

**BALLINA TOWN CENTRE
MANAGEMENT STUDY**

Prepared for
BALLINA SHIRE COUNCIL

by

JENNY RAND & ASSOCIATES
July 2002

CONTENTS

1.	INTRODUCTION	1
1.1	Background	1
1.2	Terms of Reference	1
1.3	Study Tasks	2
1.4	Structure of this Report	3
1.5	Disclaimer	3
	SECTION A – Town Centre Management – An Overview	4
2.	TOWN CENTRE MANAGEMENT – AN OVERVIEW	5
2.1	Need for Management	5
2.2	Outcomes	6
2.3	Management Functions	7
2.4	Responsibility for Management	8
2.5	Management Environment	9
2.6	Regulation and Operational Issues	10
3.	MANAGEMENT MODELS	12
3.1	Overview	12
3.2	Management Models	13
3.3	Key Success Factors	16
4.	CASE STUDIES	17
4.1	Cronulla	17
4.2	The Entrance	19
4.3	Coffs Harbour	20
4.4	Gosford	22
4.5	Maitland	24
4.6	Lismore City	27
5.	IMPACT OF UPGRADING & MANAGEMENT PROGRAMS	28
5.1	The Entrance	28
5.2	Programs in the USA	31

continued

JENNY RAND & ASSOCIATES
272 PRINCE CHARLES PARADE, KURNELL NSW 2231
Tel: (02) 9668 8474
Email: jennyrand@aol.com

6.	FUNDING OPTIONS	35
6.1	The Need for Funding	35
6.2	Potential sources of Funding	35
6.3	Special Rates	36
6.4	Fund Raising Activities	38
6.5	Permit Fees & Fines	40
6.6	Government Grants	41
	<i>SECTION B – Town Centre Management for Ballina</i>	42
7.	BALLINA – AN OVERVIEW	43
7.1	Retailing in Ballina	43
7.2	Proposed Retail Developments	46
7.3	Longer Term Changes	47
7.4	Trading Performance of the CBD	48
7.5	Competitive Environment	49
7.6	Key Issues	51
8.	BALLINA CBD UPGRADING	54
8.1	Proposed Program	54
8.2	Opportunities	54
9.	ATTITUDES TO TOWN CENTRE MANAGEMENT	57
9.1	Management to Date	57
9.2	Attitudes to Management	58
10.	MANAGEMENT STRUCTURE OPTIONS	63
10.1	Functions to be Managed	63
10.2	Management Framework	65
10.3	Management Options – Marketing & CBD Office	66
10.4	Management Options – Cleaning & Infrastructure	68
10.5	Relationship to Other Activities	69
11.	FUNDING CONSIDERATIONS	71
11.1	Operating Cost Structure	71
11.2	Pre-Opening / Establishment Costs	71
11.3	On-going Operating Expenses	78
11.4	Special Rate Levy	82
12.	OPERATIONAL & OTHER ISSUES	85

1. INTRODUCTION

1.1 Background

Located near the mouth of the Richmond River, the Ballina township originally developed as a river port. Over time, the focus of the town changed, with the emphasis increasingly being on servicing the growing population in the town and surrounding hinterland, the increasing number of visitors holidaying in the area and travelling along the Pacific Highway. During this period, the connection between the CBD and the adjoining river declined with the CBD spreading out along the main thoroughfare – River Street and the Pacific Highway.

With significant population growth in Ballina and the surrounding hinterland, Ballina has become a sub-regional centre, with strong retail and commercial sectors as well as a thriving tourism industry. At the current rate of growth, Ballina, within the next decade, is expected to overtake Lismore as the main population centre in the Northern Rivers Region.

To accommodate growth and re-position the town, Ballina Shire Council has embarked on a major refurbishment and improvement program for the Ballina CBD. The program is designed to reinforce and strengthen the trading performance of the CBD and provide a meeting place and focal point for residents and visitors to the area. The emphasis of the program is on improving the attractiveness of the CBD, adding a lifestyle dimension to the centre and once again integrating the CBD with the Richmond River.

The proposed up-grading program has strong support from Council, most local businesses and the general community. Council and the business community are also aware that in order to capitalise fully on the lifestyle and trading opportunities that will arise from the improvements program, they must work together to ensure that the Centre is well maintained and presented as well as effectively marketed and promoted. To achieve this Council has commissioned this investigation into town centre management.

1.2 Terms of Reference

Jenny Rand & Associates (JRA) was commissioned by Ballina Shire Council to provide information to Council on town centre management and to suggest appropriate management models for Ballina CBD.

The study involves:

- Reviewing the current performance of the centre and identifying issues impacting on performance.
- Identifying market and use opportunities for the centre arising from the improvements program.

JENNY RAND & ASSOCIATES
July 2002

1

- Advising Council on CBD management, including the management tasks required, implications of centre management, roles and responsibilities of key players and possible management structures.
- Discussing funding options for managing the centre, including the possible introduction of a Special Rate.

1.3 Study Tasks

The key tasks undertaken by JRA during the course of this study included:

- Briefing by Environmental Partnership and Project Manager on the proposed improvements program and its likely implications for on-going management.
- Review of available information (statistics and reports) on the structure and performance of Ballina CBD and Ballina as a visitor destination.
- Inspection of Ballina CBD and other shopping and industrial precincts in Ballina, the outlying villages and Lismore.
- Meetings with Council Officers to discuss the growth prospects for Ballina and the region, the proposed retail strategy for the Shire, the existing performance of the CBD and issues pertaining to the existing and future management of the area.
- Meeting with the Main Street Committee to discuss the current performance of the centre and directions for moving forward.
- Face-to-face and telephone meetings the Chamber of Commerce, a number of CBD traders, real estate agents and the Centre Manager at Ballina Fair to discuss the proposed improvements program and on-going management of the centre.
- Attendance at the Ballina Tourism Strategy Workshop, discussions with the consultants for this study and interviews with relevant tourism industry representatives from Ballina and Northern Rivers Tourism.
- Telephone interviews with Department of State and Regional Development and Managers of other town centres to discuss town centre management and funding structures.
- Discussions with the Department of Local Government in relation to the introduction of a Special Rate.

1.4 Structure of this Report

This report is divided into two sections:

- **Section A** – discusses the need for and role of town centre management and possible sources of funding. Case studies of management and funding structures for six larger centres are also provided.
- **Section B** – provides an over view of the current structure and performance of Ballina and the town's potential and explores possible management structures.

1.5 Disclaimer

In undertaking this review, Jenny Rand & Associates has relied on information and input provided by third parties. This information has been accepted in good faith and JRA makes no warranty or representation as to the accuracy of this information.

JENNY RAND & ASSOCIATES
July 2002

3

**TOWN CENTRE MANAGEMENT
BACKGROUND INFORMATION**

JENNY RAND & ASSOCIATES
July 2002

4

2. TOWN CENTRE MANAGEMENT – AN OVERVIEW

This Chapter provides an overview of the role and importance of centre management and the tasks required to effectively manage a centre.

2.1 The Need for Management

Experience in other centres, both in Australia and overseas, has shown that town centre improvement programs are far more effective in improving the performance of a centre if they are integrated with and supported by effective marketing, promotion and management. A good analogy is a theatre – with the infrastructure works and improvements providing the theatre complex, and the centre management and the traders providing the management and the show.

This is the approach adopted for the management of the larger enclosed shopping centres. To be competitive, the traditional city centre / retail strip precincts needs to be operated in a similar manner.

While the town centre improvements create an attractive, pleasant and safe environment for trading, they are only part of the equation. The businesses themselves need to change to take advantage of the opportunities created by the improvements. This often involves changing attitudes, trading practices and presentation and working together for the common good of the centre. The community then needs to be encouraged to use and embrace the centre. This requires effective marketing and promotion of the centre as a destination (in contrast to the product marketing undertaken by individual traders) as well as the development of a robust program of events and activities. Individually, traders are not in a position to achieve this.

Changes generally cannot happen without leadership, direction and coordination. Someone has to take responsibility. The local retail and business community typically does not have the strength, expertise, experience or resources to effect the changes required. Factionalism and negative attitudes towards change often compound the problem.

Centre management is required if a centre is to:

- Capitalise on opportunities provided by the town centre improvements.
- Increase its competitiveness, particularly addressing the competitive threats posed by the modern enclosed shopping centres.
- Maximise returns from its marketing and promotional dollars.
- Improve its presentation, trading performance and attract investment.
- Implement a successful program of events and activities.

JENNY RAND & ASSOCIATES
July 2002

5

- Encourage rejuvenation of, and improvements to the buildings, the product and experiences offered and to service levels.
- Provide a comprehensive approach to addressing safety and security issues.

Council also needs to consider on-going management in terms of protecting its investment - both political and financial, in the centre to ensure that the opportunities arising from the improvements are fully capitalised upon.

2.2 Outcomes

The benefits that accrue from a CBD refurbishment program coupled with effective management, marketing and promotion generally include:

- Increased visitation to the area, plus an increase in frequency of visit and length of stay.
- Restructure of the retail mix, with older style traders being replaced by more contemporary shops, cafes and restaurants.
- Improved shop front presentation and, in the longer term, upgrading of buildings / facades.
- Decreased vacancy rates and an increase in the take-up rate.
- Increased rental returns.
- Retention of major traders and services (eg banks) on the main street and in some cases the relocation of National traders out of the shopping malls back into the town centre.
- Increased retail expenditure and employment which in turn strengthens the local economy.
- Creating or strengthening the sense of community and engendering pride in the area.

The turn-around of The Entrance town centre in Wyong Shire, illustrates what can be achieved with an integrated approach to revitalising a town centre.

2.3 Management Functions

The core management functions for a town centre are:

- Marketing and promotion
- Presentation
- Advocacy
- Operations and administration
- Regulation

Marketing and Promotion

Marketing and promotion focuses on:

- Raising awareness of the centre as a shopping destination.
- Attracting people to the centre.
- Creating life and atmosphere within the centre, including organising events within the town and capitalising on existing events and activities.

This function encompasses product development, packaging, marketing and promotion with the emphasis on **destination marketing** (ie. attracting people into the centre). Management may need to working closely with other business and tourism organisations to market and promote the town and region.

In addition, there is a role for management in investment marketing in terms of co-ordinating the tenant mix of the centre, sourcing new businesses and encouraging investment.

Presentation

It is essential that a centre be well maintained and presented. The presentation function involves organising and managing:

- Cleaning
- Repairs and maintenance
- Landscaping
- Displays and decorations
- Services (water, power etc)
- Security
- Upgrading of premises and businesses - encouraging property owners and traders to improve the presentation of their buildings and businesses.

Advocacy

The interests of the retail-town centre community needs to be represented within the wider community. The advocacy function typically involves:

- Liaising with, directing and coordinating the input of key stakeholders.

JENNY RAND & ASSOCIATES
July 2002

7

- Representing the interests of the business community, particularly at Council level.
- Working with traders to improve their service delivery and trading performance. This may involve organising training programs and other activities for traders and their staff.

These activities need to be undertaken by the business community, not Council.

Operations and Administration

There is need for day-to-day management of the centre, with a person or organisation being the point of contact and authority for all activities and issues relating to the centre.

This function also includes:

- Management of the Town Centre office, finances etc.
- Co-ordination and integration of activities.
- Strategic planning, infrastructure planning, budgeting etc.
- Performance monitoring.
- Disseminating information to the business community, Council, other community groups and the general public.

Regulation

- Issuing approvals/permits for a range of activities within the centre.
- Enforcing Council's regulations within the centre.

Regulations are discussed in Section 2.6.

2.4 Responsibility for Management

The allocation of the different management functions between key stakeholders will depend on a range of factors including the needs of and issues facing the centre, aspirations for the centre, funding and resources available, the level of involvement that Council wishes to have and the political environment.

Management can be structured with one organisation having total responsibility for all management functions, or the functions can be split and allocated to different stakeholders. A typical division of responsibilities, particularly in smaller centres or in centres introducing management for the first time, is:

- Business Community assumes responsibility for marketing and promotion, events management and operation of the centre office.
- Council takes responsibility for the care, control and management of the infrastructure (ie. cleaning, landscaping, repairs and maintenance etc) and for the enforcement of its regulations and policies.

Where security has been introduced the business community generally assumes responsibility, although Councils usually contribute to the funding.

Experience in other centres has shown that the more functions that can be integrated, the greater the chance for success (assuming that management is appropriately resourced).

It is possible to phase in a total management structure starting with a split management initially and then transferring additional responsibilities and funding to the managing organisation as the initial aims and objectives are achieved.

Different management structures are discussed in Chapter 3, with Case studies given in Chapter 4.

2.5 Management Environment

It is important to understand that the management environment in a town centre is far more difficult than in an enclosed shopping mall. Outlined below are issues that centre management frequently confronts:

- For towns like Ballina, the CBD area is equivalent in size to a sub-regional or regional shopping mall. Management needs to deal with all stakeholders - traders and property owners as well as external community and business groups and Council. Unlike a privately owned complex (eg Westfield), the Manager has virtually no authority over the traders. In contrast to the enclosed shopping centres that operate through enforcement of lease conditions, changes will only be achieved in a CBD/town centre environment through the ability of the Manager to co-opt and encourage support from other stakeholders.
- Management may be caught between the Council and the business community. The relationship between Council and the business community may be poor with little understanding by either party of the issues that affect the other. Management will continually be called upon to negotiate with both parties, endeavouring to reconcile views and ensure effective outcomes for the Centre.
- Management will usually be working at the grass roots level, possibly in a hostile environment. The Manager may be one of a handful of people within the centre that has business qualifications and retail and marketing experience needed for centre operations. The Manager will be working with traders who may:
 - Have limited retailing or business experience - selling, merchandising and display skills may not be strong.
 - Have limited capital for improvements or involvement in activities.
 - Be independent in their outlook and want to control their own activities. They will not necessarily wish to work with other traders or participate in cooperative programs and activities.
 - Resist change and be suspicious of both Council and outsiders.
 - Place great priority on lifestyle considerations and be reluctant to compromise these, eg reluctant to trade on weekends and public holidays.

JENNY RAND & ASSOCIATES
July 2002

9

- Be ready to apportion blame but not accept responsibility.
 - Not have the time and/or resources to be actively involved in activities.
 - Focus on what is good for their operation not what is good for the Centre (and ultimately for them).
 - Expect that it is the role of Council, Chamber of Commerce or other business organisation to bring customers into the centre and into their business, rather than their responsibility.
 - Be inwardly focussed - not keeping up-to-date with retail and market trends.
- Management is often faced with a high level of apathy and an unwillingness by traders to become involved. This can be due to a number of factors including a lack of understanding of the value of marketing and promotion, limited budgets and resources, businesses already trading well and local politics. Where there are high concentrations of National traders it is often difficult to encourage these businesses to become involved as their marketing and promotion, training etc is generally controlled by head office with local stores having no budget or resources for these activities.
- The centre management office may need to operate seven days per week, with the Manager and staff being on call. The Manager and staff will often be required to work weekends and nights with most meetings and training seminars being at night.

2.6 Regulation and Operational Issues

There are a range of issues that have the potential to impact on trading and/or the amenity of a town centre that Council needs to consider and resolve.

Council may need to prepare policies and/or regulations to control activities and introduce mechanisms for enforcement. Existing policies should be reviewed to ensure that they meet the objectives and needs of the centre.

A manual should be prepared by the Centre Manager and/or Council for traders and property owners, detailing policies, regulations and requirements. The issues that need to be addressed include:

- Improvements to building facades.
- On-street trading.
- Street stalls.
- Markets.
- On-street food and beverage sales.
- Signage, particularly footpath and below awning signs and banners.
- Buskers.
- Product promotions.
- Handbills and advertising.
- Raffles and lotteries.
- Public collections.
- Spruiking.
- Noise amplification.

JENNY RAND & ASSOCIATES
July 2002

10

13.3 Notice of Motion - Town Centre Management.DOC

- Activities to be regulated, eg dogs, bicycles, skate boards.
- Emergency access and evacuation plan.
- On-street parking controls (hourly limits) and loading zones.

Further information on these issues is given in Chapter 12.

JENNY RAND & ASSOCIATES
July 2002

11

3. MANAGEMENT MODELS

3.1 Overview

The management structures adopted by Councils and business communities in other centres have varied widely. Each structure has been designed to meet local needs and objectives with key considerations including:

- Structure of the centre - physical & organisational.
- Local issues, problems and constraints facing the Centre and the opportunities available.
- Local politics and personalities.
- The level of control required by Council and other key stakeholders.
- The scale of the works undertaken and the level of investment.
- The willingness and ability of key stakeholders to accept responsibility.
- The resources and skills available in the local community.
- Funding available.

Examples to the different management models that have been adopted in other centres of similar size to Ballina are discussed below. Other centres have adopted variations of these models to meet their individual requirements.

- **Council assuming total responsibility for the operation and marketing of the centre.** This may involve creating a Department / Business Unit within Council. Council may be assisted by an advisory committee drawn from the local property owners / tenants.
- **Strengthening an existing organisation** eg Chamber of Commerce / Tourist Association / Economic Development Committee, to manage the centre. This approach is often used in Main Street programs that are funded by the Department of State & Regional Development.
- **Joint Council - local business community venture** in the form of a Company limited by guarantee, an Incorporated Association or a Management Committee / Board. This tends to be the structure adopted in larger centres.
- **Establishing a Promotions / Marketing committee** with Council providing all property and operational services.
- **Contracting out the Management** to a professional management company or other organisation.
- **Appointing an Events Co-ordinator and/or a Committee** to run events and activities in the centre.

The main advantages and disadvantages of each option are discussed below.

3.2 Management Models

JENNY RAND & ASSOCIATES
July 2002

12

Model 1. Council assumes total responsibility for the operation and marketing of the Centre

By embarking on an upgrading program Council is making a significant investment in a centre. This management option is one way of ensuring that the investment is protected both financially and politically. If totally funded by Council, direct management may initially be well accepted by the business community. The establishment of an advisory committee drawn from the business community enables the community to have input without any financial commitment or direct responsibility. The business community is not however under pressure to perform, nor does it have a stake in making the centre work.

While this option has the advantage of giving Council direct control, particularly in the initial stages, it is usually detrimental to ongoing operations in the medium to long term as the business community will remain dependent on Council.

From Council's perspective, retail centre management is outside its core business and an area where Council has little expertise or experience (this may be brought in). It also unfairly places the financial responsibility for the centre onto all rate payers rather than on the direct beneficiaries, ie the business community. Council is making a sufficient contribution through its initial capital works and the ongoing maintenance and refurbishment. Council may also expose itself to ongoing criticism, political pressure, etc. which could ultimately increase factionalism within the centre.

From the perspective of the centre, this arrangement does not encourage optimal performance. Property owners and traders have no responsibility or accountability and therefore no real commitment to making the centre perform.

The centre would also face considerable uncertainty regarding long term direction, and ongoing availability of funding and resources. The management of the centre could continually become an election issue, competing with other projects for Council funding. This would detract from the overall performance.

Model 2. The Chamber of Commerce or Other Business Group assumes responsibility.

The Chamber of Commerce or other business organisation assumes responsible for the day-to-day management and marketing of the centre. These organisations generally do not have responsibility for activities such as cleaning, maintenance and landscaping. In most centres, Council assists with funding and resource contributions.

The success will ultimately depend on whether the business organisation has widespread support from the business community, whether it has the skills and resources required and its ability to generate funds.

From a Council perspective this model has the advantage of passing responsibility for performance back to the business community. In many instances these organisations are under-funded and resourced, dependent on volunteers, and are susceptible to local

politics and in-fighting. Very few business organisations have been able to maintain the initial enthusiasm nor sustain the operation in the medium to longer term.

This model is not appropriate if Council is looking to protect its investment in the centre. To achieve this, Council requires direct input.

From the retail community's perspective, direct input from Council is generally the only way to ensure Council's ongoing commitment to maintaining the centre improvements and providing the support services needed for centre presentation. Unless Council has direct contact and involvement with the business community, it cannot realistically comprehend the issues involved and tailor its approach to achieve optimal performance.

Model 3. Joint Council - Business Community Venture

A joint venture approach, either through a Management Committee or Board structure, incorporated association or a company structure has been the most successful approach. Council and the business community are both represented which places responsibility on both parties to perform and ensures communication and commitment from both.

The Board / Company may assume total responsibility for the management of the centre. Where responsibilities are broken up, the logical division is for the Board to take prime responsibility for the marketing and promotion and security of the centre, with Council working to support these efforts by ensuring that the infrastructure is available, in good condition, and well presented.

This arrangement aims for a partnership approach and appears to be less prone to factionalism and dependency on Council. It also enables Council to vary the level of involvement that it has, taking a more active role initially and scaling down its activity as the business community becomes more professional, competent and confident in its approach.

This structure provides the business community with back-up of the resources and experience available at Council and facilitates a high level of communication.

A company structure has the advantage of flexibility – being able to function outside the constraints of the Local Government Act. A company structure also provides the business community with greater responsibility for performance.

Model 4. Establishing a Marketing and Promotions Committee / Organisation

This splits responsibility for the management of the centre between Council and the business community. In this model a Marketing and Promotions Organisation is established from the business community. The Committee has responsibility solely for marketing and promotion. This may include organising events in the centre. Funding may come from Council by way of a local rate or as a grant, or the Committee raises it from the local business community (less optimal). Council has responsibility for all infrastructure / property works and expenses.

This structure works best where the Committee has a guaranteed source of funds. If it is responsible for raising promotional funds then resources will be employed mainly in fund raising rather than in promotion. There will also be traders in the community that will not want to participate but will happily share in any benefits.

The main difficulty with this approach generally lies in coordinating the repairs, maintenance and works activities undertaken by Council with the promotional activities being undertaken by the committee. Good presentation of both the main street and the individual businesses is important and this option tends to work against this. Some Councils have appointed a liaison officer / place manager in order to address this problem.

Model 5. Management Contract(s)

Council may contact out all or part of the management of the town centre. The services that have typically been outsourced in other centres are cleaning, landscaping and security. The success of these ventures is largely dependent on the quality of the contract and the level of contract supervision by Council. Where funding and/or supervision are not adequate, 'corners will be cut'.

A limited number of Councils have tried contracting out the marketing and promotion of the centre to professional management companies. These arrangements have not tended to be successful as the only commitment to the centre by these companies is financial. In addition they have tended to be unsuccessful in engendering support and co-operation from the business community, which is essential in a town centre environment.

Model 6. Appointment of an Events Co-ordinator

A strong events program will attract people into a centre and contribute towards improving the profile and trading performance of the centre. In some areas Council has employed or funded an events co-ordinator, either to work with a committee or independently, to organise an agreed number of events. In other areas, Council has increased the resources available to event committees to increase their level of professionalism.

This arrangement will work where there is a strong town centre committee that is actively involved in marketing and promoting the centre. Hosting events without on-going marketing and promotion of the centre has limited success.

3.3 Key Success Factors

There are both successful and unsuccessful examples of centre management under each of the management models. Assessment of the factors determining successes and failures have indicated that the actual model itself is only part of the equation with the **key factors for success** being:

- The vision, ability and commitment of the people involved.
- The funding and resources available.

Other factors that also play a role include:

- A management structure that has been tailored to fit the needs of the community / centre and the skills and resources available. The structure needs the flexibility to change with the changing needs of the centre.
- Support by all key stakeholders, with Council and the business community working co-operatively towards an agreed outcome. Roles and responsibilities need to be clearly defined and there must be a commitment by both parties to succeed.
- Commitment to work through differences and issues.
- Employment of skilled professionals. A volunteer based system is not sustainable.

4. MANAGEMENT MODEL - CASE STUDIES

Case studies of town centre management and funding structures are provided for the following centres:

- Cronulla in Sutherland Shire
- The Entrance in Wyong Shire
- Coffs Harbour CBD
- Gosford CBD
- Maitland CBD
- Lismore CBD

These centres all have over 200 retail traders. Cronulla and The Entrance are major tourist destinations, while the other centres are regional centres.

4.1 Cronulla

Cronulla Plaza was established in the late 1980's. At its inception, Sutherland Council identified the need for extensive marketing and promotion if Cronulla was to be effective in competing with the expanding Westfield's Miranda Fair.

Council established 'Cronulla Promotions Limited', a company limited by guarantee, to manage the Cronulla CBD. The CBD incorporates the Plaza, the remainder of the main street and the adjoining side streets. There are some 270 businesses in the centre.

The company has 5 directors, 4 of whom are nominated by Cronulla Chamber of Commerce and one by Sutherland Shire Council. The Company was initially given responsibility for the day-to-day management of the Plaza, all marketing and promotional activities and security, with Council responsible for cleaning, landscaping and all capital works.

Until 1996 Council was responsible for the cleaning, infrastructure maintenance and landscaping in the centre. Council had three cleaning and maintenance staff permanently based at Cronulla and the area was cleaned every day, year round. The cleaning staff reported to Council at Sutherland and worked to their own rosters. Their activities did not always meet the needs of the Centre.

Landscaping and gardening were also the responsibility of Council and similar problems to the cleaning were experienced. Council's priority was for native trees and shrubs, whereas the CBD required floral displays, palms and large shade trees.

In 1996 Council transferred responsibility for cleaning and landscaping to the Plaza Manager. The funds that Council spent on these activities were also transferred. The Manager retained Council staff, but called for tenders to test the market.

The Company is now responsible for the total management of the Centre. It has a budget of around \$950,000 per annum, with funding sourced from:

Special rate levy	\$330,000 pa
-------------------	--------------

JENNY RAND & ASSOCIATES
July 2002

17

13.3 Notice of Motion - Town Centre Management.DOC

Council	\$560,000 pa
Fund raising / sponsorship	\$ 60,000 pa

The contribution by Council is divided into two payments, a contribution towards salaries and administration (\$100,000 pa) and a contribution for cleaning, maintenance and landscaping (\$460,000 pa).

The Centre Manager is employed by Council as a contract employee with the salary being funded 60% by Cronulla Promotions Limited (rate levy) and 40% by Council. Secretarial support is funded wholly by the Company. Council also contributes to the cost of the office, vehicles and administration and, more recently, to security. Any revenue raised by the Company/Council for the lease of outdoor dining areas, signage, permits etc, is put into a sinking fund towards the cost of future refurbishment of the centre.

The rate levy is used for marketing and promotion, events, security, office expenses and salaries. Over the past 3 years security has become a major issue, with the security budget going from minimal funding to \$200,000 pa. The Company has had to reduce its marketing and promotional budget to \$185,000 to meet the security cost. The Company is very concerned about the limited funds available for marketing and promotion. They consider that they need a minimum of \$300,000 pa, with \$500,000 considered more realistic. The Company, Chamber and Council are currently working to resolve this issue.

According to Sutherland Council this management structure has been extremely effective in that:

- Traders and business community are directly responsible for the performance of the centre, with the business community setting its own priorities.
- It has significantly strengthened the Chamber of Commerce with the majority of businesses in the Centre now belonging to the Chamber.
- There is direct and effective communication between Council and the business community with both groups working to the same strategic plan to advance the Centre.
- Cronulla has been able to differentiate itself from Miranda Fair and other centres in the Shire and has established itself as a destination and entertainment based centre.
- A real community spirit has developed with traders no longer only considering their own well-being but also that of the centre. The community is taking increasing responsibility for the success of the Centre. It has embarked on a strategic planning program in which the types of tenants required to boost the Centre have been identified with the local real estate agents targeting the businesses that Cronulla wants in the centre. The Centre Manager is actively involved in coordinating this activity.

4.2 The Entrance Town Centre

JENNY RAND & ASSOCIATES
July 2002

18

The Entrance town centre in Wyong Shire underwent a major upgrading from 1996 - 1998. The program included landscaping of the main street, management of traffic and parking, and the development of a small mall linking the retail centre with a park and the river foreshore.

Prior to the completion of the upgrading program, Council established a Company limited by guarantee, (The Entrance Town Centre Management Incorporated), to manage and operate the town centre. The company structure and funding arrangements were based on the Cronulla Plaza model, in which the company had responsibility for all facets of centre management. The Company has a Board of seven directors, one of whom is a Council representative.

The Company has almost total responsibility for the operation and management of the town centre. The Company has a budget in the order of \$1.32 million per annum, with funds derived from:

Special rate levy	\$660,000
Council	\$360,000
Company income / fund raising	\$300,000

The rate levy is used to fund salaries (Manager, office manager, marketing and events coordinator and casual staff), office expenses, marketing and promotion, events coordination and security.

The income from Council is applied to cleaning, maintenance, and landscaping. In determining this contribution, Council estimated the property related costs that it would incur in servicing the centre and adjoining parkland. These funds were allocated as an annual transfer of funds to the management company. The Company in turn has called for tenders for cleaning, landscaping, maintenance, security and garbage removal, with Council departments winning a number of these contracts. The cleaning and maintenance contracts are in the order of \$300,000 pa, with security being \$130,000 pa.

The Company derives income from a range of activities that it manages, including the leasing of outdoor furniture to traders, events, permit application fees, sponsorship and co-operative advertising funds. The majority of this income is spent on marketing and promotion, centre presentation (eg decorations), providing training and assistance programs for local businesses and, more recently, in attracting new investment to the centre.

The main issues facing centre management are the costs associated with managing the adjoining parklands and the lack of a sinking fund for major maintenance and refurbishment.

The town centre program has resulted in a significant increase in the number of visitors to the town which has placed pressure on the adjoining parklands. The parkland is constantly in use for events (15 major events per year), entertainment and informal recreation. The parkland areas receive a very high level of use, resulting in very high maintenance requirements. When the management company was first established and funds allocated for cleaning and maintenance of the parkland area, the current level of

use was not envisaged. Costs in this area are escalating and the Company and Council are currently reviewing the situation.

As part of town centre program implementation strategy, a sinking fund to cover major repairs and future refurbishment was recommended to Council. Initially Council did not proceed with this recommendation, however has recently established this fund, with \$100,000 pa now being set aside. Council and the Company are currently in negotiations to define the responsibilities of both parties in relation to undertaking and funding major repairs and infrastructure works.

Council considers that this management structure has worked extremely well. Teething problems were experienced, with this partly attributable to the choice of Manager. The town now has a new Manager and the town is performing exceptionally well. Visitation and expenditure have increased substantially, vacancy rates have fallen, rents have increased and there has been considerable investment by both property owners and local businesses in the centre. There has also been substantial new investment in the local area (eg hotel and conference facilities, serviced apartments, residential apartments).

4.3 Coffs Harbour

The management of Coffs Harbour Town Centre has undergone 3 major re-structures over the past fifteen years.

Structure 1 – Mall Manager

In 1984 Coffs Harbour City Council developed a mall in the city centre in an endeavour to attract people back into the centre. Patronage of the centre had declined significantly following the establishment of a modern shopping complex a few kilometres north of the CBD.

Initially, Council appointed a Mall Manager with responsibility for:

- Organising events and activities in the mall, eg bands, puppet shows, buskers.
- Issuing permits for buskers and tradesmen wishing to drive onto the mall.
- Enforcing Council's rules and regulations for the mall, in particular ensuring that traders did not extend their merchandise more than their allocated areas and the number of tables for outdoor dining did not exceed the number licensed.

The Mall Manager was an employee of Council with all expenses met by the Council. The annual promotional budget in 1996 was \$55,000. This was allocated solely for organising activities and events in the mall and could not be used for any form of retail or centre advertising.

Council was responsible for all cleaning, maintenance, landscaping and other property expenses. When problems with vandalism and hooliganism arose, Council relocated its Ranger Staff division to the Mall Management Office and the Police introduced a beat patrol.

All responsibility for centre promotion rested solely with the business community. A retail association was established with the sole purpose of marketing and promoting the city centre and mall. Both traders and property owners were members of the association.

In the 12 years in which this management arrangement was in place, the effectiveness fluctuated depending on the skills of the Mall Manager and local politics. The quality and timeliness of the cleaning, maintenance and landscaping were also constant sources of tension between Council and the Retailers Association. Neither the Council nor the Retailers Association considered that Management structure was optimal.

Structure 2 - Management Company

In 1997 the local business community (traders and property owners) formed a committee to address the problem.

The Committee approached Council with a proposal that they establish a Company limited by guarantee to manage the mall, with the Company assuming responsibility for all property functions, marketing and promotion.

Council agreed and the "Mall Management Company" was established. The Company had a board of directors consisting of two property owners, two traders, two citizen representatives and two Councillors. The first board was appointed. In subsequent boards all, but Council representatives, were elected. Any trader or property owner could join the Company (annual fee \$25), and all members of the Company had voting rights. The Company employed a Mall Manager and a part-time assistant (20 hours per week). Cleaning and maintenance was out-sourced, landscaping was undertaken by Council (but considered for out-sourcing) with Council Rangers and Police responsible for security. All other operating costs were met by the Mall Company.

Council provided an allocation of \$360,000 per annum which represented Council's previous annual expenditure on the Mall. \$60,000 of this was allocated to Mall promotions, with the traders and property owners responsible for funding advertising and promotion.

The Company requested that Council levy a special rate on the traders, with the revenue raised to be used by the Company for marketing and promotion. Council did not introduce a special rate for this purpose at it was proposing to introduce a special rate for the CBD to implement an infrastructure improvements program for the area.

Structure 3 – Contract Marketing

In 2000-1 Council decided to re-open the Mall to two way traffic and to upgrade 21 streets within the CBD. The upgrading program is being funded by a Special Rate levied on the business community, with this rate designed to raise \$10 million over 10 years.

JENNY RAND & ASSOCIATES
July 2002

21

The Mall Management Company was disbanded and Council assumed responsibility for the operation and marketing of the Centre.

Council obtained a grant under the Department of State and Regional Development's Town Centre program and used this grant to contract out the marketing and promotion of the CBD. When the grant expires, Council will continue with the marketing contract. 'Streets Ahead Incorporated' was appointed to undertake the marketing. Council has committed \$75,000 per annum for marketing and promotion with 'Streets Ahead' having to raise additional promotional funds from the local business community.

Council is responsible for cleaning, maintenance, landscaping and security in the town centre. Currently there is one full-time cleaner based permanently in the centre, however the cleaning and maintenance staff will be increased as the number of streets up-graded increases. Council employs a private security company to patrol the centre during busy trading periods, with this service supplemented by Council's Ranger staff.

Council advised that it is likely to review the management structure of the town centre when it is more advanced with the infrastructure improvements, and the specific management needs and issues of the centre have become more apparent.

4.4 Gosford CBD

Gosford City Council established a CBD Committee to advise on improvements to the CBD. On completion of the improvements program Council, working with the Committee, formulated a management program for the Centre and a Special Rate was introduced. Council assumed responsibility for the cleaning and maintenance of the centre, with some of these functions being contracted out to Australian Main Street Management (AMSM).

The Chamber of Commerce established a CBD Promotions Committee to market and promote the CBD. The Promotions Committee consists of representatives from the Chamber (2), Council (2), the two major shopping centres, and representatives from the business community (usually retailers).

The CBD Co-ordinator is employed by the Chamber and holds the position of CEO for the Chamber and CBD Co-ordinator. The Co-ordinator's salary is paid 50% from the CBD special rate and 50% by the Chamber from their funds. The Chamber / Town Centre Office are co-located with the Central Coast Tourist Office in a building leased from Council at a nominal rate. The CBD Levy meets the Town Centre Office component of the rent and operating costs for the Town Centre Office.

The CBD Co-ordinator is the point of contact for the centre. Council's Overseer, the Contractor (AMSM) and the CBD Co-ordinator meet fortnightly to walk the CBD to check cleaning standards and identify maintenance issues.

AMSM has the contract for the cleaning and security of the CBD. Council's Works Overseer manages this contract. The contract (one year by two one year options), requires AMSM to clean the centre daily, provide a security service and to undertake

minor maintenance of both the street infrastructure and gardens. The AMSM cleaning staff are trained security staff and double in this function, with additional security staff brought on-line as required.

AMSM staff also have a customer relations – information role and deliver newsletters to shop keepers as part of their rounds. Each business also has the contact number for the AMSM staff and can contact them direct in relation to any cleaning or security issues. Each business has the option of supplying the CBD Co-ordinator with paint for their building, with this then used by AMSM staff to paint over any graffiti that appears on the building.

AMSM maintains a core crew, equivalent to 3 full-time staff, in Gosford CBD. The company also has the management contract for Woy Woy shopping centre and moves the Woy Woy staff into Gosford when needed.

Council is responsible for the monthly maintenance of the garden beds, changing the plantings in the Centre four times per year as well as undertaking an annual mulch and other major garden maintenance activities as required. AMSM is responsible for keeping the garden beds free of litter, removing and replacing dead plants and removing dead flowers.

The security contract is managed by Council as part of the AMSM contract, but funded from the special rate. A committee (SCRAP – Security, Council, Rangers and Police) meets monthly to discuss security issues in the centre. In summer at night, Council sometimes uses off-duty policemen working alongside its Ranger staff to target vandalism and crime ‘hot-spots’. The centre has recently introduced a ‘dog patrol’ which has significantly reduced drug problems in the centre.

The CBD activities are funded by a Special Rate levied on the business community, a recurrent allocation from Council and a contribution from State Rail. The Special Rate generates around \$400,000 pa. The main items of expenditure are:

- \$100,000 pa placed in a sinking fund for future infrastructure improvements.
- \$ 40,000 pa for the Co-ordinator’s salary (CBD component).
- \$ 60,000 pa marketing and promotion. This is made available on a dollar or dollar basis with the business community required to contribute a further \$60,000.
- \$100,000 pa towards the cost of security and cleaning in the centre.
- \$100,000 pa administration and operating costs, insurance, events, business directory etc.

The cleaning and security contract costs \$275,000 pa. Of this \$100,000 comes from the Special Rate, \$40,000 from State Rail in return for the service extending into the area under SRA control around Gosford station, and \$135,000 pa from Council. Council also meets the landscaping costs, additional security costs (eg Ranger staff) and major maintenance.

Council and the business community are very happy with this arrangement, however it was noted that its success was due in part to the commitment by both Council and the

JENNY RAND & ASSOCIATES
July 2002

23

business community and other key stakeholders (eg Police and State Rail) to work together.

4.5 Maitland CBD

In May 1987 Maitland City Council resolved to construct the Maitland High Street Heritage Mall. Council also resolved that the new Mall should be professionally managed and promoted, with the promotion being extended to incorporate the Maitland Central Business District (CBD).

With the Approval of the Minister for Local Government, Maitland Council introduced a two tiered, differential rate levy for the CBD area:

- **City Centre Management and Promotion Local Rate** – This was applied to all properties zoned General Business 3(a) within Maitland City Centre. This rate was for the promotion of the CBD, with promotion to include television, radio or newspaper advertising that focuses on the benefits of coming to either shop or visit the City Centre. In July 2000 the area covered by this rate was extended to include a Homemakers Centre complex on the edge of town and a small precinct that had developed around a cinema complex on the periphery of the CBD. The rate is currently set at 0.7497 cents in the dollar of the land value of commercially zoned properties in the CBD. This rate generates around \$270,000 pa.
- **Heritage Mall Promotion Local Rate** – An additional rate levied on properties that had full or partial frontage to the Heritage Mall. The rate was for the management, promotion and marketing of the Heritage Mall and adjacent shopping centre as a tourist destination. The rate is currently set at 1.2586 of the land value of properties with frontage to the Mall. This rate generates around \$168,000 pa.

These rates have been levied since 1988. In setting the rates, Council specified that the funds collected would be applied to the marketing and promotion of the Mall and CBD and for the operation of a CBD Centre Management Office.

In 2000 Council introduced a third Special Rate within the CBD, the CBD Construction Rate. The purpose of this rate is to raise funds to contribute towards the capital cost of the CBD refurbishment. This rate will apply for 5 years.

Maitland Central Business District Limited (CBD Limited) was established in 1988 for the express purposes of managing, marketing and promoting Maitland CBD. CBD Limited is a registered company limited by guarantee. Membership of CBD Limited is open to traders and property owners within the CBD. The company is governed by a Board of Directors, with the Directors elected by the company members. Directors are appointed for a two year period. Directors receive no financial remuneration for their involvement. The Board meets monthly. Council was initially on the Board, but withdrew in 1998. The withdrawal resulted in Council 'losing touch' with the CBD.

Originally, the main role of CBD Limited was the marketing and promotion of the CBD. The operation function envisaged by Council in 1988 appears to have been limited,

JENNY RAND & ASSOCIATES
July 2002

24

involving managing vehicle access to the Mall, use of the Mall (eg busking, entertainment), administration of the permit system and helping to police Council's rules and regulations in the Mall.

Initially, the operational function did not include the cleaning of the Mall and surrounding area, minor repairs and maintenance, landscaping or security. CBD Limited gradually took on these functions to address problems and issues in the area. There was no increase in the rate levy or centre management budget to meet the cost of providing these additional services.

In 1997 Council rented space within the CBD and developed public toilets. CBD Limited assumed responsibility for the cleaning and minor maintenance of these facilities, with Council supplying the consumables and meeting the rental cost. Around this time CBD Limited also introduced contract security into the Mall and surrounding area to address anti-social behaviour problems and crime in the area.

In 1999 Council re-tended the CBD management. At this time Council considerably broadened the CBD management function. Part of the specified responsibilities formalised the activities that CBD Limited had been undertaking, with additional responsibilities and performance specifications also introduced. The tender also introduced performance based reporting for CBD Management which requires the collection and analysis of a range of performance indicators and the preparation of quarterly performance reports for submission to Council. Council endeavoured to attract a professional retail management organisation to take over the management responsibilities, however the budget was not adequate. CBD Limited were given the contract and became responsible for:

- Daily 'housekeeping' of the Mall and CBD incorporating cleaning, garbage removal, minor maintenance of street furniture and bins, graffiti removal, landscape watering and maintenance, cleaning of public toilets and car parks and liaising with Council's Rangers in relation to breaches of the Mall regulations.
- Managing and administering on behalf of Council the activities specified in the Mall code including vehicle access to the Mall; floats, processions, displays; street trading; busking and spruiking; distribution of handbills and advertisements; public collections; product promotions; displays of banners and signs; raffles or lotteries; public address systems; sandwich boards and other advertising devices; horses in conjunction with promotions; dogs and other animals and other activities as specified.
- Providing adequate security of the Mall and CBD including the parking areas, to provide a safe and secure environment. In conjunction with Council and the Police, monitor and report on unlawful activities within the Mall and CBD.
- Supply, management and maintenance of mall furniture such as banner poles, tables, chairs and umbrellas / shades and the set-up / pull-down of decorations, furniture etc in the Mall to accommodate major functions.
- Operating and maintaining lighting in the Mall (excluding power costs).

JENNY RAND & ASSOCIATES
July 2002

25

13.3 Notice of Motion - Town Centre Management.DOC

- Advertising, marketing and promotion of the Mall and CBD as a retail/service centre and a tourist destination.
- Responsibility for encouraging property owners to upgrade and maintain an appropriate standard of building presentation and retailers to observe appropriate standards in the advertising materials used in public areas.
- Encouraging investment and business establishment / expansion in the CBD and Mall, including advising Council and potential developers / investors in general property investment terms.
- Pursuing non-Council funding for capital infrastructure projects in the Mall.

There was no increase in the budget to meet CBD Limited's increased responsibilities, with cleaning, security and landscaping being major cost impositions. As Council was no longer involved in the Company, the relationship between Council and the Company broke down and Council was not aware of the problems and issues confronting the CBD. There was also no single point of contact in Council or budget allocation for major maintenance etc and the infrastructure in the area deteriorated.

In 2001/2, CBD Limited had a budget of around \$450,000 with \$438,000 generated from the two special rates and around \$12,000 from its own activities. To meet the increased responsibilities, CBD Limited has had to significantly reduce its marketing and promotions budget from around 70% of its funds to 44%. The decline in promotional activity has resulted in a sharp decline in CBD patronage.

Council has recently reviewed the management structure for the CBD and the problems being faced by CBD Limited. Council is now looking to restructure the centre management and is considering whether to resume responsibility for the cleaning, maintenance, landscaping etc, to contract these services out (at Council's expense) or whether to increase the funding and resources available to CBD Limited to ensure that it has the resources to undertake these tasks effectively.

4.6 Lismore City

Approximately five years ago an off-shoot group from the Chamber of Commerce put in place a Main Street Program in Lismore. The group received funding for two years from the Department of State and Regional Development, which was used to fund the employment of a Main Street Co-ordinator. In 1998 the Chamber, the Developers Association and the Main Street Committee merged to form the City-Wide Chamber Inc, trading as Lismore Unlimited Opportunities (LUO).

LUO is an Incorporated Association with a voluntary Board of 12. The Manager of the Economic and Tourism Unit represents Lismore City Council on the Board. LUO is funded by membership, corporate sponsorship and from income raised from events that it organises. It also actively sources project funds under Government Grant programs.

Recently LUO, Council's Economic and Tourism Unit and the Business Enterprise Centre co-located in order to improve efficiency and reduce costs, particularly in the area of administration.

Council introduced a Special Business Rate to fund the security and promotion of the CBD. The rate is levied on all commercial properties in Lismore and Goonellabah (but not the villages) and raises around \$250,000 pa. The CBD properties pay a higher rate than non-CBD properties, to contribute to security of the centre.

\$107,000 from the Special Rate is allocated to a Community Safety Program which funds video camera surveillance and a beat patrol within the CBD area. The remaining \$143,000 is used for marketing and promotion, with this administered by LUO.

Until recently, LUO had to fund salaries and office administration costs (around \$90,000 pa) solely from its own fund raising activities. Council has recently agreed to enable 10% of the Special Rate funds to be allocated towards salaries and administration costs. The requirement to raise funds for salaries and operating costs is the major constraint faced by LUO. The organisation's emphasis is on fund raising, which diverts resources from other activities. LUO (and other organisations that have tried this approach) find it extremely difficult to raise funds to meet operating costs, with businesses far more likely to contribute to marketing and promotional programs and event sponsorship. LUO is looking at options to restructure and is likely to be making a submission to Council in the near future to increase the Special Rate to meet the administration and salary costs.

Council is responsible for all cleaning, landscaping and maintenance in the City. LUO is currently investigating options for improving service delivery in these areas with the view to achieving a better integration of the Centre management and marketing.

5. IMPACT OF TOWN CENTRE UPGRADING & MANAGEMENT PROGRAMS

Quantitative evidence on the economic impact of Town Centre / Main Street Programs in Australia is not readily available. While many programs have been implemented, there has been minimal quantitative monitoring of the outcomes. Qualitative evidence however indicates that the programs generally result in:

- Increased use of the town centre and higher turnover.
- Change in the retail mix, with older style traders being replaced by modern shops, cafes and restaurants.
- Improvements in shop front presentation and, in the longer term, upgrading of buildings/facades.
- Lower vacancy rates.
- Increased rental returns.
- Retention of major traders and services (eg banks) on the Main Street.
- In larger centres, the attraction of National traders back to the Main Street.

A case study has been prepared by JRA for The Entrance Town Centre. This case study is based on information collected by JRA during the planning stage of The Entrance project (1995). This information was up-dated in July 2002 by information supplied by the Town Centre Manager, Wyong Council, local real estate agents and two traders. The information is qualitative and is based primarily on observations. As such the information should be regarded as indicative only. Wyong Council is proposing to undertake a performance review at the end of 2002.

Case Studies are also provided for Town Centre / Main Street programs in the United States. In the USA, the impact of these programs tends to be closely monitored and reported upon. Examples of achievements in the USA are summarised briefly in Section 5.2. Results are given on a National, State and local basis. All dollar figures in this section are given in **US Dollars**.

5.1 The Entrance

As discussed in Section 4.2, a major refurbishment program was undertaken at The Entrance from 1996-98. This program has been supported by on-going management and marketing.

Prior to the up-grading program The Entrance was in decline. With minimal investment over the preceding two decades the town presented very poorly. Vacancy rates in the centre were high and increasing, turnover per square metre was declining, rents were low in comparison to other centres in the region and finding tenants was becoming increasingly difficult. There were a number of large vacant commercial and residential sites in and around the town centre. A number of these sites had development approval, however none of the projects had commenced (nor showed any signs of commencing). The markets attracted to The Entrance were also on the decline, with The Entrance

JENNY RAND & ASSOCIATES
July 2002

28

rapidly moving from its district centre role, to a neighbourhood centre. Local residents were increasingly by-passing The Entrance in favour of modern shopping centres at Bateau Bay and Erina. The Entrance had lost its popularity as a day-trip and holiday destination with the area attracting very low yield visitor markets. The tourist accommodation and attractions were very tired and did not meet the needs or expectations of today's markets.

The Entrance was also under threat from the development of a Westfield regional shopping centre at Tuggerah (40,000+ sqm), and from the expansion of Bay Village (already 19,000 sqm) at Bateau Bay to include a large Franklins Fresh store and more specialty shops.

In the face of these challenges, The Entrance town centre improvement program and subsequent marketing were designed to improve the performance of The Entrance by:

- Differentiating The Entrance from other retail centres on the Central Coast, with The Entrance positioned as a:
 - Specialty retail centre.
 - A centre for family activities.
 - Dining and entertainment precinct.
 - Meeting place for social, leisure and shopping activities.
 - An alternative to the modern shopping malls and to the congestion and expense associated with Terrigal.
- Building a life-style dimension around the retail and commercial functions of the centre.
- Repositioning The Entrance as a more up-market destination.
- Diversifying and expanding the market base to include:
 - Central Coast residents, particularly families and social groups.
 - Day trippers from the Central Coast and surrounding region.
 - Short-breaks and day-trip family markets from Sydney, with emphasis on attracting families with higher disposable incomes.

The program appears to have successfully met these objectives, with the performance of the centre improving significantly. Results include:

- An increase in new businesses in The Entrance, with businesses increasing by 16% from 214 to 250.
- Change in the retail mix, with many older style traders closing down. These have been replaced by restaurants, cafes, boutiques and lifestyle shops.
- Decline in vacancy rates. In 1998 there were 36 vacant retail premises, compared to only 18 in 2002. During this time new premises have come on-line. By contrast, the retail vacancy rate at the neighbouring Long Jetty shopping centre has increased

JENNY RAND & ASSOCIATES
July 2002

29

to around 60-70% in the past few years.

- The vacancy rate for first floor commercial space has declined from 80% to around 50% - 60%, with expansion of local businesses primarily being responsible for taking-up the space.
- Increase in rental levels above CPI. At the northern end of town (main tourist precinct), rents have increased from around \$250-\$350 per sqm to \$500+ per sqm. Rents in less favourable locations (eg arcades and side streets away from the main tourist area) have increased from around \$150 / sqm to around \$250 / sqm while commercial rents have increased marginally from around \$150 / sqm to \$200 / sqm.
- Development of a strong events and activities program, with the town now hosting 15 major events a year. People attracted to these events range from a few thousand through to 25,000 for the New Year celebrations. The Town Centre Management recently monitored the impact of their Country Music Festival, with the results indicating that this two day event attracted around 8,000 visitors, with visitor spending being in the order of \$500,000 in town.
- Patronage of activities conducted in the centre (eg jumping castles) has increased by 10-15% over the past 3 years.
- Retail turnover has increased, from around 10 – 30% depending on the type of business. Most of the increase is attributable to increased levels of visitation, with tourist related shops having the highest increases in turnover (20-30%).
- Employment in the centre has increased. One eatery advised that they employed up to 60 casuals over the Christmas school holiday period.
- Property owners are slowly starting to up-grade their premises, however Agents report that there is still considerable resistance by absentee land-lords to spend money on their properties.

The most noticeable impact has been the level of development that has occurred in and around the town centre. The Town Centre Management initiated a program to encourage the development of vacant sites within the town centre. This program cost around \$3,000 and provided the catalyst to start the development process. Developments include:

- Pacific International Hotel – 4.5 star apartment hotel. The hotel is attracting both the short-breaks and conference markets to The Entrance.
- Completion of eight 6-8 storey residential buildings, with each building providing between 30 to 50 residential apartments.
- Two further buildings under construction (14 storey and 8 storey residential apartments).
- Three developments (103 units, 32 units, 30 units) that have been approved and are about to commence construction. The majority of these units are already pre-sold, with the 103 unit building being completely sold off the plan over a two month

JENNY RAND & ASSOCIATES
July 2002

30

period.

- Fisherman's wharf restaurant and retail development has been approved.
- A major resort is currently in the planning stage.

There has also been a high level of activity in smaller developments of town houses and 2-4 storey apartment complexes.

The quality of the development has been high, with units fetching prices in excess of \$350,000. Properties with good views are selling for around the \$650,000, with some of the units under construction having price tags in excess of \$ 1 million.

Many of the apartments are being bought by investors as 'second homes,' with the owners intending to retire to The Entrance within 5 years. A significant proportion of these units are available for weekend and holiday lettings. The stock of quality visitor accommodation has increased substantially, and this is playing a major role in attracting more up-market visitors to The Entrance.

Seasonality is still an issue in the town, however numbers during the slow periods are considerably higher than they were before the town centre improvements.

5.2 Programs in the USA

National Program

The Main Street Program in the US has been operating successfully for over two decades. The program is structured with a National body, individual state organisations and local main street committees. The program is designed as a 'self help' program to be driven by the local business community. The program involves streetscape improvements supported by extensive marketing and promotion plus an investment strategy for each area. The program is designed for those centres servicing populations of 5,000 to 50,000 although it has been successfully applied in larger cities.

Results achieved on a National level by the program for the period 1980 to 1997 include:

- 1,300 communities participating.
- 43,800 net new businesses attracted.
- 161,600 net new jobs created.
- Refurbishment of 48,800 buildings.
- Total public and private sector re-investment in Main Street communities of \$8.6 billion.
- Re-investment ratio - \$35 reinvested for every \$1 spent on Main Street improvements and implementing/operating the Main Street programs (marketing, promotion, events)
- Average re-investment per community \$6.174 million.
- Average cost per job created \$2,783.
- Average program length to date 5.82 years.

JENNY RAND & ASSOCIATES
July 2002

31

US State Main Street Programs

Illinois State Main Street Program

Implemented in January 1995. There are 39 communities in the State that are participating in the program, with the State-wide results being:

- Net gain of 309 new businesses.
- Net gain of 779 full time jobs and 422 part time jobs.
- 384 building refurbishment projects.
- \$7.5 million spent on Main Street improvements generating \$46 million in re-investment in the centres (\$22.4m private sector and \$16.4m public sector).

Louisiana State Main Street Program

18 communities are participating in this program. From 1984 to 1995 the program achieved:

- Refurbishment of 916 buildings.
- Net gain of 648 new businesses.
- Net gain of 2,204 jobs.
- Expenditure of \$1.07m on main street improvements to return \$62.8m in new public and private sector investment.

Okalahoma State Main Street Program

The program has been in operation since 1985 and involved 44 communities. The results achieved include:

- 4,640 building refurbishment projects with more than \$128.5m in private sector investment.
- Net gain of 1,539 businesses.
- Net gain of 4,455 jobs.

Tennessee State Main Street Program

For the 12 months July 1994 to June 1995, the 17 communities implementing main street programs achieved:

- Net gain of 189 new businesses.
- Net gain of 710 full time jobs.
- 1,360 buildings refurbished.
- \$25m of new public and private sector investment.

Local Main Street Programs

Fruitvale, Oakland California

Main Street program, reducing high-speed traffic flow to a slow way, landscape
JENNY RAND & ASSOCIATES 32
July 2002

improvements, increasing pedestrian areas and encouraging on street dining. Results achieved in 2 years include:

- 72 facades upgraded.
- 36 new business starts, 6 expansions, 11 businesses closed.
- Net job creation – 8.3 jobs.
- \$4 million in new investment - \$1.98m from the private sector and \$2.06m from the Government Authorities.
- 76 businesses sought assistance and advice.
- High level of business commitment with 140 volunteers on 5 committees.
- Festival – 15,000 attendees.

Miami, Main Street, Okalahoma

Main street improvements in 1995 resulted in the following impacts over the next 2 years:

- Over \$1m in private sector re-investment.
- 8 new businesses.
- 33 new jobs created.
- 12 building facade renovations.
- Attitudinal research into mainstreet shoppers in Miami.
- Over 2,000 hours of volunteer assistance.
- 4 major events organised.

Reslindale Village, Boston

Within 3 years of implementing its Main Street Program, Reslindale Village achieved:

- 33 facade improvements.
- 43 building renovations.
- Net gain of 29 new businesses.
- Net job creation of 132.
- Investment in the centre of \$5.14m

Frankfurt Main Street, Indiana

Frankfurt Main Street program began in 1985 with rationalising traffic and removing parking meters in the town centre. This was followed by street-scaping in the early 1990's and marketing of the centre. Over the past decade the program has resulted in:

- Decrease in first floor vacancy rate from 11% to 1.5%.
- Net increase of 33 new businesses.
- Net job creation of 185 new positions.
- \$18m in new investment over 10 years.
- 263 buildings refurbished.
- Annual Hot Dog Festival – 15,000 + attendees.

Grass Valley Main Street, California

Over 10 years the ongoing main street program has achieved:

- Decline in vacancies – ground floor level less than 1%, first floor level down from 15% to 2% and second floor level from 35% to less than 10%.
- 15 publicly funded improvement projects valued at \$3.8m and 174 private sector projects, \$2.9m.
- 59 net new businesses.
- 280 net new jobs.

6. FUNDING OPTIONS

6.1 The Need for Funding

For a Town Centre Management program to work effectively it requires access to funds. The majority of Town Centre Committee failures relate to lack of funds. Likewise poor performance / ineffective marketing is usually linked to funding constraints. Funding is required for:

- Employing a Town Centre Co-ordinator and support staff.
- Establishing and operating a Town Centre Office.
- Marketing and Promotion.
- Running Entertainment and Events.
- Security.
- Presentation – eg decorations.
- Training / Networking

In addition, adequate funds need to be budgeted for on-going cleaning, maintenance, landscaping etc as well as for future refurbishment.

6.2 Potential Sources of Funding

Potential sources of funds include:

- Special Rate / Sub-Category Rate levied on the town centre community (preferred source).
- Fund Raising
 - Membership Fees.
 - Co-operative Marketing.
 - Sponsorship and Donations
 - Events
 - Competitions
- Permit Fees and Fines – license fees for activities such as on-street dining and trading, busking, hire of performance space etc and fines for breaches in regulations.
- Government Grants.

Experience in other centres has shown that the most effective mechanism is a special rate levied on the business community via the property owners. The rationale behind a special rate is discussed below. Other revenue sources are also discussed, however revenue from these activities is not likely to be significant and/or sustainable and is highly inefficient to generate.

6.3 Special Rates

A Special Rate is considered the most effective mechanism for funding town centre management and marketing programs. The Special Rate in town centres works in a similar way to the levies paid by businesses in shopping malls for management and marketing and promotion.

The Local Government Act 1993, has provisions under Section 495 for Councils to levy Special Rates to undertake a specific initiative (or set of initiatives) that will benefit the properties being levied. The income raised from a Special Rate can only be applied for the purpose specified when setting the rate.

Revenue raised from a Special Rate is defined as income as per Section 505 of the Act. As such it is subject to the rate pegging provisions. Council does not need approval to set a Special Rate if the income generated does not place Council above its General Income limit. If the Special Rate will result in Council exceeding its limit, Council must apply to the Minister for a 'Special Variation in General Income'. This application must be fully justified. The process involved in applying for a Variation is outlined in the Department of Local Government Circular 00/24 'Applications for Ministerial Approval for Special Variation to General Income.'

A Special Rate generally has a specified time frame, with the Minister for Local Government reported to be extremely reluctant to grant approval for rates for indefinite time periods. The Department of State & Regional Development recommends applying for a 3 year period, with the rate to be reviewed and adjusted after 3 years.

In recent years, the Minister for Local Government has only been prepared to introduce Special Rates for town centres where the rate has been strongly supported by both Council and the business community. The Department of State & Regional Development's Main Street / Small Towns Manual (Module 1) provide a framework for public consultation to build support for the introduction of a Special Rate.

While the Special Rate is the most common rate adopted by Councils, Penrith Council recently introduced a "Sub Category" Rate which achieves the same objective, but according to Council is not subject to legal challenge.

The rationale behind introducing a Special Rate (or Sub Category Rate) is:

- Fair and equitable system – all property owners and traders will benefit from the Centre improvements and the on-going marketing and therefore all should contribute to the costs incurred.
- Compulsory – very few of the traders or property owners would contribute to a voluntary funding scheme. It also avoids that resentment that arises in voluntary schemes when contributors see non-contributors sharing in the benefits.
- By spreading costs across all businesses, effective management and marketing can be achieved with a minimal outlay by businesses.

- Efficient method of collecting the funds. The Town Centre Co-ordinator is not spending time trying to raise funds.
- There is a known budget each year, which will facilitate forward planning and budgeting as well as on-going commitment to programs and events.
- Council is not seen to be spending rate payers money to benefit one sector of the community.
- Council will not be setting a costly precedent. Council does not want to be in a position where other centres or industries in the LGA expect Council to fund their activities.
- Levying of the rate will encourage greater commitment and effort by the business community to making the centre work. The business community will be more responsible with their own funds than with hand-outs from Council.

By introducing a Special Rate, Council is basically providing an effective and efficient means of collecting funds for the business community.

The Special Rate is levied on property owners not traders. In centres with high vacancy rates, property owners have generally had to pay the rate. Where the property market is 'tight' property owners have been able to pass on part or all of the rate to tenants.

It should be emphasised that both property owners and the traders will benefit from the effective management, marketing and promotion of the City Centre. Property owners will benefit through lower vacancy rates, stronger demand for property and the ability of tenants to pay higher rents. Under a Special Rate, it is also guaranteed that the revenue generated will be spent for the benefit of the centre. This is not the case for General Rates.

In introducing a Special Rate, Council needs to consider and clearly define which costs will be funded from the special rate and which costs will be met by Council as a direct grant or as part of Council's general expenses. The business community needs to be made aware of the level of costs met by Council and that these costs are Council's contribution to the partnership.

Special Rates have been the most effective where they have been set to raise sufficient funds to meet the costs of the salaries, office and vehicle running expenses, additional security and marketing and promotion. Expenditure of these funds directly benefits the business community and as such it is considered fair that they should incur these costs. Council may also wish to include in the Special Rate a sinking fund contribution for future refurbishment of the centre.

In setting Special Rates, Council can introduce differential rates for different areas, depending on the type and level of service to be provided in each area and the likely level of flow-on benefits.

6.4 Fund Raising Activities

JENNY RAND & ASSOCIATES
July 2002

37

Membership Fees

An organisation can generate revenue from membership fees. To charge fees, the organisation must be able to deliver benefits to member businesses. In a town centre situation this is often difficult as management, marketing and promotional activities are designed to strengthen the centre as a whole and thereby benefit all traders, whether they are members or not.

In general it is difficult to encourage local traders (and even more so the property owners) to join associations. For example, in Ballina only 20% of businesses are members of the Chamber of Commerce. In most centres, the number of non-members generally exceed the number of members. Membership may also not be sustainable as businesses that contribute initially often withdraw when they see other businesses benefiting for no cost outlay.

Membership fees will also not generate the level of revenue required. Experience in other regional and suburban centres has shown considerable resistance to paying fees in excess of \$150-\$200 pa. With low contribution rates and low fees, membership is not a viable source of income.

As with all fund raising activities, membership drives and administering membership is not an efficient use of time, diverting attention and resources from the main focus of marketing and co-ordination. It also mitigates against long term business planning, because of uncertainty of funds.

Co-operative Marketing

The most successful form of fund raising is co-operative marketing. Businesses are asked to support a promotional campaign by taking out advertising space and/or paying for editorial content. These campaigns tend to be organised by the Main Street / Town Centre management, the Tourism Officer and/or the local media. Often the media formulates campaigns and then seeks support and sells the advertising space. This approach relies on someone taking the initiative to organise and co-ordinate the program.

Co-operative advertising is best used to supplement the marketing budget. It is not a successful mechanism for funding Centre operations. It is usually difficult to generate interest and funds in the short term, however once the organiser has a 'proven' track record businesses increase their level of interest and support.

Sponsorship and Donation

Some business communities have been successful in raising sponsorship and donations, with this being more successful where funds have been sought for events and promotion. Co-ordinators in centres that are largely dependent on this form of fund-raising advise that initially it is very difficult to raise funds and it is not until there are 'runs on the board' that the business community will start to participate enthusiastically. These communities generally started with one or two promotions or events per year and built up to 6-8 promotions/events per annum over 3-5 years.

JENNY RAND & ASSOCIATES
July 2002

38

The Co-ordinators noted that it is also difficult to raise sponsorship and donations from national traders as these activities and funds are controlled by head office with local stores generally not having a budget for these activities. Corporate and professional businesses are also unlikely to participate as are the major traders such as the supermarkets and the discount department stores.

It was also noted that it was generally the same traders who were prepared to sponsor or donate, with a high proportion of traders 'free riding'. Sponsorship and donations for retail promotion are generally harder to raise in rural communities as there is more call on retailers to donate to a range of recreation and community projects. The turnover and profitability in these areas is generally lower than in metropolitan areas.

Co-ordinators also advised that sourcing funds was very time consuming and that the funding was variable, which made it difficult to plan effectively. In some centres, Councils have agreed to underwrite activities where there have been shortfalls in funding, with the centre having to repay the loan from revenue raised.

Events

Some Town Centre Committees rely on income generated from events to help fund their management and marketing and promotional activities. Events can generate a high level of visitation to a town, as well as raise the town's profile. Events are very demanding, in terms of time and resources, to organise and host. Given this, the question is often raised as to whether events are the most effective use of limited funds and resources. Many retailers also report that trading tends to decrease during events as people are in town to enjoy themselves and participate, not to shop.

While events can be profitable, they also involve risk, particularly where they are weather dependent. The increasing cost of public liability insurance has also had a marked decline on event profitability in recent years.

Other Activities

Minor amounts of income can be generated from activities such as:

- Games of chance
- Competitions
- Sales, eg auctions, cake stalls.

None of these activities can raise sufficient revenue to sustain a town centre program.

Charitable fund raising activities are subject to regulation by the Department of Gaming and Racing under the Charitable Fundraising Act, 1991. Games of Chance and Trade Competitions are also regulated under the Lotteries and Art Union Act.

6.5 Permit Fees and Fines

Councils often charge Permit or Licence Fees for activities that utilise public land within the town centre. Fines can also be levied from enforcement of Council's regulations. In most towns, Councils administer permits and licensing and retain the funds to off-set operating costs. In towns where the Centre Manager has responsibility for issuing permits, income generated is usually retained by the Centre Management. Examples of different types of permits are outlined below.

On-street Dining Facilities

Most Councils charge a licence fee or lease rental for businesses wishing to use part of the footpath for on-street dining. While this activity will generate revenue, the amount of revenue, particularly in the initial establishment years is not significant. Where Councils supply the street furniture, the revenue raised is usually allocated to a sinking fund for furniture repair and replacement.

In many centres one of the objectives of the Town Centre improvements program is to encourage restaurants and cafes to establish outdoor eating areas. To move outdoors, traders and property owners are likely to incur establishment costs that may include purchase or hire of the street furniture, re-organising the internal layout of the restaurant/café to facilitate outdoor service and often, the employment of additional staff. There is also a weather risk associated with outdoor trading. Initially the rent structure for the outdoor space will need to be well below market rent, reflecting the incentive required to encourage traders to move out onto the footpaths. The rent should be reviewed to market over time, once businesses have had the opportunity to recover their establishment costs. Examples of fee structures include:

- Dollars per square metre, with a defined area being leased to the property owner. The rents are generally low, in the order of \$10 - \$20 per sq metre per annum.
- Base rent for a defined space (eg Cronulla Plaza initially set the rent at \$10 per week and adjusted to market over a 10 year period).
- Rent per table (eg Coff's Harbour initially set the rent at \$10 per table per week).
- No rent charged, but the landowner met the cost of the lease agreement (eg High Street - Penrith).

On-Street Trading

For Town Centres where permanent on-street trading is not permitted, and this activity confined to special promotions only, no fee is generally levied.

Where on-going on-street trading is permissible, a small annual licence fee is generally charged with the fee generally being less than \$50 per annum. This fee covers the administration costs.

Hire of the Performance Space

Experience in Town Centres and Malls shows that the fees that can be charged for the hire of performance spaces, particularly if admission fees cannot be levied, are minimal, basically covering the costs of providing power and cleaning the area. The benefit from performances lies in their ability to bring people into town.

Other License Fees and Charges

License fees and charges can be levied from a range of activities including street stalls, busking and product promotions. To encourage activity on the Town Centre, the fees that can be charged will be minimal and should be set to cover the administration costs.

Fines

There is potential to raise revenue from parking fines and fines for other breaches of Council's regulations in the Centre. The use of fines can however work against the Centre, by creating a negative perception of the Centre amongst potential shoppers.

The fine system tends to work best where there is a high tourist and day tripper population and local residents have parking privileges (ie resident sticker).

6.6 Government Grants

The NSW Department of State and Regional Development Town Centre Program has grant funding available for Town Centre Programs. The funding is extremely limited and as Ballina has already received funding under DSRD programs, the town would be unlikely to attract further grants.

**TOWN CENTRE MANAGEMENT
FOR BALLINA**

JENNY RAND & ASSOCIATES
July 2002

42

7. BALLINA – AN OVERVIEW

7.1 Retailing in Ballina

Ballina is the main town within Ballina Shire. The town has a sub-regional status and is the main retail, commercial and professional centre for Ballina Shire and Richmond Valley Shire to the south. Council Chambers are located in the town, as are an increasing number of Government district and regional offices.

Historically Ballina primarily serviced Ballina Shire and the northern villages of Richmond Valley Shire, with Lismore City being the main centre within the region. The establishment of a Coles/Kmart complex in Ballina, followed by Ballina Fair in the 1980's resulted in a significant expansion in the area serviced by the town, with Ballina's retail trade area now incorporating Byron Shire, Lismore City, Richmond Valley and the northern areas of Maclean Shire. Improvements in the regional road network have increased accessibility to Ballina, which has further strengthened the town.

There are four designated retail precincts within Ballina, as well as industrial areas that provide some warehousing and bulky goods retailing. The main trading precincts are:

- Ballina CBD
- Kerr Street - Ballina Fair and Coles / Kmart complex
- East Ballina
- West Ballina
- Airport Industrial Centre.

A brief description of each of these precincts is given below with further information provided in the Ballina Retail Strategy 2002.

Ballina CBD

Ballina CBD is the traditional retail and commercial core of Ballina. The CBD is focussed on River and Tamar Streets and extends along these streets from Kerr Street in the west to Norton Street in the east. Retailing is concentrated along River Street, with the main retail core being between Cherry and Grant Streets. The commercial and professional precinct is located in Tamar Street, with some retailing also located in Tamar Street and in the side streets running from Tamar Street south to the Richmond River foreshore.

The CBD provides an estimated 25,000 sqm of retail floorspace (GLA) and around 30,000 sqm of commercial floorspace (includes banks, real estate agents, commercial and professional offices etc). According to the Ballina Retail Strategy, the CBD has a retail sales turnover in the order of \$84.5 million pa.

Retailing in the CBD is anchored by an older style Woolworths Supermarket located on the eastern edge of the retail core. The centre has a good retail mix incorporating

national and local traders. There are a range of specialty boutique and lifestyle shops which target both the resident and visitor markets.

Key services such as the Post Office, Medibank, Council, NRMA, banks, travel agents, medical and legal offices, personal services etc are located in the CBD. Most of these services are not available at Ballina Fair. There is also a concentration of restaurants, cafes, pub hotels and takeaway food outlets within the CBD, with the Ballina RSL Club being a major player within the centre. These services and activities play a significant role in generating visitation to the CBD.

Kerr Street - Ballina Fair – Coles / Kmart

Two shopping complexes have been developed opposite each other at the northern end of Kerr Street, approximately one kilometre north of the CBD. This area is the main retail precinct in Ballina, offering 3 supermarkets, a Discount Department Store (DDS) and a range of specialty shops. There is also a twin cinema complex in Ballina Fair, providing the only cinemas in the Ballina – Byron area.

Ballina Fair was developed in the late 1980's and provides approximately 11,000 sqm of retail floor space. It is anchored by two supermarkets, a large full-line Woolworths and an Action Supermarket (formerly a Franklins). There is also a Bargain Store as well as a range of specialty food and non-food shops. There are some national traders in the Centre, however the concentration and mix of National traders is not as dominant as in most shopping malls of this size. The dining experience at Ballina Fair is very limited with a few take-away food outlets that have tables and chairs. Ballina Fair has an extensive, outdoor car parking area surrounding the centre which provides convenient parking and ready access to the Fair.

There are plans to expand Ballina Fair to include a discount department store, probably Big W (6,500 sqm) and additional specialty shops (825 sqm). According to the Manager, the extension is likely to be up to 5 years away.

Coles / Kmart was developed in the early 1980's and provides around 10,000 sqm of retail floorspace. The complex has a full-line Coles Supermarket which trades 24 hours per day, as well as a Kmart. The Kmart is the only DDS on the Northern Rivers coast, with the next nearest DDS being at Lismore.

These two centres are the major anchors for Ballina as a retail destination, attracting trade from surrounding LGA's. They are also the main destination for grocery shopping for residents of Ballina, Byron Bay and Richmond Valley LGA's. Visitors to the area staying in self-contained accommodation also undertake their grocery shopping in this precinct. According to the Ballina Retail Strategy, retail sales in this precinct are estimated to be in the order of \$116 million pa, exceeding that of the Ballina CBD.

East Ballina

East Ballina is a small neighbourhood shopping centre that provides around 1,254 sqm of retail floor space. It is anchored by a small supermarket, with a few convenience good style shops. The centre services local residents and it is unlikely that it would draw patronage from outside its immediate locality. Given the proximity of the centre to the Ballina CBD and Ballina Fair, there is no pressure to expand this centre.

West Ballina

The West Ballina shopping precinct is a strip development located along the Pacific Highway, approximately 1.5 - 2 kilometres west of the Ballina CBD. The Keys West Shopping Centre, on the corner of Kalinga Street and the Pacific Highway, is a neighbourhood shopping centre, and tavern. It has a large fruit shop which is very popular, plus bakery and butcher shop. The centre provides around 770sqm of retail floorspace (GLA).

There are also a number of service stations, quasi industrial-retail outlets and car sale yards along the Highway in the West Ballina area. A Beta Electrical store and another bulky goods retailer have recently opened across the road from Keys West.

With its Highway location, West Ballina attracts passing traffic as well as local traffic, with the fruit shop being popular with commuters who travel between Ballina and the Alstonville-Lismore-Casino areas.

Airport Industrial Estate

The industrial estate that is developing adjacent to the Ballina Airport has some businesses that sell direct to the public. These mainly offer bulky goods, automotive and building products. Being located in close proximity to the Ballina Fair – Coles / Kmart precinct, there are opportunities to develop the synergies between the two areas, particularly for out-of area shoppers.

Level of Competition

While both the CBD and the Kerr Street precinct are retail focused, they have different functions and different retail mixes. The majority of commercial, professional and personal service providers are located in the CBD and are not available in the Kerr Street precinct. The main supermarket shopping is concentrated in Ballina Fair. In terms of specialty traders, Ballina Fair does not duplicate the CBD. Neither centre is fully self contained which tends to result in people having to visit both the CBD and the Fair. In addition, neither precinct in its current form, is capable of 'holding' shoppers for more than a few hours. Unlike the Gold Coast, Ballina at present does not provide the 'day out' shopping and dining experience. To position Ballina as a retail destination, it will be critical for the two precincts to work together.

7.2 Proposed Retail Developments

JENNY RAND & ASSOCIATES
July 2002

45

In addition to the expansion of Ballina Fair, the main proposed retail developments within Ballina are:

- Bulky goods retail centre.
- Limited expansion of retailing in West Ballina.
- New retail-commercial premises (specialty shops / offices) in Ballina CBD on the ground floor of new residential/visitor accommodation complexes.

Bulky Good Retail Centre

There are two proposals currently being considered by Council for the establishment of a major Bulky Goods Retail Centre – Ballina Waters Estate and the re-development of the Tinkerbell Caravan Park.

In 1995 Council resolved to support a re-zoning application to enable the development of the Ballina Waters Estate at West Ballina on the periphery of the town. The proposed project is a stand-alone development that incorporates a Homemakers Centre - bulky goods retail outlets (approximately 16,800 sqm), a highway service centre and a neighbourhood shopping centre. The site selected has a number of significant physical constraints and issues that need to be resolved before the project can proceed.

There is also a proposal by First State Developments to develop a Homemakers style centre on the Tinkerbell Caravan Park, which is located adjacent to Coles / Kmart at the northern end of Kerr Street. This proposal would provide around 18,000 sqm of retail floorspace, with the main tenants including Bunnings and Harvey Norman, plus other home and lifestyle traders. A number of issues, including relocation of the caravan park tenants, need to be resolved before this project can proceed.

The development of a Homemaker / bulky goods style centre would further strengthen Ballina as a retail destination. Homemaker centres generate trip specific visits, with visitation concentrated on weekends. They also draw from a larger trade area than general retail, and will attract out-of-area shoppers to Ballina. A large Homemaker centre would help reduce the level of escape expenditure from Ballina and surrounding LGAs to the Gold Coast.

The implications of these two proposals have been assessed as part of the Ballina Retail Strategy study. The study concluded that Ballina could only support one centre, with this centre likely to draw some trade from existing bulky goods retailers.

In terms of strengthening Ballina and positioning and marketing the town as a key shopping destination within the region, the First State Developments proposal on the Tinkerbell Caravan Park site is by far the preferred development. It would consolidate and significantly increase the profile of the Ballina Fair – Coles / Kmart precinct and also strengthen the link with the Airport Industrial Estate. In contrast, the Ballina Waters Estate would further fragment retailing in Ballina.

West Ballina

JENNY RAND & ASSOCIATES
July 2002

46

Over time it is likely that commercially zoned land in the West Ballina precinct will be developed for a mix of highway, bulky goods and neighbourhood style businesses. Small scale development in this precinct is likely to have a minor impact on the CBD.

Town Centre

There is a proposal to develop a mixed commercial – residential complex on the south western corner of Martin and River Streets at the eastern end of the CBD. There are 4 lots in this parcel, which will provide in the order of 2,500 sqm of retail/commercial space. The development is expected to provide retail shops / commercial space at ground level, with residential apartments above.

An up-market hotel is proposed for the adjoining land fronting the river. The hotel is expected to be operated by one of the international chains, possibly Ramada and come online in November 2003. It will provide ninety six 4.5 star standard rooms as well as conference and function facilities, bars and restaurants. There is also a proposal to develop 33 serviced apartments one block west of the proposed hotel, with the hotel potentially operating these apartments. The apartments are expected to come on-line in April 2003. The apartment complex may have some retail space (cafés and specialty shops) at ground level.

Each of these developments will increase the number of people in the CBD, thereby strengthening the centre. Visitor accommodation will increase the demand for cafes, restaurants and bars, as well as for specialty tourist shops. The small cluster of specialty lifestyle shops that has recently been established on the corner of River and Martin Streets will appeal to visitor markets.

Over time, the foreshore improvements are also likely to encourage a number of River Street businesses/properties to re-orientate their businesses or develop the rear of their premises to take advantage of this area.

7.3 Longer Term Changes

Changes that are likely to occur in the longer term that have the potential to impact on retailing in Ballina include:

- **Cumbalum Ridge residential area.** Located on the northern periphery of Ballina township, the Cumbalum Ridge area has been nominated as the next major urban land release area in Ballina. Development of the Ridge is expected to occur over the next 30 years, with the area ultimately housing 12,000 – 15,000 people. An area of 8,000 sqm has been identified in the development plan for future retail/commercial development, with this centre likely to be a large neighbourhood centre with supermarket, convenience goods shops, limited specialty shops and professional services (eg medical centre). Being located around 5km of the Ballina CBD, population growth in this area will strengthen retailing within Ballina.
- **Ballina By-Pass** – The RTA is proposing to divert the Pacific Highway around Ballina, with the diversion leaving the current route in the area to the west of Ballina and reconnecting with the existing highway in the Cumbalum Ridge area.

JENNY RAND & ASSOCIATES
July 2002

47

The diversion is estimated to be 7-10 years away, with no funds as yet committed for the project. The By-Pass will have both positive and negative impacts on the town centre.

The removal of through traffic, particularly heavy vehicles, will significantly improve the amenity and safety of the area and reduce congestion in peak times. The diversion also has the potential to reduce the volume of transit tourist traffic entering Ballina, particularly if there are Highway Service Centres along the diversion. Ballina effectively has 7-10 years to position itself as a destination that Highway travellers 'should visit' – 'the' place to break the journey for a few hours or stay overnight in the region.

- **Continued Up-grading of the Pacific Highway** – The continued upgrading of the Pacific Highway between Ballina and the Gold Coast will increase the accessibility and encourage greater movement between the two areas. There is already a propensity from residents within the Northern Rivers Region to shop on the Gold Coast, particularly for higher order goods, and this will increase with improved access. Conversely South East Queensland is the major source of visitors to the Northern Rivers Region, and the increased accessibility should result in higher levels of day and overnight visitation within the area. While day and short-break visitation has traditionally centred on Byron Bay, there is potential (particularly once the town centre improvements are in place) for Ballina to increase its penetration into the South East Queensland market.
- **Alstonville By-Pass** – There is a proposal to divert the Bruxner Highway around Alstonville. While funds are yet to be committed for this project, there is a possibility that funding could be announced in the near future. The diversion would marginally decrease the travelling time between Lismore and Ballina. This may encourage an increase in movement between the two centres, with Ballina more likely to be the main beneficiary, attracting Lismore and Tablelands residents for both leisure and retail activities.
- **Lennox Head** – To service the growing population in the Lennox Head area, land has been zoned in the Pacific Pines estate for a small neighbourhood shopping centre. While this centre will meet the day-to-day needs of the Lennox community, it will have minimal impact on Ballina, with Lennox residents still coming 'into town' for comparison and high order goods shopping and for personal and professional services.

7.4 Trading Performance of the CBD

The following information on the trading performance of Ballina CBD is largely anecdotal, based on information provided in the Ballina retail Strategy 2002, and through discussions with local real estate agents, traders, CBD Limited and Council Officers.

The retail sector in Ballina is reported to be performing reasonably strongly. The Ballina Retail Strategy 2002, notes that over the past 14 years, retail sales turnover has been

growing at an average of 7.7% pa. After allowing for inflation and population growth, the net growth rate has been in the order of 0.2% pa.

The vacancy rate in retail premises is very low. Real Estate Agents advised that before Ballina Fair came on-line, they had long waiting lists of potential tenant, with businesses paying 'key money' to secure space. They report that while this is no longer the case, the vacancy rate is still low, generally in the order of 3-5%, with vacant properties generally being on the periphery of the CBD.

Agents regularly receive enquiries from people looking to rent premises or buy business. Most properties coming onto the market are taken up within a month, with this taking longer if the asking rent is too high or there are problems with the building itself. A significant proportion of enquiries are from people wishing to open cafes and restaurants, however these enquiries do not progress due to Council's Car Parking Code requirement (see Section 7.6)

The vacancy rate for first floor commercial space is considerably higher, and is currently estimated to be around 25%. Agents report difficulties in attracting tenants to older style premises, particularly those in poor condition. There is strong demand amongst the existing commercial sector for modern premises.

Agents also report that there is strong interest in purchasing premises. While few premises come onto the market, the ones that do are usually sold quickly. Premises are selling on a net return of around 6.5 – 8%.

Rental levels in town have been relatively stable for a number of years. Net retail rents range from \$250 sqm outside of the main retail core, up to \$300-\$400 sqm metre in prime locations. Commercial rents are in the order of \$200-\$250 sqm. The rents are lower than in Ballina Fair and in Byron Bay, with rent levels in these centres reported to be in the order of \$650sqm and upwards of \$500 sqm respectively.

7.5 Competitive Environment

The competitive environment for Ballina, varies according to market segment and the type of shopping being undertaken. For higher order comparison goods shopping and services, Ballina's main competitors are Lismore and the Gold Coast, with Ballina competing with Byron Bay and Bangalow for lifestyle shopping and dining. The neighbourhood shopping centre at Goonellebah also competes with Ballina for convenience goods and grocery shopping from workplace commuters travelling between the Coast and the Highlands.

Comparison Goods Shopping

Located about 30 minutes drive west of Ballina, Lismore is the regional centre for the Northern Rivers Region. Government, education, health and professional services are concentrated in Lismore, with Lismore having the main hospital and university campus within the region. Lismore has a larger retail core than Ballina. While Lismore is anchored by the same supermarkets and discount department store as Ballina – Coles, Woolworths and Kmart, it has a far higher representation of National Traders amongst the CBD specialty stores, as well as a more diverse product mix.

Due to the close proximity of the two centres, the eastern half of Lismore's catchment overlaps Ballina's catchment area. Coastal residents tend to shop in Ballina as it is easier to access, however will shop in Lismore if they are looking for 'something special', want a 'day out' or need to access services only available in Lismore. Likewise, Lismore residents visit Ballina to shop for a 'change'. Residents of Lismore and the highland areas also visit the coast for recreation and leisure, with Ballina's beaches being the closest to Lismore. This 'leisure' visitation is concentrated on weekends and during holiday periods, with Ballina Fair being the main recipient of associated shopping.

There is also a reasonably high level of out-shopping to the Gold Coast, with Pacific Fair being very popular. The Gold Coast has tended to be visited for higher order comparison goods shopping (eg for furniture) and as a 'day-out'. The continued up-grading of the Pacific Highway will increase accessibility to the Gold Coast, and is likely to increase the level of out-shopping in the region. The effects of this may be off-set by continuing population growth in the region. The high, and growing level of congestion on the Gold Coast combined with increasing crime rates and a changing retail mix to service visitor markets, may deter some visitation. The establishment of a Home Makers / Bulky Goods retail precinct in Ballina could also discourage some out-shopping in this sector.

Lifestyle Shopping & Dining

Byron Bay is the main lifestyle shopping centre within the region. While only a relatively small centre, Byron Bay has a concentration of cafes, restaurants and eateries as well as specialty boutiques and 'novelty' shops. Byron Bay is an established, high profile destination with a very strong visitor market. The shopping centre's close proximity to the beach is a major advantage, with visitors flowing freely between the two areas. The shopping centre is also within easy walking distance of many of the holiday accommodation complexes, which also encourages visitation. High prices, lack of perceived value for money, overcrowding, lack of car parking and traffic congestion are major detractors from this centre, particularly for the regional resident market.

Bangalow has also developed as a lifestyle centre. It has a concentration of cafes and specialty / novelty shops as well as a strong heritage theme. The village is popular with both residents of the region and visitors, and is often visited as part of a 'day-out'.

Lennox Head has the potential to develop as a lifestyle centre over time. Already the centre had quality food and beverage outlets (both fresh food and café style) and specialty boutiques targeting the visitor market. It has a friendly, relaxed atmosphere, and like Byron, can be readily accessed from the beach and holiday accommodation.

With the up-grading of the Ballina CBD and the 'opening-up' of the river bank, Ballina would be positioned to enter this lifestyle market. Ballina has a key advantage over Byron and Lennox Head in terms of space available, with congestion not likely to be a major issue. For regional residents, Ballina has the potential to be more popular than Byron as it is perceived as being less crowded, offers better value for money and tourists are less visible / intrusive. Ballina also provides a far greater opportunity for multi-function visits due to the range of retailing, services, entertainment and leisure activities available.

7.6 Key Issues

Discussions were held with representatives of the Main Street Committee, the Ballina Chamber of Commerce and a number of retailers and real estate agents to identify and explore the key issues currently facing the CBD. The key issues were considered by interviewees to be:

- **Lack of Car Parking in the CBD** – The retail community nominated lack of car parking in the CBD as the main constraint to CBD trading. There was a strong perception that customers wanted to park right outside the shop they were visiting and because this parking was not available, they drove on to Ballina Fair. Traders also noted that other traders and their staff tended to park on-street, and because parking regulations were not enforced, stay there all day. This significantly reduces the parking available for shoppers. Council is commissioning a parking study to assess this problem.
- **Trading Hours** – The majority of retailers in Ballina CBD trade five and a half days per week, closing lunch time Saturday and all day on Sunday. Ballina Fair trades seven days per week, while Coles is open 24 hours per day, year round. There have been numerous attempts by the Chamber of Commerce and the Retailers Association to encourage CBD traders to extend their trading hours, particularly at peak times. These attempts have been largely unsuccessful. While Ballina receives a high influx of visitors from the surrounding region on weekends, this activity is largely concentrated at Ballina Fair as it is well known that the CBD is 'closed'. People coming into town for weekend sport and leisure activities (eg to go to the beach), also by-pass the CBD as they perceive that nothing is open.

The few shops in the CBD that open on weekends, generally struggle and often rely on visitor traffic. The main problems are the perception that nothing is open, and that that these shops are dispersed throughout the CBD, with 'dead spaces' in between.

The reluctance to open on Sundays is primarily a life-style decision. Having said this, the retail mix in the CBD may not be strong enough to support weekend trading year –round. In summer, the visitor market would be likely to sustain weekend trading, however in winter it would be more difficult to sustain unless there was a greater concentration of cafes and lifestyle shops within the Centre.

- **Lack of Cafes and Restaurants** – There is a lack of cafes and restaurants within Ballina CBD, and no identifiable dining precinct. Cafes tend to be located in side streets and are not highly visible, and most do not trade Saturday afternoon or Sunday. Ballina has not developed a reputation as an ‘Eat Street’.

Real Estate Agents report that there is strong interest from people looking to establish businesses in Ballina to set-up cafes and restaurants. There is high recognition of the limited number of outlets in town and the potential that exists.

Council’s Car Parking Code provisions for restaurants and cafes was considered to be the main deterrent to establishing these activities. The Code requires restaurant operators to provide on-site car parking at a rate of one space for every three seats. There are virtually no sites in Ballina CBD where this would be achievable. There is the option to pay a contribution in lieu of parking with the contribution being \$12,000 per space. This cost is prohibitive, with the parking contribution cost often on par with or exceeding the estimated establishment cost. It is strongly recommended that Council reviews and modifies its Parking Code provisions for cafes and restaurants.

- **Poor Quality of Presentation** – Many of the buildings within the CBD are older style buildings that appear tired and run-down. The side and rear appearance of many of the buildings is particularly unattractive. There is concern amongst traders that the CBD landscape improvements and the opening-up of the river bank area will not be successful unless property owners clean-up and upgrade their premises.

Other issues raised included:

- **Retailer attitudes** – There was recognition that many of the CBD retailers had bought a business as a lifestyle decision. Overall businesses were performing well and there was no pressing need to ‘work harder’ to survive. Lack of retail experience of some operators was also considered a constraint.
- **Closure of the Wigmore Arcade at lunch-time on Saturday**, with the Arcade being closed on Sundays. The arcade connects the CBD with the main parking area, and traders report that as soon as the arcade is closed, the pedestrian traffic along River Street declines. This policy needs to be reviewed by Council as part of the CBD up-grade.
- **Limited supply of commercially zoned land within the CBD** – Real Estate Agents report that it is very difficult to find premises for retail businesses wishing to establish in the CBD or to consolidate sites within the CBD.
- **Growth in the number of home based businesses.** Local business operators considered that the CBD could be strengthened if professional businesses were not permitted in residential areas. With a 25% vacancy rate for first floor office space, it was considered that these businesses should be encouraged to locate in the CBD. This would increase the number of people working in and visiting the CBD.

13.3 Notice of Motion - Town Centre Management.DOC

- Shop size - Many of the retail premises within the CBD are older style buildings that are dated in design. The spaces are often considered to be too big for modern shops, with a narrow frontage and long depth. Most retailers today are looking for smaller premises with wide (5+m) frontages.
- Ballina was not effectively penetrating the Region's visitor market. The emphasis appeared to be on using Ballina as a base for exploring other areas, not on Ballina as a destination in its own right.
- Lack of activities and events in the CBD. The few festivals and markets that are held, are held outside of the CBD, and are not integrated in any way with the CBD.
- Decline in visitor traffic in the CBD. While visitation to the region is growing, Ballina township is perceived to be missing out. Retailers report that the number of visitors in town shopping has declined significantly, with this partly attributable to the collapse of Ansett.
- Poor presentation of the Woolworths Supermarket in River Street. As an older style supermarket it is not competitive with the supermarkets at Ballina Fair and Coles. It has become more of a convenience goods supermarket, and is no longer a strong anchor for the CBD.

8. BALLINA CBD UPGRADING

8.1 Proposed Program

Ballina Shire Council has recently resolved to embark on a major up-grading and beautification program for the CBD. The program is focused on the area from River Street through to the river bank. The program will cost in the order of \$7 million and incorporate:

- Beautification of River Street from Grant Street through to Martin Street. This will include extensive landscaping, including shade trees, along River Street and on the roundabouts, widening of footpaths, new street furniture and improved lighting.
- Beautification and development of the Richmond River Foreshore in the area between Cherry Street and the Ballina RSL. Works will include provision of playground, picnic and barbeque facilities, a pelican feeding area, a small lagoon and interactive water play ground, an area for market stalls, board walk and activities around the jetty including a kiosk – fish and chip shop and possibly other cafes.
- Re-furbishing the Riverbank Arcade to provide the main pedestrian link between the heart of the CBD and the foreshore. The arcade links directly with the foreshore kiosk / cafes.

Council has recently commenced work on the infrastructure up-grade, with the refurbishment works expected to be completed by October 2003.

The Ballina RSL Club has indicated that it will consider re-designing the south-eastern corner of its complex to integrate with and take advantage of the foreshore up-grading.

8.2 Opportunities

The proposed beautification program is designed to significantly improve the amenity of the CBD, to capitalise on the Richmond River and to introduce a life-style and recreation dimension to the CBD. Opportunities arising from this include:

- Strengthening the CBD and Ballina as a whole, by the addition of lifestyle and recreation experiences within the CBD. The CBD will have the potential to become a destination in its own right - a meeting place for local residents and a 'day-out' destination for residents of, and visitors staying within, the surrounding region.
- Encouraging the development of additional cafes and restaurants in CBD (assuming that the Car Parking Code is supportive). Ballina CBD has the potential to become a recognised 'dining' precinct within the region, providing the only riverside dining precinct. This would significantly increase the number of people coming into town and encourage longer lengths of stay as well as movement between the CBD and other shopping precincts and the CBD and the town's beaches and sporting

JENNY RAND & ASSOCIATES
July 2002

54

facilities. People coming in to town to use the beaches or play sport, will have somewhere attractive where they can go afterwards.

- Increasing the differentiation between the CBD and the Ballina Fair – Coles /Kmart precinct and creating two high profile retail areas within Ballina. This provides the opportunity for both areas to ‘feed-off’ each other. For example, people coming into Ballina to shop may first visit Ballina Fair and/or Coles/Kmart for their supermarket and DDS shopping and then have lunch in the CBD followed by a stroll around the shops.
- The foreshore facilities and the proposed new activities will function as an anchor for the CBD, bringing people into the CBD primarily to visit the foreshore – this area will become another attraction for Ballina and the region. Families in particular will be attracted to the area. People visiting this area are likely to ‘wander’ into the CBD.
- The opportunity to have markets and other similar events within the CBD. The introduction of a quality ‘Fresh Food’ market featuring regional cuisine, would significantly strengthen Ballina’s position on the regional cuisine trails that are being developed. It would also raise the profile of local produce as well as the dining opportunities that are likely to develop in the CBD. There is also potential to develop other ‘themed’ markets.
- The foreshore area provides the opportunity to develop a program of events, entertainment and activities in the CBD which will increase visitation.
- The foreshore area will increase the number of people in the CBD on weekends and early evening in summer. The increase in numbers may render it viable for shops to extend their trading hours.
- There is opportunity to redevelop and re-orientate River Street properties to take advantage of the foreshore area. This could result in properties being upgraded and extended as well as new development in the CBD. This could partially address the shortage of premises in the CBD.
- The improvement in the amenity of the CBD will improve the attractiveness of Ballina as a destination for potential residents, business operators and visitors. It is also likely stimulate new investment in the town.

One of the main keys to capitalising on the CBD improvements and repositioning Ballina as a lifestyle-recreation-entertainment precinct is to utilise the river foreshore area for markets, events and activities. The monthly regional cuisine, fresh food market proposed by Environmental Partnership is an excellent anchor for the Centre. It will also greatly raise Ballina’s profile in the food tourism sector. Fresh food markets are very popular. First introduced in Sydney, the concept is now spreading to major regional centres.

There are three main types of fresh food markets –

- **Farmers Markets** which mainly offer locally grown fresh fruit and vegetables straight from the farms.
- **Gourmet Food Markets** – such as the Herald Good Weekend Sponsored markets at Pymont. These offer a range of quality, specialty food products – fresh fruit and vegetables, smoked fish and fish products, specialty meats and poultry including game, herbs and spices, jams / sauces and preserves, nuts, fresh flowers, specialty beverages etc. A significant number of the stall holders at the Sydney gourmet markets come from the Ballina – Northern Rivers Region and these could form the nucleus for a local market.
- **Organic Food Markets** – markets selling only organically certified food products and related health supplements.

There is also opportunity to build on the food theme – possibly through a seafood market, a weekly evening Noodle – or ‘Taste of Ballina’ market during the holiday season, or an indigenous food market, possibly combined with indigenous art, craft and entertainment. There are also opportunities to build events around the markets – eg a Nut festival to celebrate the Macadamia nut harvest.

9. ATTITUDES TOWARDS CENTRE MANAGEMENT

9.1 Management to Date

Around three years ago, Ballina Chamber of Commerce embarked on a Main Street program. A Town Centre Co-ordinator was appointed to market and promote the CBD with this position was funded by the Department of State & Regional Development. Marketing funds were raised from sponsorship and donations from the local business community. Council also provided some funding. The program was under-resourced and consequently proceeded slowly. It lost its initial momentum and retailers lost interest. When the DSRD funding ceased the program was abandoned. The limited resources and the limited time for which the Co-ordinator was employed, meant that the program was perceived by the retail community as being largely ineffective.

Ballina still has a Chamber of Commerce. There is also an umbrella group, Ballina Business Shire-wide which represents all the Chambers in the Shire. Ballina Business Shire-wide (BBSW) has a board of 6 members, with the board supported by an advisory committee of 16 people. BBSW is perceived as being under-resourced and lacking direction.

The Ballina Chamber of Commerce represents the businesses in Ballina township. The Chamber has only 120 members, which represents around 20% of the business community. Although enthusiastic and committed, the Chamber lacks funds and resources and is dependent on volunteers. In the past the Chamber has organised a clean-up of the CBD, managed the Main Street Program, undertaken a limited number of promotions and tried to encourage and co-ordinate extended trading hours. The Chamber is committed to the management and marketing of the CBD area and has a Retailers' Association sub-committee. Due to lack of funds the Chamber and Association are limited in what they can achieved in the centre. Apathy and lack of support from the business community is a major constraint. Today the Chamber focuses primarily on networking and organising the Ballina Business Awards.

The marketing and promotion of Ballina is currently being undertaken on an ad hoc basis. Destination-based marketing of Ballina is being undertaken by the Tourism Committee (which is a committee of Council). This marketing is concentrated on attracting visitors (mainly the holiday and short stay markets) to Ballina Shire. Due to lack of funds, the level of tourism marketing is low. A Tourism Marketing Strategy is currently being prepared and there is no indication at this stage as to how Ballina township is to be positioned and marketed from a tourism perspective. With the visitor market being a major segment of the retail market it is important that Ballina's position and target markets are defined and strategies are put in to address achieve this.

There is no destination-based marketing of Ballina as a retail destination. Individual businesses in the CBD are promoting their businesses and product lines. The level and effectiveness of this marketing varies significantly. Lack of co-ordination between traders, and between the CBD and Ballina Fair / Coles / Kmart is an issue, sometimes resulting in competing promotions.

JENNY RAND & ASSOCIATES
July 2002

57

Ballina Fair has an in-house management team, which includes a Marketing Manager. Traders within the Fair pay a compulsory marketing levy which is used to fund the promotion of Ballina Fair and traders and products. It is also used to run competitions. The promotion undertaken is considered to be very effective. Individual traders within the Fair also undertake their own marketing and promotion, as does Coles and Kmart.

Council is responsible for the care, control and management of the public areas within the CBD. It is also responsible for planning and development control. Overall, retailers were reasonably happy with the quality and frequency of cleaning, however indicated that once the landscaping was in place then Council would need full-time staff in the centre.

There was concern that many property owners in the CBD were not investing in maintaining their properties and that this contributes significantly to the poor presentation of the CBD.

9.2 Attitudes to Management

As part of the research for this study, discussions were held with representatives from the Main Street Committee, Ballina Chamber of Commerce, the Manager of Ballina Fair, Tourism representatives and a number of CBD retail and commercial traders. (Note: this research involved only a small section of the retail community and was not a statistically valid survey in terms of numbers or the mix of retailers contacted. As such the attitudes expressed may not reflect those of the wider business community.)

Issues discussed included whether there was a need to market and promote Ballina as a retail destination and which retail precincts should be included in this marketing, management issues facing the CBD, the opportunities and concerns generated by the proposed beautification program and who should have responsibility for ongoing management and marketing.

The support for on-going management varied. The Main Street Committee, Chamber, Ballina Fair Management and the majority of traders contacted considered that there was a need for co-ordinated marketing and management. There were however a few traders who were not supportive of the concept. The attitudes expressed are summarised below. If marketing was to occur, the majority of organisations and people interviewed considered that a 'whole of town' approach should be undertaken, with the promotion focussed on Ballina as a shopping destination offering a range of retail opportunities.

Positive Attitudes Expressed

Reasons given for supporting some form of management included:

- Past attempts at management and marketing have shown that it is difficult to achieve anything with volunteers and limited funds and that ad hoc approaches are not effective.

13.3 Notice of Motion - Town Centre Management.DOC

- There is a need to market and promote professionally. Quality needs to be introduced into the activities and promotions.
- There is a need to co-ordinate activities to maximise results. At present everyone is acting independently and this is not effective.
- The CBD is not in a position to take advantage of the opportunities available. In particular it was not taking advantage of the visitors coming into town. It was noted that there are no links between the CBD and the beaches, and between the CBD and visitor accommodation. Also when there are events on in town and in the surrounding region, the CBD is not able to tap into these.
- Retailers generally do not have the resources and expertise to market efficiently and effectively. The traders would prefer to concentrate on running their business than worry about marketing and promotion all the time, particularly with no experience in this area.
- Advertising sales representatives are continually trying to solicit business – it is difficult for retailers to know what will work. Small businesses also do not have buying power to negotiated good rates. A collective approach would be more effective.
- There would be significant benefit in having an independent professional retailer/marketeer that traders could approach for advice and assistance on matters such as presentation, marketing and promotion, monitoring effectiveness, developing marketing plans, product differentiation etc.
- Awareness that the larger the centre and the greater the promotional activity, the greater the number of people that will be attracted.
- There is a need to make people aware of the changes that are happening in the CBD and to promote the 'new Ballina' so that people come into town to have a look.
- There is a need for Ballina to have competitions and activities to bring people into town.

Concerns Expressed

A small number of traders had concerns with the concept of managing the centre. Concerns included:

- Reluctant to work with other traders due to a wish to retain individuality and continue to make own decisions – if they wanted someone else to do their marketing for them they would have located in a shopping mall.
- No consistency of product in the Main Street which makes it difficult to target market effectively.

JENNY RAND & ASSOCIATES
July 2002

59

- Other properties are competitors for discretionary expenditure. Marketing provides a competitive advantage which would be lost if everyone was marketing effectively.
- Limited budget for marketing and a desire to ensure that it is spent effectively on their own property.
- Franchises pay a fee for 'chain advertising' and questioned why they should have to pay more.

There appeared to be confusion amongst traders as to the difference between destination and product marketing. Management would concentrate on destination marketing (ie getting people to come to Ballina to shop) while it would be the responsibility of the individual traders to entice them into their businesses.

Role of Centre Management

Organisations and traders were asked what the role of the Centre Management should be if it were introduced and who would be best positioned to undertake the management. The following views were expressed:

Desired Roles

- To bring more people into town, particularly in the off-season and to take advantage of the opportunities available in the region.
- To market Ballina as the 'place to shop'
- To initiate and organise activities, events and entertainment to bring people into town.
- To bring the business community together.
- To help raise the level of professionalism in the retail sector by providing professional advice on display and presentation and access to training that is relevant to Ballina.
- To provide traders with advise on how to market and promote and how to monitor the effectiveness of their marketing activities. Also traders wanted advice and assistance on human resources issues, such as rostering in such a way that they could afford to extend trading hours.
- To liaise with Council and other groups on behalf of the retail community and be the spokesperson for the CBD and the retail community.
- To keep the CBD looking good – cleaning, repairs, maintenance, landscaping etc.
- Be the point of contact for retailers with concerns, if something needs to be cleaned or fixed, and for information.

Security was not considered to be a major issue at this stage, however it was noted that it could become a problem once the CBD was up-graded and visitor numbers increased.

Responsibility For Management

In relation to marketing and 'Main Street' co-ordination, there was a very strong view that this needed to be undertaken professionally, and that it required employment of a full-time marketing person and adequate financial backing.

The Chamber was not perceived as being the right organisation to undertake this. It did not have the full-support of the business community, with concerns including lack of resources, dependence on volunteers, tendency for some members to be driven by self-interest, the Chamber having other functions and agendas which were not retailing related, and its variable performance record in the past.

Ballina Business Shire-wide had virtually no profile amongst the business community and was not suggested as a possible organisation.

The Tourism Committee was perceived to be ineffective in marketing Ballina. CBD traders reported a decline in visitors to the centre which they attributed partially to the Ansett collapse and partially to ineffective and poorly directed tourism marketing.

Views in relation to Council's potential role were mixed. There appears to be growing recognition in the business community that there had been staff changes at Council and that the Council appeared to becoming more progressive and supportive in their out-look. It was considered that Council or a Council Committee was not the right organisation to manage marketing and promotion.

In relation to maintaining the physical infrastructure, views were mixed. Most considered that Council currently did a reasonable job with cleaning, however its gardening maintenance needed improvement. Suggestions included Council putting a cleaning and gardening team into the CBD full-time, increasing the frequency of servicing of the CBD and contracting out the role.

There were also mixed views in relation to providing a security service for the centre. Retailers would like to see improved levels of policing in the 'back' streets so that it was safe to park their cars there all day, rather than park in River Street. A security presence could also minimise vandalism, graffiti and anti-social behaviour and make people feel safe. It was felt that there would be a need for security to police the water-front area as upgrading this area could potentially lead to problems. In relation to responsibility, it was considered that it should be a joint approach between Council and the CBD businesses, with Council needing to be a major player to protect the landscaping and the new facilities.

It was also acknowledged that the business community and property owners needed to be involved and committed. Traders commented that there was a high level of apathy and unwillingness to get involved within the business community. It was thought that traders would not initiate activities but would probably follow when there are runs on the board.

JENNY RAND & ASSOCIATES
July 2002

61

The poor presentation of many properties was a major concern, with traders wanting to see property owners being encouraged / forced to up-grade.

Responsibility for Funding

There was strong acknowledgment by all parties that any management and/or operation had to be properly resourced and adequately funded. Voluntary funding had not worked in the past and the view was that if introduced again, only the same few would contribute and the rest would 'free-load'.

The concept of a Special Rate Levy was explained to the business organisations and traders. Those who had been involved in previous attempts at Main Street management were strongly supportive of the Special Rate.

Most other traders supported the concept of a compulsory levy in principle, considering that it was equitable, and that by spreading the funding across all business, the level of contribution per business would be relatively small, yet would generate a large enough pool of funds to undertake effective promotional campaigns.

There were a few traders who were negative towards paying a levy, on the basis that they already spent money on marketing and/or they did not consider co-operative marketing as effective.

In relation to infrastructure management, this was considered to be Council's responsibility, particularly in the foreshore areas. Most traders were reluctant to pay an additional levy for services that they considered that they were already paying for from their General Council Rate.

10. MANAGEMENT STRUCTURE OPTIONS

10.1 Functions to be Managed

The key functions to be managed in Ballina are:

Town - wide

The main functions town-wide are to market of Ballina as a retail destination and to represent the interests of retailers to Council and other relevant groups.

The marketing function is the most important and would include:

- Positioning Ballina as the place to shop in the region – product/ image development and destination marketing that brings together the different precincts and the products and experiences available.
- Organising and co-ordinating specific promotions and events across all retail precincts eg Fashion Week, Home Renovators Expo, Christmas in Ballina, Ballina on Sale.
- Working with the Local and Regional Tourism Committees to strengthen Ballina as a visitor destination. This will involve determining image, positioning, target markets etc as well as defining Ballina's role within the region. Management could also co-ordinate the retail editorial and advertising content of tourism promotional campaigns.
- Organising competitions to attract shoppers to town, and to move between the various retail precincts.
- Compiling and publishing directories, guides, brochures etc – eg Dining Out in Ballina, Building Products and Services Directory etc.

CBD

The management functions required in the CBD are more varied and complex. Ideally the centre should be managed along similar lines to an enclosed shopping mall, with integration of operations and marketing. CBD management functions include:

Marketing and Promotion:

- Co-ordinating the CBD's involvement with and input into town-wide marketing and events.
- Developing and implementing the marketing strategy for the CBD – determining its role and positioning within Ballina and the strategies and actions to achieve this.

JENNY RAND & ASSOCIATES
July 2002

63

- Developing the CBD's marketing collateral material.
- Undertaking additional marketing and promotion of the CBD. This should support the retail and tourism destination based marketing for Ballina.
- Co-ordinating the launch of the 'new CBD'.

Events & Activities

A strong program of events and activities will attract people into the CBD. They can also be used to improve low trading periods and to strengthen the lifestyle – recreation image of Ballina.

The foreshore and beautification improvements provide the space and environment within Ballina to host a range of activities and events. These could be hosted on the foreshore, jetty, by closing off a side-street, in the larger car parks, on the footpath or in shops. Someone however has to take responsibility for organising these activities and encouraging the local businesses to take full advantage of the opportunities that will arise. Activities could potentially include:

- Markets – different types.
- Shows, expos and displays (eg a flower show, art show).
- Entertainment – puppets, live music, street theatre, school groups, buskers etc.
- Demonstrations – eg equipment, cooking, craft, etc
- Children / Family fun days – offering rides, jumping castles, face painting etc.
- Festivals.
- Competitions.
- Appearances by 'famous' people or characters.
- School holiday programs.

Presentation of the Centre

This function is two-fold – presentation of the public areas and presentation of premises and businesses.

- Public area presentation includes:
 - Cleaning and rubbish removal (needs to be undertaken continually).
 - Maintenance of street furniture, pavements, lighting, jetty, playground equipment etc.
 - Cleaning and maintenance of public toilets.
 - Landscaping and gardening.
 - Co-ordinating the placement of decorations, flags and banners.
 - Graffiti removal.
 - Sign posting.
 - Co-ordinating street furniture for on-street dining.

- Premises – the emphasis needs to be on encouraging owners to improve the external appearance of their buildings – refurbishment, changing facades, painting, cleaning, graffiti removal etc.
- Businesses also need to be encouraged to attractively display their windows and merchandise. This can be achieved by presentation improvement seminars and programs – eg some centres have paid for shop window designers to provide advice to retailers.

Regulation and Enforcement

Activities include:

- Issuing of licences and permit and enforcing attached conditions.
- Enforcement of parking restrictions.
- Enforcement of Council's regulations and policies.

Security

Security should be designed to discourage anti-social behaviour in the area (eg vandalism, graffiti, drug dealing), and to protect people and property. Individual businesses would be responsible for their own internal security, with the CBD security focused on public areas.

Liaison / Lobbying / Networking

This function involves representing the interests of the retail / business community / CBD to Council and other relevant authorities, to be the spokesperson for the centre and to participate in relevant committees, seminars etc. 'Bringing' the business community together and providing opportunities to build business and relationships is also important in strengthening the CBD and building co-operation and commitment.

Training & Assistance

Many local businesses and their staff would benefit from skills development training. This in turn would assist in improving performance and service levels within the CBD.

10.2 Management Framework

As discussed in Section A of this report, each management structure must be formulated to best fit the needs of the Centre and the funding available.

The research has indicated that the management in Ballina needs to be structured to:

- Facilitate town-wide, destination based marketing.
- Manage and promote the CBD area.
- Provide sufficient funds and resources to provide professional management.

Management and marketing would need to be funded by the introduction of a Special rate.

To achieve town-wide marketing, the main commercial precincts in Ballina would need to be involved in the marketing directions and decisions and in providing funds. All retail precincts and bulky goods retailers in the industrial estates, with the exception of the Ballina East shopping centre would benefit from increased shoppers in town. Due to its location, size and function Ballina East shopping centre is unlikely to benefit. Whether East Ballina is included in any Special Rate that is introduced needs to be considered by Council.

The additional marketing and services required to effectively manage the CBD (see Section 9.1) are not required by the other precincts. Ballina Fair, Coles/Kmart and the Keys West already have in place management arrangements. If a Home Makers Centre is developed it will have a management structure in place. As the bulky goods retailing develops there may be a need for a Bulky Goods Retailers Association to represent traders. Council may also need to address management issues (eg sign posting, cleaning and landscaping) within the industrial estates.

Given the higher level of services required in the CBD, Council should consider introducing a differential special rate structure with the CBD properties paying a higher rate and receiving full management services, with the other precincts paying a lower rate that is applied solely for town-wide marketing and promotion.

10.3 Management Options – Marketing and CBD Office / Manager

The level and type of management adopted for Ballina will depend primarily on the funding available. The management structure will also be influenced by the decisions made by Council on the future structure and direction of tourism and airport marketing in the Shire (see Section 10.5). Approval for the introduction of a Special Rate is only likely to be given for marketing and promotion, security, employment of management staff and operation of an office. It is not likely to be granted for cleaning and infrastructure maintenance. Council will need to fund these activities. If Special Rate funding is available then a more professional structure can be introduced.

A number of possible management options are outlined below.

Special Rate Funding is Available

The following structures relate to how the marketing function could be organised if Special Rate funding is available.

Option 1 – CBD Management Company & Town Marketing Board.

This option envisages forming two organisations, a CBD Management Company and a Town Marketing Board.

The Board would be responsible for the town-wide, destination based marketing of Ballina. It could consist of one representative from each retail precinct. The Board would determine the marketing directions and strategy for the town and decide on the promotions program. Responsibility for implementing the program would need to be determined on the basis of costs and skills available. This could be undertaken by the CBD Manager as part of their duties, contracted out, or undertaken by the marketing manager from Ballina Fair on a fee for service basis. The cost of implementation would be included in the Special Rate levy.

The CBD Management Company would be responsible for the day-to-day operations and marketing of the CBD precinct.

Option 2 – Town-wide Organisation with a CBD Place Manager.

In this option a company is established to market and promote Ballina as a destination and also to undertake the marketing of the CBD. Either the Council or the Company could appoint a Place Manager to co-ordinate events and activities within the CBD and to manage the day-to-day operations of the CBD.

Option 3 – Existing Organisation to Manage the CBD and Town-wide Marketing Board.

The Town-wide Marketing Board would be the same as in Option 1. The management of the CBD could be undertaken by using Special Rate Funds to employ a CBD Manager, with this manager reporting to an existing organisation such as the Ballina Chamber of Commerce (most probable) or the Tourism Committee. Neither organisation have the full confidence of the business community and as such, this option could be very difficult to sell.

Special Rate Funding is Not Available

If Special Rate funding is not available, the options available for CBD management are far more restricted. Past experience has shown that management based on voluntary funding will not work. Council and the CBD retail community would need to be actively involved with and committed to working together to put in place a management structure.

Options available include:

Option 4 – Council Employ a Manager, meet overheads and provide a marketing subsidy.

Council could employ a CBD Manager on a Contract basis and also meet office and administration costs. Council could also offer a marketing subsidy on the understanding that the business community match this on a ratio basis (eg 25% Council : 75% Business Community). By meeting the salary and administration costs, Council will enable the Manager to concentrate on marketing and management rather than on fund-raising, while the marketing subsidy provides an incentive for the business community to become involved financially.

Option 5 – Council makes a financial contribution to an organisation to manage the centre.

Council could provide a lump sum contribution to an existing organisation to help fund the employment of a Manager and/or implement a marketing/events program. This contribution should be tied to a funding ratio/commitment from the business community.

10.4 Management Options – Cleaning & Infrastructure

Council will need to meet cleaning and property related costs within the CBD and foreshore area. Council needs to consider how this can be best achieved in terms of:

- Cost and operational efficiency.
- Ensuing high quality presentation of the CBD and foreshore at all times.
- Risk Management and liability.

To maintain a high standard of presentation the CBD and adjoining foreshore will need to be cleaned daily, with facilities such as the public toilets and foreshore area cleaned more frequently during periods of high use. The Entrance for example, empties garbage bins in the foreshore area 4-6 times per day during peak periods and has someone in the mall and along the foreshore continually collecting litter and monitoring the bins.

There is also a need to be able to respond quickly to incidents such as spillages, breakages (eg broken glass, broken furniture), vandalism, graffiti, problems with toilets etc.

Options available to Council include:

Option A – Increase Frequency of Current Services

Council could review current cleaning and gardening rosters to increase the frequency of service to the CBD area. This would require incorporating weekend work into the rosters. The rosters would need to be flexible to accommodate events and activities in the CBD as well as changes in visitation patterns (eg seasonal peaks and troughs). Council would also need to put in-place an incidence response mechanism and a co-ordination mechanism.

Option B – Establishment of a dedicated CBD Works Crew.

Council could put together a small team to look after the CBD. The team members would need to be multi-skilled and undertake the cleaning, gardening and maintenance functions. The team would also be involved in hanging decorations and the set-up and pull-down of infrastructure and equipment for events and activities (eg the market stalls). Ideally the team should take direction from the CBD Manager under a workplace agreement style arrangement.

Option C – Contracting Out the Services

JENNY RAND & ASSOCIATES
July 2002

68

Council could contract out all or part of these services. There are companies, such as Australian Main Street Management that specialise in town centre management.

Option D – Appointment of a CBD Place Manager and Works Crew

A variation of Options B and C involves Council appointing a CBD Place Manager and Works Crew to manage the day-to day operations of the CBD. The marketing functions and event organisation could be contracted out.

Option E – Transfer of Responsibility and Funds to CBD Management

If an organisation is established to manage the CBD (see Options 1 and 2 in Section 9.3) Council could transfer the responsibility for these services to this organisation. Council would also need to transfer adequate funding for these activities and to put in place a performance agreement. The CBD Manager would then be responsible for employing staff or contracting out. This is the approach used at The Entrance and Cronulla Plazas, and is considered by Town Centre Managers as being the optimal approach.

Council may wish to adopt Option E as their mid to long term goal, and pursue a more 'hands-on' option in the short-term in order to 'protect' Council's investment in the centre and to 'scope' the work required and the costs involved.

10.5 Relationship to Other Activities

In addition to the Town Centre study, Ballina Council is in the process of preparing a Three Year Strategy for Tourism and a Marketing Plan for Ballina Airport. The three studies will each require funding and resources to implement.

There is some degree of 'over-lap' between the tourism, retail and airport functions and it is important that the directions and strategies of each of the plans are aligned and integrated.

The Tourism Strategy should focus on:

- Packaging and product development.
- Building the market base.
- Marketing and promotion of Ballina to external markets.
- Servicing visitors during their stay (eg information distribution etc).

The Airport Marketing Strategy will overlap with the Tourism Strategy in its strategies to develop the 'tourism and conference' segments of its clientele. The Airport operators will need to work closely with the Tourism Committee to package products for the Airports' target market segments.

The Town Centre Marketing also overlaps with Tourism, with visitors being one of the main market segments for the town. At present Ballina is not marketed as a 'destination' but rather as a base for exploring the surrounding region. Once the town centre

13.3 Notice of Motion - Town Centre Management.DOC

improvements are completed, the town centre has the potential to become an attraction in its own right – another product for Tourism to sell.

Shopping, dining and entertainment are significant components of the visitor product and experience. In the past there has been no packaging of these functions and only limited promotion. Promotion has been undertaken on an adhoc basis and related only to the businesses that were prepared to pay to be involved. A Town Centre Manager would play a very active role in positioning the town centre as a destination, product packaging and co-ordinating the retail / town centre component of tourism brochures and other marketing materials and the centre's participation in relevant Tourism promotions.

While the Town Centre Manager would work very closely with the Tourism Committee to build the visitor markets, the Manager would also be undertaking local and regional marketing programs to build these segments of the market. This style of marketing and the target markets will generally not overlap with the Tourism marketing.

There may be some opportunity to integrate the Tourism and Town Centre functions, particularly in the area of administration – sharing of office facilities and clerical staff.

11. FUNDING CONSIDERATIONS

This chapter explains the different costs involved in CBD management. A basic budget is also provided. This budget is **indicative only** and is included to provide Council with an indication of the level of costs involved in management. The introduction of a Special Rate to fund the management and marketing of Ballina is also discussed.

11.1 Operating Cost Structures

The cost structures will vary depending on the management structure adopted. In preparing the budget given in this Chapter, it is assumed that Option 1 discussed in Section 10.3 is adopted. Budgets have been prepared for the establishment and operation of the CBD management office and for town-wide marketing. It is assumed that the CBD Manager will have responsibility for co-ordinating and implementing the town-wide marketing program as part of their duties.

Operating costs are the costs involved in the day-to-day operation of the CBD and the marketing and promotion of the CBD and town. The costs can be divided into pre-opening and on-going operating expenses, depending on when the costs are incurred. Pre-opening costs are essentially the establishment costs for centre management, pre-opening marketing and the opening celebrations. Most of the costs in this stage will relate to the CBD.

Ideally management should be established prior to the completion of the up-grading works. This will enable time to plan and embark on a number of activities including organising the opening launch, the events program (to commence as soon as works are completed) and to develop and start to implement the marketing strategy. At this stage it is also desirable to bring traders together to start them thinking about their responses to the 'new' centre and how they can best capitalise on the opportunities.

Indicative budgets for both pre-opening and on-going costs are given below. These budgets are provided as a guide for Council.

11.2 Pre-Opening / Establishment Costs

The main establishment costs for the Centre Management operation will include:

- Setting up the operating structure – legal entity.
- Staff recruitment.
- Establishing an office and purchasing equipment.
- Purchasing decorations and display materials.
- Pre-opening marketing and promotion, including public relations.
- The official launch ceremony and celebrations.

The activities likely to be undertaken during the pre-opening period include:

- Organising offices premises, fitout and equipment.
- Defining management policies, preparing marketing / business plans, setting up reporting and monitoring systems and formulating a budget.
- Formulating a corporate image – organising artwork, stationary/printing etc.
- Developing the marketing collateral for both the CBD and the town – brochures, directories, web site etc.
- Pre-opening marketing, promotion and public relations to build awareness and expectations.
- Organising the opening celebrations.
- Organising the market and promotion program for the first 12 months of operation.
- Planning and organising competition, event and entertainment programs.
- Working with the organisers of major events in Ballina to encourage these events to include activities within the CBD in their programs.
- Liaising with the retail and business community in preparing the programs and activities. This will require both working sessions (brain-storming and planning) and social functions to bring people together to build a sense of community.
- Preparing an information manual for all traders and property owners detailing Council's policies, rules and regulations in relation to the Centre (eg street trading, street stalls, busking, signs, treatment and guidelines for facade, building improvements and signage in line with the overall theme of the Centre).

Ideally the Centre Management operation should be established 4 - 6 months prior to the official opening of the CBD improvements. This time frame is required in order to organise the opening celebrations and the first 12 months of marketing and promotional activities. Cost savings can be achieved by minimising the start-up time, however these activities will still need to be undertaken. This means that management would not be 'on-the ground and running' at the launch.

Pre-opening costs are divided into:

- Establishment costs
- Operating expenses

Establishment Costs

Funds will need to be outlaid to establish the management structure, recruit staff, establish and fit-out an office, purchase a vehicle and equipment, purchase decorations and displays and secure storage space.

These costs could be minimised in a number of ways including:

- Providing an office at Council Chambers, in the Visitor Information Centre or in other Council owned premises in the CBD. Ideally the office should be seen to as independent of Council and be visible within the CBD.
- Use of surplus Council furniture and equipment and Council premises for storage.
- Use of a Council vehicle.

A break-down of possible establishment costs is given in Table 11.1. **These costs should be regarded as indicative only and Council will need to obtain accurate estimates in preparing its budgets.**

Option 1 lists the possible costs involved in setting up a new independent office while Option 2 looks at the possible costs involved if existing Council office space, facilities and vehicles are used. Option 2, is the **minimum** that Council is likely to need to budget for the establishment costs.

Operating Expenses

The main pre-opening expenses will include:

- Salaries and on-costs for the Centre Management staff.
- Office and motor vehicle running costs.
- Pre-opening marketing budget. The budget needs to cover the development of the logo / image; design of artwork, banners and promotional material; pre-opening advertising and public relations; development of a web site; booking of activities, events and performers for the 12 months ahead; membership of business organisations and funding for cooperative promotional activities with these groups; setting up competitions; trader and press briefings.
- Trader / business community liaison, including functions.
- Opening celebrations.

A preliminary pre-opening operating expense budget is given in Table 11.2. It assumes that management commences 6 months prior to completion of the CBD improvements program.

13.3 Notice of Motion - Town Centre Management.DOC

The assumptions used in preparing the preliminary budgets are:

- The CBD Manager and an assistant brought on-line at the beginning of the option. The Manager is paid a salary of \$60,000 pa and the assistant \$28,000 pa.
- Staff on-costs are 30%.
- The pre-opening marketing budget for Option 1 is set at \$100,000. This is the minimum suggested. A preliminary marketing budget for the pre-opening period is given in Table 11.3. It is assumed that this budget covers both the set-up of both the CBD and the town-wide marketing programs.
- Official opening celebrations. Ideally, the CBD improvements should be launched with considerable fan-fare. The official launch should be followed by at least a weekend, but preferably a week of intense activity in the Centre. A budget of \$30,000 has been assumed to cover the cost of the decorations, activities and performers, basic catering and other event infrastructure.
- Office expenses – It is assumed that an independent office is established with the office having an area of 50 sqm. According local real estate agents the rent for a small office at first floor level in the CBD will cost in the order of \$200 per sqm per annum.
- Operations - An average operating cost for the management office (including motor vehicles) of \$1,500 per month has been assumed.
- Business community liaison - \$10,000 has been budgeted for liaison with the business community. This would include the cost of a number of functions (guest speakers included) as well as running a number of training and development programs in order to motivate and educate the traders.

Table 11.1 Pre-Opening Establishment Costs – Preliminary Estimate

Expenditure Item	Cost Estimate	
	Option 1	Option 2
Administrative and legal expenses to Establish the Management Company	\$5,000	\$5,000
Staff recruitment costs including Agency Fees	\$3,000	\$3,000
Purchase of office equipment and supplies:		
Computers (2) & quality printer	\$7,000	\$7,000
Photocopier – high quality, collating function	\$6,000	
Facsimile	\$1,800	
Two work stations	\$1,000	
Meeting table (6-8 people) & chairs	\$1,500	
Two reception chairs	\$600	
Storage cabinets and shelving	\$1,200	
Layout table/workbench	\$200	
Telephone system – 3 handsets	\$1,500	
Answer machine	\$150	\$150
Mobile telephone for Manager	\$800	\$800
Binding and stapling machines	\$200	
Air conditioner or fan and heater	\$600	
First aid equipment and wheelchair	\$800	\$800
Cleaning equipment and supplies	\$300	
Stationery and office supplies	\$500	\$500
<i>Total – Equipment & Supplies</i>	<i>\$24,150</i>	<i>\$9,250</i>
Purchase of utility vehicle for Plaza operations	\$35,000	\$0
Purchase of basic outdoor equipment including ladders, electrical cords, tool kit, trolley, wheelbarrow, hoses, cleaning equipment, etc.	\$5,000	\$5,000
Purchase of decorations and display materials, including banners, bunting, decorative lighting etc	\$30,000	\$30,000
Fit-out of a storage space	\$5,000	\$5,000
Total Pre-Opening Establishment Costs	\$107,150	\$57,250

*OPTION 1 provides an estimate of the costs involved in establishing a new office.
 OPTION 2 provides an estimate of the costs involved in setting up the Office in a Council building and using surplus equipment and a Council vehicle.*

JENNY RAND & ASSOCIATES
July 2002

75

Table 11.2 Pre-Opening Operating Expenses – Preliminary Estimate

Expenditure Item	Cost Estimate
Salaries	
Manager	\$30,000
Clerical Assistant	\$14,000
Casual Labour	\$2,500
On Costs @ 30%	\$13,950
Total Wages and Salaries	\$60,450
Pre-Opening Marketing & Promotion	\$100,000
Including advertising, competitions, briefings, logo development etc. (see Table 10.3)	
Official Opening Celebrations & Promotions	\$30,000
Office Expenses	
Rent	\$10,000
Operations	\$9,000
Business Community Liaison	\$10,000
Functions and meetings	
Trainings and development programs	
Total Pre-Opening Operating Expenses	\$219,450

Table 11.3 Marketing and Promotions Budget – Pre-Opening Period

Activity/Task	Budget
Art Work & Design	\$20,000
Logo	
Banners	
Decorations	
Display Materials	
Photographic Shoot	
Advertising & Promotion	\$60,000
Press Kits	
Web Site Design & Hosting	
Tourist Brochures	
Newspaper Advertising	
Newsletters for residents	
“Update” column in local papers	
Newspaper Inserts	
Radio Advertisements	
Cinema Advertising	
Membership of Business Organisations	
Industry Briefings	\$10,000
Local Trader and Property Owner Briefings	
Progress Reports	
Meet the Manager & Board	
Briefing and launch of marketing program	
Centre Operations Briefing	
Other Organisations	
Trader Workshops	\$5,000
Window Dressing	
Merchandise Presentation	
Miscellaneous	\$5,000
Total Pre-Opening Marketing Budget	\$100,000

JENNY RAND & ASSOCIATES
July 2002

77

11.3 On-going Operating Expenses

On-going Operating Expenses can be divided into:

Management and Operations:

- Salaries and on-costs.
- Marketing and promotion / Events & Activities
- Office, administration and motor vehicles.
- Security.

Property:

- Security.
- Repairs and maintenance, including cleaning and landscaping.
- Electricity.
- Insurance – Property, Public Liability etc.

The property related expense items are listed below as a guide for Council. Cost estimates are not provided and Council will need to assess both the costs involved and the most effective way of providing the services.

The estimated management expenses and security costs are summarised in Table 11.4 and explained briefly below. It is assumed that these costs would be funded by the Special Rate. **These costs are indicative only.**

Management & Marketing Expenses

- **Salaries and On-costs**

The Town Centre management salaries are likely to be in the order of:

Manager	\$60,000 - \$70,000 pa
Clerical and Marketing Assistant	\$25,000 - \$28,000 pa

\$60,000 would be the minimum salary required for a professional, experienced CBD Manager. A higher salary would be required if the Manager is responsible for cleaning, maintenance etc. For this exercise, it is assumed that Council meet the cost of salaries for Cleaning and Maintenance staff, with these not being off-set against the Special Rate. On-costs have been set up 30% of total salaries.

No allowance has been made for a life-guard / supervisor for the foreshore area, particularly for the water-play area. If considered necessary by Council, this cost should be factored in.

▪ **Office Administration and Motor Vehicle Expenses**

The office rent reflects the average rent for good quality, first floor commercial office space in Ballina. A 50 sq metre office has been allowed with the annual rent set at \$200/sqm (\$10,000pa). Office and motor vehicle running expenses have been set at \$2,500 per month (\$30,000pa). This includes all office and vehicle outgoings.

A storage space of approximately 60 sqm will also be required in close proximity to River Street. This will be used to store decorations, equipment and furniture. It is assumed that Council will supply the space (fit-out cost included in the establishment costs) and not charge rent for this space.

▪ **Marketing and Promotion**

The marketing and promotion budget needs to be in the order of \$250,000 - \$300,000 per annum. This budget includes the cost of all promotional activities including organising competitions and events, and replacing decorations and displays. This budget assumes that marketing and promotional funds have been allocated in the pre-opening stage to set-up the marketing and promotion, produce marketing collateral etc. The marketing activities that will need to be undertaken in the initial year of operation and a preliminary budget for these are summarised in Table 11.5.

▪ **Security**

It is assumed that both the CBD traders and Council will contribute equally towards the security of the centre. A total cost of \$150,000 pa has been budgeted.

Table 11.4 –Operating Cost Budget – Management Expenses Year 1

Expense Item	Budget (Year 1)
Salaries	
Centre Manager	\$ 60,000
Clerical & Marketing Assistant	<u>\$ 28,000</u>
	\$ 98,000
On-costs @ 30%	<u>\$ 29,400</u>
Total Salaries	<u>\$130,000</u>
Office Expenses	
Rent	\$ 10,000
Running Costs	<u>\$ 30,000</u>
Total	<u>\$ 40,000</u>
Marketing & Promotion / Events	\$248,000
Security	\$ 75,000
Total Management Expenses	<u>\$ 493,000</u>

Note This excludes all property expenses

Table 11.5 – Marketing and Promotions Budget – Year 1 Budget

Activity/Task	Budget
Advertising & Promotion	\$120,000
Regional Television and Radio Advertising	
Newspaper Advertising and Supplements	
Co-operative advertising with Ballina Tourism	
Competitions	
Letter box promotions	
'What's on' column in local newspapers	
Web Site Hosting & Up-dating	
Events & Activities	\$80,000
Event / entertainment / activity development and staging	
4 major events pa	
20 minor events	
Capitalising on existing events	
Organising markets	
Decorations & Display Materials	\$20,000
Replacement of damaged materials	
New materials	
Signage	
Industry Briefings	\$5,000
Traders & Property Owners	
Press	
Tourism Trade	
Training & Motivational Programs	\$8,000
Market Research & Product Development	
Preliminary profiling of customers/Satisfaction surveys etc.	\$15,000
Total	\$248,000

The advertising and promotional budget will need to be supplemented by Co-operative Advertising. The Events and Activities budget relates solely to the CBD.

Property Expenses

The CBD and Foreshore improvements will result in additional costs to those already incurred by Council in maintaining this precinct. Council needs to accurately determine its current costs in relation to the Centre, and the additional costs that will be incurred. The business community should be made aware of these costs promoted as Council's ongoing contribution to the CBD.

JENNY RAND & ASSOCIATES
July 2002

80

Council also needs to assess the most effective way of providing the services required (see Section 10.4). Another key consideration is who determines the works required, and how and when they are executed. For the Centre to work effectively the Centre Manager will need to have a major input in the programming.

Property expenses, in addition to Council's current expenditure are likely to include:

▪ **Repairs and Maintenance**

Costs to include:

- **Replacement of Furniture and Equipment**
The level of replacement will depend on the use and abuse of the street furniture, playground and water play equipment etc. Council should initially budget for a 20% replacement of any movable furniture plus an allowance for fixed furniture and equipment.
- **Painting**
Painting/re-touch of the street furniture and equipment, plus removal of graffiti.
- **Minor Repairs**
Minor repairs could include pavement repairs, clearing drainage lines, fencing, kerbs and gutters, etc.

▪ **Cleaning**

The CBD will need to be cleaned daily, with more frequent cleaning during peak periods and events. Public toilets may need to be checked / cleaned 2-3 times per day.

▪ **Garden & Landscaping**

Garden beds will need to be checked, cleaned and watered daily as part of the cleaning regime. Additional maintenance, such as trimming, re-potting, mulching and, fertilising will need to be undertaken throughout the year. With increased use of the fore-shore, re-turfing may be necessary to maintain the lawn cover.

The permanent plantings should be supplemented with floral displays to add colour and vibrancy to the CBD. They also act as a backdrop for major promotions and events. Council should budget for 6-8 floral displays per annum.

▪ **Electricity**

There will be an increase in electricity costs due to improvements in the CBD lighting.

▪ **Insurance**

JENNY RAND & ASSOCIATES
July 2002

81

The public and Council owned areas within the CBD will be covered by Council's insurance policies. Additional costs may be incurred for the foreshore area.

- **Water Rates**

With the landscaping, increased street cleaning, new public toilets and expected increased use of the CBD, water consumption will increase and the cost of this needs to be factored in.

- **Security**

If a Security Service is introduced within the CBD, Council will need to contribute financially.

Replacement Sinking Fund

The CBD is likely to require major refurbishment in 7-10 years. Experience in other centres show that around 8 years is the optimal time. It should be noted that indoor shopping malls work on a 5-7 year refurbishment program. Ideally a sinking fund should be established from the on-set to accrue the capital required to undertake the refurbishment. Experience at other centres indicates that in the order of \$150,000 - \$200,000 pa needs to be set aside. Whether this allowance, in whole or part, is included in the Special Rate Levy needs to be considered by Council.

11.4 Special Rate Levy

As discussed in Chapter 6, a Special Rate levied on the business community is the most efficient and effective mechanism for funding the on-going management and marketing of Ballina CBD. The costs that could be met from the Special Rate would be:

- Salaries – CBD Manager and Administration/Marketing Assistant
- Office and Administration Costs
- Vehicle Costs
- Marketing and Promotion
- Security (assume 50% of total cost).

Based on the preliminary budget provided in Section 11.3, these costs are estimated to be in the order of \$493,000 pa. This **excludes** any contribution to a Sinking Fund.

This cost estimate funds:

- Town-wide marketing – promoting Ballina as a shopping destination. This includes all retail and industrial precincts.
- CBD management and marketing – CBD precinct only.

13.3 Notice of Motion - Town Centre Management.DOC

As discussed in Section 10.3, the CBD requires a higher level of service than the non-CBD areas. To address this, Council should consider introducing a differential Special Rate with the CBD properties contributing at a higher rate.

For the purposes of estimating the Special Rate Levy required, the operating costs have been allocated as follows:

Table 11.6 Assumptions used in the Allocation of Operating Costs

Cost	Town-wide Marketing	CBD Management
Salaries	20%	80%
Office & Administration	20%	80%
Marketing & Promotion		
- Advertising	80%	20%
- Events	-	100%
- Decorations	25%	75%
- Industry Briefings	100%	-
- Training	100%	-
- Market Research	100%	-
Security		100%

Based on this allocation the costs for each function are estimated to be:

Table 11.7 Estimated Operating Costs

Cost	Town-wide Marketing	CBD Management
Salaries	\$ 26,000	\$ 104,000
Office & Administration	\$ 8,000	\$ 32,000
Marketing & Promotion		
- Advertising	\$ 96,000	\$ 24,000
- Events	-	\$ 80,000
- Decorations	\$ 5,000	\$ 15,000
- Industry Briefings	\$ 5,000	-
- Training	\$ 8,000	-
- Market Research	\$ 15,000	-
Security	-	\$ 75,000
Total	\$ 163,000	\$ 330,000

In 2001/2, the Ordinary Rate Income from commercial properties in Ballina (excluding East Ballina) was \$463,391 with the breakdown shown in Table 11.8.

Table 11.8 Contribution to Ordinary Rate Revenue, 2001/02

Precinct	Rate Revenue	% of Total
Ballina CBD	\$ 297,020.24	64.1%
Ballina Fair	\$ 14,466.60	3.1%
Coles / Kmart	\$ 20,304.00	4.4%
West Ballina – Commercial	\$ 28,019.00	6.0%
West Ballina – Industrial	\$ 9,083.00	2.0%
Key West Shops	\$ 4,238.46	0.9%
Westower Tavern	\$ 1,395.90	0.3%
Airport Industrial Estate	\$ 77,316.67	16.7%
Clarkes Rd Industrial Estate	\$ 11,547.54	2.5%
	\$ 463,391.41	100.0%

Estimated Special Rate Levy Required

Based on the estimated given above, the Special Rate would need to raise:

- \$163,000 from all commercial and industrial precincts, including the CBD.
- \$330,000 from the CBD.

Based on the land values used as the basis for the 2001/02 Ordinary Rates, the Special Rate Levy would need to be in the order of:

- 0.18 cents in the dollar levy on all commercial and industrial property, excluding East Ballina, to cover town-wide marketing.
- 0.58 cents in the dollar for CBD management and marketing – this only applies to CBD commercial properties and **is in addition to** the town-wide marketing levy.

If industrial properties are excluded from the analysis, then the levy for town-wide marketing would be 0.23 cents in the dollar for commercial properties.

(Note: the 2002-3 rate for commercial property is 0.525 cents in the dollar).

12. OPERATIONAL AND OTHER ISSUES

As discussed in Section 2.6, there are a range of issues that have the potential to impact on the trading and/or the amenity of the CBD. Council needs to address these issues and where necessary to modify existing, or introduce new, policies and codes. Council also needs to consider how to enforce its regulations.

Ideally a Manual detailing policies, regulations and requirements should be prepared by the CBD Manager and/or Council for traders and property owners. The issues that need to be addressed by Council include:

- Improvements to building facades.
- On-street trading.
- Street stalls.
- Markets.
- On-street food and beverage sales.
- Signage, particularly footpath and below awning signs and banners.
- Buskers.
- Product promotions.
- Handbills and advertising.
- Raffles and lotteries.
- Public collections.
- Spruiking.
- Noise/amplification.
- Activities to be regulated, eg dogs, bicycles, skate boards.
- Emergency access and evacuation plan.
- On-street parking controls (hourly limits) and loading zones.

Each of these issues are discussed briefly below:

Improvements to Building Facades

Many of the buildings in Ballina CBD are dated in design, tired and present very poorly. The facades in particular, need attention, and it would also be preferable if the side and rear of the buildings visible from the foreshore, side streets and car parks are cleaned up and upgraded.

Council has no direct authority to force property owners to upgrade.

In other towns this problem has been addressed in a variety of ways, with varying degrees of success. Methods have included:

- Preparation of detailed design controls which have been enforced when development and building applications have been lodged with Council. All new developments also have to conform.
- Preparation of detailed facade treatment programs and negotiation of package deals with paint companies. This method has been more successful in smaller country

towns. In larger centres this has not been successful as property owners believe they can get better prices.

- Lead by way of example – concentrating on Council and Government owned buildings and then approaching banks etc to upgrade.
- Inspection of properties under health and building regulations and issuing of compliance notices. (This has been reserved for buildings in very poor condition).
- Promotional programs targeted at property owners. Local business organisations and real estate agents have been co-opted to assist with programs to place pressure on the property owners. These programs have tended to be more successful where there are very high vacancy rates in a centre and/or where new developments are occurring and provide a competitive threat.
- Linking licenses and leases for on-street trading to facade improvements. The ability to trade outside a property increases the value and attractiveness of that property. Landowners/tenants are basically pressured into refurbishing the facade so that they can obtain these rights. Councils that have applied this approach have found that it is extremely successful. This may be the best approach for Ballina.

On-Street Trading

On-street trading refers to the practice of allowing shop-keepers to display their merchandise on the footpaths. This practice adds to the atmosphere of the CBD and encourages shoppers to move up and down the main street as something catches their eye. On the down-side, on-street trading can impose a hazard or safety risk if it obstructs pedestrian flows, etc. Council needs to consider its liability position and ensure that this is addressed in the licensing conditions.

The wider footpaths being proposed for Ballina would facilitate on-street trading provided that there is sufficient space for both scooters and pedestrians to use the footpath.

Approaches to on-street trading in other centres include:

- Totally banning on-street trading.
- Permitting on-street trading for specific events and promotions (eg during a spring fair).
- Licensing on-street trading year-round with relatively strict provisions applying to the size and location of the displays.

Conditions attached to the license generally relate to the type of display, the type and safety of the stands used and the size of the area. The size of the area appears to be determined by the width of the footpath and pedestrian flows in the area.

For example, in Cronulla Plaza, on-street trading is restricted to a maximum of half the length of the shop frontage and 0.7 metres in width. In Coff's Harbour, on-street trading is restricted to 1 metre width along the entire frontage.

Outdoor Dining Areas

The CBD upgrading program is designed to enable on-street dining along River Street, in the Riverside Arcade and on the foreshore area. The main issues that need to be addressed by Council are:

- Lease / licence arrangements and associated insurance provisions.
- Defining and enforcing the boundaries of the leased area. This definition is important for insurance purposes.
- Administration of the leases/licences and how the fees levied are to be used.
- Standards for outdoor dining furniture and shade / weather protection structures.
- Ownership and leasing arrangements if Council is to supply the furniture. Attached to this are maintenance and replacement policies.

Street Stalls

There will be pressure from community groups and traders from outside the area to operate temporary stalls along the main street. Local community groups will also want to set-up stalls for fund-raising purposes. While these stalls add to the activities and atmosphere within the centre they can provide competition for the shopkeepers as well as a potential health and/or safety risk.

Council needs to consider whether it will permit this type of trading and if so the conditions attached to it. If the trading is to be permitted it should be controlled by the CBD Manager and require a permit. The Manager should have the right of refusing the stall(s) and also the right to determine where the stall(s) should be set up and the trading hours. In some areas these stalls would provide a benefit to surrounding retailers, in other areas, they would pose competition.

Environmental Partnership has advised that they are considering introducing two 'kiosks' into the River Street area. One of these kiosks could potentially be available for use by community groups for their street stalls.

Markets

The foreshore area design incorporates an area for specialty markets, with the emphasis likely to be on food-related markets. Markets can be a contentious issue within the business community. While they have the potential to attract large numbers of people into the Centre, they can also provide competition for existing traders.

If this becomes an issue in Ballina it should be addressed in detail by the Council and CBD Management Company and a policy developed.

In some centres, Councils have adopted a policy of only permitting stall holders who sell their own products (ie, arts, craft, cottage industry) or products not available from existing shops. Where food is required to service large numbers of people, existing centre traders are given the first option to set up stalls.

On-Street Food and Beverage Sales

On-street food and beverage outlets can also contribute significantly to the atmosphere of the CBD and provide an important service during major events. Access to outlets can improve the quality of events and the amount of money spent in the CBD.

Many permanent traders regard casual food vendors and stalls as competition and would prefer to see them banned. The key issues that need to be considered by Council and CBD management include:

- Health and safety regulations particularly the provision of the Food Act 1989 and Food (General) Regulation 1992.
- The contribution that these vendors will make to the CBD versus the level of competition they are likely to pose to shopkeepers.
- Ways of encouraging the local traders to participate – eg offering them the opportunity to set up stalls at events and only if there is not a sufficient number of takers, bring in traders from outside the area.

Signage

Council will need to adopt a comprehensive signage policy for the CBD. From a marketing perspective, the following factors should be taken into consideration in drafting the policy.

- Themed signage contributes significantly in creating atmosphere and consolidating images.
- Sandwich boards (provided they are sturdy and correctly placed) play an important role in encouraging people to move throughout a centre.
- Too much signage is extremely confusing and detracts from a centre and from a property.
- Flexibility is required to enable signs to be changed to reflect promotional themes and activities.
- There is a need for good directional sign posting. The signposting should encourage circulation between the CBD, foreshore and parking area.
- Directories (map and lists) detailing the businesses in the Centre could be located in strategic positions throughout the Centre. These directories are common in major shopping centres.

Buskers

Buskers, with quality acts, should be actively encouraged in the CBD and along the foreshore. Busking should be managed by the CBD Manager, with the Centre Office being responsible for issuing permits.

The permits should contain restrictions as to the days of the week, length of time and location within the Centre. By applying such restrictions, the Centre Manager can use buskers to complement activities and promotions.

There may be potential to organise a busking competition / festival if one does not exist in the Region.

Handbills and Advertising

Council needs to determine whether traders and other organisations are permitted to distribute hand-bills and other advertising material within the Centre. While this can be an effective form of advertising it can also create considerable litter problems.

Again a permit system may be desirable with the distributor required to lodge a cleaning bond in case of major litter problems.

Raffles and Lotteries

Community groups and charitable organisations are likely to want to sell tickets within the Centre. This activity needs regulation to ensure that shoppers are not bombarded with ticket sellers. Again a permit system, administered by CBD Management, is recommended.

Public Collections

As with raffles and lotteries, public collections should be regulated by permit and administered by the CBD Management.

Public appeals and collections are also a marketing tool that can be used by the CBD Manager to focus attention on and bring people into the Centre, eg charity concerts, launch of fund raising campaigns, displays, etc.

Spruiking

Spruiking involves having a person stand outside a store and use a microphone to promote the business. While this can be an effective advertising tool, it can also have a high nuisance value. If spruiking is to be permitted, regulation by the CBD Manager should be required, again through a permit system.

Noise-Amplification

Clear policies may need to be set on the level of noise/amplification that will be permissible for activities and events held in the Centre. This is an issue that should be monitored and if problems occur then appropriate policies and regulations put in place.

Activities Requiring Regulation

There are a number of activities that can create safety hazards or generate anti-social behaviour. These include walking dogs, the riding of skateboards and bicycles, outdoor consumption of alcohol, etc. Council's existing policies in relation to these activities need to be re-assessed to ensure that they are appropriate for the improved CBD. The regulations relating to these activities need to be clearly displayed and where necessary, enforced. CBD Management staff as well as Council employees should be aware of the regulations and have the power to enforce them.

Emergency Access Provisions

Council and the CBD Manager will need to develop emergency access and evacuation plans. Ideally all CBD Management staff should also be required to hold a current first aid certificate.

On-Street Parking Controls

Council should review the parking time limits throughout the CBD to ensure that they meets the needs of the centre and encourage turn-over of space. Council may also need to introduce loading zones at some stage. Enforcement of time limits appears to be required in Ballina to deter all day parking in prime areas within the CBD. Some Councils have also introduced specified 'delivery' hours to address conflict between delivery vehicles and pedestrians.