boxes; huge rectangular monstrosities with external blank walls. There was a total focus on the internal presentation – the mall; people went 'inside', that was where the action was; the box 'externals' had little significance. It could be argued that in the case of a Greenfield site, it didn't matter too much; a large blank cube of a structure surrounded

by car parking didn't really warrant aesthetic external design! Develop a centre on a main street of a city or large town however, and eighties' shopping centre architecture was often a blight on the surrounds.

There are countless instances and the 'Palms Shopping Centre', prior to the Gowings acquisition, was a prime example. Coles had a full-line supermarket with entry and checkouts directly off the internal mall. Coffs Harbour's main retail strip featured its rear wall – a breezeblock structure, a blank wall dominating more than two thirds of the centre's 170-odd metres of street frontage.

As time went by, in the almost three decades since the centre was developed, Coffs Harbour's main retail strip changed both its character and image to reflect the city's new status as the centre of a sophisticated and prosperous coastal region.

By 2011, Harbour Drive boasted numerous smart shops, restaurants and cafes. At its centre on the southern side, large steel and Chemfab structures provided shade and shelter for walking, resting or al-fresco dining; 'City Square' had been designed

creating an external, central community focal point; a venue for the weekly food markets, for displays, exhibitions, performance art and the like.

But whatever the Council and property owners did, however much they improved the architecture and ambience of the main street, the Palms Centre/ Coles supermarket blank wall on the opposite side, and the overall general presentation of the centre, detracted from the efforts.

Palms Shopping Centre didn't really fit into the AMP retail portfolio; Coles had announced they would not renew the lease on its expiry in November 2013 and further, they had secured a site for a new store a few hundred metres away. There were other options – Aldi perhaps, IGA maybe, or even a remix of the space; AMP's development pipeline was massive; did they need more at Coffs Harbour? Not surprisingly, the Palms Centre was placed on the market.

**Enter Gowings!**

They do things differently here; it's refreshing; there's a realism, a focus on the business issues; there are no layers of ownership or management; no fund managers, asset managers or trust

executives. John Gowing M.D. is really 'hands on', so is the team. Garth Grundy is Gowings GM and Stephen Byers runs Leasing and Development Management. There's no demarcation here, everyone does anything that needs doing. Of course there are specialists – architects, shopfitters, designers, project managers et al – but everyone is in the thick of it; they're all at the sharp end and they move as a single unit.

Coles had already announced their departure prior to the Gowings purchase; "We persuaded them to leave early," says John Gowing, "so we could get right into the redevelopment. It suited them and it suited us so they left."

When you talk to John Gowing and Garth Grundy, what comes across is that the original vision was the key and that vision was influenced by an expertise in retail as well as retail property. John Gowing is the latest of four generations of the family that has steered the company since 1868; a company that has prospered through 145 years of booms and busts, two world wars, major depressions and market crashes. They've seen it all and they're very definitely 'long-term'; short-term opportunism has no place in this corporate culture.

As a result, Coffs Central didn't just adopt a new name and a redesign, but it accepted its role and position as a major contributor to the character and identity of Coffs Harbour's retail heart.

The Palms Centre had been neglected; whilst the rest of the centre of Coffs Harbour developed, the Palms Centre stood, as it always had been, an anachronistic monument to an architecturally deficient era. The opportunity was to integrate it with the modernised retail centre of the city, to work together with the authorities and other High Street retailers to create, in the words of Gowings, "a unique hyper-local shopping centre which both appeals to 21st century shoppers and helps retailers to deal with the challenges posed by online selling."

And it's here that the new Coffs Central comes into its own. One could be forgiven for trying to determine how the centre, with a Coles about to depart, a small Big W with Best & Less on the upper level, could compete with Park Beach Plaza, Coffs Harbour's subregional, the largest retail centre between Newcastle and the Gold Coast boasting a full line Big W, Target, Woolworths and Supa IGA supermarkets,

with some 120 specialties. Gowings didn't try to compete; they saw Coffs Central as a different product altogether.

**Coffs Central is 'down-town'; it's being transformed into a 7-days-a-week hub for the community where the offerings of restaurants, alfresco cafes, specialty gourmet food, meeting places, entertainment, activities, personal and business services, boutique local designers, artisans, all form tight strands of community connection and make the centre an essential location and a regular rendezvous for Coffs Harbour residents and visitors alike.**

Its new image, its presentation to the surrounds can be described in a word; 'stunning'. The blank wall is gone as is the rest of the outdated façade. In its

The Food Court with balcony overlooking the main retail strip. The space is fully equipped for sound and video transmitting – concerts, performers.



Highly decorative ceiling features of old timber beams framing back-lit images. Travelator to Food Court and level 2.



place, at pavement level, 13 new retail outlets with floor to ceiling, 4-metre high glass fronts. Around half of them are cafes and restaurants with alfresco seating on the 9-metre wide landscaped pavement.

**What Gowings have done here is to take a long-term stake in the future of the city. They see Coffs Harbour as the fastest growing community on the NSW Mid North Coast, rapidly overtaking Port Macquarie.**

They also understand that the fastest segment of that growth is working professionals, staffing the sustained expansion of the Coffs Harbour Health

Campus, Coffs Harbour Education Campus and other high-level medical services and tertiary education facilities in the city. It's a segment now approaching 20% of the working population and the recently approved Police and Justice Precinct is expected to increase it even further.

Sit at an alfresco dining establishment or simply stroll along the main street and you'll notice immediately how smart the people are. It's a stylish centre, chic and sophisticated and the Gowings team has retail planned, designed and leased it accordingly. In so doing they've put their money where their mouth is and already the strategy is paying dividends.

Gowings understand retail and what they've done here is to change the Coffs Harbour retail dynamic. They control a critical mass of retail in the heart of the

CBD; by embracing the rest of the retail already there, as well as the Council's initiatives in uplifting the area, a real retail 'down-town' has emerged.

Coffs Central is the jewel of this critical mass; it's striking. Kathmandu has chosen the centre for their first Coffs Harbour store; it sits at the eastern extremity of the centre on street level and will link up with the future extension. Kathmandu classed the store on opening as a 'C-rated' outlet; it's already shown its trading strength by moving up a notch to its now 'B rating'; sales have obviously exceeded expectations. Kathmandu's success is not alone. Flight Centre recently moved in and have subsequently leased a second space for its other brand Escape Travel. Other national and/or chain retailers will no doubt follow Kathmandu

and with Coffs Harbour's new downtown image their question will not be; "which is the best centre in the region?" But rather, "do we want to be in a suburban subregional or would it suit us better to be 'down town'?" Prior to Coffs Central the question may never have been asked; from here on in, it certainly will be and those retailers with a 'down-town' image will have no doubt where they should be.

Kristi Knowles had spent several years in London during which time, she'd worked with Jamie Oliver and other major food players on the London scene; she'd travelled and worked in continental Europe before returning to Sydney to work with some of the Australian culinary leaders. The Gowings team found her in a shop a few blocks away serving coffee and gourmet light meals

in the surrounds of a small gourmet delicatessen; she has a love of flowers and also stocked fresh cut blooms! It was a new business, a struggle in a secondary location. The team convinced her to move; together they designed a much larger outlet in a key location fronting the street at a major entrance to Coffs Central. They provided the fitout, introduced her to a 'business mentor' and got her started.

**Prior to trading in Coffs Central, her best day in terms of coffee had been 150 cups in one day; in the first week she averaged over 600!**

It's a smart outlet, as good as anything in any capital city. SCN ate a

light antipasto lunch at 'Pansabella' – smoked Parma ham, a variety of truffled cheeses and a Waldorf salad to die for!

K'Pane Artisan Bakery and Patisserie trade 'inside' the centre, ground floor; it's not your ordinary pie shop – scrumptious offerings of 'Duck, Olive and Mushroom'; Beef and Red Wine; Chicken and truffled mushrooms; specialty breads; intricate sweet pastries and cakes; the list goes on; it's another 'one-off' specialist outlet; it's terrific leasing.

The 'Dragon' restaurant was a Coffs Harbour institution, the first Chinese restaurant in the city and operating continuously for over 25 years. The original owner's son, after a time spent in Sydney and Melbourne returned to Coffs to settle down. About to purchase a failed restaurant in the city, he was

Feature in ceiling of steam bowls in CreAsian.





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approached by the Gowings team. What followed is 'CreAsian', a small, very smart restaurant with an alfresco component on the main street. It's clever with an interesting contemporary menu exploring not just one Asian cuisine but a combination of many to produce a fascinating variety of tastes.

The Central Square Markets – every Thursday opposite the centre – are superb. It's a total food market with the whole range of gourmet offerings. Wandering through we came across a specialist tea operation – Red Sparrow Teas. What drew our attention at first was the quality and style of the packaging – brilliant. Closer inspection revealed a highly professional operation. Old news to the Coffs Central leasing team; we told them of our 'discovery' and they took us to a small, well-located shop just off the main mall in the final stages of fitout. Red Sparrow's first shop; terrific leasing. Keep your eye out for the name.

**There are numerous other examples where this owner/developer has backed their own judgement to lease a space. They've gone beyond the exercise of simply looking for established retailers. At a time when retail is tough, when the establishment is battenning down the hatches, Gowings have gone beyond and found a bevy of retail talent that simply needed a start.**

The talent is not confined to the café and restaurant segment. Several fashion boutiques have been leased – again, 'one-off', very clever retail operations with style and distinction. The fresh food component awaits the opening of a huge fruit and vegetable / gourmet food operation, presently under fitout. The Food Court is over 90% leased and already, the team is looking



**Al fresco dining on the 9 metre wide pavement at Coffs Central's front.**

**The Terrace Food Court**

at the retail planning exercise of the future Stage 4 expansion.

The strategy has developed as a result of their understanding of the local community and that goes much further than a detailed examination of the demographics.

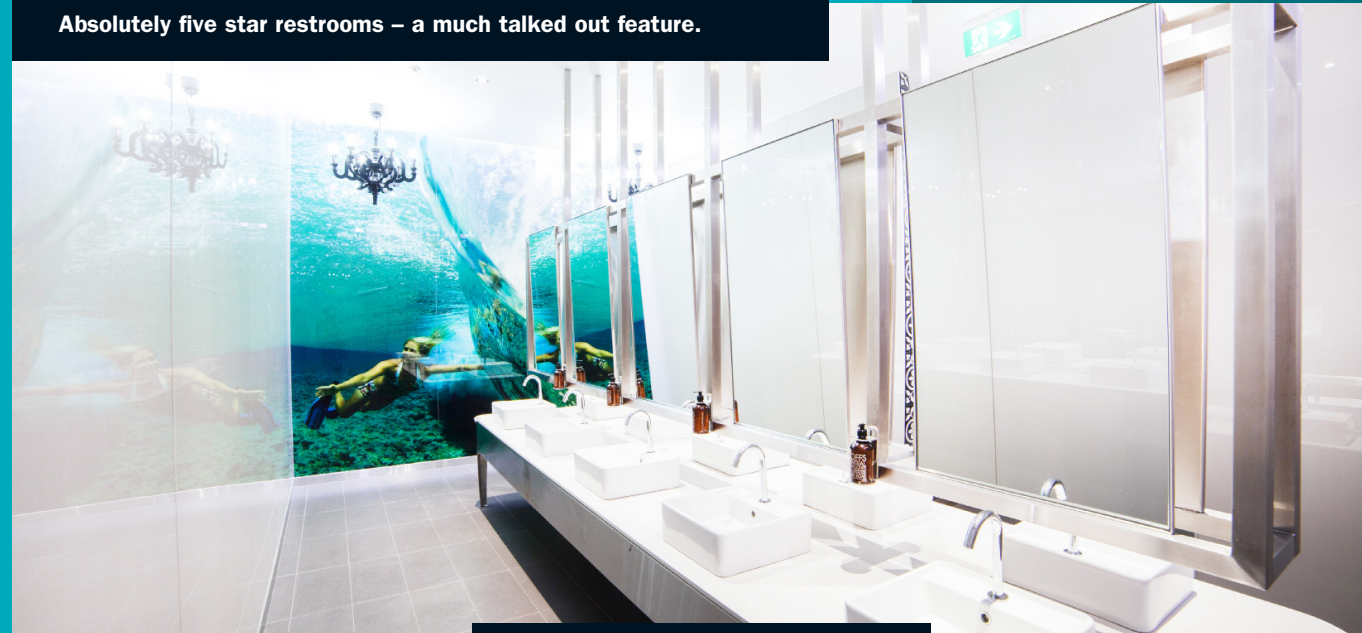
John Gowing: "What's interesting is the perception of what people in the country like. In most cases it's false; there's a perception they are somehow behind, perhaps a little slower and that's nonsense. They might well have different lifestyles, even different values, but when it comes to retail, to wining and dining, to services, they like the same things; in fact, quite often they're more discerning."

"Perhaps in the city," he says, "there are more avenues for expression. We saw a gap at Coffs Harbour; smart retail had already arrived on the main street but with the old Palms Centre being so dominant, it didn't present as a critical mass. Coffs Central will emerge as being as good as anything between Sydney and Brisbane and so it now compliments the rest; it fits in, it's part of it, in fact it's the central piece."

### **Gowings' design and construction embraces the local community.**

The feature sandstock bricks come from the Lincoln Brickworks at Wingham, a family owned company which has been manufacturing bricks since 1852,

**Absolutely five star restrooms – a much talked out feature.**



**Coffs Central, Coffs Harbour**



one of only two family owned traditional brickworks left in NSW.

Coffs Central's new concourse floors incorporate coloured aggregates from Grafton Quarries and crushed abalone shells to add subtle sparkle.

Timberwork features massive recycled ironbark beams sourced by Kempsey firm, Australian Architectural Hardwoods, who rescue Australian hardwoods from

old timber bridges and give them new life.

Suspended in the internal void adjacent to the Food Court is an eight-metre timber artwork by local sculptor Stefan Bruggisser that features a breaching humpback whale.

**The Gowings Whale Trust provides funds for research into these magnificent animals,**

**which migrate north each year past the Gowings shopping centres at Port Macquarie, Kempsey, Coffs Harbour and Moonee Beach.**

Ongoing marketing and management of Coffs Central adopts the same strategies. The Terrace Food Court, which has free Wi-Fi, also has a stage and a sophisticated video/audio system with multiple screens throughout the centre to cater for promotions, events, workshops, meetings and other social and business gatherings.

**The redevelopment of Coffs Central is a textbook example of how a 'market-led' retail development should be conducted. Gowings' long-term culture gives them a view of the development as a 5-year project; after only 2 years into it, one can see the results.**

**This project will be an outstanding commercial success because it contributes to the community in which it sits.**

The retail is smart, targeted, classy and responsive; it works and retailers will prosper. A development application has already been lodged for Stage 4 of the redevelopment, which involves an extension incorporating the former Cunningham's Hardware site to create a new masthead for the Coffs Harbour CBD. **SCN**