

ECONOMIC REPORT

THE PRECINCT

BAKERY HILL AND BRIDGE MALL PRECINCT



EXECUTIVE SUMMARY

The Bakery Hill and Bridge Mall Urban Renewal Precinct (the Precinct) plays a vital role in the economy of the City of Ballarat. It forms the core historic commercial area of Ballarat and still presents a heritage character of small, fine grain independent shops which are supported by larger commercial activity.

In recognition of the Precinct's declining economic activity and a reduction in the number of people who visit the area, Council will prepare an Urban Renewal Plan for the precinct (the Project) which will identify the structural and economic changes which are needed to catalyse and facilitate urban renewal within the Precinct. A key output from this report will be to prepare a suite of economic modelling to support the recommendations in this report and ensure that the economic program of work is appropriately prioritised.

From an urban economics perspective, the project outcomes revolve around unlocking the development

potential of the precinct, identifying under-utilised sites which can better contribute to the functionality and vibrancy of the precinct by incentivising private sector investment, identifying and prioritising ways to stimulate economic urban renewal within the precinct, and to create a place which will attract more people to work, live and play within the Ballarat CBD. This report also provides consideration for strengthening the tourism appeal of Ballarat, particularly through identifying and integrating the significant Aboriginal and European heritage stories into the fabric of the precinct.

Ultimately, this economic analysis and its implications will be integrated into the urban renewal plan and will present short, medium and long-term actions which will focus on facilitating the ongoing economic and commercial renewal of the precinct.



CONTENTS

| | | |
|------------|---|-----------|
| | Executive Summary | 2 |
| 1 | Context Analysis | 4 |
| 1.1 | Bakery Hill and Bridge Mall Study Area..... | 4 |
| 1.2 | History and Urban Context..... | 6 |
| 2 | Policy Context and Economic Strategic Direction | 7 |
| 2.1 | Implications | 7 |
| 3 | Trends and Drivers | 8 |
| 3.1 | Ballarat Economy Overview and Historical Trends..... | 8 |
| 3.2 | Modern Ballarat | 9 |
| 4. | Retail and commercial assessment | 13 |
| 4.1 | Competing centres | 13 |
| 4.2 | Current employment floor area..... | 13 |
| 4.3 | Total Retail Spending..... | 14 |
| 4.4 | Market Share | 15 |
| 5. | Strengths and weaknesses | 17 |
| 6. | Future retail and commercial considerations | 18 |
| 6.1 | The Economic Future of the Precinct | 18 |
| 6.2 | Local Retail and Amenity | 18 |
| 6.3 | Niche Tourism | 19 |
| 6.4 | History and the Story of Ballarat..... | 19 |
| 7. | Residential Uses as Catalyst..... | 20 |
| 7.1 | Project Examples..... | 20 |
| 8. | Cultural Uses as Catalyst | 21 |
| 8.1 | Project Examples..... | 21 |
| 9. | Re-opening the Mall to Traffic..... | 22 |
| 9.1 | Project Examples..... | 23 |
| 10. | Amenity Creation | 24 |
| 10.1 | Project Examples..... | 24 |
| 11. | Private sector investment and partnerships..... | 25 |
| 11.1 | What can the private sector do? | 25 |
| 11.2 | What can we do in partnership?..... | 25 |
| 12. | Summary of key implications for the urban renewal plan..... | 26 |
| 13. | Recommended economic interventions to stimulate urban renewal..... | 27 |

| LAND USE CATEGORY | NUMBER OF SITES | SHARE OF LAND USE |
|---------------------------|-----------------|-------------------|
| Café and Restaurant | 32 | 13.4% |
| Services | 31 | 13.0% |
| Apparel | 31 | 13.0% |
| Vacant shopfront | 29 | 12.2% |
| Leisure/general | 24 | 10.1% |
| Homewares | 23 | 9.7% |
| Office (Dedicated) | 20 | 8.4% |
| Bulky merchandise | 13 | 5.5% |
| Showroom | 6 | 2.5% |
| Office (Public Sector) | 6 | 2.5% |
| Takeaway Food | 5 | 2.1% |
| Residential | 4 | 1.7% |
| F&G Supermarket | 4 | 1.7% |
| Vacant (Dedicated office) | 2 | 0.4% |
| Vacant (Development Site) | 1 | 0.4% |
| F&G Specialty | 1 | 0.4% |
| Health | 1 | 0.4% |
| Liquor | 1 | 0.4% |
| Light industrial | 1 | 0.4% |
| Office Shopfront | 1 | 0.4% |
| TOTAL | 238 | 100% |

Source: Essential Economics (2019)

1.2 HISTORY AND URBAN CONTEXT

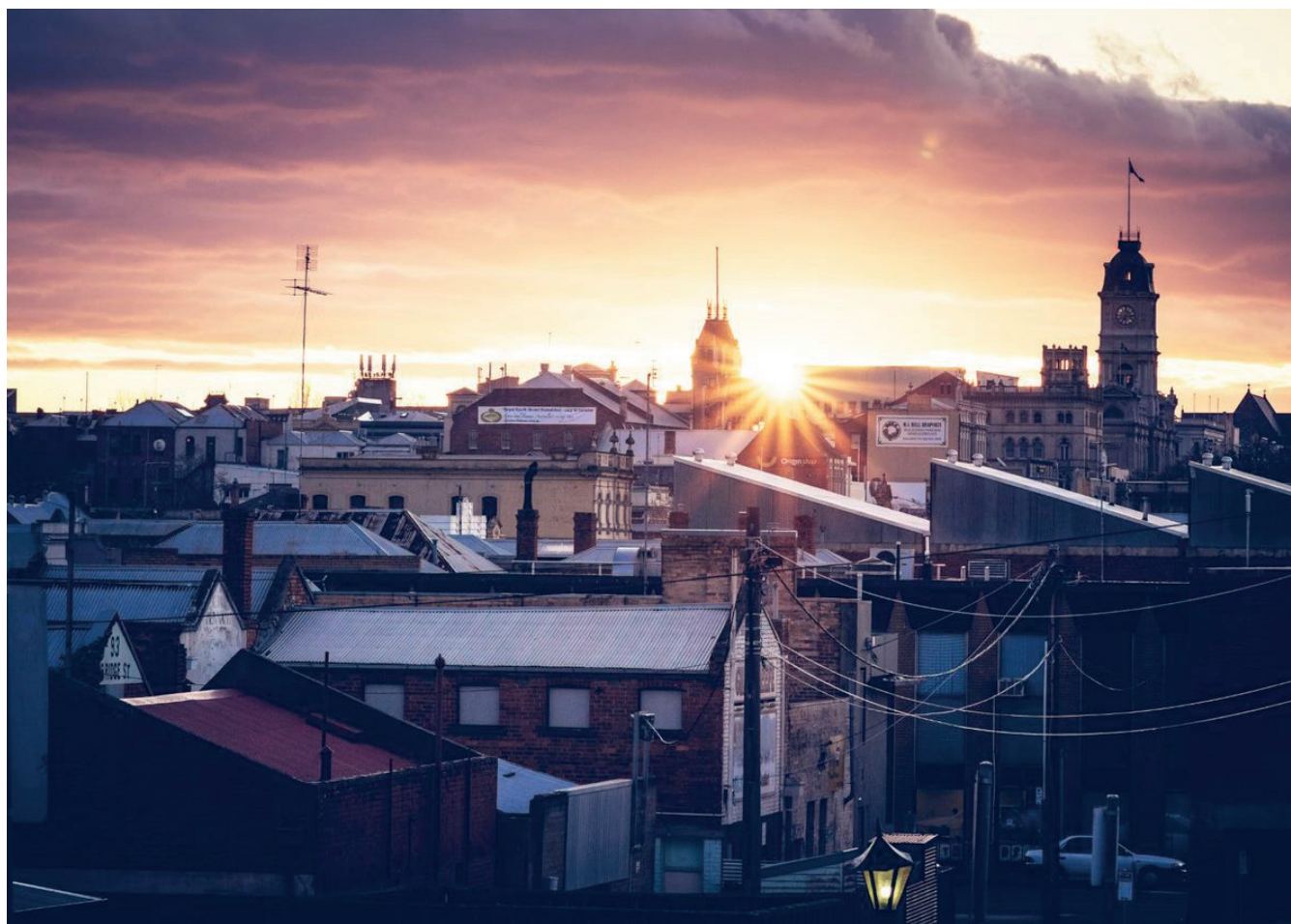
The Bakery Hill and Bridge Mall Precinct is situated within the eastern section of the Ballarat CBD. It is an important entry point to the Ballarat CBD from the east and is a historic site of national significance as the location of the raising of the Eureka Flag. The precinct's traditional strategic importance to commerce was its junction to Victoria Street (the road to Melbourne) and Main Road (the road to Geelong).

Bridge Mall/ Bridge Street is at the heart of what is referred to by most as Bakery Hill. The precinct forms the oldest commercial retail area in Ballarat and is located within the river flats of the Yarrowee River. The continuing commercial activities along Main Road are an important reminder of its early role as a flourishing commercial retail thoroughfare in the 1850s. Importantly, the commercial buildings in Main Road, Bridge Mall and Victoria Street are also associated with continuing commercial developments in the precinct from the 1860s and into the early decades of the twentieth century.

Prior to its closure to vehicular traffic in 1981, Bridge Mall was once the primary east-west connection thoroughfare through the city. Historically, Bridge Street (as it was) was Ballarat's core retail area with many surviving buildings from the mid-19th century typifying the retail legacy of the era with narrow shop fronts and a highly fragmented pattern of subdivision.

As the goldrush sparked a boom that saw Ballarat emerge as a major Victorian-era city, retail and commercial development moved east of Grenville Street and along Sturt Street. Most of Ballarat's main commercial and cultural institutions of the goldrush era occupy the higher ground west of Bakery Hill.

Through the 20th century, the importance of gold to Ballarat's fortunes faded and the city consolidated its position as western Victoria's key regional city. In the early 1980s, as a result of both traffic congestion and the popularity of pedestrian malls, Bridge Street was reconfigured with the street largely closed to vehicular traffic.



2. POLICY CONTEXT AND ECONOMIC STRATEGIC DIRECTION

In preparing this Background Report, a review of strategies and policy documents relevant to this economic assessment has been undertaken including the Ballarat Strategy: Today Tomorrow Together (2015), the CBD Strategy (2010), the Ballarat Activity Centres Strategy (2012) and relevant sections of the Ballarat Planning Scheme. The key implications arising from these strategic policy documents include:

- There is a significant focus on future development of the Ballarat CBD Principal Activity Centre;
- Where appropriate, future development in the Ballarat CBD should promote mixed use outcomes which encourage inner city living;
- Revitalisation of, and investment in the CBD is a key focus in the Ballarat Strategy: Today, Tomorrow Together 2015;
- The CBD strategy (2010) seeks to enhance and grow the Precinct as a core retail area with focus on convenience and small retail, to maximise redevelopment opportunities on the underutilised land, improve the CBD entry point via Little Bridge Street, create a lively, safe and active public realm to enhance retail activity, to improve pedestrian permeability, safety and traffic flow, and to create stronger connections between Ballarat Central and the Yarrowee River.

Ballarat Economic Program 2015-2019

The City of Ballarat has prepared an economic program for the period 2015 to 2019 which is also closely aligned with the long-term vision outlined in other relevant policies. Three core themes underline Council's long-term economic vision as follows:

REGIONAL DEVELOPMENT = THE CAPITAL OF WESTERN VICTORIA

ECONOMIC GROWTH AND DIVERSIFICATION = AUSTRALIA'S PREMIER HIGH TECHNOLOGY AND KNOWLEDGE BASED REGIONAL ECONOMY

CAPITALISING ON POPULATION GROWTH = A BIGGER AND MORE DIVERSE COMMUNITY.

A wide range of actions are contained in the program which aim to encourage economic growth and transformation, activate the CBD, encourage innovation and build the capacity of the Ballarat workforce and business sector.

2.1 IMPLICATIONS

- There is strong policy support for the redevelopment of the precinct into a vibrant mixed-use area, which would in the future support higher density residential living. This includes investigating the potential to redevelop the larger sites within the periphery of the precinct.
- There is significant opportunity throughout the precinct to create new and improved green spaces, and to enhance the amenity of streetscapes.
- There is a need to review the planning controls within the precinct to ensure greater clarity is provided for building and business owners, and developers.
- In relation to the Ballarat CBD, the Ballarat Economic Program identifies CBD Activation -driving the activation of Ballarat's CBD to further develop one of the city's economic turbines, as a key action. The program further emphasises the role of Council in removing constraints to economic development and implementing the economic vision outlined in documents such as the Ballarat Strategy (2015). This includes creating an environment that facilitates investment and which supports innovation and entrepreneurship.

3. TRENDS AND DRIVERS

This chapter provides an overview of the economic context in which the Bakery Hill and Bridge Mall precinct is situated.

Key implications for the Urban Renewal Plan arising from the analysis of the local economy are also provided.

3.1 BALLARAT ECONOMY OVERVIEW AND HISTORICAL TRENDS

The future of land use and development in the Bakery Hill and Bridge Mall precinct is integrally linked to the state of the wider Ballarat economy. A summary of selected key economic indicators for the City of Ballarat as sourced from REMPLAN is provided below.

- Real Gross Regional Product (GRP) increased by +6.7% between 2016 and 2017, above the average for Victoria of +6.5%.
- Gross Regional Product Per Capita, considered a measure of productivity, increased by +4.8% over the past year in Ballarat compared to growth of +4.0% throughout Victoria. Ballarat's GRP per capita in 2017 of \$59,940 was -5% below that of Victoria at \$63,090.
- Population has increased by +1.9% from the previous financial year compared to Australian population growth of +1.6%. This is in line with the population growth rate of the previous year (+2.0%) and is above the consistent rate of +1.6% per annum from 2011 to 2015.
- Key employment sectors for the Ballarat population at the 2016 ABS Census were
- Health care and social assistance (19.0% of employed persons), retail trade (12.1%), and education and training (11.2%).
- Unemployment in Ballarat was 4.6% as of June 2018, below the national average of 5.2%. This is down from a high of 6.5% in mid-2016.
- Residential building approvals increased in value to \$295.7m in 2017/18, a significant increase of 19.9% compared to 2016/17.
- Non-residential building approvals increased in value to \$198.3m in 2017/18, with growth of +10.6% over the previous year. This compares to Victorian non-residential building approval growth of +19.2% over the same period.

Growth in GRP, population and non-residential building approvals, combined with low unemployment and increased productivity, contribute to a positive outlook for the Ballarat economy as a whole



3.2 MODERN BALLARAT

The resurgence in Ballarat's population and economic growth began in the mid-1990s and accelerated from around 2005. In many respects, Ballarat's growth has mirrored that of Melbourne and Victoria's other principal regional cities, specifically Geelong and Bendigo. This is in contrast to other regional Victorian cities such as Shepparton, Mildura and Warrnambool who have experienced only moderate levels of population growth.

As a regional centre, Ballarat's service catchment extends beyond its City borders and encompasses

major retail, health and educational facilities. Traditionally, people from surrounding rural areas, particularly to the west, have been attracted to Ballarat for employment and education purposes (forecast id 2019).

Figure 1 below shows the actual and projected population growth to 2031, as estimated by the Victorian State Government data Victoria in Futures.

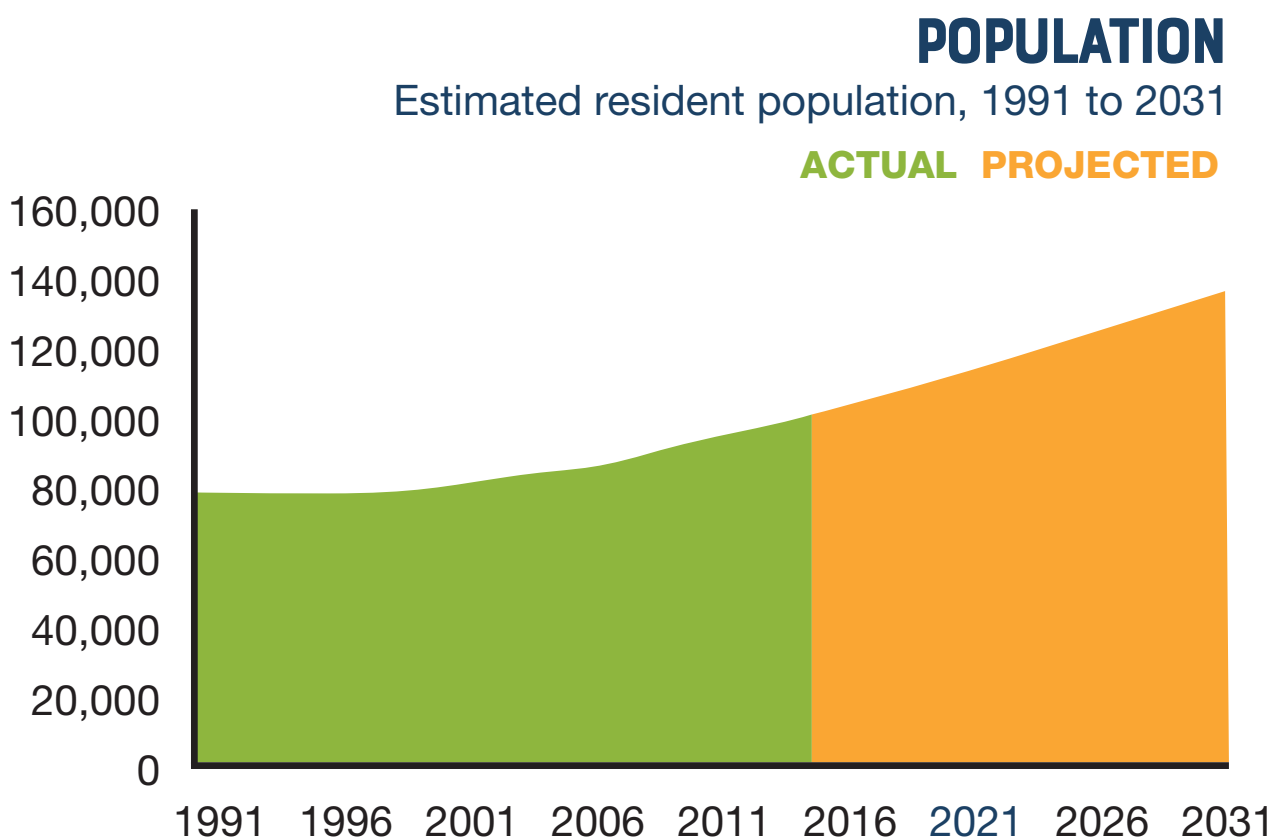


Figure 1: Ballarat estimated resident population, 1991 to 2031

3.2 MODERN BALLARAT

Population

Over the past 30-years, the population of urban Ballarat has experienced significant fluctuations in rate of population growth. During the 1980s, Ballarat's population grew at a moderate rate, and by the early 1990s population growth had stagnated. Subsequently, from the mid-1990s Ballarat has experienced relatively strong population growth. Recent levels of population growth in urban Ballarat equate to around +1,890 persons (2016/17) and are at their highest level since the Victorian gold rush of the 1850s and 1860s.

Ballarat's recent level of population growth provides both economic and, by extension, land use opportunities, as

well as a number of challenges in terms of infrastructure and service provision for the Ballarat community. As a key urban renewal precinct for Ballarat, it is expected that Bakery Hill will respond positively to these challenges and opportunities.

In terms of age structure within the City of Ballarat, Figure 2 below anticipates the projected increase in population based on age structure between 2016 and 2036 as estimated by .id. Of greatest significance within this data is the increase in persons between the ages of 20 and 29 over the 20-year period. The age group between 20-24 is projected to grow from 248 in 2026 to 1,327 in 2036. Equally, the age group between 25-29 is projected to grow from 427 in 2026 to 1,194 in 2036.

FORECAST CHANGE IN AGE STRUCTURE

5 year groups

City of Ballarat - Total persons

2016 to 2026 2026 to 2035

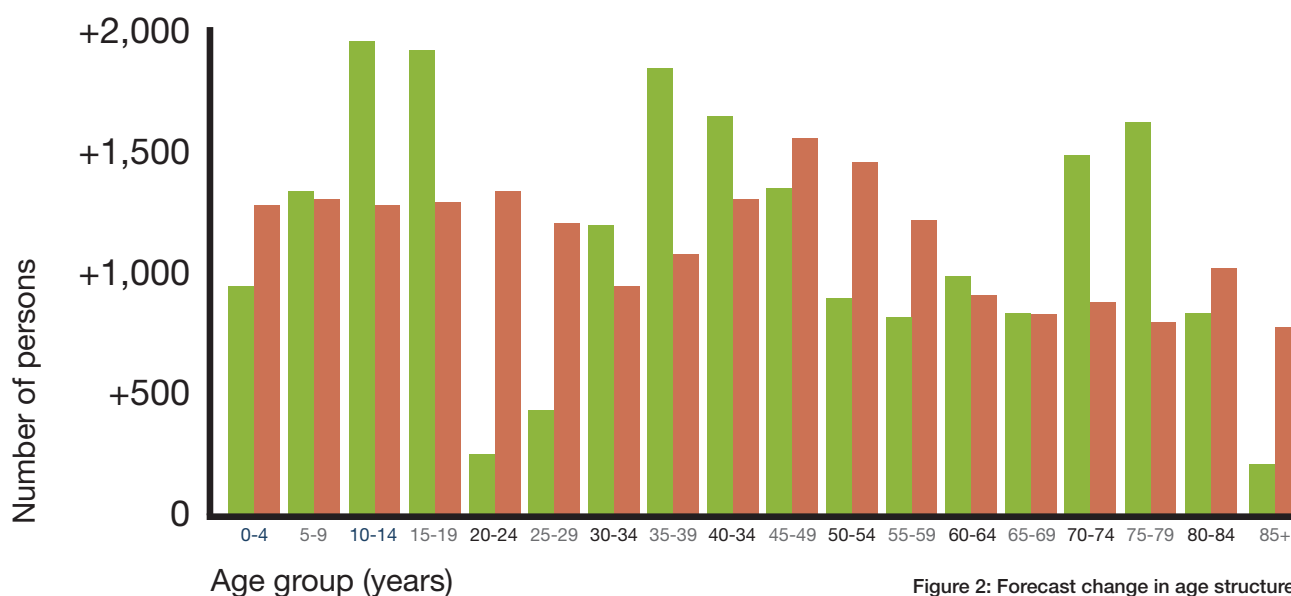


Figure 2: Forecast change in age structure.

Expressed as a rate of population growth, projected growth is expected to be 1.9% per annum between 2017 and 2031, which is higher than projected growth across a range of comparable regional cities and the Victorian and regional benchmark (**Figure 3 below**).

Although table 2 identifies Geelong as experiencing 2.6% growth in 2016/17, this growth is expected to drop to an average growth of 1.6% to 2031, less than Ballarat's projected average growth of 1.9% to 2031.

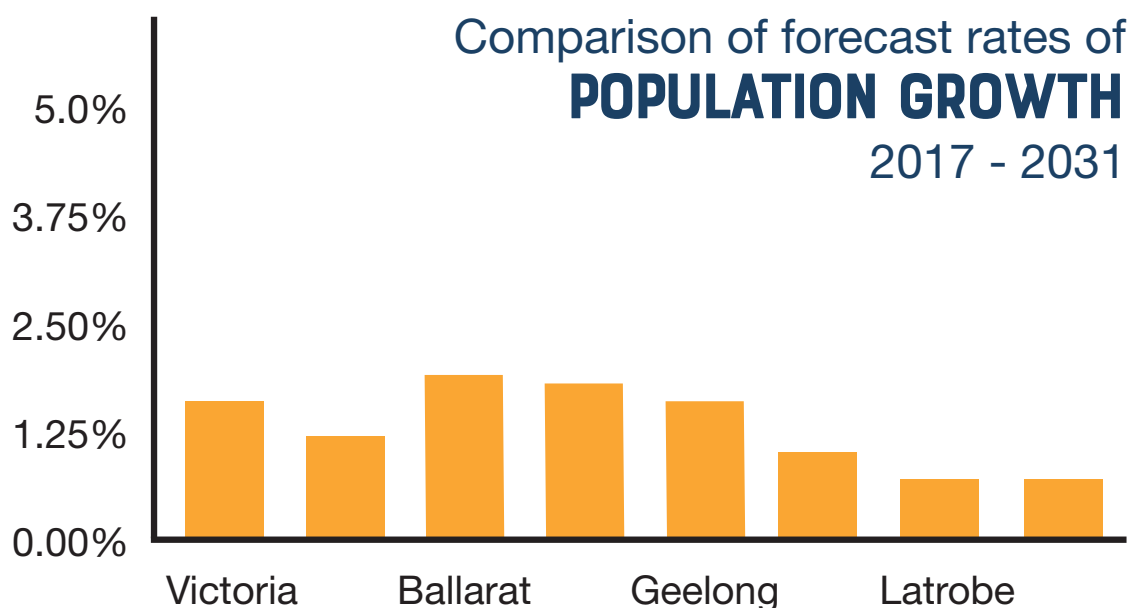


Figure 3: Source: Victoria In Future 2016 and Essential Economics

Table 2 below illustrates Ballarat's current key attributes which place it on a similar footing to its key regional rivals. Importantly, the population is growing at almost 2% per annum in 2016/17 which

means that the population has reached a level where major infrastructure investment is required to support anticipated growth.

| | GEELONG | BALLARAT | BENDIGO |
|--|---------|----------|------------|
| Population (LGA, 2017) | 244,800 | 105,330 | 113,620 |
| Population growth rate (LGA % growth, 2016/17) | 2.6% | 1.9% | 1.6% |
| Distance from Melbourne (kms) | 75kms | 116kms | 153kms |
| Train services per day (to Melbourne) | 57 | 21 | 20 |
| Major residential and employment growth areas identified | Yes | Yes | Fragmented |

Table 2: Ballarat – Competitive Analysis. Source: Essential Economics (2019)

3.2 MODERN BALLARAT

Local Employment

In the period between 2006 and 2016, the Ballarat economy experienced significant change. Although the total number of jobs located within the city increased by +7,840 positions over the period, this included significant growth in some sectors of the economy while others experienced a sharp decline in employment.

Total employment in the manufacturing sector declined by -1,500 jobs between 2006 and 2016, while sectors such as Health Care and Social Assistance (+2,870 jobs) and Education and Training (+1,230 jobs) experienced significant increases. For the tourist sector, employment in Accommodation and Food Services also increased by +940 jobs over the period. This is summarised in

Table 3 below.

Vacancy rates within the Precinct

From an economic perspective, there are clear indications for Council to take action and actively facilitate change within the precinct. Over the last 7 years between January 2012 and January 2019, there has been a significant rise in vacancy rates within the Bridge Mall. Of the 119 shops in the Mall, there was a 5.8% vacancy rate in 2012 and by January 2019, the vacancy rate had almost tripled to 17.6%. For comparison, Knight Frank commissioned a report in July 2018 'Melbourne Retail Suburban Strips' which compares vacancy rates across different major retail strips in Melbourne (Table 3 below). Generally, vacancy rates of less than 7% can still maintain a thriving economic precinct.

| RETAIL STRIP | JULY 2017 | JULY 2018 |
|-----------------------------------|-----------|-----------|
| High Street, Armadale | 3.9% | 4.7% |
| Church Street, Brighton | 0.6% | 1.1% |
| Burke Road, Camberwell | 5.6% | 6.0% |
| Glenferrie Road, Hawthorn | 6.7% | 8.5% |
| Puckle Street, Moonee Ponds | 8.1% | 8.1% |
| Bridge Road, Richmond | 21.4% | 20.5% |
| Clarendon Street, South Melbourne | 5.1% | 4.0% |
| Chapel Street, South Yarra | 12.4% | 16.7% |
| Toorak Road, South Yarra | 6.0% | 5.2% |
| Acland Street, St Kilda | 8.0% | 8.6% |

Table 3 – Retail Strip Vacancy (By street/strip as at Jul 18 (%))

4. RETAIL AND COMMERCIAL ASSESSMENT

4.1 COMPETING CENTRES

Traditionally, the main streets of Ballarat have served as the dominant location for the provision of retail and commercial activities. More recently however, there has been a significant change and innovation in the retail sector, leading to the creation of different retail formats which compete directly with the more traditional 'main street'. Over the past decade, the City of Ballarat has seen significant growth within the suburban areas, generating the need for more retail centres. A description of these key competing centres is provided below:

- **Ballarat CBD (which includes the Study Area):** The Ballarat CBD is the Principal Activity Centre serving the City of Ballarat and beyond, and includes a wide range of retail, commercial, civic, entertainment and community uses. Major retail tenants include Myer, Target, Big W, Coles (x2) and Woolworths.
- **Wendouree Major Activity Centre:** Wendouree Major Activity Centre, which is located 4.6km north-west of the CBD, is Ballarat's key secondary centre and is anchored by Stockland Wendouree Shopping Centre which key retailers such as Kmart, Coles and Safeway. Bulky goods operators are also located in or near to the centre and include Freedom Furniture and Beacon Lighting.

- **Sebastopol North Large Neighbourhood Activity Centre, Sebastopol North:** Sebastopol North neighbourhood activity centre is approximately 3kms south of the Ballarat CBD. The centre, located on the Midland Highway, is anchored by two supermarkets; a Woolworths and an ALDI, supported by a number of specialty retailer focussed on basic convenience needs.
- **Howitt Street Neighbourhood Activity Centre:** Howitt Street neighbourhood activity centre is a strip-based centre near to Stockland Wendouree. Approximately 3km north-west of Bridge Mall, the centre is anchored by Woolworths, Drummond Gold, several bank branches and includes a number of specialty shops.
- **Delacombe Neighbourhood Activity Centre:** The Delacombe Neighbourhood Activity Centre is a relatively new centre which is located approximately 6km to the west of the Study Area with retail anchors including Bunnings, Kmart and Woolworths.
- **Alfredton Neighbourhood Activity Centre** is a relatively new centre located approximately 7kms west of the Ballarat CBD. The centre is anchored by a Woolworths supermarket.

Assessing the capacity for additional employment floor

4.2 CURRENT EMPLOYMENT FLOOR AREA

space is an important factor in understanding how the precinct will function and change in the future. The Bridge Mall accounts for the largest amount of gross floor area, having an estimated 32,000 sqm, however it is acknowledged that the majority of premises within the Bridge Mall have narrow frontages, making them more suitable to smaller footprint, independent retail shops. For larger building footprints outside of the Bridge Mall,

there is approximately 10,000sqm of retail space on the northern side of Bridge Mall and approximately 9,000 sqm of retail space on the southern side of Bridge Mall.

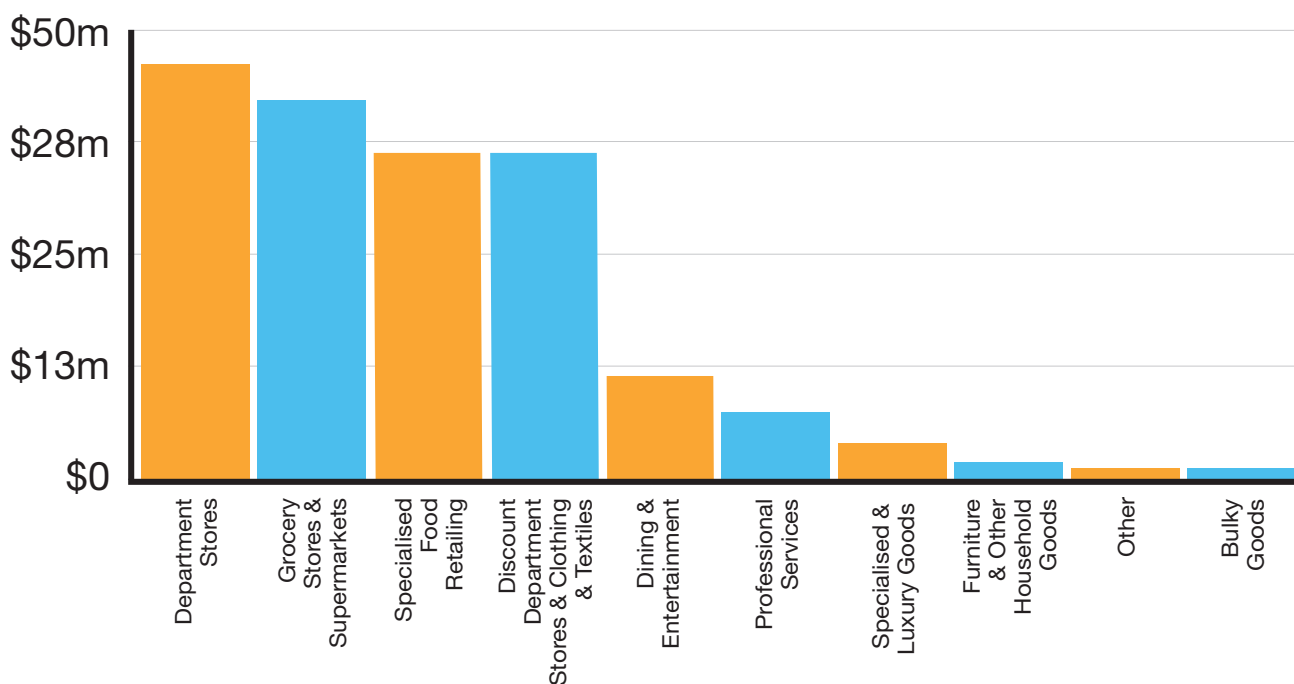
It is recommended that a further analysis be undertaken to include employment growth projections and floor space demand within the precinct and an assessment of the employment floor space capacity.

4.3 TOTAL RETAIL SPENDING

Expenditure in the study area is concentrated in four main categories. According to data sourced from spendmapp.com.au, in 2018/19, \$188m was spent in the core retail precinct of the Bakery Hill and Bridge Mall

study area. The top four expenditure categories were Department Stores (\$46m), Grocery Stores & Supermarkets (\$42m), Specialised Food Retailing (\$36m) and Discount Department Stores & Clothing & Textiles (\$36m).

Bakery Hill & Bridge Mall CONSUMER EXPENDITURE 2018-19



Data source: spendmapp.com.au
Accessed from: Data Republic

4.4 MARKET SHARE

The study area accounts for a sizeable share of Department Store, Discount Department Stores & Clothing & Textiles and Specialised Food Retailing expenditure in Ballarat.

In 2018/19, expenditure in the study area accounted for 36% of total expenditure in Department Stores, 32% of

expenditure on Discount Department Stores & Clothing & Textiles and 22% of expenditure on Specialised Food Retailing in Ballarat.

Annual expenditure in Grocery Stores & Supermarkets is substantial in the study area (\$42m), however it only accounts for 11% of total category spend in Ballarat.

| CATEGORY | STUDY AREA EXPENDITURE | BALLARAT EXPENDITURE | STUDY AREA MARKET SHARE |
|--|------------------------|----------------------|-------------------------|
| Department Stores | 46 | 127 | 36% |
| Grocery Stores & Supermarkets | 42 | 388 | 11% |
| Specialised Food Retailing | 36 | 166 | 22% |
| Discount Department Stores & Clothing & Textiles | 36 | 114 | 32% |
| Dining & Entertainment | 11 | 344 | 3% |
| Professional Services | 7 | 235 | 3% |
| Specialised & Luxury Goods | 4 | 182 | 2% |
| Furniture & Other Household Goods | 2 | 60 | 3% |
| Other | 1 | 18 | 6% |
| Bulky Goods | 1 | 107 | 1% |

Data source: spendmapp.com.au
Accessed from: Data Republic

4.4 MARKET SHARE

Resident -v- Visitor Spending

In 2018/19, Ballarat residents accounted for 73% of the spending that occurred in the study area, with people living outside the City of Ballarat Local Government Area accounting for the remaining 27%.

The expenditure by residents and visitors for each of the expenditure categories are shown in the below table.

| CATEGORY | RESIDENT LOCAL SPEND | VISITOR LOCAL SPEND | RESIDENT SHARE | VISITOR SHARE |
|--|----------------------|---------------------|----------------|---------------|
| Department Stores | 37 | 9 | 81% | 19% |
| Grocery Stores & Supermarkets | 33 | 9 | 77% | 23% |
| Specialised Food Retailing | 25 | 11 | 70% | 30% |
| Discount Department Stores & Clothing & Textiles | 25 | 11 | 68% | 32% |
| Dining & Entertainment | 7 | 4 | 61% | 39% |
| Professional Services | 4 | 3 | 60% | 40% |
| Specialised & Luxury Goods | 2 | 1 | 63% | 37% |
| Furniture & Other Household Goods | 1 | 1 | 66% | 34% |
| Other | 1 | 0 | 80% | 20% |
| Bulky Goods | 1 | 0 | 58% | 42% |
| Personal Services | 0 | 0 | 71% | 29% |
| Travel | 0 | 0 | 71% | 29% |
| Total | 137 | 51 | 73% | 27% |

Data source: spendmapp.com.au
Accessed from: Data Republic

5. STRENGTHS AND WEAKNESSES

The Ballarat Activity Centre Strategy (2012) identifies numerous strengths and weaknesses relating to the Bakery Hill and Bridge Mall Precinct, many of which remain relevant today; these along with strengths and weaknesses identified through this current study include:

Strengths:

- Ballarat is a growing regional city with significant urban and economic growth expected in the future. This activity and growth should be focused towards the CBD as an area which is close to services, public transport, civic departments and higher education institutions.
- The city has obtained a critical mass that, in time, can be expected to change the scale and intensity of future development outcomes.
- The historical built form in the Study Area, and specifically in Bridge Mall, provides a strong sense of character to the precinct.
- Bakery Hill's urban structure, building typologies, building ages and proximity to the train station are strong attributes for renewal.
- Although the presence of major large format retailers including Woolworths, Coles and Big W provide a strong retail focus for the study area, they could be further strengthened by encouraging a more positive and active relationship with the neighbourhood.
- The large at-grade car parking areas provide a significant opportunity for redevelopment over time in a way which better stitches the urban fabric together and enhances a safe and connected place.

Weaknesses:

- The Bridge Mall appears to be 'tired' and fails to provide an energised retail landscape. The Bridge Mall has a reputation for attracting anti-social behaviour, and there is a strong perception of safety concerns across the Precinct.
- Although Bridge Mall has strong attractors in terms of larger format retail, there is no strong attractor of pedestrian traffic at the eastern end of the mall to draw pedestrian traffic through the full length of the mall.
- Notwithstanding strong anchors to the north and south of the Bridge Mall, there is relatively poor connectivity between Bridge Mall itself and Big W to the north and Coles and Woolworths to the south.
- Poor pedestrian connectivity is further exacerbated by vehicular traffic arrangements that distribute vehicles around the Bridge Mall, with very little visibility of the Mall from the outside.
- The expanse of both Curtis Street and Little Bridge Street provide an inhospitable landscape in terms of pedestrian flow and retail connectivity.
- There is poor connectivity through Bridge Mall from Sturt Street to the west and through to Main Street to the east.
- There are several national retailers operating more than one store within the broader urban area, which is unusual for a regional town.

6. FUTURE RETAIL AND COMMERCIAL CONSIDERATIONS

6.1 THE ECONOMIC FUTURE OF THE PRECINCT

To create a vibrant mixed-use precinct, there needs to be a strong reason for people to want to visit.

From an urban economics perspective, the project outcomes revolve around unlocking economic growth and development potential across the Precinct. A fundamental task and challenge from this perspective, is to:

- A) Transform the existing low quality and traditional nature of its retail offering – which is fundamentally failing (primarily due to the limited retail/commercial offer and low population catchment) – to provide a point of difference from other retail offerings nearby in the CBD and surrounding suburban shopping centres;
- B) In parallel with a), encourage and facilitate a range of new uses, particularly in the Bridge Mall that can attract visitation to the Precinct; and

- C) Overcome the physical and structural constraints which limit its ability to be renewed and redeveloped. This could include incentivising ‘unmotivated’ private land and building owners, and redesigning the non-intuitive street layout.

The key question is what future role will Bakery Hill and Bridge Mall play from an economic perspective in relation to the broader Ballarat CBD and surrounding suburbs?

6.2 LOCAL RETAIL AND AMENITY

The nature of retail is changing, with more successful retail businesses combining the traditional retail offering with other complementary activities such as hospitality, recreational or community uses. Structural changes to the retail sector, the growth of online shopping and the shift towards experiential retailing are all factors that today’s retailers need to be across if they are to thrive into the future. There is opportunity for both Council and the private sector to expand the delivery of professional development for our city’s retail sector stakeholders.

In contrast to the broader CBD and supporting shopping centres, Bridge Mall has the opportunity to deliver more boutique, niche, craft style retail (and other) experiences, characterised by a finer-grain layout and an authenticity which cannot be found in the larger format and corporate nature of the suburban shopping centres or CBD. Whilst Ballarat’s retail sector is going through a period of transformation as technology changes the way we shop, it is not all doom and gloom when it comes to retail, as the ‘bricks and mortar’ stores can still provide a unique in-store experience for customers.

Importantly, the precinct should look to attract ‘anchors’ or ‘attractors’ to the Bridge Mall, which could focus on attracting unique players and uses, which will start to transform the overall offering of the Precinct. For instance, there is potential in gourmet food such as an eat street or hawker market type concept which could build on the already very successful restaurants and cafes, in addition to the Bridge Mall Farmers Market. Although there are different operating models, a hawker market could either be operated and curated by a private investor and/or by Council.

Another ‘anchor’ or ‘attractor’ to the Bridge Mall could expand on the already successful local artisan/ trade-based enterprises, such as furniture makers, photographers and art studios, distilleries/breweries, and other lifestyle services such as yoga, Pilates, physio and other health related and wellbeing providers. Notably, these types of retail offerings are generally supported and sustained by nearby (or captive) residents, workers, students and passive activity.

6.3 NICHE TOURISM

Bakery Hill is significant for both its European history and Aboriginal Cultural heritage.

From a European history point of view, the Precinct is significant as the location of the raising of the Eureka

Flag, in addition to the numerous intact heritage buildings throughout the precinct. Sovereign Hill is a privately-run outdoor museum which recreates Ballarat's first ten years after the discovery of gold in 1851.

6.4 HISTORY AND THE STORY OF BALLARAT

The Precinct also incorporates significant opportunities to retrace the story of the Aboriginal people in the precinct. The land's traditional owners, the Wadawurrung and Dja Dja Warrung peoples, were disrupted but – unlike what history commonly tells us – not erased through the goldmining period in Ballarat. They bartered goods, shared their traditional skills, took up many different working roles including as Native Police, and helped the newcomers to find precious metal that for them held no monetary worth. The Yarrowee River has

always been an important landscape feature for the Wadawurrung people, providing a travel path and giving life to the food bowl that is East Ballarat.

There are several opportunities from an urban economics perspective, which could provide stronger links with European and Aboriginal stories and history and better integrate these stories into the urban fabric and built form of the Precinct through the urban renewal process.

7. RESIDENTIAL USES AS CATALYST

To further strengthen the vision for a vibrant mixed-use precinct and to support and complement the commercial offerings, there are also opportunities to deliver different forms of residential housing or accommodation in the Precinct. Residential uses provide many benefits to a mixed-use precinct, including better activation with more people moving through, opportunity for passive surveillance of public spaces, and increased opportunity for commercial/ retail activity for local shopping or eating.

There is currently a small residential population within the Precinct and ultimately, a thriving mixed-use precinct would need to accommodate a more

significant residential population within the Precinct.

Whilst it is acknowledged that medium-density residential developments are not currently viable in the Precinct, hotels/serviced apartments, student housing and non-market affordable housing can provide initial 'residential use' in the Precinct, which can generate activity and support the changing form of retail, which could in turn encourage private medium-density residential developments in the longer term.

7.1 PROJECT EXAMPLES

Residential or accommodation uses have occurred as a catalyst for urban renewal in other precincts within Melbourne, including Central Dandenong (with Ramada, Punt Hill Apartments and Quest) all being the first 'residential developments in the city centre, and now

mixed developments of private residential and serviced apartments are about to commence construction. Encouraging the actual delivery of such projects, including other formats of accommodation including student and affordable housing in the Precinct should be a priority.



Source: Patch Apartments Fitzroy North

8. CULTURAL USES AS CATALYST

Attracting arts, cultural, entertainment or educational uses also has had success in stimulating urban activity and creating a sense of a destination where people want to live, work or visit. According to Arts Victoria 'The Arts Ripple Effect: Valuing the Arts in Communities', encouraging greater integration of arts and culture within the precinct has many positive effects for the local community, including building community pride, inspiring civic participation, create a culture of inclusion and

acceptance, and contribute to resilient local economies.

The Ballarat Evolve program currently places artists and makers spaces within vacant shop fronts. Council should continue to support this program and work in partnership with Ballarat Evolve to continue to grow and expand the program.



Source: Clunes Booktown 2018

8.1 PROJECT EXAMPLES

There are countless examples of regenerating urban areas through creative initiatives. Renew Geelong is connecting owners of vacant properties with makers, creators, artists, community groups and local enterprises to reinvigorate empty spaces in central Geelong on a rent-free basis (subject to a nominal fee for public and product liability

insurance). Renew Geelong is a not-for profit social enterprise funded by the City of Greater Geelong and Creative Victoria. The scheme offers rolling 30-day free licences that place creative enterprises and projects into empty spaces, activating and enhancing the value of properties while long-term, paying tenants are secured.

9. RE-OPENING THE MALL TO TRAFFIC

The growth of suburban shopping centres raised fears that historic downtown retail spaces would lose their place as the business and cultural heart of the community – and pedestrian malls were thought to bring back business. However, the challenges associated with the lack of convenient parking, the exposure of shoppers to bad weather, public perceptions of crime through the lack of passive surveillance associated with passing vehicles, and less shopping diversity (with a

predominance of convenience shops) has seen these decisions reversed in some circumstances.

When so few people living in and around these pedestrian areas, they become lifeless, attracting crime and loiterers, rather than shoppers. Many US cities have reintroduced traffic in pedestrian malls as a way to stimulate economic activity. Use Main Street USA – website has examples



Source: Artist impression of what reopening the Bridge Mall could look like, Geoff Falk (2019)

9.1 PROJECT EXAMPLES

In Australia, Western Sydney (including Penrith, Fairfield, Blacktown and Bankstown and Parramatta) has seen a spate of pedestrian malls reopened to traffic over the last decade to revitalise business and reduce crime and anti-social behaviour. The experience of Church Street Mall in Paramatta was similar to the Bridge Street Mall, with shops boarded up and vacant for months and people feeling unsafe after dark, compared to successful and vibrant restaurant strips further up the road. The decision to re-open the block to traffic has reportedly led to a dramatic decrease in the number of vacant sites. Similarly, in Fairfield, the re-opening of the mall to traffic has seen cafes introduced and alfresco seating in the wide pavement. Whilst the context of Western Sydney is very different to Ballarat, this case study showcases how this thinking can be successfully adopted through active place making.

As part of Revitalising Central Dandenong project, one of the major initiatives was to reinvent Lonsdale Street (the main street) from a fenced arterial through-route to a traffic calmed and pedestrian sensitive outcome which provided shared use for pedestrians and cars. While the transformation of the arterial road to a shared street is the reverse to what is proposed in the Bridge Mall, the underlying objective and premise is the same – to attract activity, generate passive surveillance and to make it a convenient and attractive place to visit and to spend time. The slowing of traffic movements, introducing of street parking, planting of street trees, investing in street furniture and public art, and allowing on-street retail/hospitality has been a major factor in renewing the retail offering and attracting private investment.

10. AMENITY CREATION

Improving the amenity of an area is critical to attracting residential, commercial, recreational and other activity to the area. It can be a way to incentivise economic activity and encourage private investor confidence. As the Bakery Hill and Bridge Mall need

to create its own identity – to find a point of difference to the shopping centres such as Stockland Wendouree, it must appeal to its historic character and charm, a different experience for those who choose to go there.

10.1 PROJECT EXAMPLES

In the case of Revitalising Central Dandenong, approximately \$80m of public funding was invested in the delivery of new road, bridge and public realm infrastructure and public art, and facilitating the delivery of a new Government Services Office by the private sector. These activities leveraged more than \$300m in private sector investment in the project area within the first 7 years of the project.

The recent first stage of the Bank Street and Topham Mall North revitalisation in Adelaide saw a \$14.6m Market to Riverbank link transforming completed, providing upgraded streetscapes including new paving, lighting, trees, landscaping, street furniture, public art and experiences. In this case:

- A)** The road is shared by pedestrians, cyclists and motorised traffic with speed in shared zones limited to 10km/h, and drivers and cyclists expected to give way to pedestrians who are also responsible for allowing traffic to flow, to create a more social and vibrant street.
- B)** Artwork is curated by Vibrant Adelaide, working with RenewalSA and the South Australian Government; and
- C)** There are increased spaces for outdoor dining and pop-up activities, featuring shady street trees, art and bespoke furniture.

Bank Street was reopened to cars in January 2018.



Source: City of Adelaide – Market to Riverbank link

11. PRIVATE SECTOR INVESTMENT AND PARTNERSHIPS

Given the extent and ongoing role of urban renewal within the Precinct, landowners and the broader private sector will need to take a proactive approach to increasing amenity and

activating the precinct. Council can facilitate and partner with the private sector to grow and empower business within the centre, and to improve the amenity of public spaces.

11.1 WHAT CAN THE PRIVATE SECTOR DO?

Priority actions for consideration by the private sector include:

- Continue and invest in programs which encourage and facilitate the upgrade of building facades, shop fronts and store fit-outs to a contemporary standard
- Develop a curated program of engaging shop window displays
- Invest in staff and business development in partnership with relevant industry groups to ensure the customer experience is engaging
- Continue to develop the retail experience that provide customers with a unique experience which is not easily replicable
- Continue to evolve to build a 'retail ecosystem' and blur the boundaries between physical stores and online
- Private sector investment into the precinct, incorporating new and higher density developments that deliver a genuine mixed-use Precinct.

11.2 WHAT CAN WE DO IN PARTNERSHIP?

With a significant number of landowners, numerous leasing agents and a variety of investor motivations and interests, it can be difficult to renew the precinct without an integrated and hands-on approach to managing its growth and development.

Priority actions for consideration are:

- Providing a dedicated Business Support Officer to field enquiries throughout the construction phase of the Precinct's renewal and to assist businesses with accessing funding and grant opportunities to improve their stores and business
- Provide engagement surveys through collecting essential business and local industry data, including trading practices, business operations and employment across all sectors
- Assist with marketing support, particularly in the build-up to and throughout any construction interruption periods
- Facilitate access to industry and business experts to assist businesses through the Precinct's initial renewal and transition.
- Support business-led initiative and activation over the course of the Precinct's renewal process, including through empowering the local creative community to activate the streets and laneways across the Precinct and support any trader-led business activities.
- Support and facilitate façade improvements, including investment in canopies and verandas.
- Continue to work to attract new business within the Precinct which will draw visitation and shoppers (as an 'anchor' or attractor), which will complement the small businesses currently operating in the Bridge Mall.
- Expand programs and initiatives which activate short term vacant properties, including supporting the Ballarat Evolve program.
- Continue to work in partnership with the community and Victoria Police to ensure all designs for public spaces address anti-social behaviour and can be safe places for people to enjoy and gather.
- Explore opportunities to develop public/private partnerships or other ways to incentivise development.

12. SUMMARY OF KEY IMPLICATIONS FOR THE URBAN RENEWAL PLAN

The main implications for the Bakery Hill and Bridge Mall Urban Renewal Precinct arising from the analysis presented in this report include the following:

- 1) The precinct needs to deliver activities and experiences that are unique and distinct from the larger national retailers located in the CBD and surrounding shopping centres such as Stockland's Wendouree.
- 2) The precinct should look to attract 'anchors' or 'attractors' which could focus on attracting unique players and uses which will start the transform the overall offering of the precinct. This could include expanding the already successful local artisan/trade-based enterprises.
- 3) Investigate ways to encourage stronger partnerships with Sovereign Hill and strengthen the physical and retail links between the Precinct and Sovereign Hill. Physical links could include a dedicated and safe pedestrian/cycle path between the Ballarat Railway Station, passing through the precinct's retail core, heading towards Sovereign Hill. Retail links could include encouraging the retail presence of makers and artisans, who might have a similar link to trades from the past.
- 4) To further strengthen the vision for a vibrant mixed-use precinct and to support and complement the commercial offerings, there are also opportunities to deliver different forms of residential housing or accommodation in the Precinct, including student housing, hotels/short term accommodation or affordable housing.
- 5) Investigate the opportunity to attract arts, cultural, entertainment or educational uses which will stimulate urban activity and creating a sense of a destination where people want to live, work or visit.
- 6) Investigate the opportunity to enhance movement through the Bridge Mall. One way to achieve this is to re-open the Mall to traffic.
- 7) Improve the amenity of an area, including through streetscape design to better attract residential, commercial, recreational and other activity within the area.
- 8) Incentivise transforming the commercial mix within the Precinct to provide a point of difference.
- 9) Investigate the ways to improve the physical and structural constraints which ultimately limit its ability to be renewed and redeveloped, including the fragmented land parcels, their 'unmotivated' private owners, and the consuming/ non-intuitive street layout

13. RECOMMENDED ECONOMIC INTERVENTIONS TO STIMULATE URBAN RENEWAL

Short term (12-24 months)

| ACTIVITY | EXPLANATION | OWNER | MEASURE OF SUCCESS |
|---|---|--|--|
| <p>Prepare economic analysis to inform the recommendations of this report and identify priority actions.</p> <p>Create a ranking system to prioritise key projects linked to identified success measures.</p> | <p>As this project is a long-term urban renewal process, in-depth economic analysis will ensure that the key recommendations of this report are costed and prioritised based on their ability to stimulate urban renewal.</p> | Economic Development | <ul style="list-style-type: none"> • Reduced vacancy rates • Increased spending in the precinct |
| <p>Prepare streetscape upgrade designs which enhances movement, amenity and opportunities for activation through the Bridge Mall</p> <p>Prepare a program of works which prioritises implementation</p> | <p>Prepare concept and detailed design for streetscape upgrades and ensure there is a clear prioritisation of work</p> | City Design Studio/ Strategic Planning | |
| <p>Understand the implications of the spend data mapping for the Precinct</p> | <p>Understand the short-term implications of the spend data for the Precinct to understand what is the role of Bakery Hill and Bridge Mall in relation to the broader Ballarat CBD – to what extent are people travelling to Stockland Wendouree to eat or shop and how can the URP service this demand? This allows Council to track spend data over time and to understand potential medium to longer term interventions.</p> | Economic Development | <ul style="list-style-type: none"> • Clear understanding of spend data mapping • Ability to use spend data mapping to effectively measure future economic activity |
| <p>Review Planning Scheme Controls</p> | <p>Ensure that effective planning controls apply to the precinct to ensure protection of significant elements (such as heritage) but also to encourage redevelopment of land where possible.</p> | Strategic Planning | <ul style="list-style-type: none"> • Implementation of new planning scheme controls |
| <p>Identify the types of 'attractor' retailers</p> <p>Prepare a prospectus for potential investors/developers</p> | <p>Focus on 'first movers' to help define what the retail function should and could be, including retailers specialising in food, beverage and entertainment</p> | Economic Development / Strategic Planning | |
| <p>Progress negotiations with large landowners</p> | <p>Help to facilitate redevelopment of private/ public land which will contribute to the precinct's transition into a thriving mixed-use precinct</p> | Economic Development/ Strategic Planning/ Development Facilitation | |

| ACTIVITY | EXPLANATION | OWNER | MEASURE OF SUCCESS |
|---|---|--|---|
| Investigate opportunities to incentivise private sector investment | Help to facilitate redevelopment of private/ public land which will contribute to the precinct's transition into a thriving mixed-use precinct | Economic Development/ Strategic Planning | |
| Encourage higher density accommodation | <p>Negotiate hotel/serviced apartment projects as the initial residential developments in the Precinct</p> <p>Engage with Community Housing Limited and other housing associations about their interest in funding medium-density built form outcomes on Council owned land</p> <p>Engage with Federation University, ACU and Notre Dame about their interest in establish a presence and/ or student accommodation on their own or Council/ owned land</p> | Economic Development/ Strategic Planning | |
| Curate public artwork within the public space areas of the precinct | <p>Council initiated community-led public art program within the precinct</p> <p>Engage with Creative Victoria and Ballarat Evolve to explore opportunities to establish art spaces and creative initiatives within the URP, specifically in shop fronts, shop tops and throughout the public realm</p> | Creative City | <ul style="list-style-type: none"> • How many people have been engaged • Longevity of the outcomes • Public art asset register |
| Encourage short-term leases particularly for shopfronts which have had long term vacancies | Work closely with landowners to encourage leasing of vacant sites to tenants and investigate ways in which Council could incentivise long term vacant shops to be leased | Economic Development | |
| Apply for external funding, including to State and Federal Government agencies as appropriate | Identify funding opportunities to continue the transformation of the precinct to a vibrant mixed-use precinct | Economic Development/ Strategic Planning | |
| Prepare an Affordable Housing Strategy for the Precinct | Understand the supply and demand for affordable housing across the precinct, including how to encourage at least 5% of new dwellings within the precinct - delivered as a combination of community and private housing | Strategic Planning/ Social Policy | |

Medium term (2-4 years)

| ACTIVITY | EXPLANATION | OWNER | MEASURE OF SUCCESS |
|---|--|---|--------------------|
| Prepare a stage 2 Economics Analysis | <p>This stage 2 Economics Analysis would be undertaken to address the following:</p> <p>Provide economic justification for various business cases</p> <p>Prioritise urban renewal work to ensure greatest possible impact per dollar spent by Council</p> | Economic Development/ Strategic Planning | |
| Identify and target retailers and users of the Precinct | <p>Explore the various delivery models for achieving the revitalisation outcomes, with the assistance of appropriately qualified architects and commercial advisors, including:</p> <p>exploring attracting tenants through some (time limited) rental support or other financial assistance to landlords</p> <p>explore strategic acquisitions by Council within the Bridge Mall and identify the hard and soft costs and benefits associated with these</p> <p>Explore funding a program to assist Mall traders with business strategy, retail offers, displays, promotions and other means to increase visitation</p> | Economic Development/ Strategic Planning | |
| Advocate to State Government to assist in funding non-market housing or educational uses | Enhance opportunities to provide accommodation/housing within the precinct through State Government investment | Strategic Planning/ Social Policy | |
| Explore options to relocate the bus interchange or explore opportunities to better activate the land uses and spaces around them. | Relocating or redesigning the bus interchange to improve safety, would need to be supported by attractive and walkable connections to/from the railway station | City Design Studio/ Strategic Planning | |

Long term (4+ years/ ongoing)

| ACTIVITY | EXPLANATION | OWNER | MEASURE OF SUCCESS |
|------------------------------|--|--------------------|--------------------|
| Redesign the eastern gateway | Explore opportunities to redesign and enhance the eastern gateway. This could be achieved through a local design competition | City Design Studio | |

