

## PART B: Review of Economic Development Programs

The current Strategy (1996) has provided a framework for the introduction of a range of programs over the past five years. Programs have focused on small business development and the retail sector in particular. Staff resources have comprised one full time officer and a program budget of approximately \$100,000 per annum.

A key initiative of the Strategy was to develop funding sources to augment economic development funding. Funding for programs has been provided from a variety of sources including: StreetLife, Department of State and Regional Development, Department of Employment, Small Business and Workplace Relations and Centenary of Federation Victoria.

Key programs and activities which have been undertaken in the current Strategy (1996) are reviewed in this Section. These include:-

- Retail Business Plans;
- StreetLife Program;
- Retail Banner Program;
- Special Rates and Charges;
- Seminars and Training Workshops;
- Brainfood Seminars and Events;
- Business Growth Programs;
- Business Matrix; and
- Hard Yakka.

### B.1 Retail Business Plans

The need to establish business and marketing plans for retail centres was identified in the current Strategy as a key initiative to:-

- assist in the re-establishment of active business groups;
- provide a mechanism to enhance and reinforce centre identity; and
- provide a basis to develop funding mechanisms for centre promotion and provide a policy context for ongoing centre development.

Key stages of each business plan involved:-

- appointment of a workshop facilitator;
- four workshops with businesses in each centre;
- a draft business plan presented to businesses in each centre; and
- a Business Plan launch.

A total of nine Business Plans have been completed involving the following retail centres:

- Swan Street;
- Bridge Road;
- Gertrude Street;
- Smith Street;
- Brunswick Street;
- Rathdowne Street;
- Nicholson Street;
- St Georges Road; and
- Queens Parade.

The Business Plans have been a mixed success and have relied on ongoing commitment from businesses in each participating centre. A common issue has been the need to develop an ongoing funding base for the management, marketing and promotion of each centre. In some instances this has been addressed through the introduction of a special charge (Bridge Road Richmond) and through participation in the StreetLife program (Rathdowne Street, Nicholson Street, St Georges Road, Queens Parade, Brunswick Street and Smith Street).

### B.2 StreetLife

The StreetLife program is an initiative of the State Government to enhance employment and business development in retail centres throughout Victoria. The program provides matching funding over a two year period in conjunction with local Council's, business groups, chambers of commerce and other interested bodies. A two year funding program for thirty five projects across Victoria concluded in June 2001.

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Over the period 1997-2001, seven of Yarra's retail strips have participated in the StreetLife Program. Six streets have received funding of \$160,000 through the City of Yarra, provided in several initiatives:-

- Rathdowne Street, Nicholson Street, St Georges Road and Queens Parade were funded as part of the "Villages of Yarra" StreetLife Program which provided \$20,000 matched by the City of Yarra;
- Brunswick Street was funded as part of the "Strip Shop Splash" StreetLife Program which provided \$20,000 matched by the City of Yarra; and
- Smith Street was funded as part of the "Alive and Different" StreetLife Program which provided \$40,000 matched by the City of Yarra.

The Bridge Road strip also received StreetLife funding of \$20,000 (via Bridge Road Main Street Inc) and was the only centre to source and provide matching funding without financial assistance from the City of Yarra.

It should be noted that StreetLife Programs have been undertaken in conjunction with the re-establishment of active business groups in retail centres and completion of retail business plans.

Key activities of each Program are outlined and assessed below.

### **B.2.1 Villages of Yarra: StreetLife Program**

(Rathdowne Street, Nicholson Street, St Georges Road and Queens Parade)

#### **Management and Resources**

##### *Management Committee*

A management committee comprising representatives from the four participating centres and the City of Yarra was established to oversee the development and management of program initiatives.

##### *StreetLife Coordinator*

A part-time coordinator, (15 hours per week), was appointed for an 18 month period.

#### **Program Initiatives**

##### *Market Research*

A major market research project and associated promotional program was undertaken. The project involved 300 'in centre' surveys and 1000 resident surveys. The project involved sponsorship by 14 businesses offering incentive prizes for participants. Results of the research were presented at a public meeting attended by business representatives from each centre.

##### *Newsletter*

A quarterly newsletter was prepared and distributed to approximately 450 businesses participating in the program. The newsletter established a regular means of communication informing participants of program initiatives and other issues affecting each retail centre.

##### *Christmas Cards*

Local schools participated in an art competition with a subsequent display in retail centres during the Christmas period and professional production of cards depicting the children's artwork. This project aimed to improve links between local business and residents.

##### *Retail Directory*

A publication entitled: "There's Life in your local Shopping Strip" listing over 400 businesses was produced (10,000 copies) and distributed. An associated marketing and media campaign was also developed.

##### *Training Workshops and Events*

Business planning workshops, customer service workshops, business breakfasts and a program closing event were held to encourage improved networking and communication between local businesses.

## **B.2.2 Strip Shop Splash: Brunswick Street, Fitzroy**

### **Management and Resources**

Brunswick Street Traders Association (BSTA) was re-established after the absence of an active traders group for five years. Significant issues in the activation of management and resources encompassed:-

- the establishment of a Management Committee – a management committee comprising representatives from the BSTA and the City of Yarra was established to oversee the development and management of program initiatives;
- the appointment of a StreetLife Coordinator – a part-time coordinator, 15 hours per week, was appointed for an 18 month period; and
- establishment of office accommodation – shared office facilities were established in Brunswick Street, Fitzroy.

### **Program Initiatives**

#### *Newsletter*

A regular bimonthly newsletter was produced and distributed to approximately 300 businesses.

#### *Winter Music Festival*

Brunswick Street participated in the Winter 2C music festival in conjunction with Smith Street to promote local venues during winter. The project is continuing in 2001.

#### *Postcards*

A series of postcards promoting life on Brunswick Street were produced and distributed.

#### *Training Workshops and Events*

Regular networking and training events were held for businesses including workshops on the Goods and Services Tax, Business Planning and Community Safety. In addition a program and media launch was attended by the Minister for Small Business, in conjunction with Smith Street Network and attended by 40 businesses.

#### *Relaunch of Business Group*

A new identity was developed to more accurately reflect the nature of businesses on Brunswick Street. The BSTA will shortly be re-launched as Brunswick Street Business.

## **B.2.3 Alive and Different: Smith Street, Collingwood**

### **Management and Resources**

Smith Street Network (SSN) was re-established after the absence of an active business group for two years. Significant issues in the activation of management and resources encompassed:-

- establishment of a Management Committee - a management committee comprising representatives from SSN and the City of Yarra was established to oversee the development and management of program initiatives;
- appointment of a StreetLife Coordinator - a part-time coordinator, 20 hours per week, was appointed for an 18 month period;
- establishment of office accommodation – shared office facilities were established jointly with BSTA. Office facilities were subsequently relocated.

### **Program Initiatives**

#### *Newsletter*

A monthly newsletter was produced and distributed to 350 businesses.

#### *Shopping Promotion*

“Conveniently Smith Street” shopping promotion was undertaken with an associated media advertising campaign.

#### *History Project*

Local history project involving youth audience aimed at improving knowledge of Smith Street history. Awards program launched by The Hon. Gavin Jennings.

#### *Art Project*

Local art project entitled The Artful Dodgers in conjunction with Connexions (Jesuit Social Services) Youth Art Program.

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#### *Winter Music Festival*

Participation in Winter 2C music festival.

#### *Business Plan*

Development of a Business Plan in conjunction with Smith Street businesses.

#### *Training Workshops*

Training and professional development seminars were held on public relations and marketing, goods and services tax and community safety.

#### **Summary**

The StreetLife Programs undertaken over the period 1997–2001 have provided a valuable source of funding for business development activities in retail centres. They have facilitated re-establishment of active business groups and provided opportunities for employment and business development, effective networking and delivery of practical initiatives for each participating centre. The biggest issue for each centre has been ensuring the continuation of an active business group and sustainable funding base following the completion of the StreetLife program.

### **B.3 Retail Banner Program**

A Retail Banner Program has been developed in conjunction with the preparation of retail business plans and StreetLife programs. The Banner Program has involved 10 retail centres and production of approximately 600 banners incorporating 21 distinct designs that reflect the individual character of retail centres along with establishment of related infrastructure and maintenance programs. A key aspect of the program is to enable retail centres to be recognised as part of the City of Yarra while allowing themes evident in each centre to be promoted .

### **B.4 Special Rates and Charges**

Special rates and charges levied in accordance with the Local Government Act are an established means by

which activities such as management, marketing and promotion, streetscape and infrastructure provision can be funded in retail strip shopping centres. There are currently over 50 separate schemes operating in metropolitan Melbourne.

Given the importance of retail strips to the local community and the need to develop additional funding sources which are set out in the current Strategy (1996), special rates and charges have played only a minor role. During the period of implementation two schemes have operated:-

- a Special Rate scheme for the provision of specific parking facilities has been in operation in *Swan Street, Richmond*. The scheme, which commenced in 1992, has facilitated the development of four at-grade parking facilities and will conclude in 2002. Swan Street, partly as a result of the scheme, enjoys some of the best offstreet parking in the City of Yarra with over 300 off street spaces; and
- a Special Charge of \$140 per annum per property for marketing and promotion activities in the *Bridge Road* precinct was introduced at the request of BRMS for a 3 year period commencing 1st July 1997 and concluding 30 June 2000. The Special Charge has facilitated a range of promotional initiatives including a regular business directory, website, tram advertising and specialist promotions. Independent surveys undertaken at the completion of the special charge period, indicated that there was a good level of support for individual initiatives such as the directory. However there was a low level of awareness associated with the activities of BRMS. This is reinforced by the low level of participation from Bridge Road businesses in activities associated with the business group.

## B.5 Seminars and Training Workshops

The City of Yarra has hosted regular seminars and training workshops predominantly for small business and retailers. Topics that have been covered over the period of the Strategy implementation have included: customer service, marketing and public relations, business planning, goods and services tax and workplace relations.

## B.6 Brainfood Seminars and Events

The Brainfood Seminar and Event program was established in 1998 by the City of Yarra in conjunction with Business Matrix, small business incubator. Key aims of the program are:-

- to promote and encourage *small business development*;
- to provide *information and networking opportunities* to small business proprietors; and
- promote the *services* provided by Business Matrix.

Since establishing the program, 10 seminars and events have been held attracting over 1000 people. Booking fees of approximately \$15,000 have been contributed by attendees.

Topics and events have included:-

- Economic Outlook for Small Business;
- What's that Smell? small business success stories;
- USA Retail Trends;
- Light my Wire - e-commerce;
- Fashion in a Global Market Place; and
- 'Bold, Brave and Different' (full day small business conference).

Sample surveys have been completed by Brainfood attendees. A survey of participants at the USA Retail Trends business breakfast provided the following insights:-

- 100% of attendees found the seminar useful;
- 66% of participants rated the seminar highly; and
- 66% indicated that they would like to attend two or more Brainfood seminars in 2001; Only three participants indicated that they would not attend.

A pilot industry tour program was also established and operated in 1999. Small groups of less than 10 people participated in tours of individual businesses and included a brief presentation by business proprietors. Although the industry tours also proved popular, the program was not continued in 2000 due to resource constraints.

In summary, the Brainfood program has been a successful initiative of the City of Yarra and well received by the business community. However, while successful, the program is inhibited by resource constraints, including staff and financial, as well as the limited support of Business Matrix in the program. As part of the ongoing development of the program it is suggested that:-

- a re-evaluation of strategic partnerships needs to be undertaken; and
- marketing can be improved as part of the development of a targeted communications program.

## B.7 Business Growth Programs

Business Growth Programs have been developed by the Department of State and Regional Development to assist small to medium businesses. The City of Yarra has successfully applied for funding to host business growth programs on a range of topics of interest to local businesses. Up to 75 percent of the cost of participation for eligible business is subsidised.

The Programs, hosted by a professional service provider, usually consist of a series of workshops, individual business consultation and preparation of a business or marketing plan. Programs hosted by the City of Yarra have encompassed the following areas:-

- business growth;
- financial management;
- export market development; and
- marketing for small business.

Seven programs have been completed with the participation of some 66 businesses and the injection of \$100,000 funding for local business development. Follow up surveys have been undertaken of all 66

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participants. Feedback from the surveys have indicated that the programs have been highly successful.

Business Growth Programs have provided an excellent opportunity to target programs that assist businesses develop expertise in specific areas. Feedback received reinforces this view. In some instances participants have indicated there is some variability in the quality of the course content. A further difficulty is that what is appropriate for one participant may vary significantly to the next. The issue of marketing and promoting business growth programs has also been raised in consultation workshops. Many business participants indicated they had little or no awareness of the programs, despite the fact that they were advertised in Council's bimonthly community newsletter.

## **B.8 Business Matrix**

Business Matrix is a small business incubator located in Brunswick Street, Fitzroy. It is the first business incubator in Australia focused on women's needs. The incubator was established by the Victorian Women's Trust with assistance from the City of Yarra. Business Matrix has received the following funding:-

- an amount of \$500,000 (in 1997) from the Department of Employment, Education, Training and Youth Affairs;
- an amount of \$70,000 (in 2001) from the Commonwealth Department of Employment, Workplace Relations and Small Business. This contribution has been provided to assist in the funding of renovations to Business Matrix to enable it to modernise and effectively increase its useable office space;
- other revenue is derived solely from rental income; and
- the operations of Business Matrix are underwritten by the Victorian Women's Trust, which ensures payment of rent and other fixed costs.

Although women represent 34% of small business owners, they currently only represent 13% of businesses located within incubators. Since opening in November 1997, Business Matrix has been working to address this imbalance.

The incubator provides office accommodation, assistance and support to new and existing businesses. Rent ranges in cost from \$109 per month to \$715 per month, and is determined by the period of time a business has occupied office space, as well as the size of office space occupied. Apart from providing office accommodation, the incubator provides shared communications facilities and serviced reception. Access to business networking and regular information forums are an added attraction.

Table 1 indicates the results of a recent survey of Business Matrix by Ratio Consultants (July 2001). The information shows:-

- that currently Business Matrix provides facilities for some 23 establishments in a diverse range of services;
- the companies provide employment for some 54 people; and
- since the establishment of Business Matrix in 1997, some 20 businesses have 'graduated' from the business incubator. Only three of these companies have ceased to operate for reasons of commercial failure. This represents an 85 percent success rate (compared to a 20 percent success rate for small business start-ups Australia-wide).

**TABLE 1***Survey of Business Matrix (Ratio Consultants, July 2001)*

Business Type	Establishments (No.)		Total Employment (Current)
	Current	Graduates	
Homewares	1	-	1
Planning & Design	5	-	13
Communications	2	3	7
Writing and Publishing	5	1	7
Health & Safety	1	-	2
Business Services	2	5	2
IT Services	2	1	10
Film Production	1	2	4
Legal Services	1	-	1
Fashion/Clothing	1	1	2
Other	2	7	5
<b>Total</b>	<b>23</b>	<b>20</b>	<b>54</b>

Source: Business Matrix, Brunswick Street Fitzroy (2001)

## B.9 Hard Yakka Publication

*Hard Yakka: 100 Years of Richmond Industry* celebrates the role and contribution of Richmond industry to Australian economic development in the 20th century.

Hard Yakka has been developed by the City of Yarra in conjunction with the Richmond South Business Support Group. The City of Yarra obtained funding for the project through the Centenary of Federation Victoria.

Key aims of the project were:-

- to celebrate and acknowledge the contribution of Industry in Richmond to Australia's economic development;
- to develop a positive context for business success stories;
- to recognise the importance of community links between business and residents; and
- to highlight Richmond's continued attraction as a business location and presence of new business clusters including business services, information technology, fashion/apparel design and wholesale and retail trade.

The project has provided an effective means to acknowledge the contribution of Richmond businesses and workers over the past 100 years.

Hard Yakka was launched by the Hon. John Button and was attended by 85 people.