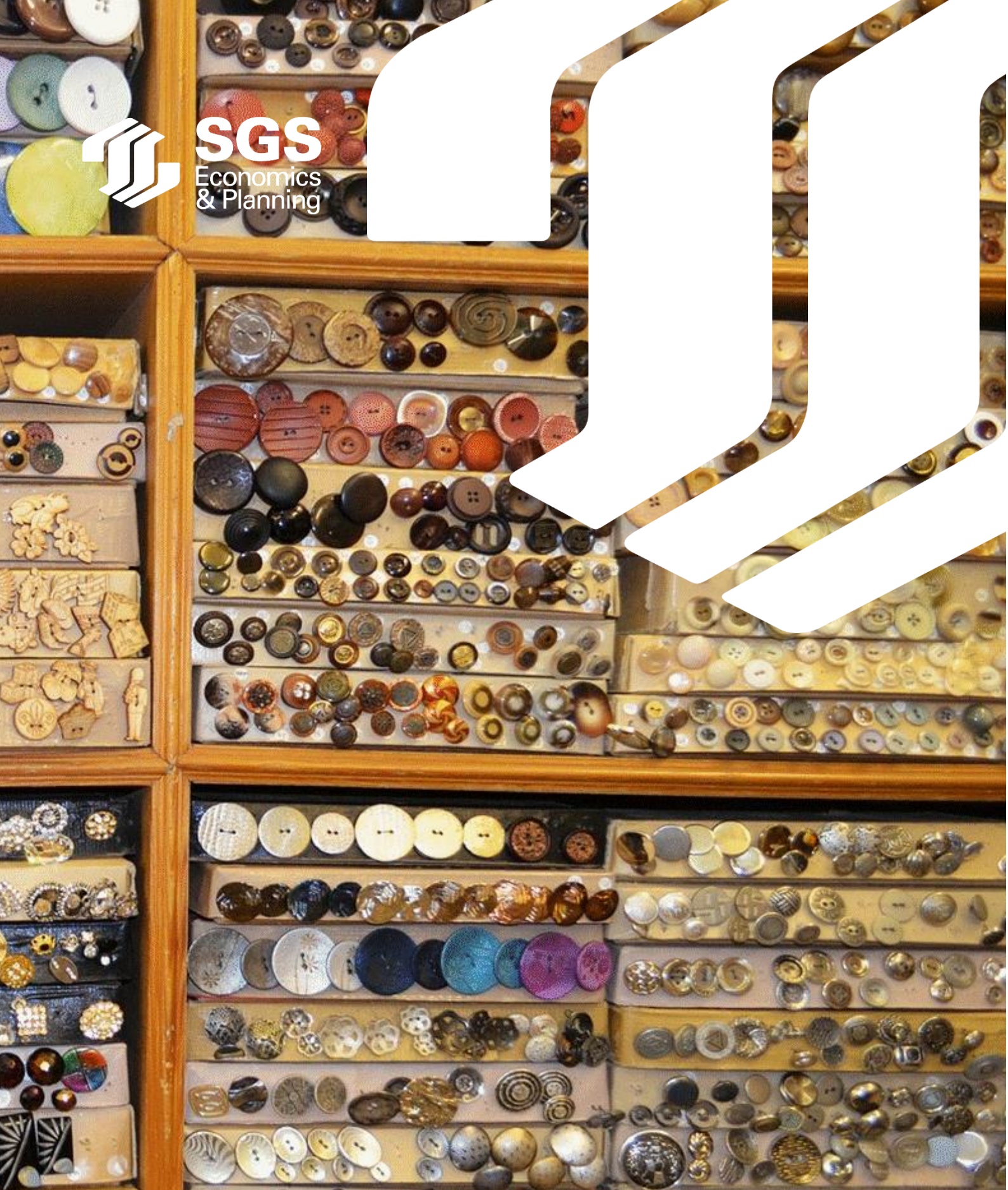


Attachment A4

Oxford Street Cultural Activity Study
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SGS
Economics
& Planning



OXFORD STREET CULTURAL ACTIVITY STUDY

FINAL V2
MARCH 2021

Prepared for
City of Sydney

864

Independent
insight.



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EXECUTIVE SUMMARY

This Cultural Activity Study has been prepared for the City of Sydney as part of the Strategic Review of the Oxford Street corridor.

Context

The City is undertaking the Strategic Review of Oxford Street in order to reposition it as a vibrant cultural and creative precinct. The objectives of this Cultural Activity study include to:

- Understand the elements to create a successful creative and cultural precinct
- Understand the spaces currently available
- Understand the social and economic environment for the sector
- Understand the workspaces within which cultural and creative producers work
- Understand locational and operational needs, and
- Understand how planning controls can assist in rebuilding/revitalising activity (including after COVID).

The study area considered is shown below.

This study draws on information identified in and complements the *Floorspace Supply and Demand Study* undertaken for the City concurrently.

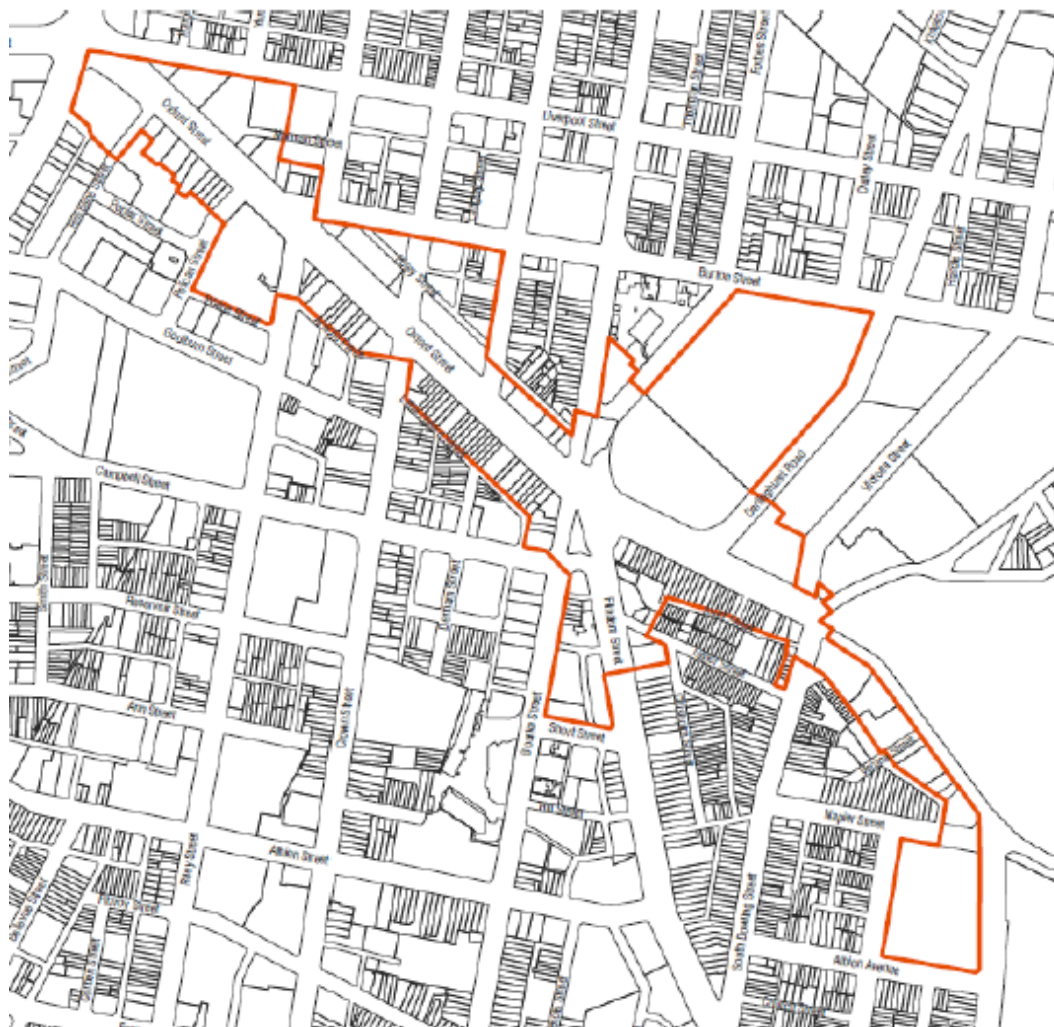
A narrative of change

Oxford Street has had a long history as a high street and connection between different parts of the city. Over time, it has developed into a series of villages and unique local catchments along its length, and built on its connections to Sydney's night life, LGBTQ community, and major cultural institutions including the NAS and UNSW College of Fine Arts.

However, over the past two decades, Oxford Street has experienced a gradual process of decline. There is no one aspect or factor that can be blamed for this. Rather, a myriad of inter-connected factors and challenges have resulted in Oxford Street losing some of its vibrancy, including the emergence of other precincts, the impact of the lock-out laws, and changing consumer behaviours and preferences.

Combined, these factors have contributed to the gradual decline of Oxford Street's status as a precinct, which has been observed across the corridor's range of activities. This has manifested itself through increasing levels of vacancy in shopfronts, and sections of the street having no or very little activity, which self-perpetuate and reinforce themselves over time. Most recently, the COVID-19 pandemic has introduced some new challenges for the precinct, but has also had the effect of exacerbating and accelerating the impact of many of the above issues which were already prevalent.

OXFORD STREET STUDY AREA BOUNDARY



Source: City of Sydney, 2020

Existing policies and current issues

Current issues affecting Oxford Street are also affecting the creative sector more broadly. This has particularly been the case with COVID-19 related restrictions on creative businesses, though some have been more affected than others. Some will have been impacted immediately through not being able to operate (e.g. businesses that are classified as ‘non-essential’ while in lock-down), those that can operate but that have been impacted by disruptions to supply chains, and those impacted by flow-on effects such as reduced discretionary spending by households and low consumer confidence in general. Some sectors related to entertainment (like music, performing arts) will have seen immediate impacts, while others which are less reliant on large groups (such as media, print and publishing, design) will have seen more impacts from the flow-on effects with reduced spending.

Many policies and strategies have attempted to address the issues facing Oxford Street. Potential implications drawn from these include:

- Although it should not be sole basis for Oxford Street’s attraction, the night-time economy is, and will continue to be, a major component of the precinct’s identity, economy and cultural offering.
- The lack of affordability and suitability of spaces available for creative enterprise along the strip poses a major threat to the sustainability of cultural uses in the precinct.
- Culture-led revitalisation should build on the precinct’s distinctive cultural attributes and public domain.

- Several strategies and specific actions have outlined the need to refine regulatory and administrative procedures relating to cultural and creative uses. Currently, these are prohibitively complex and costly to navigate for small creative enterprises which require a process of trial and error.
- Ideas for the precinct have included the re-use of old buildings/spaces for cultural uses, and options for temporary use schemes in disused space, however regulatory refinement may be needed to achieve this.

Trends, drivers and principles for creative precincts

Trends and drivers

There are a range of trends and drivers impacting on the precinct, in the creative and cultural sector but also at a broader economic level. These include the growth of online retailing (even pre-COVID), the popularity of café culture and experience dining and retailing, shifts to more flexible working patterns (such as co-working office spaces and working from home), and changes in the night time economy.

Other trends that may have implications for Oxford Street include the emergence of the so-called 'gig' economy, the potential for automation, the challenges of location versus price sensitivity for new creative enterprises, and the relationship of the creative sector to value-adding in other sectors.

Best practice principles

A review of the literature, the City's previous studies and strategies, and a selection of examples from Australia and overseas has been undertaken to distil a series of key principles for creative precincts. The range of examples reflects that there is no one set of perfect features that will make a precinct successful, but rather that there will be elements from each that can be of relevance to the Oxford Street context. Live/work models for creatives have also been identified as something that could be explored further in the precinct.

Key principles for creative precincts

1. Support a wide range of well curated activation opportunities – that engage the broader business community/residents and visitors and showcase local talent/content
2. Connect to the business community – to support philanthropy, grant funding, exchange of ideas or business skills development, and networking opportunities
3. Support an aggregation of creative institutions and people (across the creative/cultural spectrum)
4. Facilitate a digitally enabled environment
5. Provide pedestrian friendly areas, good cycling amenity and public transport accessibility
6. Have a clear purpose for public spaces (based on Urban Design principles)
7. Provide affordable and fit for purpose studio, making, rehearsal and showing spaces, with space to grow
8. Provide affordable housing for key workers, creative sector workers and students (could extend to live/work studios)
9. Develop an appropriate governance structure to support the curation of the precinct
10. Have a supportive regulatory/planning environment for creative and cultural uses
11. Understand the strengths and opportunities of other complementary precincts (such as Health and Education precincts), and support links between the two (physical and/or programmatic)
12. Support flexibility, but with clear ideas of aspirations and what is NOT appropriate
13. Plan for pulses and breaks in corridor activity, noting that:
 - a. Corridors of more than a couple of hundred metres naturally have activity hot spots or 'pulses,' as consistent activation cannot be maintained
 - b. Rather than try to re-activate parts of the corridor where activity slows, consider appropriate land uses for that level of energy.

14. Leverage areas with larger activation 'surface area' – such as intersections
 - a. This allows for the potential development 'land-mark' sites to assist with pooling of activity and drawing people to a specific location and/or the precinct itself.

Study area profile

Within the cultural and creative industries sector (as defined in the City's FES data), most of Oxford Street's creative floorspace is in Arts Education (due to the presence of the NAS and UNSW campuses), followed by Creative Recreation (e.g. theatres) and Creative Business (e.g. architects and other office-based uses). Over time, the amount of creative use floorspace in the precinct has increased, though Creative Manufacturing and Creative Culture uses have declined.

Projected demand for floorspace

SGS's projections of the need for floorspace across the precinct to 2036 suggest that there is not likely to be a substantial need for additional floorspace to be delivered. Under a base case scenario, there is a projected need for around 3,900 square metres of additional creative/cultural floorspace. Under a COVID-19 adjusted scenario, taking into account the potential impact of the pandemic on economic activity in the City in the short to medium term, this reduces to around 3,700 square metres of additional space.

However, it is important to note that while there is only a modest projected need for additional space overall, the character and quality of existing spaces also needs to be considered – including whether spaces can meet specific needs of different industries within the creative and cultural sector and the affordability of spaces.

Case studies and stakeholder interviews

As part of the analysis, interviews with a range of local businesses, venue operators and stakeholders within the precinct and the surrounding area have been undertaken. The intention of this has been to gain a detailed understand of the precinct, how it is operating, and the specific needs of different kinds of businesses. The consultation has included discussion with industry contacts at a broader level to identify key issues for the creative sector in general as well as for Oxford Street as a precinct, and a number of detailed case studies of cultural and creative businesses within and around the precinct.

The diversity of these themes that emerged from the consultation underlines the complexity of the challenge to revitalise Oxford Street, and that there may be a number of different initiatives need to address its prevalent issues for the creative and cultural sector.

Key themes from stakeholder consultation

Key themes from the broader consultation include:

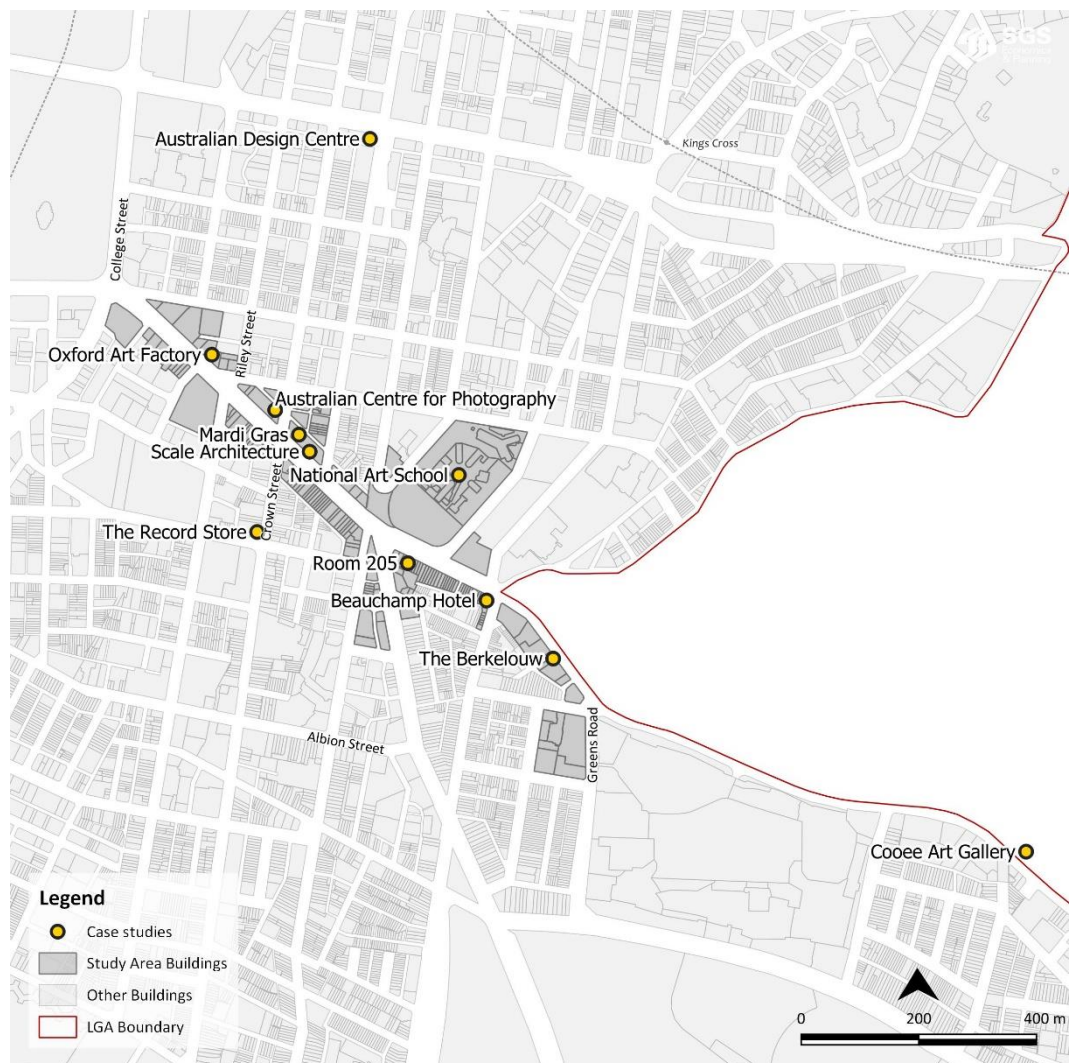
- Businesses are being impacted by COVID, though to differing extents – as noted above, businesses which rely on large numbers of people gathering indoors have been more affected than those which can have an online presence and aren't reliant on face to face contact.
- Rents are seen as being very high for the creative/cultural sector – while in line with broader fringe markets, market rents are generally unsustainable for creative and cultural businesses without a financial subsidy, and spaces in the precinct are also not necessarily fit for purpose.
- The current presentation and feel of the street is seen as a deterrent to activity – noting that this has been a long term issue, exacerbated by high levels of vacancy.
- Broader society-wide trends have contributed to a declining need to visit the area – including that many more activities have shifted online than in the past.
- Regulatory processes are seen as restrictive on activity – this acts as a barrier to cultural and creative activities being held in the precinct which could help to enliven it, and there

is a perception that there are sometimes conflicting objectives between the regulatory side of Council and the objectives for Oxford Street as a whole.

- There is a lack of a clear vision for what Oxford Street is and should be – having this could send a strong signal to businesses and the sector about what the precinct is working towards.
- Features along the street provide opportunities to build on – with space such as Taylor Square seen as logical places for more outdoor activities.
- Oxford Street’s history and identity remains a key strength – which can be rediscovered in its revitalisation.

Many of these themes were also reflected in discussion on the detailed case studies. The businesses and organisations included as case studies are illustrated below.

LOCATION OF CASE STUDIES IN RELATION TO OXFORD ST PRECINCT



Source: SGS, 2020.

Additional consultation on character of demand

Additional consultation was undertaken in early 2021 to supplement the case studies and gain a better understanding of the character of demand for creative uses in the precinct, recognising that there are businesses that may like to locate in the precinct but aren't there at the moment. This consultation included discussions with internal Council staff and real estate agents specialising in CBD fringe markets. This consultation identified that:

- The types of spaces available in the precinct has limited the opportunities for different uses to locate there. Also influenced by affordability, new creative uses have mostly been those that can utilise vacant retail shopfronts, often on a short term basis for exhibition style activities.
- There is latent demand for more creative maker spaces, recognising that many creative businesses are small operators who can't necessarily manage a workspace in a separate location to a shopfront.
- Affordability remains the biggest issue in the precinct, with the turnover of most creatives not enough to cover the cost of commercial rents in the precinct regardless of the quality or suitability of the space. Tenants are willing to trade off on the quality of spaces for affordability. The heritage and character of Oxford Street is also a key attractor for creatives.
- There is a need for a diversity of spaces in terms of size to be provided, including some larger office spaces and more maker spaces, alongside the traditional retail and commercial already there. This can provide options for different users to locate in the precinct and find spaces that can match their spatial needs and budget. This also recognises that Oxford Street can't be all things to everyone, and that there are other locations in the City that will be more suited to some uses (e.g. with larger floorplates).
- Live/work residential development could be investigated for the precinct as a way to improve affordability and keep creative activity on Oxford Street. Mechanisms such as requiring a proportion of any new residential floorspace to be set aside for creatives (similar to affordable housing

A future demand profile for Oxford Street

While the profile of industries and business need in Oxford Street is diverse, the engagement undertaken has identified three broad user profiles that can influence demand in Oxford Street.

- **Creative users who require some form of subsidy.** These are the businesses and sole traders who take up the short term lets or subsidised spaces and who trade off quality for location. Many of these may be temporary and while this is not a business cohort that creates a sustainable local economy, they are central to the identity, diversity and vibrancy of Oxford Street and need to be accommodated.
- **Boutique agencies or high end retail requiring high quality and flexible commercial floorspace.** This market segment will consider Oxford Street as another CBD fringe precinct competing with the likes of Surry hills and Chippendale. These are businesses that align with the Oxford Street identity but who require high quality commercial floorspace with a degree of flexibility, and at a larger scale than traditional shop-top office space that characterised much of the corridor.
- **Creatives requiring larger maker spaces.** This niche demand aligns with the creative users above, but due to its operational and floorspace requirements is not considered an appropriate focus for future floorspace in Oxford Street, both due to their price sensitivity and the fact that other precincts in the City (such as Alexandria) are better equipped for this type of use.

Recommendations and considerations

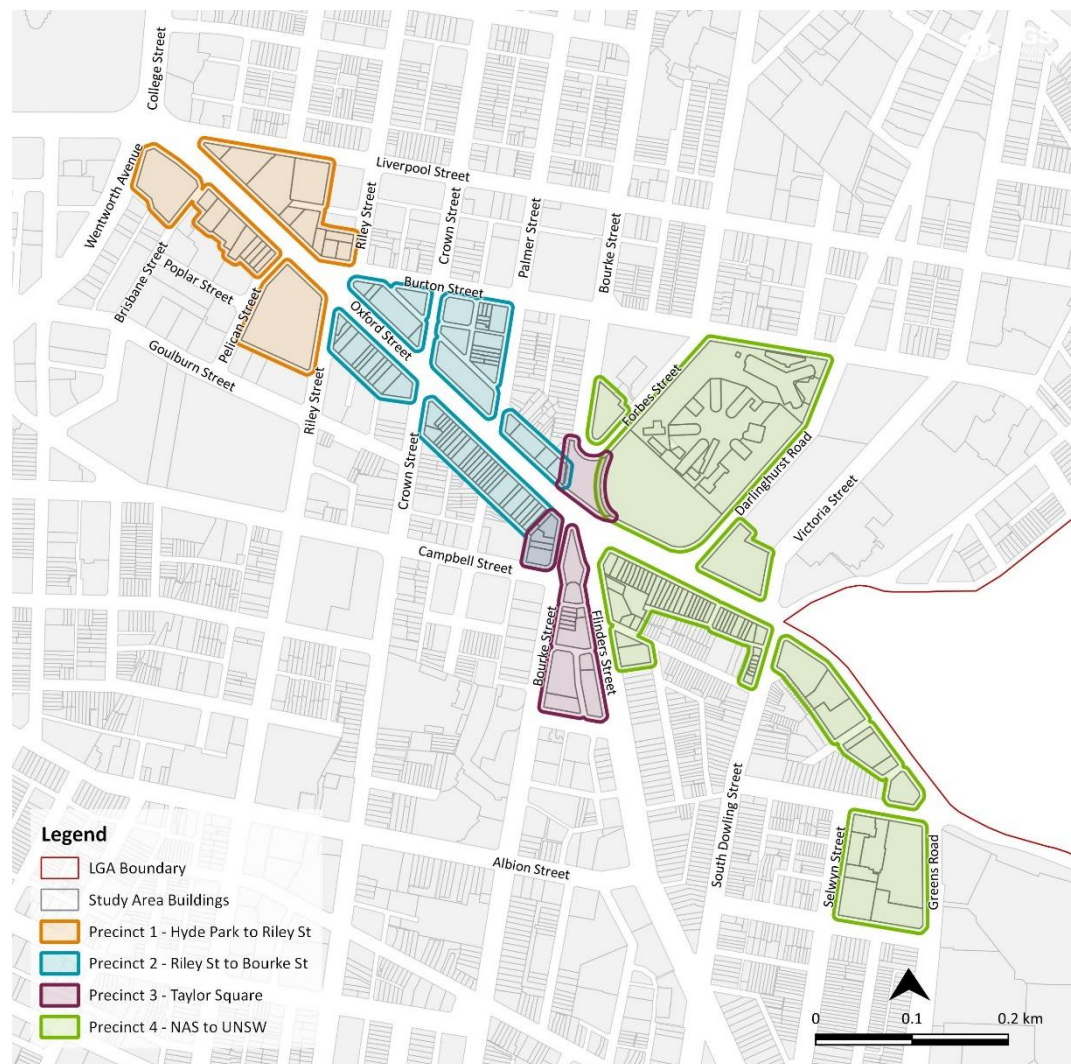
The floorspace analysis, case studies and other analysis and consultation undertaken have reinforced the inherently complex nature of the Oxford Street precinct. This complexity means that a range of different initiatives, addressing different issues, is likely to be needed to revitalise the precinct and achieve the City's strategic aims.

Recognising this, SGS has developed a number of **recommendations** relating to potential planning changes or initiatives within the precinct, as well as a number of broader '**considerations**' which identify suggestions for further investigation and thinking in areas which may overlap with other studies being done for the precinct (such as urban design and

economic development) or with other areas of Council (such as business units). The recommendations and suggestions primarily relate to strategic planning, but also touch on opportunities with economic development and governance, and build on the analysis in this report and the *Floorspace Supply and Demand Study*.

The recommendations and considerations include those for the broader precinct as a whole, and those targeted to each of the sub-precincts shown below, given their relative strengths and characteristics. These have been informed by feedback from Council staff.

SUB-PRECINCTS WITHIN THE STUDY AREA



Source: SGS, 2020.

The recommendations and considerations have also been developed in light of COVID-19 and how different sectors may be impacted directly and indirectly in different ways and over different time periods. **While planning for the long term is the goal of the Study, it is important to understand that some interventions may be needed in the short term while there is the current uncertainty to 'stabilise' the situation and ensure that businesses aren't lost to the precinct permanently.**

Broad/precinct-wide recommendations and considerations

The recommendations and considerations at the precinct level are summarised below and grouped by theme.

Governance of the precinct

- **Consideration:** explore governance options for the precinct.

Policies for subsidised space

- **Recommendation:** target Council-run affordable spaces to uses that are important but cannot be sustained in the private market for floorspace.
- **Consideration:** investigate potential for the City's strategic acquisition of sites for creative uses.

Maximising opportunities with existing floorspace in a low-demand environment

- **Recommendation:** loosen controls in the precinct to allow for light industrial uses where possible.
- **Recommendation:** mandate higher ceilings in new developments to allow for flexibility in usage.
- **Consideration:** explore opportunities to improve the streetscape and/or appearance of buildings and better utilise existing space for different activities.

Using future developments to support creative and cultural uses

- **Recommendation:** investigate and implement a bonus floorspace scheme to incentivise new creative space as part of redevelopment projects.
- **Consideration:** explore whether additional incentives would be required to support delivery of live/work spaces in and around the precinct.

Sub-precinct recommendations

The identification of sub-precincts recognises that Oxford Street is not one homogenous space, and will require different actions and initiatives in different locations to address existing issues and support its revitalisation. Recommendations and considerations for each are detailed below.

SUB-PRECINCT RECOMMENDATIONS AND CONSIDERATIONS

Sub-precinct	Recommendations	Considerations
1 – Hyde Park to Riley Street This area can be a strong gateway from the CBD to the buzz and activity of Oxford St – a transitional zone with a focus for office-based creative uses while supporting existing night-time uses.	<ul style="list-style-type: none"> Given the current uncertainty around the long term impacts/prevalence of working from home in particular, the City may need to regularly monitor changes in the market for office space in this area. If working from home trends continue post-COVID, this will have implications for locations like this for not only the market for office space, but also for the retail, night-time economy and other businesses in the area which rely on office-based foot traffic. More regular audits of space could be used to understand the market and also provide opportunities to link businesses looking for space to those that are available. The loss of ground floor activity could also in turn erode the ability of this sub-precinct to remain an office-based precinct post-COVID. 	<ul style="list-style-type: none"> To emphasise its role as a gateway, interventions to improve wayfinding from the CBD could be considered to guide people into the precinct. This could take the form of soft infrastructure such as public art, signage/branding, and electronic methods (e.g. QR codes), or as a more permanent interventions such as design guides as part of Council's development controls.
2 – Riley to Bourke Street This area can be the focus for the night-time economy and complementary creative activities within the precinct.	<ul style="list-style-type: none"> Implemented in the short term, relax planning controls and regulatory barriers for outdoor dining and low-impact creative activities that can support a more lively streetscape. (Noting that the City is already in the process of amending some of these regulations, and consideration may need to be given to the urban design implications given such as accessibility requirements concerning the placement of outdoor dining, and that streetscape improvements could be needed to make it an attractive proposition.) Assess if planning controls and permitted uses should be changed to limit the uses in any future redevelopments in this sub-precinct to ensure that they are compatible with its intended role for night-time economy and active uses. Proposed redevelopments in this area (such as the Ashe Morgan sites) should be used as catalysts to encourage and facilitate cultural and creative activity as much as possible and send a signal to the market about the vision for what Oxford Street is going to be. This recommendation applies along Crown Street too where it intersects with Oxford Street as it is one of the few places the precinct has the opportunity to expand its footprint beyond the corridor, building on the existing activity along Crown Street. 	<ul style="list-style-type: none"> Investigate opportunities for activation and the provision of creative and cultural space through the laneways in and around the precinct. This would need to consider the potential impacts in different areas on residential neighbourhoods, servicing impacts and constraints (such as garbage collection, requirements to have footpaths for access), and whether mechanisms to incentivise the retrofitting of existing buildings to facilitate this would be required.
3 – Taylor Square Taylor Square is the heart of this precinct – it can be more welcoming and become a place people want to be in.	<ul style="list-style-type: none"> Reduce regulatory barriers and compliance requirements for creative activities to be held in the Square and the space adjacent to the NAS on the opposite side of the street. This will be important in the short term as a way to encourage activity in the precinct while COVID-related restrictions remain in place on indoor venues. This could include things like outdoor art exhibitions, installations, markets, live music and other types of performances. City staff have also raised the idea of 'global DAs,' as a way to pre-approve several activities to reduce the complexity of application and compliance processes. 	<ul style="list-style-type: none"> There may be opportunities for urban design initiatives to be made to the Square to improve its appearance and make it more inviting for people to visit and dwell in. This could include things like pocket parks, landscaping and so on, but would need to be informed by urban design studies being undertaken for the precinct. If the Square is used more regularly for activities more permanent infrastructure may also be required to be installed. Consider working with the owners of the properties surrounding the Square to ensure that land uses and activities in these spaces are complementary to and enhance the function of Taylor Square as a destination. This acknowledges that uses in the surrounding buildings have a significant impact on how the space feels and is utilised by people.

		<p>Consideration could also be giving to engaging with NAS on ways to better utilise the space on the northern side of the street which is also underutilised but could be used as an extension of the Square to better integrate the two sides of the street.</p> <ul style="list-style-type: none"> ▪ Work with local Indigenous community representatives, including within the City of Sydney, to integrate Indigenous cultural thinking regarding places of gathering into the future design of Taylor Square.
<p>4 – NAS to UNSW</p> <p>The stretch between Flinders and South Dowling Streets is a problem area and requires a bold solution and a ‘big move’ to change it.</p>	<ul style="list-style-type: none"> ▪ Implement a floorspace bonus scheme for the delivery of creative floorspace as part of new developments (as detailed for the broader precinct above). Feedback from real estate agents suggested that existing controls on this stretch of the street would be unlikely to deliver any substantial new development. In this location, new creative floorspace could be particularly targeted to workshop, studio and rehearsal type spaces, acknowledging that there is a need for low-cost spaces of this type for creative production, and that the traditional retail/commercial floorspace at the ground level doesn’t work in this location. However, the financial feasibility of this approach may need to be further tested, also being mindful of the heritage controls in place. This could take the form of an incentives for uplift on sites in the way that best suits the City’s ambitions. ▪ Limit permissible uses under the existing zoning to target the types of residential uses that could be delivered in this sub-precinct in future redevelopments while retaining the predominantly commercial character of the precinct. Currently, shop top housing and tourist accommodation are permissible uses in the B2 zone – this could be tightened to ensure that only residential uses that are compatible with the aims of the precinct would be allowed in this area, such as live/work spaces for artists, which could also be considered outside the precinct. This could reduce the potential for noise conflicts and other issues that can be associated with typical residential uses. 	<ul style="list-style-type: none"> ▪ In the short term, consider working with landowners along the strip to explore options for the temporary use of shopfronts for creative uses. This could include using vacant spaces to exhibit student work or use as production spaces, which would bring some life to an area that is suffering from a high rate of vacancy. This could also take the form of a more formalised temporary use scheme (a la Renew Newcastle) though there are resourcing implications for Council that would need to be considered with that type of program.

Source: SGS, 2020.

1. INTRODUCTION

This section summarises the background and objectives of the Oxford Street Cultural Activity Study.

1.1 Project background and objectives

City of Sydney Oxford Street Review

The City of Sydney (the City) is undertaking a Strategic Review of the Oxford Street corridor, which is aiming to reposition the area as a vibrant cultural and creative precinct. This is aligned with requirements outlined in the City's Local Strategic Planning Statement (LSPS) to:

- **Investigate planning approaches to support a creative arts and cultural precinct** around Oxford Street and Taylor Square in collaboration with institutions, businesses and other stakeholders in the precinct
- **Strengthen the economic and cultural role of the Eastern Creative Precinct** by safeguarding the capacity of diverse business, retail and office spaces, encouraging affordable space for tech start-ups, innovative industries, cultural and community uses and protecting and enhancing its entertainment, arts, performance and cultural role through the provision of space for cultural performance and production, and
- **Work with the NSW Government to plan for the transition of streets to 'people first' places** so streets are quieter, cleaner and greener with increased footpath capacity throughout the city, particularly on multi-modal corridors with the priority to investigate Oxford Street William Street, King Street/City Road, Botany Road and Parramatta Road/Broadway and their respective side streets.

Cultural Activity Study

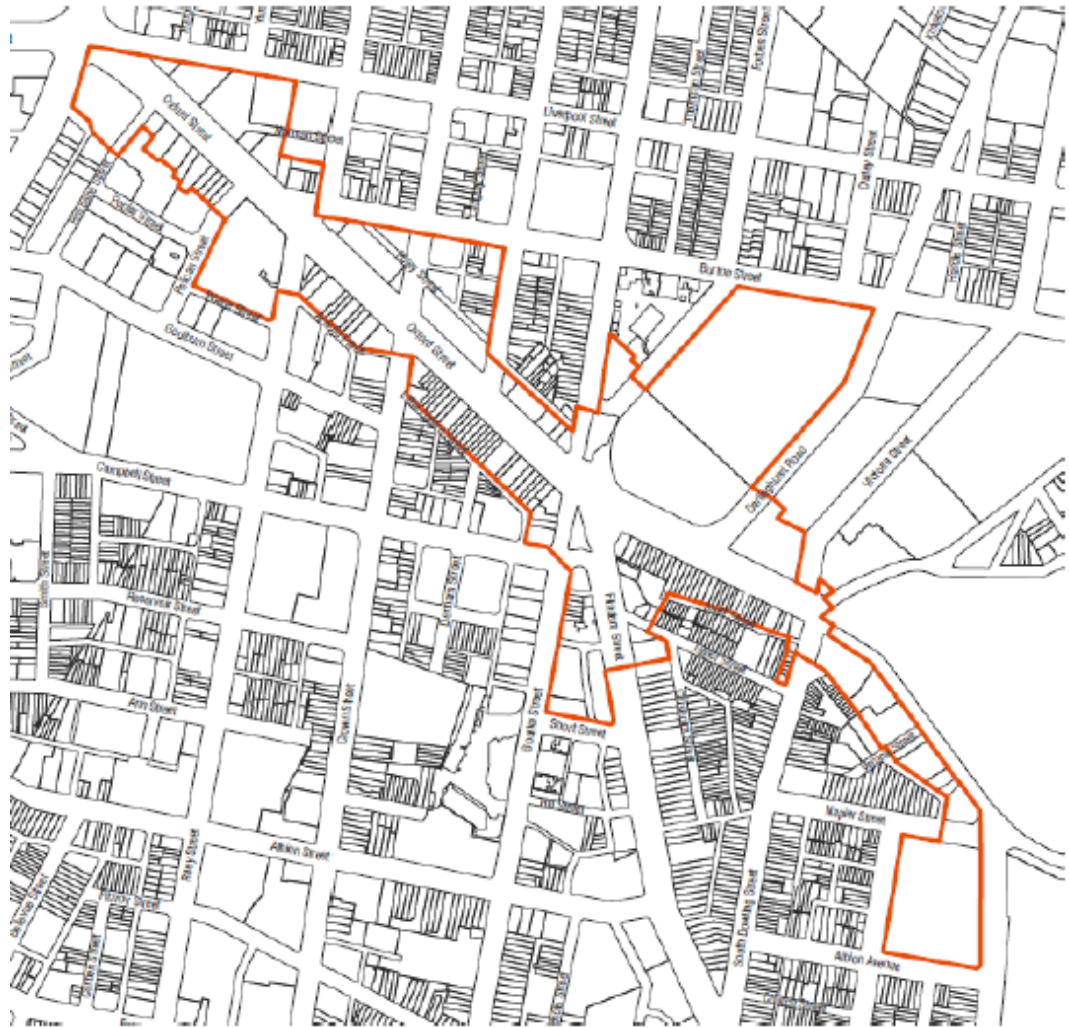
To inform the review, the City has engaged SGS to undertake Cultural Activity Study, for the Study Area shown below in Figure 1. The Study will in turn inform other related work as part of the Strategic Review.

The key objectives of the Cultural Activity Study are to:

- Understand the elements to create a successful creative and cultural precinct
- Understand the spaces currently available
- Understand the social and economic environment for the sector
- Understand the workspaces within which cultural and creative producers work
- Understand locational and operational needs, and
- Understand how planning controls can assist in rebuilding/revitalising activity (including after COVID).

The Cultural Activity Study also builds on the analysis undertaken for the Floorspace Supply and Demand Study by SGS as part of the Strategic Review.

FIGURE 1: OXFORD STREET STUDY AREA BOUNDARY



Source: City of Sydney, 2020.

1.2 Report structure

The remainder of this Study is structured as follows:

- Section 2 considers the existing context and history of Oxford Street, current challenges for the precinct and the wider creative sector, and the existing policies and strategies that have attempted to address those challenges in the past.
- Section 3 considers the broad trends and drivers affecting Oxford Street, and distils key principles for successful creative and cultural precincts.
- Section 4 details the existing floorspace profile and capacity of the precinct, defines sub-precincts within the study area, and identifies the projected need for floorspace to support cultural and creative uses.
- Section 5 details the outcomes from consultation undertaken with a range of stakeholders about the current issues and future opportunities for the cultural and creative sector in the precinct.
- Section 6 summarises the key insights gleaned from the analysis and case studies, and provides recommendations and further considerations for Oxford Street and its sub-precincts.

2. CONTEXT

This section considers the existing context and history of Oxford Street, current challenges for the precinct and the wider creative sector, and the existing policies and strategies that have attempted to address those challenges in the past.

Note – there is some overlap between this chapter and the information provided in the Floorspace Supply and Demand Study.

2.1 A narrative of change

Oxford Street has had a long history as a major artery connecting the eastern suburbs and beaches with the core of the Sydney CBD. It has also functioned as a key high street for the city, and as a connector for those living either side of its watershed in Darlinghurst, Paddington and surrounding suburbs such as Surry Hills.

Over time, Oxford Street has developed as a series of villages, stretching from Woollahra in the east to Crown Street. Each of these has developed a distinct local catchment. Many of these centres have also become larger pulses of activity, due to their nightlife and strong associations with the Sydney LGBTQ community.

This association has manifested itself most clearly through the Gay and Lesbian Mardi Gras, which has come to define large parts of the Oxford Street corridor over time. This has established its strong cultural identity, and has also come to define the activity that supports it, such as the night life and boutique retail. It has been this identity, and the night life that it has supported, that has long defined Oxford Street and led to its global status as an entertainment district.

Adding to this cultural vibrancy has been the presence of the National Art School (NAS) and UNSW College of Fine Arts, at the eastern edge of the study area. These two campuses create a strong creative axis and hub of creative activity. A clear axis exists between the NAS and UNSW, with several related businesses such as the long-standing Eckersley's Art & Craft store and Berkelouw Books part of this creative student axis.

A corridor of change

Over the past two decades, Oxford Street has experienced a gradual process of decline. There is no one aspect or factor that can be blamed for this. Rather, a myriad of inter-connected factors and challenges have resulted in Oxford Street losing some of its vibrancy. These factors include:

- The rise of other CBD-fringe entertainment precincts, such as Newtown
- The impact of the lockout laws applied to the area, which have only recently been repealed
- The dispersal of the LGBTQ community to other parts of Sydney
- The increased vibrancy of the CBD, drawing attention away from Oxford Street
- Changing consumer behaviours, including the growth of online shopping
- Changing preferences for business locations, including in response to the affordability of spaces and the presence of amenities, and
- The fact that Oxford Street is a long corridor which presents challenges for concentrating activity.

A street of declining fortunes

Combined, these factors have contributed to the gradual decline of Oxford Street's status as a precinct. This has been observed across the corridor's range of activities (retail, commercial, entertainment, food and dining), but is shown in sum through the it's declining identity as a creative and cultural precinct.

This has manifested itself through increasing levels of vacancy in shopfronts, and sections of the street having no or very little activity, which self-perpetuate and reinforce themselves over time – i.e. vacancies lead to more vacancies. The decline can also be seen in the quality of the entertainment options available, and a general reduction in vibrancy as businesses have chosen to relocate elsewhere.

Most recently, the COVID-19 pandemic has introduced some new challenges for the precinct, but has also had the effect of exacerbating and accelerating the impact of many of the above issues which were already prevalent.

2.2 Current conditions and issues

Note – current conditions and challenges/opportunities for the precinct are also explored in more detail in Section 4.

COVID and the creative sector

One of the most pressing issues for cultural and creative uses operating along Oxford Street, across Sydney, and around Australia more broadly has been the impacts of the COVID-19 pandemic and related shut-downs.

The immediate effects which impacted on these uses included restrictions on the types of businesses allowed to open, reduced customer capacity for businesses when they have re-opened, and the increased use of online spending by shoppers. Retail and hospitality are some of the sectors most vulnerable to these conditions, due to their nature as customer-facing industries reliant on tourism and discretionary spending. Social-distancing measures have further limited the ability of many businesses in these industries to resume trading as normal.¹ The economic strain imposed by the COVID-19 fallout is also likely to exacerbate the underlying cost-of-living pressures which had been affecting spending across a range of income groups before the crisis, which has seen the decline of the traditional retail sector in particular.²

It is also important to recognise that some types of creative businesses and organisations will have been impacted more than others, and been impacted in different ways. For example, there will have been those impacted immediately through not being able to operate (e.g. businesses that are classified as 'non-essential' while in lock-down), those that can operate but that have been impacted by disruptions to supply chains, and those impacted by flow-on effects such as reduced discretionary spending by households and low consumer confidence in general. Some sectors related to entertainment (like music, performing arts) will have seen immediate impacts, while others which are less reliant on large groups (such as media, print and publishing, design) will have seen more impacts from the flow-on effects with reduced spending.³

¹ SGS Economics and Planning 2020, <https://www.sgsep.com.au/publications/insights/impact-of-the-covid-19-shutdown-on-vulnerable-workers-in-australia>

² RetailDive 2020, <https://www.retaildive.com/news/the-consumer-after-covid-19/575634/>

³ Shape Advisory, 2020, 'The immediate impact of COVID-19 on the cultural industries, in Sydney and beyond,' prepared for City of Sydney, June 2020.

Current market on Oxford Street

Challenges

As of July 2020, there were at least 30 commercial vacancies listed for rent within the study area.⁴ Few of these listings included asking rents – of the limited number that did, advertised rents varied from \$400-\$1,000 per square metre for retail, and \$600-\$800 for office spaces. Several hotel/pub/entertainment venues were also among the properties vacant for rent. These vacancies are likely to be symptomatic of a period of weak demand for creative and cultural floorspace, and will have been exacerbated to some extent by the now-repealed lock out laws and structural changes in the retail sector affecting the uses in the precinct.

Consultation with real estate agents at the time also indicated that the market on Oxford Street is struggling within the current climate, including soft rents and low demand for retail floorspace, though this is also common to other fringe markets. Other challenges raised have included constraints from building controls including heritage which have limited redevelopment potential, and the difficulty of retaining creative and cultural uses in the precinct without the City's subsidisation of spaces.

Opportunities

The consultation suggested a positive longer term outlook for the precinct's cultural prospects, with an enduring reputation and local identity as a night-time destination and centre for LGBTQ culture. This recovery is likely to be further aided by the removal of lock out laws to which a large portion of the decline in the area's nightlife has been attributed. Anecdotal information from Council officers suggests there are also a number of new DAs in train within the precinct, in addition to those put forward for the redevelopment of the formerly owned Council sites by Ashe Morgan. The transformation of nearby precincts such as Central Station could also have flow on effects for Oxford Street in shifting some types of uses from the CBD.

2.3 Existing policy and strategy

A range of policies and strategies has attempted to address the issues affecting the broader creative sector, and at a local level specifically the City of Sydney and Oxford Street.

State-level policies

Greater Sydney Region Plan – A Metropolis of Three Cities

The Greater Sydney Region Plan (GSRP) is the NSW Government's metropolitan strategy for the Greater Sydney region. Over the next 40 years, the GSRP aims to transform Greater Sydney into a metropolis of three cities: the Western Parkland City, Central River City and the Eastern Harbour City. The 'Harbour CBD' is the metropolitan centre at the heart of the Eastern Harbour City and is the largest economic centre in Australia. The GSRP aims to make the Harbour CBD stronger and more competitive and acknowledges the importance of innovation and diverse activities in and near the Harbour CBD. **The Eastern Harbour City also includes the Oxford Street precinct across both the City of Sydney and Woollahra LGAs.**

The GSRP includes objectives which may be relevant to Oxford Street:

- **Objective 9 – Greater Sydney celebrates the arts and supports creative industries and innovation** aims to ensure that opportunities are provided for creative functions to occur, such as street-art, theatres, galleries and 'eat streets'. The importance of the night-time economy is also noted as being key to area's cultural and economic success. 'Reducing the regulatory burden for creative and temporary uses and the night-time economy' is regarded as essential for this to occur.

⁴ Sourced from www.realcommercial.com.au and www.commercialrealestate.com.au

Eastern City District Plan

The Eastern City District Plan (ECDP) is a 20-year strategy which gives effect to the GSRP in the City of Sydney and the remainder of the Eastern City District. It is intended to inform local level strategic planning and the assessment of planning proposals. The ECDP includes several Planning Priorities related to the economic growth and productivity which are relevant to Oxford Street:

- **Planning Priority E4 – Fostering healthy, creative, culturally rich and socially connected communities.** Supports the co-location of artistic and creative organisations to support creative enterprises and precincts, recognising the increasing importance of creative industries to the District's identity and economy.
- **Planning Priority E13 – Supporting growth of targeted industry sectors.** Focuses on the development of Sydney's visitor economy, with embellished cultural and entertainment offerings.

Local-level policies and studies

Draft City Plan 2036

The City's Draft Local Strategic Planning Statement (LSPS) – City Plan 2036 – establishes a land use planning vision for the LGA for the next 20 years. The Draft LSPS acknowledges in the prominence of night-life, bars, restaurants, cafes and creative sector to the Oxford Street Village, which includes most of the study area. The Draft LSPS also **introduces key moves to support the Eastern Creative Precinct**. This precinct is comprised of Surry Hills and Darlinghurst, along Crown, Baptist and Oxford streets, and is identified as a key location for creative enterprise, with aims to leverage the area's existing amenity to attract talent, with potential for a 'creative cultural precinct' within the study area. It is also intended or reforms to be investigated to support the night-time economy.

City of Sydney Cultural Policy and Action Plan

The City's 2014 Cultural Policy and Action plan set out foundational principles and a 10-year action plan to support artists and cultural/creative sector workers to live and be employed in the LGA. This aims to build the city's 'cultural capacity' and offerings.

The Policy included a strategic priority for **precinct distinctiveness and creativity in the public domain**, with the intention for initiatives of varying scales and timeframes will be used to activate the public domain in the City's Villages, and build on their existing identity and strengths. This priority included an action for a culture-led revitalisation of the Oxford Street precinct (endorsed in 2011) to include:

- Curated creative retailing
- Affordable creative spaces
- Cultural and community events
- Pop-up retail, public art
- Open studios
- Establishment of the Oxford Street Creative Precinct Network.

The Policy also included a strategic priority to around **sector sustainability – surviving and thriving**, with the aim of ensuring that artists and creative businesses are supported, particularly in regard to affordability issues. Previous actions noted concerning Oxford Street were the development of **live-work studios and affordable rental accommodation for artists** within the precinct.

OPEN Sydney Strategy and Action Plan

The OPEN Strategy and Action Plan established a vision for the development of Sydney's night-time economy between 2013 and 2030 (introduced prior to the implementation of the lock out laws). The Strategy included five goals for the night-time economy, organised around

the themes of: global, connected, diverse, inviting and safe, and responsive. **Goal 3. Diverse Sydney** included an action for the use of vacant council-owned properties as a measure to be used for the revitalisation of shopping strips such as Oxford Street.

An Open and Creative City: planning for culture and the night-time economy

The 2017 Open and Creative City strategy built on the documents above to provide a vision for the development of the night-time economy. Among the proposals and actions outlined, there is a general focus on reducing the legal and administrative barriers which face small businesses and cultural initiatives in operating later into the evening.

Several actions, such as **Action 8 New noise compliance guidelines to provide greater certainty and consistency** focus on delivering built outcomes which are capable of limiting the impact of noise in locations proximal to areas of night-time activity.

The Oxford Street area is identified under the theme of having a **diverse evening economy**, where shops could be open later (to 10pm) without the need for additional Council approvals, with the objective of increasing pedestrian activity after dark without the need for alcohol consumption. Large parts of Oxford Street are also seen as **locations where small-scale cultural uses such as film, art or performance, could be permitted without consent**.

Making Space for Culture in Sydney – Cultural Infrastructure Study 2020

The City's Making Space for Culture study was prepared as a response to the challenge many cities around the world have faced in maintaining their distinctive cultures while managing rapid urban change. **This recognises that cultural spaces have often paid the price for the expansion of residential and other development, and that despite its importance, cultural infrastructure is often not thought of as being essential in the same way as other forms of urban infrastructure are.**

The study considers efforts internationally to make space for culture in cities, the situation within the City of Sydney and across Greater Sydney, and potential policy responses. The recommendations of the study included to:

- Refresh the Creative City Cultural Policy and Action Plan to emphasise facilitating active creative production and participation, focusing on inclusion and diversity, retaining the cultural workforce, and supporting the cultural rights of citizens.
- Pursue new avenues to integrate cultural policy and urban development, such as identifying specific cultural infrastructure needs, developing relationships between government and private partners to deliver and/or utilise suitable spaces and pilot projects, support protections to preserve existing cultural spaces and uses, and to leverage the use of City-owned properties to support cultural activities.
- Build knowledge and capacity of stakeholders to safeguard cultural spaces, including through connecting the cultural and property sectors to work towards the same goals and learning from cities elsewhere in establishing third-party organisations to be responsible for cultural infrastructure projects.
- Commit to researching and trialling Sydney-specific solutions, such as adapting innovative means to fund projects.

Oxford Street and Paddington Place Plan 2019-2023 (Woollahra Municipal Council)

Woollahra Council has also undertaken strategic planning for the Oxford Street area, include the Place Plan developed for Oxford Street and Paddington. It is primarily focused on Oxford Street and surrounding precincts as centres for retail, food services and tourism. It seeks to maintain Oxford Street in its present role as a commercial strip, with residential development only occurring where it does not compromise the operations of business uses. The Plan is based on six 'placemaking pillars,' including:

- **Pillar 5: Embrace creative contributors** encourages 'flexible governance' which allows a range of innovative businesses to occupy the precinct. This is mirrored by the City of Sydney's ambitions for a culture-led revitalisation of the Oxford Street precinct.

Retaining and enhancing Oxford Street's heritage assets is also seen as a key directive of the Plan, with the area's **built heritage and character seen as key components of the strip's identity and offering**.

Findings of the Pop-up Theatre Pilot Project 2015⁵

This report summarises the need for, and potential approaches to facilitate, creative spaces for theatre and performance in Sydney and NSW. It draws from the experience of the Sydney Fringe pilot PopUp Theatres project, run with the support of the City of Sydney.

Opening up unused and empty spaces presents an opportunity to provide flexible and affordable spaces for creative enterprise to operate in. It can also **provide a valuable source of activation for property owners** seeking to prevent their spaces from losing value and falling into disrepair, and reinstate the cultural value of a location.

During the pilot the Sydney Fringe Festival worked closely with City of Sydney, the City of Marrickville and two Independent consultants to identify sites, work through applications and activate spaces. Of the five sites outlined as case studies during this project, it was only possible to open one, as a retail space without performance, due to the difficulties in activating the spaces brought about by unclear regulatory frameworks.

Each year the Sydney Fringe faces a challenge to house its artists in appropriate small to medium sized performance spaces, **due to high real estate prices and unsuitability of many locations**. New or experimental performances require non-curated space not typically provided in new development.

For potential user of temporary spaces in the program, the **cost and complexity of retrofitting potential performance spaces to comply with building standards is prohibitive**, and can largely negate the flexibility benefits sought by temporary users of space.

Mapping Culture, Venues and Infrastructure in the City of Sydney September 2016⁶

This report was commissioned to assist the City of Sydney in developing a greater knowledge of its cultural infrastructure through a process of classification and mapping of the City's cultural venues.

It shows that the highest density of cultural venues can be found in Surry Hills (Crown and Baptist Street Village), where a cultural hub has emerged in an area characterised by a large number of creative/cultural firms (notably architectural, advertising and digital services), and development and co-working spaces.

A smaller concentration of cultural venues can be found along Oxford Street between Darlinghurst and Paddington, which **can be attributed to the concentration of live music venues such as hotels, bars and clubs in the area**.

New Ideas for old Building March 2016⁷

This discussion paper proposes actions to produce a regulatory environment that better supports small creative enterprise.

⁵ https://www.cityofsydney.nsw.gov.au/_data/assets/pdf_file/0008/281456/Sydney_Fringe_Festival_Findings_Pop-Up_Theatre.pdf

⁶ https://www.cityofsydney.nsw.gov.au/_data/assets/pdf_file/0004/280993/Mapping-Culture-Venues-and-Infrastructure-in-the-City-of-Sydney.PDF

⁷ https://www.cityofsydney.nsw.gov.au/_data/assets/pdf_file/0006/281454/Creative_Spaces_and_the_Built_Environment_Discussion_Paper.pdf

Forum participants found **smaller creative enterprises often have to negotiate a highly ambiguous system designed for larger projects**. For example, a small theatre occupying a former warehouse may be assessed against standards designed for the construction of a new stadium or major public hall.

Reform is not just a matter of ‘cutting red tape’, but of understanding the needs of small creative enterprises, and designing suitable and effective regulation. Ultimately, **small, creative enterprises succeed through process of trial and error. If the cost of failure becomes too significant, this process can’t occur.**

Key actions across a range of themes explored include:

- Work with relevant state and local government agencies, to develop a protocol for regulating frameworks for small to medium creative spaces.
- Work with access experts to establish model best practice guidelines specific small to medium creative spaces
- Develop and implement internal processes, such as a model adaptive re-use guidelines and model alternative solutions, to facilitate effective, appropriate compliance solutions for short and long term creative uses of existing buildings.

SM2 The economics of Australia’s small to medium visual arts sector 2017⁸

This report provides data on the small-to-medium (S2M) visual arts sector, based on a survey of 79 organisations from around Australia. The report has been commissioned by the National Association for the Visual Arts (NAVA), the peak body for the Australian visual arts sector.

The S2M sector facilitates the production of four times as many new works as the major galleries commission and acquire, but operates on little more than a quarter of their budgets.

At local and state level, **governments should make a commitment to ensure suitable cultural space for S2Ms is provided in new urban development.**

It was also recommended that arts funding from all levels of government keep pace with inflation and population growth at a minimum.

Planning Cultural Creation and Production in Sydney - a venue and infrastructure needs analysis April 2018⁹

This document provides research-informed analysis of the venues and infrastructure needs of the cultural and creative sector in the City of Sydney Local Government Area (LGA).

Specific issues included:

- A lack of affordable creative space in the LGA.
- Concerns about the suitability of creative space.

Responses to these issues include:

- Increase supply of diverse creative space through facilitating a range of short, medium and long-term lease arrangements.
- Define planning, administrative and communication procedures which limit or deter the take up and use of creative space.

Key implications for Oxford Street

Based on the objectives and findings from the above, there are several potential implications for consideration for Oxford Street.

⁸ https://visualarts.net.au/media/uploads/files/S2M_Report_NAVA2017_singlepages_1.pdf

⁹ https://www.cityofsydney.nsw.gov.au/_data/assets/pdf_file/0004/302692/FINAL-REPORT_LR_29May18_accessible_ws.pdf

- Although it should not be sole basis for Oxford Street's attraction, the night-time economy is, and will continue to be, a major component of the precinct's identity, economy and cultural offering.
- The lack of affordability and suitability of spaces available for creative enterprise along the strip poses a major threat to the sustainability of cultural uses in the precinct.
- Culture-led revitalisation should build on the precinct's distinctive cultural attributes and public domain.
- Several strategies and specific actions have outlined the need to refine regulatory and administrative procedures relating to cultural and creative uses. Currently, these are prohibitively complex and costly to navigate for small creative enterprises which require a process of trial and error.
- Ideas for the precinct have included the re-use of old buildings/spaces for cultural uses, and options for temporary use schemes in disused space, however regulatory refinement may be needed to achieve this.

These issues were also brought up through the consultation with stakeholders, which is detailed further in Section 5 below.

3. TRENDS, DRIVERS AND PRINCIPLES FOR CREATIVE AND CULTURAL PRECINCTS

This section considers the broad trends and drivers affecting Oxford Street, and distils key principles for successful creative and cultural precincts.

3.1 Broad trends and drivers

As well as the most-recent impacts of COVID-19, there are also broader economic and industry trends that may have implications for the Oxford Street precinct and the creative and cultural sector more broadly.

General economic and industry trends

As detailed in the *Floorspace Supply and Demand Study*, some of the broader trends affecting the Australian economy which may impact on how floorspace is used in high-street and other precincts like Oxford Street include:

- **Growth of online retailing** – exacerbated further by COVID-19, which poses a threat to traditional physical retail and commercial strips like Oxford Street
- **Emergence of café culture and experience dining** – presenting opportunities for Oxford Street given its existing strengths and concentrations of food and drink premises
- **Changes to retail trading hours** – relaxations to trading hours could assist the precinct's night-time economy
- **Popularity of fine-grain centres** – which Oxford Street already possesses and could be capitalised on further
- **Emergence of co-working spaces** – which could shift the types of office spaces needed in the precinct, though this may also evolve post-COVID
- **Working from home** – obviously also exacerbated by COVID, with long term changes potentially affecting the demand for office space, rents and land values
- **Changes in the night-time economy** – the relaxation of the previously imposed lock-out laws present a major opportunity to reinvigorate the precinct's night life, including providing a diversity of night-time activities (not just alcohol-based).

Trends in the cultural and creative sector

There are also other trends in the wider economy that may have implications specifically for the **cultural and creative sector**.

Rise of the 'gig' economy

'Gig economies' arise when workers act as independent contractors rather than on standard employment contracts, and consequently do not enjoy the same conditions and protections as standard employees. The sector is largely dominated by tech companies which link workers with customers or those seeking temporary labour, such as Airtasker. Workers in this sector

are not officially classed as employees, resulting in variability of working hours and place of work.¹⁰

A 2020 survey by the Victorian Minister for Industrial Relations found that 14 per cent of workers had engaged in the gig economy at some point throughout their career, with a growing proportion of workers falling into this category.¹¹ The survey also found that NSW has the highest level of gig economy work in Australia. The gradual increase in the prevalence of these non-standard working arrangements has seen many people piece their incomes together from a portfolio of activities, rather than a single source of income.

This higher degree of variability could create a higher need for flexible/co-working spaces, as freelance modes of working are less suited to a traditional commercial tenancy arrangement. Co-working spaces may increasingly become a key site of collaboration for those engaged in knowledge-based freelance work, including those in the cultural and creative sector.

Less consistency in terms of hours worked could also generate need for more flexibility in the opening hours of retail businesses and other population-serving uses.

Implications for Oxford Street

Oxford Street may be able to better cater to workers in the 'gig economy' by providing flexible spaces and facilities (such as the co-working model) which can encourage freelance creative workers to collaborate and contribute to the street's activation, and allow for spaces to be able to adapt as shifts in the economy occur. Flexibility around business trading hours along the strip could also be considered.

Threat of/resilience to automation

Automation has become an increasing threat to employment security in many industries. It is anticipated that some job types will be required to redefine or risk obsolescence. This is particularly the case for jobs which are characterised by routine and predictability.¹²

Although technology may soon reach a point where routine tasks can be automated, positions which require creative, technical and social skills are expected to be far more resilient to this threat.¹³ Therefore, positions which require a high degree of creativity, performance or engagement in culture – like those in the creative industries – may have greater opportunities for sustained growth over the long term.

Implications for Oxford Street

In recognising the high growth potential and resilience to automation of cultural activities, it will be important to ensure that these uses continue to be supported in the Oxford Street precinct. This will likely require interventions to ensure that creative businesses are not discouraged from locating in the precinct due to cost or regulatory complexity.

Building/location needs vs price sensitivity

New creative enterprises typically require spaces which allow for a process of trial and error to occur in the development of new concepts and ideas which may not be immediately profitable. Ideally, these spaces are affordable and relatively flexible both in terms of physical layout and regulatory constraints. This is crucial for creative enterprises to continue to flourish in a given location.¹⁴

¹⁰ Independent Australia 2020, <https://independentaustalia.net/politics/politics-display/new-report-reveals-gig-economy-thrives-off-hardship-and-instability,14130>

¹¹ Victorian Minister for Industrial Relations 2020, http://s3.ap-southeast-2.amazonaws.com/hdp.au.prod.app.vic-engage.files/4915/9469/1146/Report_of_the_inquiry_into_the_Victorian_On-Demand_Workforce-reduced_size.pdf

¹² The Guardian 2017, <https://www.theguardian.com/us-news/2017/jun/26/jobs-future-automation-robots-skills-creative-health>
<https://www.theguardian.com/us-news/2017/jun/26/jobs-future-automation-robots-skills-creative-health>

¹³ Analysis and Policy Observatory 2018, <https://apo.org.au/node/241056>

¹⁴ Griffith Review 2008, <https://journals.sagepub.com/doi/abs/10.1177/1461444816688920>

Contrary to this principle, places where successful small-scale creative enterprises emerge often subsequently experience large uplifts in land value. This occurs as these places become recognised for their cultural capital, vibrancy and distinctive character.

This creates an inherent contradiction between the success of creative precincts and their ability to sustain core cultural functions as places of innovation and creativity. Unless suitable spaces are preserved, this can undermine the sustainability and success of these precincts.

Implications for Oxford Street

Providing affordable space for creative enterprise along Oxford Street is likely to be important to ensure sector sustainability. This could include consideration of things like strategic use of vacant council assets (including the public domain), temporary use programs, and dedicated floorspace provisions in new development as well as subsidising spaces for creative or even the strategic acquisition of sites to provide creative spaces.

Demand for creative input as value-add in other sectors

Spatial clustering of firms and enterprise is widely acknowledged as a key driver of innovation and productivity, owing to the labour market pooling, supply chain efficiencies and the spillover effects of co-location.¹⁵

Creative industries have become a staple of successful agglomeration economies, serving both to attract a diverse labour market and to offer value-add in other sectors. Creative and cultural industries are employed to provide improved user experiences, embellish products and services and provide an overall competitive advantage. Furthermore, the transition to a more service-based consumption economy has increased the demand for this input in public-facing sectors such as education, tourism and professional services.

Implications for Oxford Street

Protection of Oxford Street's fine grain, medium density urban form should be combined with planning to ensure that a genuine mixture of uses locate in the area. This combination of building typologies and land use mixture provides the best opportunities for value-add to be created through the effects of spatial clustering.

3.2 Best practice principles for creative and cultural precincts

Based on a review of the literature, consideration of case studies, the City's previous studies and strategies, and other work done in this space, SGS has distilled the following series of key principles for creative and cultural precincts. Selected examples from Australia and overseas are noted to illustrate these principles – reflecting that there is not one perfect set of features that will make a precinct successful, particularly one as complex as Oxford Street. Rather, **there will be elements from a range of examples that can be of relevance and utility to the Oxford Street context.** Recognising this, the principles are distilled to help inform this. An overview of these examples is provided in Appendix 1.

¹⁵ SGS Economics and Planning 2018, https://www.planning.vic.gov.au/_data/assets/pdf_file/0020/326711/Analysing-Melbournes-Enterprise-Precincts-SGS-Economics-and-Planning.pdf

TABLE 1: KEY PRINCIPLES FOR CREATIVE PRECINCTS

PRINCIPLE		Example/s	Notes for Oxford Street
1	Support a wide range of well curated activation opportunities – that engage the broader business community/residents and visitors and showcase local talent/content	<ul style="list-style-type: none"> Melbourne Arts Precinct Blueprint Hobart Waterfront Precinct Con Artist Collective (networking events/ skills sharing for artists and interested community members/residents) 	<ul style="list-style-type: none"> Temporary activities can generate street life and build the precincts reputation as a vibrant destination Outdoor performance areas and temporary events can provide options for collaboration with local businesses within the precinct (e.g. Dark Mofo in Hobart)
2	Connect to the business community – to support philanthropy, grant funding, exchange of ideas or business skills development, and networking opportunities	<ul style="list-style-type: none"> London's Business Improvement Districts Chapel Street Precinct Association Con Artist Collective 	<ul style="list-style-type: none"> Could be facilitated through existing City-supported organisations (e.g. Darlinghurst Business Partnership)
3	Support an aggregation of creative institutions and people (across the creative/cultural spectrum)	<ul style="list-style-type: none"> Melbourne Arts Precinct Blueprint Renew Newcastle Hobart Waterfront Precinct 	<ul style="list-style-type: none"> Presence of existing institutions in the precinct can be built on/used to attract others
4	Facilitate a digitally enabled environment	<ul style="list-style-type: none"> Chapel Street Revisioning 	<ul style="list-style-type: none"> May be opportunities to introduce/use technology to provide real time information to guide improved movement to, from and within the precinct
5	Provide pedestrian friendly areas, good cycling amenity and public transport accessibility	<ul style="list-style-type: none"> Melbourne Arts Precinct Blueprint Prahran Square and Chapel Street, Melbourne 	<ul style="list-style-type: none"> May be opportunities to improve urban design elements such as cycling routes, pedestrian crossings, paving, and landscaping to create clear precinct gateways
6	Have a clear purpose for public spaces (based on Urban Design principles)	<ul style="list-style-type: none"> Prahran Square and Chapel Street, Melbourne Melbourne Arts Precinct Blueprint 	<ul style="list-style-type: none"> Public space can be designed to allow people to dwell, to facilitate activities, and so on Taylor Square's purpose and drivers of activation are currently unclear – it is neither a dwelling place nor a spillout space
7	Provide affordable and fit for purpose studio, making, rehearsal and showing spaces, with space to grow	<ul style="list-style-type: none"> Renew Newcastle Collingwood Yards, Melbourne 	<ul style="list-style-type: none"> This is lacking in Oxford Street currently May be opportunities to utilise development contributions to fund live/work style spaces in the precinct – see examples of models below in Section 3.3
8	Provide affordable housing for key workers, creative sector workers and students (could extend to live/work studios)	<ul style="list-style-type: none"> City West Housing (for affordable housing) Artscape Toronto (for live/work housing) 	<ul style="list-style-type: none"> Live/work models could also be considered in mixed use catchment areas outside the precinct.

9	Develop an appropriate governance structure to support the curation of the precinct	<ul style="list-style-type: none"> Melbourne Arts Precinct Blueprint 	<ul style="list-style-type: none"> Need for a clear framework for the renewal of the precinct Important to recognise that all levels of government play a role, particularly in places like Oxford Street which have international significance
10	Have a supportive regulatory/planning environment for creative and cultural uses	<ul style="list-style-type: none"> Melbourne Arts Precinct Blueprint Renew Newcastle Prahran Square and Chapel Street, Melbourne 	<ul style="list-style-type: none"> Requires understanding from all levels of government of implications of regulatory changes on the precinct (e.g. State Government lock-out laws) Important that regulatory environment allows for some trial and error (such as with Renew Newcastle) to determine what will work for Oxford Street
11	Understand the strengths and opportunities of other complementary precincts (such as Health and Education precincts), and support links between the two (physical and/or programmatic)	<ul style="list-style-type: none"> Melbourne Arts Precinct Blueprint Chapel Street Revisioning Work 	<ul style="list-style-type: none"> Opportunities to better integrate Oxford Street with surrounding institutions, landmarks, and cultural history Diversity of surrounding uses is a strength to build on for precinct character (e.g. NAS/UNSW, St Vincent's)
12	Support flexibility, but with clear ideas of aspirations and what is NOT appropriate	<ul style="list-style-type: none"> Melbourne Arts Precinct Blueprint Hobart Waterfront Precinct 	<ul style="list-style-type: none"> Needs to be a clear framework for what the precinct is intended to be – i.e. primarily a commercial precinct which supports round the clock activity. Be clear on limited opportunities for residential/other uses that could introduce conflicts which compromise vision of the precinct
13	Plan for pulses and breaks in corridor activity, noting that: <ul style="list-style-type: none"> Corridors of more than a couple of hundred metres naturally have activity hot spots or 'pulses,' as consistent activation cannot be maintained Rather than try to re-activate parts of the corridor where activity slows, consider appropriate land uses for that level of energy. 	<ul style="list-style-type: none"> Melbourne Arts Precinct Blueprint 	<ul style="list-style-type: none"> Initiatives and land uses need to target and be compatible with the unique sections within the precinct – i.e. night-time uses could targeted to areas around iconic entertainment venues, reducing potential for land use conflicts
14	Leverage areas with larger activation 'surface area' – such as intersections <ul style="list-style-type: none"> This allows for the potential development 'land-mark' sites to assist with pooling of activity and drawing people to a specific location and/or the precinct itself. 	<ul style="list-style-type: none"> Melbourne Arts Precinct Blueprint Hobart Waterfront Precinct 	<ul style="list-style-type: none"> Oxford Street's linear nature means that there is little opportunity for clustering around a central gathering place, as activity is funnelled along the corridor Key area for activity can pool and cluster at key intersections where there is greater surface area in a smaller space – intersections/spaces with setbacks that increase active frontage surface area should be the focus for activity

Source: SGS, 2021.

3.3 Examples of live/work models for creatives

A key issue noted in the review of existing policies and strategies above (and reinforced through the case studies in Section 5 below) has been the problem of the affordability of creative and cultural spaces in Oxford Street. Discussions with the City have indicated an interest in exploring alternative means to help address this issue, while simultaneously exercising caution in not significantly altering the land use mix within the corridor. One mechanism is using residential development in a specific and controlled way through 'live/work' models. These support creatives to live and work in areas locations which they would otherwise likely be priced out of, and in return they contribute to the creative and cultural vibrancy of that area. Some examples of these types of models are described below.

Habitat, Byron Bay¹⁶

Habitat is situated within Bayshore Village in Byron Bay. The village consists of a live-work precinct (Habitat), a light industrial precinct and commercial-retail precinct. The design and development of Habitat was fully funded by a private developer. Development of the village involved a site-specific development control plan which has particular focus on ensuring the built form and land-use zoning supports growth of creative industries. The live-work housing was initially sold at 'affordable housing' prices, although it is now completely privately owned. As such, a critique of this precinct is that there is no guarantee that the housing stock will be rented for an affordable price and/or will be utilised by creative industries in perpetuity.

Mission Lofts, USA¹⁷

Mission Lofts were funded and developed by a private development company in the USA. They claim to provide a mix of affordable housing and higher end housing options that have both living and work spaces. What is most notable about this development, is that it meets the regulatory requirements for commercial uses as well as residential. As such, each apartment can be used and adapted to meet the needs of each resident as it can lawfully be used for different 'commercial' purposes.

Collingwood Yards, Melbourne¹⁸

Collingwood Yards is run by Contemporary Arts Precincts Ltd (CAP), a not for profit social enterprise that is based in Melbourne. CAP provides affordable spaces for artists and independent arts organisations using a cross subsidy model. Through this model, not for profit arts organisations are offered up to a 30 per cent discount on rental rates. CAP also has various Philanthropic Partners and a Founding Corporate Partner (Bank of Melbourne) that provided financial support to assist in opening the Collingwood Yards precinct. The Bank of Melbourne also provided \$30,000 of funding for an artist in the form of the 'Collingwood Residency,' which aims to support an up-and-coming artist to break into the industry with financial support in an on-going capacity.

Artscape, Toronto

Artscape began in 1986, incubated by the Toronto Arts Council. The initial focus of Artscape was relationship building with the City of Toronto and providing thought leadership in the area of creative placemaking. From 1991, due to lower commercial property prices in Toronto and the financial support of the City of Toronto, Artscape was able to become an affordable artist studio provider. Artscape now works across the urban development sector and with non-profit partners to deliver affordable spaces for artists and assist in creative place-making through thought leadership, development partnerships and strategy and design.¹⁹

¹⁶ See <https://www.habitatbyronbay.com/>

¹⁷ See <https://www.livemissionlofts.com/>

¹⁸ See <https://collingwoodyards.org/>

¹⁹ See <https://www.artscape.ca/about-us/creative-placemaking/>

Con Artist Collective, New York²⁰

The Con Artist Collective, founded in 2010, is an art collective, community, workspace and gallery that hosts events, publications, collaboration, and products with local artists. The collective has a core group of resident artists that are permanent, while other residences range in length, with up to a 60-day studio stay. The Collective aims to provide affordable studio/ workspaces for creative industries, while also providing networking and development opportunities through events and exhibition spaces.

Other examples

Other examples that could be explored include Westbeth Artists Housing in New York (an artist co-operative which owns the building it operates from)²¹ and Artscape Weston Common (a community cultural hub in Canada with home for 26 artists).²²

Key implications for Oxford Street

Oxford Street is being impacted by a range economic and industry factors in addition to the impacts of the pandemic, which present both challenges and opportunities. Key trends include the growth in online retail and longer trading hours, the popularity of café culture and experience retail, more flexible working patterns with more people working from home or using co-working spaces, and a renewed focus on the night-time economy. Drivers such as the rise of the so-called 'gig' economy, shifts towards automation, price sensitivities, and the benefits of agglomeration and co-location with other sectors also have potential implications for creative and cultural uses in the precinct.

The review of best practice examples and other work illustrates that there are a range of factors that contribute to creating successful precincts – and are indicative of the fact that there isn't just one way to make precincts work. However, there are initiatives and key things that may be able to be translated to and adapted for the Oxford Street context to support its revitalisation. Live/work models are one land use response that could be explored further to further integrate and retain creative uses within the precinct as well contribute to its revitalisation.

²⁰ <https://www.coworker.com/united-states/new-york/nyc/con-artist-collective>

²¹ <https://www.westbeth.org/>

²² <https://www.artscape.ca/portfolio-item/artscape-weston-common/>

4. MARKET ANALYSIS

This section details the existing floorspace profile and capacity of the precinct, defines sub-precincts within the study area, and identifies the projected need for floorspace to support cultural and creative uses.

4.1 Study area profile

Overall industry mix

Table 2 below shows the amount of floor space and employment within each industry in the study area in 2017. This table uses the City's 'City-Based Industry' classifications and takes its data from the 2017 iteration of the FES.

TABLE 2: 2017 FLOOR SPACE AND EMPLOYMENT WITHIN THE STUDY AREA

City Based Industry	2017 FS (sqm)	2017 FS (% of total)	2017 jobs	2017 jobs (% of total)	WSR (sqm/job)
Higher Education and Research	50,664	28%	590	15%	86
Tourist, Cultural and Leisure	26,875	15%	523	13%	51
Government	24,794	14%	1,283	32%	19
Food and Drink	13,658	7%	355	9%	38
Retail and Personal Services	13,134	7%	286	7%	46
Creative Industries	9,268	5%	407	10%	23
Professional and Business Services	3,683	2%	268	7%	14
Health	2,710	1%	58	1%	47
ICT	2,388	1%	70	2%	34
Social Capital	1,847	1%	48	1%	38
Finance and Financial Services	1,626	1%	62	2%	26
Non-Private Households	742	0%	0	0%	N/A
Life Science (Bio-tech)	701	0%	28	1%	25
Motor Vehicle	433	0%	6	0%	72
Transport and Logistics	321	0%	9	0%	36
Property Development and Operation	292	0%	14	0%	21
Manufacturing	111	0%	2	0%	55
Community	-	-	-	-	N/A
Natural Resource-Based Industries	-	-	-	-	N/A
Utilities	-	-	-	-	N/A

Total Jobs/Occupied Employment FS	153,246	84%	4,009	100%	38
Vacant FS	29,924	16%	-	-	-
Total Employment FS	183,171	100%	-	-	-

Source: City of Sydney 2017 FES.

Creative uses represent only a small proportion of floorspace, around five per cent, but a greater proportion of employment in the precinct at 10 per cent – noting that under the City’s classification system Arts Education uses are counted in the Higher Education and Research category.

Further discussion of the broader industries across the precinct is included in SGS’s Floorspace Supply and Demand Study report.

Cultural and creative industries

The City’s sub-sector definitions, aligned to the ABS’s 2016 ANZSIC, have been used to examine the FES data for creative uses at a more detailed level. Table 3 outlines the ANZSIC categories for each sub-sector.

TABLE 3: CITY OF SYDNEY CREATIVE INDUSTRY SUB-SECTORS

Sub-sector	Aligned ANZSIC
Creative Recreation	<ul style="list-style-type: none"> ▪ Motion Picture Exhibition ▪ Performing Arts Operation ▪ Performing Arts Venue Operation
Creative Business	<ul style="list-style-type: none"> ▪ Architectural, Engineering and Technical Services ▪ Architectural Services ▪ Other Specialised Design Services ▪ Professional Photographic Services ▪ Sound Recording and Music Publishing ▪ Music Publishing
Creative Retailing	<ul style="list-style-type: none"> ▪ Artists Supplies Retailing ▪ Antique Good Retailing ▪ Second Hand Good Retailing ▪ Art Gallery, Retailing ▪ Craft Shop
Creative Print and Media	<ul style="list-style-type: none"> ▪ Reproduction of Recorded Media ▪ Newspaper Publishing ▪ Magazine and Other Periodical Publishing ▪ Book Publishing ▪ Directory and Mailing List Publishing ▪ Other Publishing (except Software, Music and Internet) ▪ Motion Picture and Video Production ▪ Motion Picture and Video Distribution ▪ Post-production Services and Other Motion Picture and Video Activities ▪ Music and Other Sound Recording Activities ▪ Radio Broadcasting ▪ Free-to-Air Television Broadcasting ▪ Cable and Other Subscription Broadcasting
Creative Manufacturing	<ul style="list-style-type: none"> ▪ Textile Finishing and Other Textile Product Manufacturing ▪ Knitted Product Manufacturing, nfd

	<ul style="list-style-type: none"> ▪ Clothing Manufacturing ▪ Footwear Manufacturing ▪ Glass and Glass Product Manufacturing ▪ Other Ceramic Product Manufacturing ▪ Furniture and Other Manufacturing, nfd ▪ Furniture Manufacturing, nfd ▪ Wooden Furniture and Upholstered Seat Manufacturing ▪ Metal Furniture Manufacturing ▪ Other Furniture Manufacturing ▪ Jewellery and Silverwear Manufacturing
Creative Culture	<ul style="list-style-type: none"> ▪ Creative Artists, Musicians, Writers and performers ▪ Library and Archives ▪ Museum Operation ▪ Arts and Recreation Services, nfd

Source: City of Sydney, 2017.

Table 4 below shows the breakdown of floorspace within creative industries. Arts Education has been included separately as it is not picked up by the City's Creative Industries definition. It should also be noted that many venues which are used for live music performances are also not factored into these categorisations, however, would also contribute to creative and cultural activity in the precinct (these have been identified as part of Night-time Economy uses in the *Floorspace Supply and Demand Study* report).

TABLE 4: 2017 FLOOR SPACE AND EMPLOYMENT (CREATIVE USES – BROAD CATEGORIES)

Creative Use Broad Category	2017 (FS sqm)	2017 (FS % of total)	2017 (jobs)	2017 (jobs % of total)	WSR (sqm/job)
Creative Recreation	3,287	1.8%	42	1.0%	78
Creative Business	3,009	1.6%	267	6.7%	11
Creative Retailing	1,454	0.8%	22	0.5%	66
Creative Print and Media	1,338	0.7%	57	1.4%	23
Creative Manufacturing	91	0.0%	12	0.3%	8
Creative Culture	89	0.0%	7	0.2%	13
Creative Industries (subtotal)	9,268	5.1%	407	10.2%	23
Arts Education	39,850	21.8%	395	9.9%	101
Total Creative Uses	49,118	26.8%	802	20.0%	61

Source: City of Sydney 2017 FES.

Creative Recreation has the largest amount of floorspace, due to the presence of the Darlinghurst Theatre and Palace Verona cinemas, however, both of these have relatively low employment densities. The Creative Business sub-sector is also prominent in the precinct in terms of both floorspace and employment.

Creative Print and Media has a strong presence in employment, however, the amount of floorspace it accounts for is lower, reflecting a typical office-based floorspace to jobs ratio. Conversely, creative retailing has a strong presence in terms of floorspace, but a lower density of employment, linked to spaces such as art galleries which have larger floorspace per worker.

Going to a more detailed level, Table 5 and Table 6 below summarise the top 10 creative uses in the precinct at a 4-digit level for floorspace and employment respectively. This illustrates the strong physical presence associated with the NAS and UNSW campuses in particular,

followed by architecture firms and the film industry. The employment numbers are strongly weighted towards office-based uses, including media, design and advertising.

TABLE 5: TOP TEN (FINE GRAIN) CREATIVE USES BY FLOOR SPACE (2017, SQM)

Rank	3Dig Name	2017 FS (sqm)
1	Arts Education	39,850
2	Architectural Services	2,095
3	Motion Picture Exhibition	2,000
4	Performing Arts Venue Operation	1,123
5	Motion Picture and Video Production	968
6	Art Gallery, Retailing	690
7	Other Specialised Design Services	379
8	Music and Other Sound Recording Activities	352
9	Second Hand Goods Retailing	318
10	Professional Photographic Services	303

Source: City of Sydney FES 2017.

TABLE 6: TOP TEN (FINE GRAIN) CREATIVE USES BY EMPLOYMENT (2017, TOTAL JOBS)

Rank	3Dig Name	2017 FS (sqm)
1	Arts Education	395
2	Architectural Services	210
3	Motion Picture and Video Production	37
4	Other Specialised Design Services	26
5	Performing Arts Venue Operation	22
6	Music and Other Sound Recording Activities	19
7	Advertising Services	15
8	Other Furniture Manufacturing (Creative Niche)	12
9	Performing Arts Operation	11
10	Professional Photographic Services	10

Source: City of Sydney FES 2017.

Cultural and creative industries over time

Table 7 and Table 8 below show the change in floorspace and employment respectively between 2007 and 2017 by sub-sector across the precinct.

Much of the growth in employment in the precinct over this period has been driven by Creative Business, which includes architectural services. Floorspace growth, in contrast, has been more diverse across the categories, driven by Creative Recreation, Creative Retail, and Creative Print and Media.

TABLE 7: FLOOR SPACE (SQM) IN CREATIVE USES (BROAD CATEGORIES) - CHANGE OVER TIME

Creative Use Broad Category	2017	2012	2007	5-year change	5-year change (%)	10-year change	10-year change (%)
Creative Recreation	3,287	1,658	2,422	1,630	98%	865	36%
Creative Business	3,009	1,977	1,790	1,032	52%	1,219	68%
Creative Retailing	1,454	1,385	1,070	69	5%	383	36%
Creative Print and Media	1,338	589	740	748	127%	598	81%
Creative Manufacturing	91	155	246	-64	-41%	-155	-63%
Creative Culture	89	1,218	323	-1,128	-93%	-234	-72%
Creative Industries (subtotal)	9,268	6,982	6,592	2,286	33%	2,676	41%
Arts Education	39,850	41,683	35,494	-1,833	-4%	4,356	12%
Total Creative Uses	49,118	48,665	42,086	453	1%	7,032	17%

Source: City of Sydney FES 2007, 2012, 2017

TABLE 8: EMPLOYMENT IN CREATIVE USES (BROAD CATEGORIES) - CHANGE OVER TIME

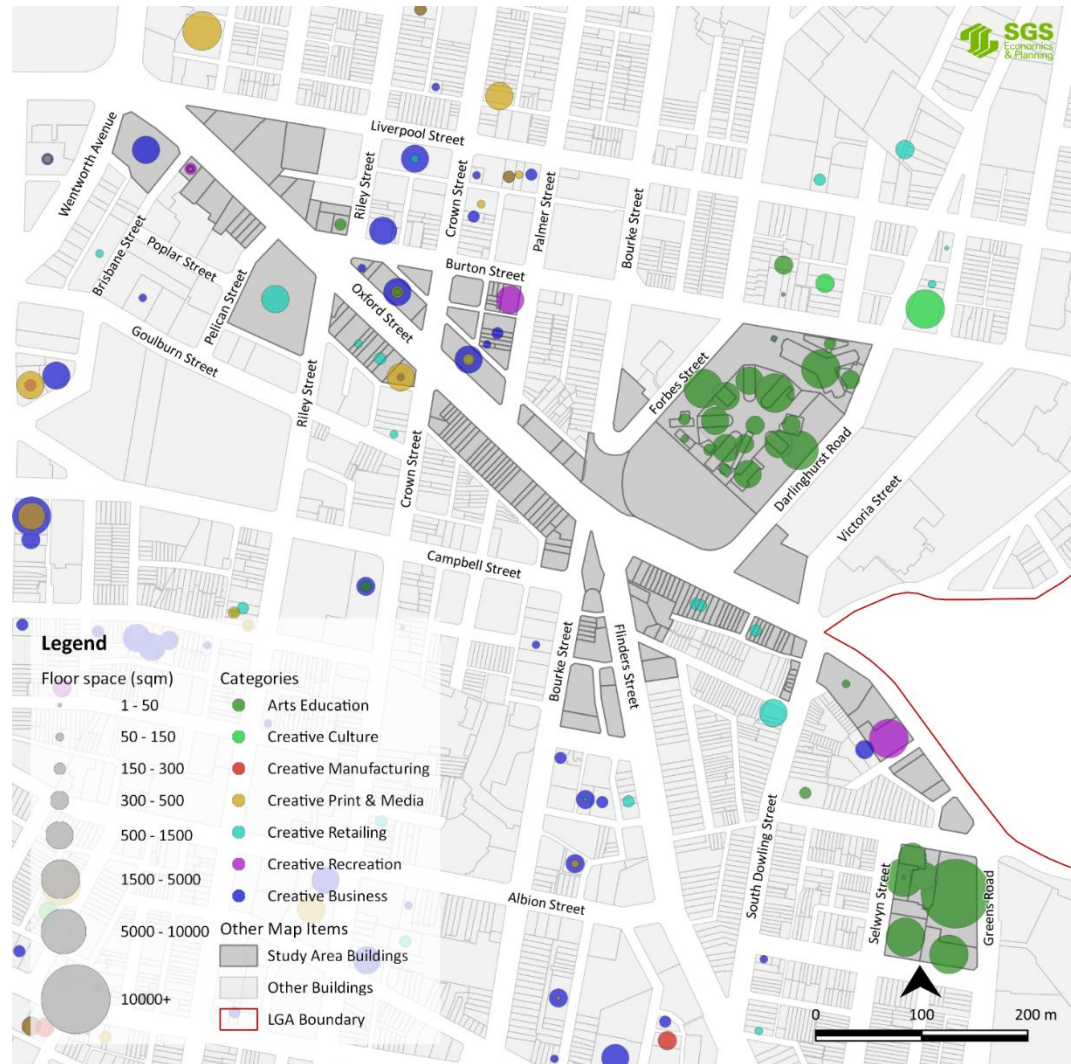
Creative Use Broad Category	2017	2012	2007	5-year change	5-year change (%)	10-year change	10-year change (%)
Creative Recreation	42	2	10	40	2000%	32	320%
Creative Business	267	98	80	169	172%	187	234%
Creative Retailing	22	29	10	-7	-24%	12	120%
Creative Print and Media	57	29	44	28	97%	13	30%
Creative Manufacturing	12	8	9	4	50%	3	33%
Creative Culture	7	35	16	-28	-80%	-9	-56%
Creative Industries (subtotal)	407	201	169	206	102%	238	141%
Arts Education	395	400	390	-5	-1%	5	1%
Total Creative Uses	802	601	559	201	33%	243	43%

Source: City of Sydney FES 2007, 2012, 2017

Distribution of creative uses

Figure 2 below shows the overall distribution of creative uses within the precinct by sub-sector. Each sub-sector is considered in more detail below, however, overall there are some obviously clear clusters of floorspace around the institutional campuses, as well as some clustering of Creative Business uses (which typically need office space) in the area around Riley and Burton Streets – extending outside the precinct.

FIGURE 2: CREATIVE USES FLOOR SPACE (2017, SQM)



Source: City of Sydney FES 2017

Arts Education uses

As illustrated in the figure below, Arts Education floorspace in the precinct is dominated by the NAS and UNSW campuses. Though within the precinct, this floorspace has relatively little direct interface with the Oxford Street streetscape.

Aside from the two main campuses, there are some smaller arts education venues including G4 Guitar Schools (89 square metre) and Darlo Drama (203 square metres). The Whitehouse Institute of Design is also just outside the precinct on Short Street (however this is classified under 'Adult, Community and Other Education n.e.c.' so is not shown here).

FIGURE 3: ARTS EDUCATION USES FLOOR SPACE (2017, SQM)



Source: SGS Economics and Planning 2020; base data from City of Sydney FES 2017.

Table 9 highlights the change in Arts Education floorspace and employment over time. While both have grown over the 10-year period to 2017 (floorspace more so than employment), the five years between 2012 and 2017 saw a decline in both.

TABLE 9: ARTS EDUCATION USES - CHANGE OVER TIME

Arts Education uses	2017	2012	2007	5-year change	5-year change (%)	10-year change	10-year change (%)
Floorspace	39,850	41,683	35,494	-1,833	-4%	4,356	12%
Employment	395	400	390	-5	-1%	5	1%

Source: City of Sydney FES 2007, 2012, 2017

Creative Business uses

The distribution of Creative Business uses is shown below, and is most concentrated in the western half of the precinct. This is likely to be linked to the proximity of this area to the CBD and amenities such as transport. It may also be because Creative Business uses typically require office space rather than street fronting premises, and there are relatively few medium-large office spaces further to the west.

FIGURE 4: CREATIVE BUSINESS USES FLOOR SPACE (2017, SQM)



Source: SGS Economics and Planning 2020; base data from City of Sydney FES 2017.

Within the Creative Business category, Architectural services is a significant presence in the precinct, illustrated in Table 10 and Table 11 below. This specific type of use has seen substantial growth over the longer term between 2007 and 2017, and growth between 2012 and 2017 influenced by the addition of Turner Architects, which accounts for at least 50 per cent of the floorspace and employment.

While Creative Business uses may not have been as directly affected by COVID-19 related shutdowns and restrictions on business operations, going forward, how these businesses occupy space could change in line with broader office trends. For example, if more people continue to work from home, there may be less need for large floorspace.

TABLE 10: CREATIVE BUSINESS USES FLOOR SPACE - CHANGE OVER TIME

Creative Business uses	2017	2012	2007	5-year change	5-year change (%)	10-year change	10-year change (%)
Music Publishing	61	0	0	61	N/A	61	N/A
Architectural Services	2,095	1,009	559	1,086	108%	1,536	275%
Other Specialised Design Services	379	361	94	18	5%	285	303%
Advertising Services	171	152	607	18	12%	-436	-72%
Professional Photographic Services	303	455	530	-152	-33%	-227	-43%
Total Creative Business	3,009	1,977	1,790	1,032	52%	1,219	68%

Source: City of Sydney FES 2007, 2012, 2017

TABLE 11: CREATIVE BUSINESS USES EMPLOYMENT- CHANGE OVER TIME

Creative Business uses	2017	2012	2007	5-year change	5-year change (%)	10-year change	10-year change (%)
Music Publishing	6	0	0	6	N/A	6	N/A
Architectural Services	210	63	29	147	233%	181	624%
Other Specialised Design Services	26	23	5	3	13%	21	420%
Advertising Services	15	5	34	10	200%	-19	-56%
Professional Photographic Services	10	7	12	3	43%	-2	-17%
Total Creative Business	267	98	80	169	172%	187	234%

Source: City of Sydney FES 2007, 2012, 2017

Creative Print and Media uses

Creative Print and Media uses within the precinct are largely concentrated around the intersection with Crown Street, as illustrated below. Since 2017, some of these businesses appear to have closed or relocated.

FIGURE 5: CREATIVE PRINT AND MEDIA USES FLOOR SPACE (2017, SQM)



Source: SGS Economics and Planning 2020; base data from City of Sydney FES 2017.

The largest fine grain use within this sub-sector is Motion Picture and Video Production, as shown in Table 12 and Table 13 below respectively. As of 2017, there were six businesses relatively small businesses in this category, with an average floorspace of 161 square metre and six employees each.

Music and Other Sound Recording Activities is the other predominant fine grain use, largely comprising of Jaxsta Enterprises with 30 square metres and 18 jobs as of 2017.

TABLE 12: CREATIVE PRINT AND MEDIA USES FLOOR SPACE - CHANGE OVER TIME

Creative Print and Media uses	2017	2012	2007	5-year change	5-year change (%)	10-year change	10-year change (%)
Newspaper Publishing	0	173	0	-173	-100%	0	N/A
Other Publishing (except Software, Music and Internet)	18	0	0	18	N/A	18	N/A
Motion Picture and Video Production	968	417	490	551	132%	478	98%
Motion Picture and Video Distribution	0	0	115	0	N/A	-115	-100%
Music and Other Sound Recording Activities	352	0	135	352	N/A	218	161%
Total Creative Print and Media	1,338	589	740	748	127%	598	81%

Source: City of Sydney FES 2007, 2012, 2017

TABLE 13: CREATIVE PRINT AND MEDIA USES EMPLOYMENT- CHANGE OVER TIME

Creative Print and Media uses	2017	2012	2007	5-year change	5-year change (%)	10-year change	10-year change (%)
Newspaper Publishing	0	10	0	-10	-100%	0	N/A
Other Publishing (except Software, Music and Internet)	1	0	0	1	N/A	1	N/A
Motion Picture and Video Production	37	19	35	18	95%	2	6%
Motion Picture and Video Distribution	0	0	3	0	N/A	-3	-100%
Music and Other Sound Recording Activities	19	0	6	19	N/A	13	217%
Total Creative Print and Media	57	29	44	28	97%	13	30%

Source: City of Sydney FES 2007, 2012, 2017

Creative Recreation uses

There are a limited number of premises in this category, as illustrated in the figure below. Venues include the Burton St Tabernacle (Darlinghurst Theatre/Eternity Playhouse) as a studio-style theatre, with 22 jobs and 1,123 square metres of floorspace in 2017. The Palace Verona cinema has around 2,000 square metres and accounted for nine jobs in 2017. The small site identified at the western end of the precinct is a small scale dance/costume shop, which has 164 square metres and 11 jobs.

FIGURE 6: CREATIVE RECREATION USES FLOOR SPACE (2017, SQM)



Source: SGS Economics and Planning 2020; base data from City of Sydney FES 2017.

In terms of change over time, there has been a decline in Motion Picture Exhibition uses specifically, shown below in Table 14 and Table 15.

TABLE 14: CREATIVE RECREATION USES FLOOR SPACE - CHANGE OVER TIME

Creative Recreation uses	2017	2012	2007	5-year change	5-year change (%)	10-year change	10-year change (%)
Motion Picture Exhibition	2,000	1,658	2,422	343	21%	-422	-17%
Performing Arts Operation	164	0	0	164	N/A	164	N/A
Performing Arts Venue Operation	1,123	0	0	1,123	N/A	1,123	N/A
Total Creative Recreation	3,287	1,658	2,422	1,630	98%	865	36%

Source: City of Sydney FES 2007, 2012, 2017

TABLE 15: CREATIVE RECREATION USES EMPLOYMENT- CHANGE OVER TIME

Creative Recreation uses	2017	2012	2007	5-year change	5-year change (%)	10-year change	10-year change (%)
Motion Picture Exhibition	9	2	10	7	350%	-1	-10%
Performing Arts Operation	11	0	0	11	N/A	11	N/A
Performing Arts Venue Operation	22	0	0	22	N/A	22	N/A
Total Creative Recreation	42	2	10	40	2000%	32	320%

Source: City of Sydney FES 2007, 2012, 2017

Creative Retailing uses

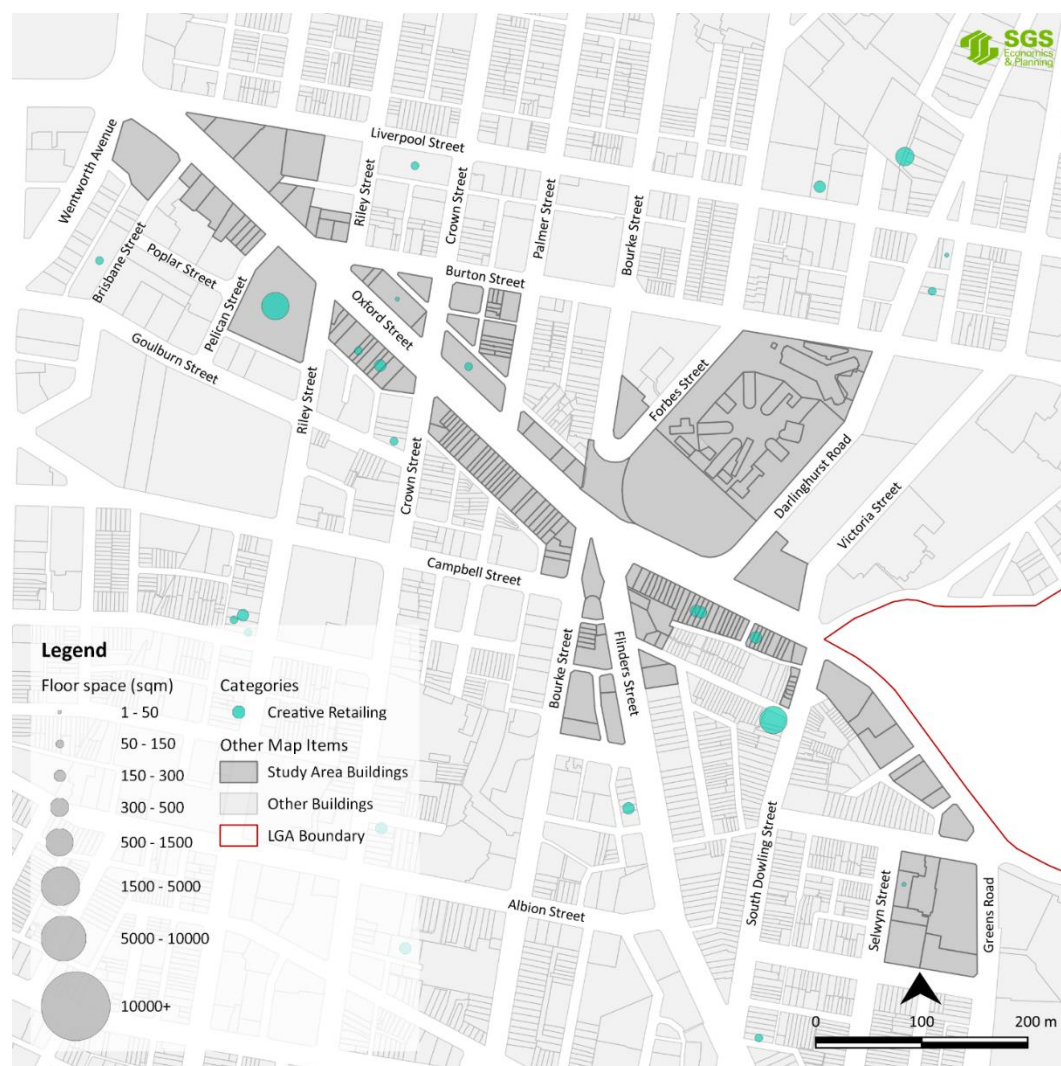
Creative Retailing uses are fairly dispersed across the precinct, with the largest overall amount located in the Oxford Village shopping centre, illustrated below.

Within the sub-sector, the most prominent use in terms of floorspace is art galleries (shown in Table 16), including the New Albion Gallery (517 square metres) between Riley and Pelican Streets in a mixed use building. There are also two smaller galleries nearby with 125 square metres and 47 square metres of space respectively. The art galleries have a very small number of employees overall.

Artists supplies retailing also has a presence, primarily through Eckersley's on the strip between Flinders and South Dowling Streets (which has been noted as a problem area for vacancies), which has 258 square metres and would likely play a convenience retail role for students at the two institutional campuses. There is also a very small (11 square metres) art supplies business within the UNSW campus.

This sub-sector accounts for a relatively small proportion of creative uses employment in the precinct, illustrated in Table 17, and this has also declined in the last five years.

FIGURE 7: CREATIVE RETAILING USES FLOOR SPACE (2017, SQM)



Source: SGS Economics and Planning 2020; base data from City of Sydney FES 2017.

TABLE 16: CREATIVE RETAILING USES FLOOR SPACE - CHANGE OVER TIME

Creative Retailing uses	2017	2012	2007	5-year change	5-year change (%)	10-year change	10-year change (%)
Artists Supplies Retailing	269	0	0	269	N/A	269	N/A
Antique Goods Retailing	177	0	0	177	N/A	177	N/A
Second Hand Goods Retailing	318	314	141	4	1%	177	126%
Art Gallery, Retailing	690	1,071	830	-381	-36%	-140	-17%
Craft Shop	0	0	99	0	N/A	-99	-100%
Total Creative Retailing	1,454	1,385	1,070	69	5%	383	36%

Source: City of Sydney FES 2007, 2012, 2017

TABLE 17: CREATIVE RETAILING USES EMPLOYMENT- CHANGE OVER TIME

Creative Retailing uses	2017	2012	2007	5-year change	5-year change (%)	10-year change	10-year change (%)
Artists Supplies Retailing	7	0	0	7	N/A	7	N/A
Antique Goods Retailing	1	0	0	1	N/A	1	N/A
Second Hand Goods Retailing	7	11	4	-4	-36%	3	75%
Art Gallery, Retailing	7	18	5	-11	-61%	2	40%
Craft Shop	0	0	1	0	N/A	-1	-100%
Total Creative Retailing	22	29	10	-7	-24%	12	120%

Source: City of Sydney FES 2007, 2012, 2017

Creative Manufacturing uses

There is currently only one premise identified as Creative Manufacturing within the precinct, Handcrafted, shown below. The model for this enterprise is that it connects people with a brief for a particular project (e.g. woodwork furniture) with an independent maker to fulfil the brief.

FIGURE 8: CREATIVE MANUFACTURING USES FLOOR SPACE (2017, SQM)



Source: SGS Economics and Planning 2020; base data from City of Sydney FES 2017.

Over time, there has been a sustained decline in Creative Manufacturing uses in both floorspace and employment – particularly as clothing manufacturers have left the precinct. While there may also be local factors, this is consistent with broader shifts in Australia’s economy away from manufacturing more generally.

TABLE 18: CREATIVE MANUFACTURING USES FLOOR SPACE - CHANGE OVER TIME

Creative Manufacturing uses	2017	2012	2007	5-year change	5-year change (%)	10-year change	10-year change (%)
Clothing Manufacturing N.E.C. (Creative Niche)	0	155	246	-155	-100%	-246	-100%
Other Furniture Manufacturing (Creative Niche)	91	0	0	91	N/A	91	N/A
Total Creative Manufacturing	91	155	246	-64	-41%	-155	-63%

Source: City of Sydney FES 2007, 2012, 2017

TABLE 19: CREATIVE MANUFACTURING USES EMPLOYMENT - CHANGE OVER TIME

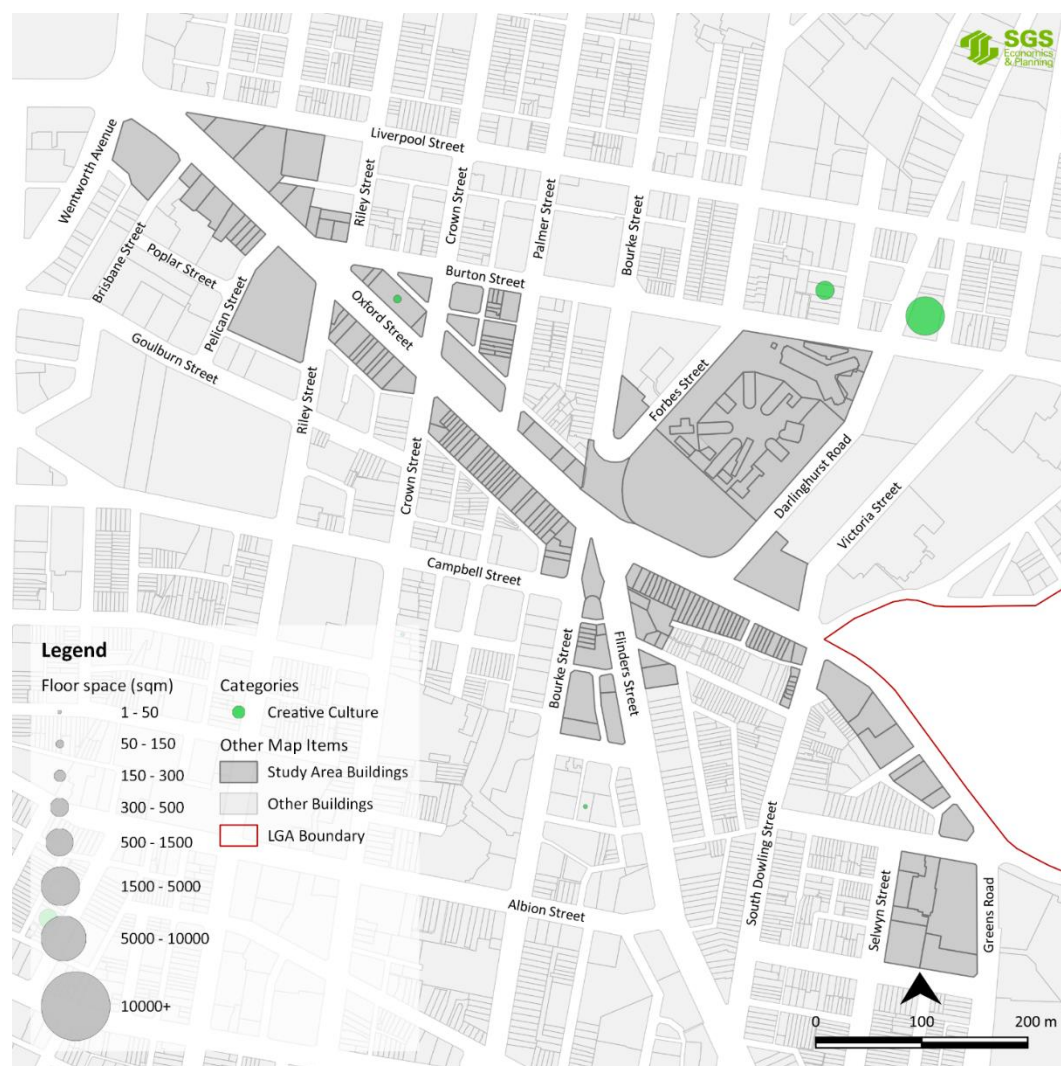
Creative Manufacturing uses	2017	2012	2007	5-year change	5-year change (%)	10-year change	10-year change (%)
Clothing Manufacturing N.E.C. (Creative Niche)	0	8	9	-8	-100%	-9	-100%
Other Furniture Manufacturing (Creative Niche)	12	0	0	12	N/A	12	N/A
Total Creative Manufacturing	12	8	9	4	50%	3	33%

Source: City of Sydney FES 2007, 2012, 2017

Creative Culture uses

The Creative Culture uses within the precinct in 2017 were limited to the fine grain category of Creative Artists, Musicians, Writers and Performers, and located between Riley and Crown Streets (shown below). This included two premises, Queer Screen Australia with 63 square metres and three employees, and Carlos Vesco Photography, which had 27 square metres and three employees.

FIGURE 9: CREATIVE CULTURE USES FLOOR SPACE (2017; SQM)



Source: SGS Economics and Planning 2020; base data from City of Sydney FES 2017.

This sub-sector accounts for the smallest amount of floorspace and employment among the Creative uses. As shown in Table 20, there has also been a sustained decline in this type of floorspace and employment in the precinct since 2007.

TABLE 20: CREATIVE CULTURE USES FLOOR SPACE AND EMPLOYMENT- CHANGE OVER TIME

Creative Culture (Creative Artists, Musicians, Writers and Performers)	2017	2012	2007	5-year change	5-year change (%)	10-year change	10-year change (%)
Floor space (sqm)	89	1,218	323	-1,128	-93%	-234	-72%
Employment	7	35	16	-28	-80%	-9	-56%

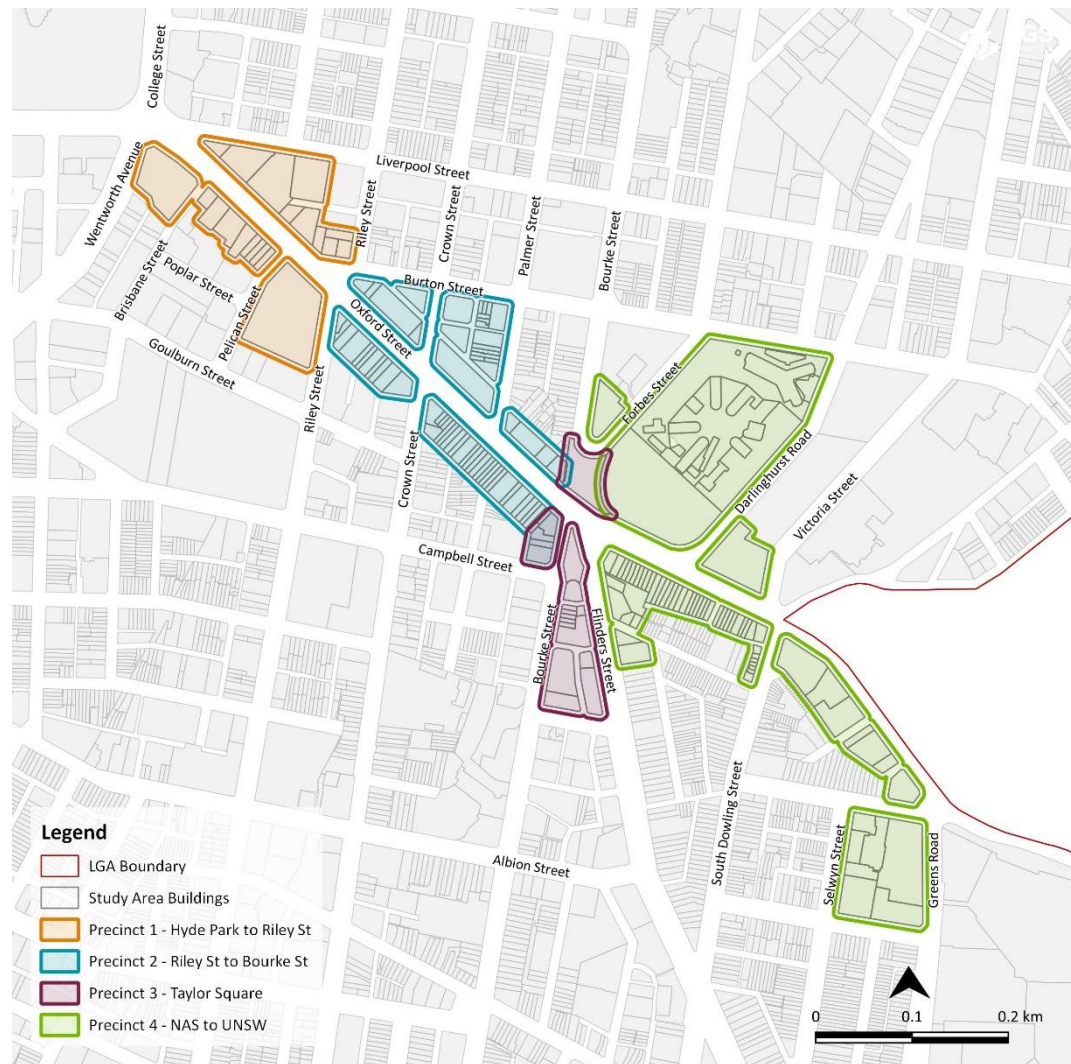
Source: City of Sydney FES 2007, 2012, 2017

4.2 Sub-precincts

Based on the existing uses and characteristics of areas within the precinct, four sub-precincts within the Study Area have been identified, illustrated Figure 10. These have been used to shape the recommendations for the precinct later in this report. **This recognises that Oxford Street is not one homogenous space, and will require different actions and initiatives in different locations to address existing issues and support its revitalisation.**

The rationale for the definition of each sub-precinct and its predominant characteristics are described below.

FIGURE 10: SUB-PRECINCTS WITHIN THE STUDY AREA



Source: SGS, 2021.

Sub-precinct 1 – Hyde Park to Riley Street

The section of Oxford Street between Hyde Park and Riley Street has a different character to the rest of the Study Area. In terms of built form, it has taller buildings, including high density residential, compared to other areas which are lower density and of a more human scale. It is also the gateway from the Oxford Street precinct to the CBD and the many cultural institutions nearby.

Reflecting its residential uses, this sub-precinct has a larger proportion of non-employment floorspace compared to the other sub-precincts. The employment floorspace is also dominated by office/business uses, with only a small proportion of creative floorspace (as of 2017). This area also has a strong retail anchor in the Oxford Village Shopping centre.

TABLE 21: FLOORSPACE WITHIN SUB-PRECINCT 1 – HYDE PARK TO RILEY ST

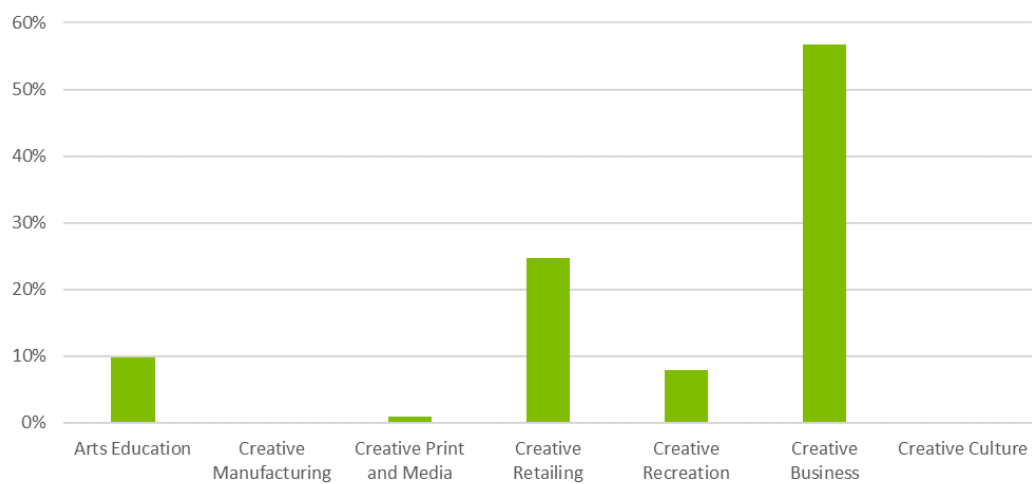
Hyde Park to Riley St	Vacant	Office or Business Premises	Retail (excl. Food and Drink)	Food and Drink	Creative Uses	Total Employment floorspace	Other uses
Floorspace (sqm)	14,451	36,935	5,564	6,299	2,087	65,336	34,486
% of employment floorspace	22%	57%	9%	10%	3%	100%	53%

Source: SGS, 2020 based on City of Sydney 2017 FES data.

Creative uses

Of the creative use floorspace within this sub-precinct over half is in the Creative Business category. This includes uses such as architecture, design, and sound/music publishing.

FIGURE 11: CREATIVE FLOORSPACE BY CATEGORY, SUB-PRECINCT 1 – HYDE PARK TO RILEY ST



Source: SGS, 2020 based on City of Sydney 2017 FES data.

The Creative Business floorspace is concentrated in the office building at 1 Oxford Street, while Creative Retailing floorspace is concentrated in the shopping centre.

FIGURE 12: CREATIVE FLOORSPACE WITHIN SUB-PRECINCT 1 – HYDE PARK TO RILEY ST



Source: SGS, 2020 based on City of Sydney 2017 FES data.

The Creative Business uses are more likely to need office space compared to high visibility/street facing premises. These types of uses may also be less directly impacted by COVID, as they are less dependent on large gatherings, and staff are likely to be able to work from home – however, the propensity of workers to do this longer term could also have significant impact in itself, such as through reduced foot traffic and patronage to ground-level businesses.

While office-based uses are dominant, this sub-precinct is also home to a number of important night-time economy businesses, including the Oxford Art Factory, Cliff Dive, and the Burdekin Hotel, and as such it needs to function as both a night-time and day time destination. This mix of residential and non-residential uses also raises the prospect of land-use conflict in any future aspirations to intensify non-residential uses – particularly night-time economy functions.

Sub-precinct 2 – Riley to Bourke Street

The area between Riley and Bourke Streets has a strong low-rise built form and heritage character. Compared to sub-precinct 1, the streetscape feels of a more human scale.

There is a strong retail/food and drink/entertainment presence, with these sectors accounting for around half of the total employment floorspace. This area is also close to Crown Street and its emerging food scene.

The ground level is dominated by these uses in particular (shown below in Figure 13).

TABLE 22: FLOORSPACE WITHIN SUB-PRECINCT 2 – RILEY TO BOURKE ST

Riley to Bourke St	Vacant	Office or Business Premises	Retail (excl. Food and Drink)	Food and Drink	Creative Uses	Total Employment floorspace	Other uses
Floorspace (sqm)	8,545	3,847	7,458	14,100	4,939	38,889	3,682
% of employment floorspace	22%	10%	19%	36%	13%	100%	9%

Source: SGS, 2020 based on City of Sydney 2017 FES data.

FIGURE 13: GROUND FLOOR RETAIL AND ENTERTAINMENT USES IN SUB-PRECINCT 2 – RILEY TO BOURKE ST

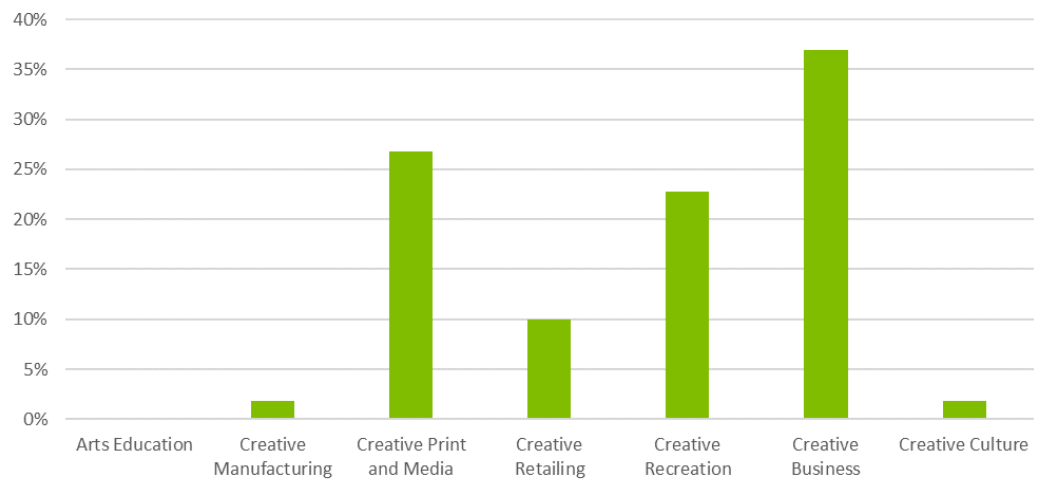


Source: SGS, 2020 based on City of Sydney 2017 FES data.

Creative uses

The largest proportion of creative floorspace in this sub-precinct is in Creative Business uses, followed by Creative Print and Media, and Creative Recreation. Creative Recreation is one of the categories likely to be most affected by COVID-related restrictions, as it generally requires people to gather together.

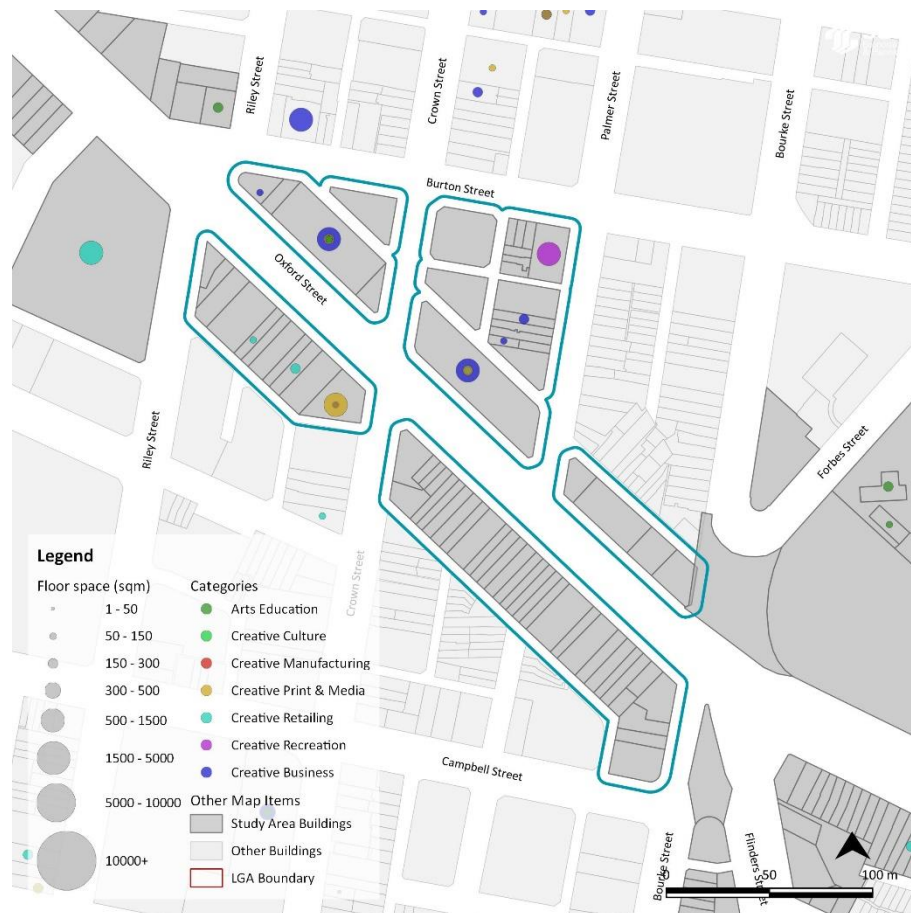
FIGURE 14: CREATIVE FLOORSACE BY CATEGORY, SUB-PRECINCT 2 – RILEY TO BOURKE ST



Source: SGS, 2020 based on City of Sydney 2017 FES data.

Of the four sub-precincts, Riley to Bourke Street has the most diverse mix of the creative floorspace categories, however creative uses are mostly concentrated in the blocks adjacent to Crown Street, with some also in blocks between Palmer and Burton Streets.

FIGURE 15: CREATIVE FLOORSACE WITHIN SUB-PRECINCT 2 – RILEY TO BOURKE ST



Source: SGS, 2020 based on City of Sydney 2017 FES data.

The former Council properties in this area recently sold to Ashe Morgan have the potential to be a strong anchor for creative uses (if the planned creative uses are realised in the future development).

Sub-precinct 3 – Taylor Square

Taylor Square is the natural heart of the Oxford Street precinct. However, the consultation has consistently noted that this area is in need of improvements and enlivening. It is seen as something of a lost opportunity for activating the precinct as a whole.

In terms of the floorspace in the area, more than half of the employment floorspace in 2017 was recorded as vacant – though this appears to be inclusive of the courtyard space across the street adjacent to the NAS (shown in Figure 16). Besides the vacant space, the predominant floorspace is office/business premises.

TABLE 23: FLOORSPACE WITHIN SUB-PRECINCT 3 – TAYLOR SQUARE

Taylor Square	Vacant	Office or Business Premises	Retail (excl. Food and Drink)	Food and Drink	Creative Uses	Total Employment floorspace	Other uses
Floorspace (sqm)	2,344	1,274	169	99	0	3,886	23
% of employment floorspace	60%	33%	4%	3%	0%	100%	1%

Source: SGS, 2020 based on City of Sydney 2017 FES data.

FIGURE 16: VACANT FLOORSPACE WITHIN SUB-PRECINCT 3 – TAYLOR SQUARE



Source: SGS, 2020 based on City of Sydney 2017 FES data.

As well as the floorspace within this specific area, the buildings which are adjacent to the Square itself are also very important to how it functions as a space. How these tenancies engage (or don't) with the space impacts on how it feels as a destination and the types of activities that could be encouraged. A success of a public space of the type and scale of Taylor Square is highly contingent on the activity on its edge. Some of these buildings on the edge of Taylor Square are understood to have been vacant for a while and are underutilised as anchor properties which could be better used to invite and retain visitors to the space.

Creative uses

As of 2017 there was no creative floorspace identified within this sub-precinct. The Whitehouse Institute of Design is just outside the Study Area boundary to the south of Short Street.

However, the outdoor spaces around Taylor Square could present a unique opportunity for the creative and cultural sector – particularly in a post-COVID environment when traditional indoor entertainment and creative activities may not be possible due to restrictions on indoor gatherings (though these are steadily being relaxed at present). Suggestions for these spaces from the consultation include providing for outdoor events and exhibitions, markets, installations, and light shows/projections.

Sub-precinct 4 – NAS to UNSW

The fourth sub-precinct is based around the presence of the two significant creative institutions – NAS and UNSW – as anchors. The two campuses are important in bringing people to the area and in their role in educating creative professionals. The floorspace within the two makes up over half of the employment floorspace in the sub-precinct, with food and drink the most common floorspace besides this.

TABLE 24: FLOORSACE WITHIN SUB-PRECINCT 4 – NAS TO UNSW

NAS to UNSW	Vacant	Office or Business Premises	Retail (excl. Food and Drink)	Food and Drink	Creative Uses	Total Employment floorspace	Other uses
Floorspace (sqm)	5,203	15,229	2,147	7,417	42,353	72,349	5,401
% of employment floorspace	7%	21%	3%	10%	59%	100%	7%

Source: SGS, 2020 based on City of Sydney 2017 FES data.

There are some existing issues with this part of the Study Area which have been noted in consultation and through discussion with Council staff. Of particular concern has been the area between Flinders Street and South Dowling Street, which has had persistently high vacancies – even before COVID impacts. There is limited street activation in this stretch of Oxford Street, contributed to by the length of the area in front of the NAS/courthouse and the Notre Dame campus on the north side – which is an area that was identified as somewhere that could be better utilised for creative events and street activation. Figure 17 below illustrates that a lot of the strip is made up of premises designed for retail and entertainment uses at the ground level.

FIGURE 17: GROUND FLOOR USES IN SUB-PRECINCT 4 – NAS TO UNSW



Source: SGS, 2020 based on City of Sydney 2017 FES data.

SGS's observations and analysis of the FES data, combined with the consultation undertaken with businesses and real estate agents, suggests that there are several factors contributing to the issues with this particular part of the Study Area:

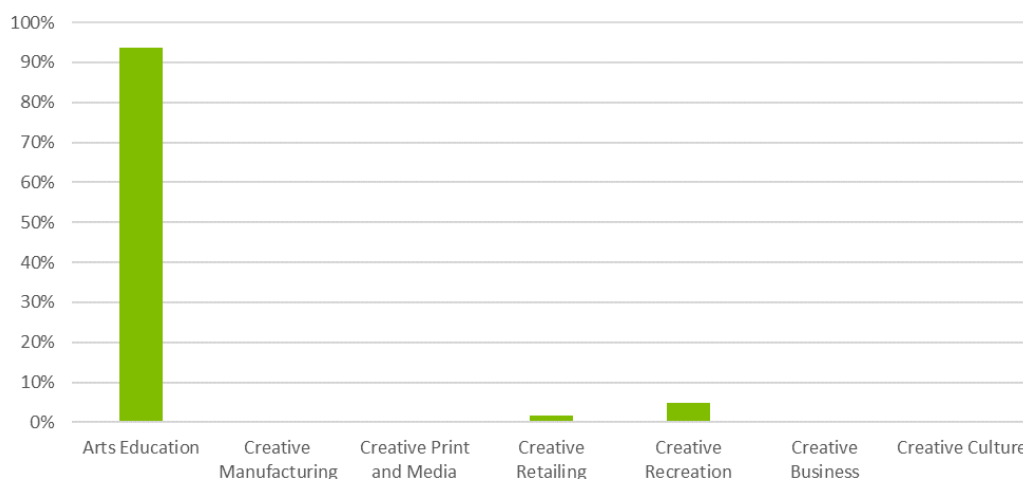
- This strip has a lot of older buildings with heritage constraints (facades as well as an underground item). This can make it harder and more costly for land owners to undertake improvements to buildings – some owners indicated they have tried to undertake upgrades to premises but have not been able to get them approved.
- The current planning controls as well as fragmented patterns of ownership restrict the ability for significant changes to be made. Real estate agents have said that there has been interest from developers in the area, and some efforts towards amalgamating ownership of sites, however, the existing controls would prevent anything substantial from being viable at this stage.
- The current state of the existing premises is generally poor, and unlikely to appeal to prospective tenants. There is little interest in these properties and seemingly no concerted strategy to attract tenants – rather it is owners will take whatever business they can get.
- This stretch suffers from being in something of a 'dead zone,' being in between other locations, but without anything to really draw people to or keep them in the area. It doesn't have its own identity or something to differentiate it – in comparison to further along Oxford Street in Paddington where there are clusters of particular types of retail (fashion being one example).
- Lower foot traffic in general across the precinct is probably also contributing to the problems in this area – driven by COVID at the moment, but also likely influenced by the effect of the lock-out laws in recent years.

- Financial and tax implications could be a factor for some landowners (for example if they are using a property as collateral, reducing asking rents could impact other investments), however, the real estate agents consulted suggested this isn't likely to be the issue driving the persistent vacancies, and is more to do with the location-specific confluence of issues above.

Creative uses

The creative floorspace within the sub-precinct is highly concentrated in the two institutional campuses. Due to this, the vast majority of the floorspace is in the Arts Education category.

FIGURE 18: CREATIVE FLOORSPACE BY CATEGORY, SUB-PRECINCT 4 – NAS TO UNSW

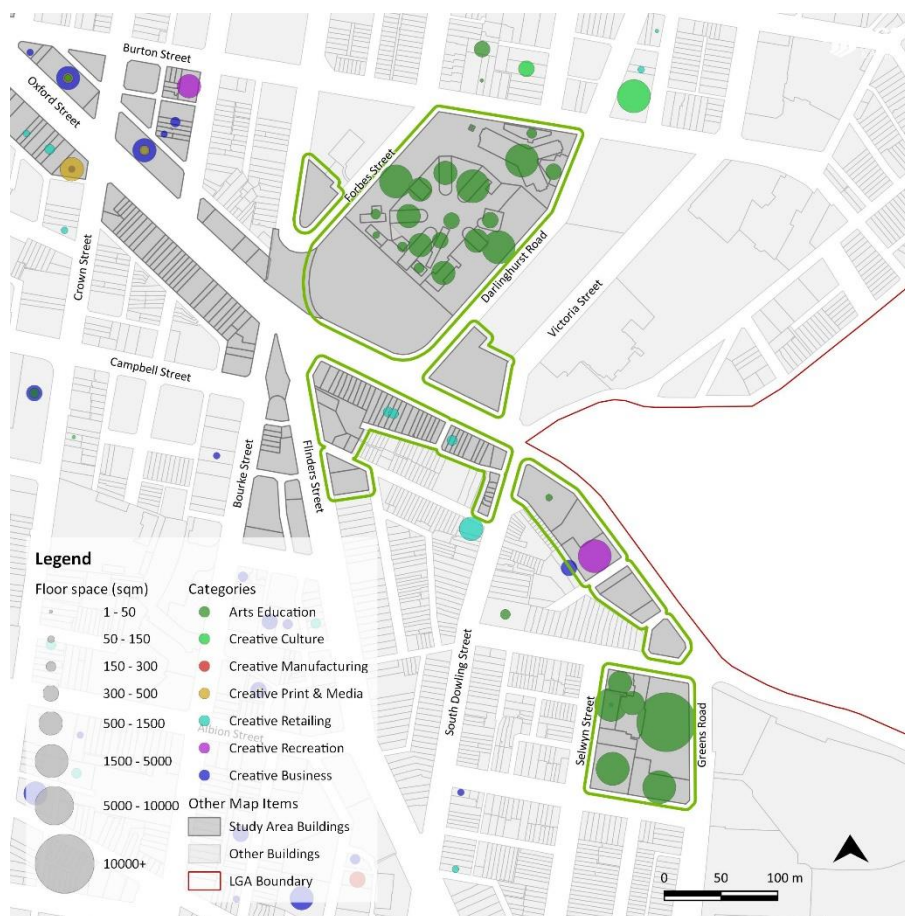


Source: SGS, 2020 based on City of Sydney 2017 FES data.

With the current issues in the area along Oxford Street, and because this area in general has less activity and proximity to entertainment uses, this may be the place to target the most physical change in the Study Area as it will require a 'big move' to reinvent it.

While working with the existing heritage and character, it could be a place to allow for limited residential uses in the form of live/work housing –Revenue generated from this could also be used to facilitate or subsidise additional creative space at the ground level as a way to enliven this area and provide more affordable options for creative uses in the area, noting that other typical ground floor uses like retail and hospitality have consistently failed in this location.

FIGURE 19: CREATIVE FLOORSPACE WITHIN SUB-PRECINCT 4 – NAS TO UNSW



Source: SGS, 2020 based on City of Sydney 2017 FES data.

4.3 Capacity analysis

As part of the *Floorspace Supply and Demand Study*, SGS conducted a built form capacity assessment to identify the quantum of floorspace that could be built under existing planning controls gazetted under the LEP. **Please note that SGS's approach may be different from the City's method in its Development Capacity Study and return a different level of existing capacity.**²³

Method

SGS first calculated the maximal permissible floorspace that could be developed on a site using the stricter of floor space ratio (FSR) and height of building (HOB) controls. From this maximum, existing floorspace estimates calculated from building envelopes in the PSMA Geoscape dataset were subtracted. PSMA, a national, government owned company that provides authoritative national spatial datasets, publishes the Geoscape dataset, which makes use of remote sensing technology to record building footprints and heights across Australia.

Permissible floorspace capacity was not considered on sites with the following constraints:

- A large number of residential strata units
- A heritage item, or
- An existing community use, public service, or infrastructure.

²³ Differences include assumptions around uplift thresholds required for sites to be developable, base data used, the application of site-specific planning controls, and knowledge of development proposals in the pipeline.

Results

Figure 20 below shows the results of the capacity assessment. In short, there is little to no floorspace that could be practically built in the study area.

The last significant floorspace capacity in the study area was realised with the development of The Rathbone at 23-47 Flinders Street. Scattered throughout the study area are some terraces with a small amount of theoretical capacity, either due to:

- Existing two-storey building height (43-49 Oxford Street), or
- little backyard building (217, 219, and 245 Oxford Street).

However, it is questionable how feasible or desirable the realisation of new floorspace on these sites would be.

It is important to note that the construction and development of floorspace are separate concerns. Although additional floorspace is not likely to be constructed in the area under the current controls, it may still be possible to develop vacant floorspace for specific uses, or redevelop existing floorspace for different uses.

As was also noted in the *Floorspace Supply and Demand Study*, the City's Development Capacity Study identified that there may still be some more capacity for development under the current controls than what is shown above. However, across the Oxford Street Village the opportunities for development on single large sites is fairly limited.

Similarly, heritage items have been excluded from the capacity results. Oxford Street has a relatively large proportion of sites with heritage items, which could also provide some additional floorspace capacity in future.

FIGURE 20: CAPACITY ANALYSIS RESULTS, OXFORD STREET STUDY AREA



Source SGS, 2020.

4.4 Projected demand for creative floorspace

As part of the accompanying *Floorspace Supply and Demand Study*, SGS has developed estimates of the potential amount of additional floorspace of different types needed to meet demand in the precinct. The projection for the additional creative floorspace needed under a base case (which assumes existing growth trends continue) and a 'COVID-19' scenario (which assumes a reduction in gross value add as a result of the pandemic) is shown below in Table 25.

This suggests that a relatively small amount of additional floorspace – between 3,600 and 3,900 square metres – will be needed to meet future demand in the precinct.

TABLE 25: PROJECTED OXFORD STREET CREATIVE INDUSTRIES FLOORSPEACE, 2016-2036

	Jobs			Floorspace		
Year	Base Case	Covid-19	Impact	Base Case	Covid-19	Impact
2016	366	366	-	8,811	8,811	-
2021	458	451	-7	9,907	9,815	-92
2026	531	513	-18	10,768	10,555	-213
2031	616	598	-18	11,704	11,491	-213
2036	714	696	-18	12,721	12,508	-213
Growth 16-36	348	330	-18	3,910	3,697	-213
Change	95.1%	90.3%	-4.8%	44.4%	42.0%	-2.4%

Source: SGS Economics and Planning, 2020; City of Sydney 2017

However, it is important to note that while there is only a modest projected need for additional space, the character and quality of existing spaces also needs to be considered. As is explored in the following sections, different industries within the cultural and creative sector require different floorspace features, which may not necessarily be available in the existing spaces on Oxford Street. The accessibility of spaces to producers is also a key concern – particularly in terms of affordability – which is not necessarily captured in the above demand projections.

5. CASE STUDIES AND STAKEHOLDER INTERVIEWS

This section details the outcomes from consultation undertaken with a range of stakeholders about the current issues and future opportunities for the cultural and creative sector in the precinct.

As part of the analysis, interviews with a range of local businesses, venue operators and stakeholders within the precinct and the surrounding area have been undertaken. The intention of this has been to gain a detailed understand of the precinct (where possible) in terms of:

- How it is operating currently
- The types of businesses/organisations in the area and why they choose to locate in or around Oxford Street
- The types of buildings/floorspace and other elements that the cultural and creative sector needs
- Key challenges issues for different parts of the cultural and creative sector within the precinct – particularly in light of COVID, and
- Opportunities for cultural and creative uses to contribute to the revitalisation of the Oxford Street precinct.

The consultation has included discussion with industry contacts at a broader level to identify key issues for the creative sector in general as well as for Oxford Street as a precinct, and a number of detailed case studies of cultural and creative businesses within and around the precinct.

5.1 Broad stakeholder consultation

To get a solid understanding of the current conditions and issues for cultural and creative uses in the precinct, interviews were conducted with broad range of people, including representatives from local business group organisations, institutions, and real estate agents.²⁴ A wide range of topics were explored in these conversations, though several key themes and issues emerged.

The diversity of these themes underlines the complexity of the challenge to revitalise Oxford Street, and that there may be a number of different initiatives need to address its prevalent issues for the creative and cultural sector.

Key themes

Businesses are being impacted by COVID, though to differing extents

As noted above, the emergence of the pandemic has hit the creative and cultural sector particularly hard overall. However, the impact on different types of businesses has been varied in the precinct and surrounds. With restrictions placed on capacities, entertainment venues (pubs, bars, live music venues), hospitality businesses, and others which require larger numbers of people to gather to be viable (such as galleries and theatres) are clearly struggling. There have been flow on effects from reduced economic activity to other uses as

²⁴ This included representatives from Darlinghurst Business Partnership, Eastside Sydney, Brand X, Sharpe Advisory, UNSW Galleries, Sydney Gay and Lesbian Mardi Gras and Colliers International.

well, such as printers which have seen their level of business drop dramatically. While businesses are innovating in how they operate in a drastically changed environment, such as through scaling down performances and doing shows for small groups only, it is still very hard for businesses to plan their activities and know whether hybrid approaches are viable for them.

The reduced foot traffic overall was also consistently noted as an issue, with fewer people around the CBD and the wider area generally meaning there is a much smaller pool of potential customers and visitors to draw from. Whether the broader public feels comfortable to return to venues (particularly enclosed indoor venues) as restrictions are gradually eased while there is still no COVID vaccine is a key concern as well, as this will affect the ongoing viability and business models of many.

In contrast, many retail businesses have reported doing well during the lock-down and subsequent period – though this may not be the norm across the whole sector. The factors influencing this were noted as potentially being because households still have ‘money to burn’ and have been more inclined to spend locally while in lock-down and while travel restrictions are in place. The long-term sustainability of this trend remains to be seen, however.

Rents are seen as being very high for the creative/cultural sector

As noted in the *Floorspace Supply and Demand* study, market rents for commercial space on Oxford Street are generally in line with what might be expected for a fringe office market – however, these rents are too high for many creative and cultural operators to be able to take up spaces. While the City’s accommodation grants to subsidise spaces has alleviated this somewhat, for the organisations that cannot get access to those spaces the market rents mean they cannot afford to locate in the precinct. Market rents are sometime double that rate offered in subsidised premises. This has seen many tenants who were operating in the private market leave the area, some after many years of being in the precinct and despite having a strong connection to it.

As well as this, the spaces that are available on Oxford Street are not necessarily fit for purpose for different types of creative and cultural uses. Typical of retail high-streets, many of the premises along the strip at the ground level are designed as shopfronts, which can only accommodate certain types of creative activity. Those businesses who place a value on having some form of affordable floorspace at the expense of the perfect type of floorspace take up these subsidies and make do with the confines of the spaces they tenant. However other uses, such as creative manufacturing uses where producers actually make artworks or rehearse performances for example may require spaces that are more like warehouses with larger floorplates and higher ceilings. The types of creative uses which can utilise office spaces is also fairly limited, and the retrofitting of existing built forms to better meet these needs can also be very expensive, and therefore out of reach for many potential creative tenants.

The current presentation and feel of the street is seen as a deterrent to activity

It was consistently noted that the current presentation and attractiveness of Oxford Street as a place was one of the factors contributing to a lack of activity, including things such as traffic volumes (something that Council can’t control necessarily) and a perceived lack of maintenance of the streetscape and existing buildings. These things together were seen as making the precinct one that people don’t want to stay or linger in, which in turn reduces the level of activity in the area.

As well as presentation issues, the high level of vacancy in premises is also fuelling the perception of decline in the precinct. Contributing to this is the fact that landlords are generally not adjusting rents to the new reality of the area, being that the precinct is less attractive and therefore has less earning potential for tenants. This was noted as being an issue even before COVID, with lower foot traffic in preceding years attributed to the lock-out laws.

It is important to recognise that there may be a multitude of reasons and factors influencing why landlords are choosing to maintain existing rents (for example, they may be using premises as collateral for other loans, and reducing the rent could impact on the value of the property and have further flow on financial effects), and that these may not necessarily be things that Council can control.

Broader society-wide trends have contributed to a declining need to visit the area

Related somewhat to the above point, another perceived deterrent and contributor to the decline in activity in the area is the fact that times have changed, and society-wide shifts mean that people just don't need to visit a precinct like this as much as they might have in the past. Influences noted on this include the fact that so much more of day to day life is done online now (shopping, socialising, and in light of COVID, work), reducing the need for physical stores in retail strips like this. Entertainment is also increasingly available in different forms compared to the past, potentially reducing the need for people to utilise some venues.

Oxford Street's identity as a place for LGBTQ culture is also changing. Whereas in the past, it was something of a haven and the main destination for LGBTQ people to meet in Sydney, greater acceptance of LGBTQ culture in society overall and its dispersal elsewhere means that Oxford Street doesn't need to provide this role and act as an anchor as much as it previously did.

Regulatory processes are seen as restrictive on activity

Another consistent theme raised was that existing regulatory processes around activity in the precinct are too restrictive and are potentially suppressing opportunities for the area to be enlivened. Examples given included the so-called 'red tape' around businesses using outdoor spaces and footpaths, and the complexity of application processes and approvals needed to simply hold events in the area. Noting that the City is working to update some of these processes already, it was seen that there is a greater need for flexibility in allowing for short-term and low-impact activations in particular, which could help in bringing cultural activity and interest back to the precinct. There are often costs associated with these types of applications, which cultural and creative organisations may not have the capacity to wear on a consistent basis.

It was also felt that a related barrier is the need for more integration between regulatory processes and businesses on the ground – such as there being competing objectives between the need for compliance with regulations and the ambitions for the precinct to become a revitalised destination.

To remedy some of these issues, it was stressed that there is a need for a more targeted focus on the precinct itself from government and to allow for greater collaboration and integration between Council and stakeholders. Suggestions included something like a conduit to facilitate activities and connections in the precinct between Council, businesses and other stakeholders, and be a 'champion' for the precinct.

There is a lack of a clear vision for what Oxford Street is and should be

Some stakeholders expressed a feeling that there isn't really a clear vision for what Oxford Street is or what it wants to be as a precinct. Concerns raised include the potential for the precinct to become more gentrified, and in the process become just like any other strip across Sydney and lose its unique identity.

While the City has undertaken a number of studies and developed strategies in the past, there was a level of frustration that similar conversations have been had before raising similar issues to those mentioned above. It was suggested that a more targeted focus on the precinct could assist in creating and maintaining momentum for change in the precinct and to ensure that planned initiatives and changes are actually implemented by working across Council, businesses/tenants and other key stakeholders.

It was also felt that having a more clearly articulated vision for the precinct, backed up by actions on the ground, would be an important signal for businesses about the future of the precinct and the City's confidence in it, which could be used to attract creative and cultural uses back.

Features along the street provide opportunities to build on

While there were many concerns raised about the state of the precinct and its challenges, many suggestions were also noted around opportunities and areas that could be built on further to support and encourage creative and cultural uses.

A consistently noted example was Taylor Square, as a space that has a lot of potential as a location for activity and congregation, but that has been well underutilised as an asset. Suggestions included that it (and other similar spaces along Oxford Street) could be used for outdoor events and activations, and that urban design improvements could be made to make the space more inviting for people to stay in.

The presence of the two major educational institutions in UNSW and the NAS were also raised as being very important for the precinct as anchor tenants. New ways to integrate them into the street, and capitalise on the resources that having lots of creative arts students concentrated in one area can bring, were also suggested, such as using student work to improve shopfronts or providing spaces for students to experiment with ideas and different methods of delivery to audiences.

Oxford Street's history and identity remains a key strength

Related to the above point, Oxford Street still has a strong history and identity that mean that people and businesses will want to locate in it – the task is to help and facilitate them to do so and create a clear vision for the precinct. While its identity may have weakened somewhat with its overall decline, there is still a strong foundation to rediscover and build on.

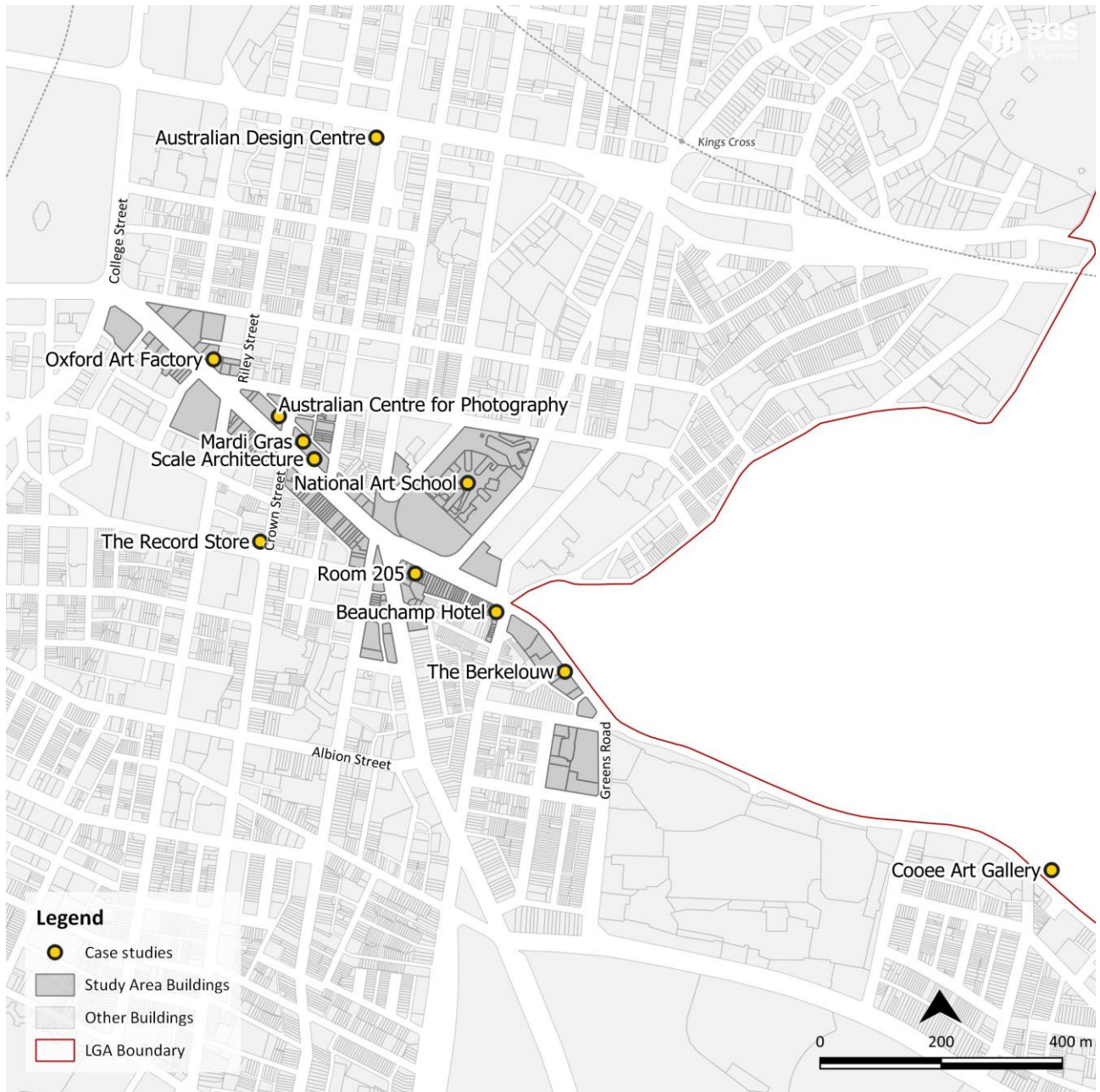
Suggestions for opportunities to build on this were focused around Oxford Street's unique features and things that can't be found anywhere else – such as the LGBTQ history, but also its Aboriginal history and stories. This could include developing things like self-guided walking or history tours with visual clues and signals embedded along the street for people to find.

5.2 Case studies

The 11 case studies below represent a cross section of the types of businesses which are part of the Oxford Street precinct.²⁵ Their locations in relation to the study area are shown in Figure 21. Some of the case studies are physically located outside the precinct, but are important to understanding the needs of creative and cultural sector businesses in the wider area of which Oxford Street is a part.

²⁵ Please note that due to COVID-19, the interviews to inform the case studies were largely undertaken online. As such, images from desktop research have been used to supplement the case studies in the absence of the ability to photograph and document each space in person.

FIGURE 21: LOCATION OF CASE STUDIES IN RELATION TO OXFORD ST PRECINCT



Source: SGS, 2020.

Australian Centre for Photography

Location: 19-21 Foley St

PLEASE NOTE: the interview with the Australian Centre for Photography was conducted in September 2020. Since this time the Centre has announced that its facilities and programs will be closing from 16th December 2020 for an unspecified period of time while it restructures and addresses ongoing financial losses. The decision has been attributed to several factors including shutdowns related to COVID-19, funding cuts, and shifts in the practice and teaching of photography over time (including technological changes like the rise of smartphones).²⁶

The Australian Centre for Photography is one of Australia's longest running organisations dedicated to photography and lens-based media. The Centre moved to its current location on Foley Street in late 2018, and occupies four ground-level storefronts across a four-storey building. This includes a 400 square metre gallery space, two office spaces of around 100 square metres each, and archival space of around 60 square metres.

FIGURE 22: AUSTRALIAN CENTRE FOR PHOTOGRAPHY EXTERNAL VIEW



Source: <https://mgns.org.au/organisations/australian-centre-photography/>

A key activity that the Centre uses the space for is obviously their photographic exhibitions (see example in the figure below). The use of the gallery space, like other indoor spaces, has been hampered by COVID-19 related restrictions in recent months, which has limited the number of people who can be in the space at one time. Since they re-opened in June, the Centre has managed its operations through inviting fewer people to events and cycling smaller groups of people through the gallery (e.g. limiting to 20 people per hour).

²⁶ See <https://acp.org.au/pages/announcement-acp-hibernation> and <https://www.smh.com.au/culture/art-and-design/pathway-to-extinction-australian-centre-for-photography-closes-doors-20201119-p56g2d.html>

As well as exhibitions, the Centre uses its space for a range of classes and workshops. These cater to a number of different groups, including professional photographers, corporates, and school students. These types of activities were put on hold while COVID-related shutdowns were in place, but have since begun running again with COVID-safe protocols, including reducing class sizes to facilitate appropriate social distancing in internal spaces. They have also pivoted to offering online tuition and group classes (many of which as of November 2020 were sold out).

FIGURE 23: AUSTRALIAN CENTRE FOR PHOTOGRAPHY INTERIOR VIEW



Source: <https://www.sydney.com/destinations/sydney/inner-sydney/darlinghurst/attractions/australian-centre-photography>

Tenure and costs

The Centre has a lease which is scheduled to end in June 2021, and the building is currently owned by Ashe Morgan, which acquired the property from the City. The Centre came to be in this space as part of Council's Accommodation Grants Program prior to the sale of the site to Ashe Morgan.

The rate that the Centre is paying in rent for its four areas is similar to what they would be paying for a single space with a gallery – essentially, they have been able to double their floorspace size for a similar price to the market rate, which has been a good outcome for them. The Centre is not currently receiving any form of rent subsidy.

Locational requirements

Prior to being in this location, the Centre had regularly moved locations around Oxford Street – in the preceding three years they had moved between three different locations. Prior to this, the Centre had been located at 257 Oxford Street, until the Centre's Board came to the conclusion that it would be better to sell the space and move to a 'hub and spoke' model of facilities across the area. While this had benefits, it did result in the need to move locations more regularly.

The decision to select this space was primarily driven by the opportunity for the Centre to have a more permanent location, while staying in the same area and being able to benefit from proximity to other businesses and facilities. For instance, the Centre doesn't have access to its own dark rooms for photo processing, so they have relied on other facilities when they need to. They have previously used those available at the NAS, but now have a new arrangement with the Sydney College of the Arts.

The current location also provides the benefit of having spaces side-by-side, which is easier to manage than them being on different floors. They can also have more activities running concurrently with their current set up.

The Centre has not had many issues with the space so far. While the gallery space is relatively small, they can work around this. Like much of this area there can sometimes be challenges with parking, but usually only if they are receiving large deliveries, which isn't a regular issue for them.

Broader themes/opportunities

In terms of broader issues for the precinct that affect the Centre, the broader downturn in activity in general within Oxford Street was noted as a big issue. It can be difficult for the Centre to find an audience when there is little foot traffic (noting that this has obviously been influenced by COVID this year), though activity appeared to be picking up recently. The increase in people working from home and fewer people working in the area was also seen as a contributing factor to the overall lack of activity and foot traffic.

Other issues noted included the general upkeep of the street and storefronts (including their current building, and that the older and heritage buildings needed to be cared for. The opportunity to make the street look nicer is seen as a potential way to encourage people back to Oxford Street.

Another locational challenge noted was that the requirements and regulations around having cultural activities in the precinct could often be inhibitive. This includes that because the Centre is located near residential streets, they can't have gallery openings and other events that go beyond 8pm at night. The substantial costs that can be associated with running events like festivals was also noted as an issue for cultural producers, particularly with the costs of permits and the need to have safety and security measures installed as well (such as bollards).

Oxford Art Factory

Location: 38-46 Oxford St

Oxford Art Factory opened in 2007 and has become one of Sydney's most well-reputed live music venues. It operates in the ground and basement floors of a three-storey heritage building adjacent to Oxford Square. The venue is comprised of a 500-capacity main performance room and 120-person capacity 'gallery bar,' with around 660 square metres of floorspace.

FIGURE 24: OXFORD ART FACTORY STREET ENTRANCE



Source: https://www.airbnb.com.au/rooms/40874486?source_impression_id=p3_1606791923_50pFI5URgCNI0Uah

Live music performances and club nights form the venue's primary offerings and sources of income, with an estimated 5,000 attendees at the venue each week prior to the COVID-19 pandemic.

Following several months of closure necessitated by social distancing restrictions, the venue has been able to reopen from September 2020 onwards, although at a significantly reduced capacity. Currently, all audience members are required to be seated for the duration of performances, with groups placed 1.5 metres apart. As of November 2020, the venue has re-established a consistent line-up of acts each week.

FIGURE 25: OXFORD ART FACTORY'S MAIN ROOM AND STAGE



Source: <http://oxfordartfactory.com/venue/>

Locational requirements

Oxford Art Factory's identity is obviously closely tied to that of the Oxford Street precinct, and its owner retains a strong desire to remain on the strip. This is despite current competitive advantages of precincts elsewhere, particularly King Street in Newtown, which has emerged as a prominent centre for cultural uses, including live music.

The venue's use is closely tied to its physical layout and location. Given its highly specialised use as a live music venue with capacity for over 600 patrons, it has a need for large, open plan and flexible space suitable for hosting events. The availability of similar spaces or candidates for conversion is negligible.

Furthermore, the venue's branding, reputation and moniker are all derived from its position as an anchor along the strip. A move away from Oxford Street would require a major change in all three of these attributes.

A mixture of night-time uses surrounding the venue are also complementary to its role, with synergies between co-located bars, nightclubs, live music venues and food retailers giving rise to a vibrancy and atmosphere which characterises successful entertainment precincts. There are few areas outside of Oxford Street which offer this type of concentration, although King Street would again act as a contender in this regard.

Broader themes/opportunities

In its position as a long-standing occupant of the precinct, Oxford Art Factory has observed several trends and challenges impacting on the precinct. The first of these is the legacy of lockout laws in force between 2015 and 2020. These laws are seen to have caused major damage to the street's nightlife and reputation, with the process of recovery extending well beyond the repeal of these restrictions. It was also stated that the lockout laws had displaced a significant portion of the inner city's nightlife to Newtown, which now acted as a competitor for attracting night-time uses.

The push for increases to development rights along the strip, with the aim of attracting investment, was seen largely as a threat rather than an opportunity. This was due to the potential for large inflows of capital and subsequent renewal to contribute to gentrification and cultural exodus rather than a revitalisation genuinely let by creative enterprise.

The strip's poor amenity was also viewed as a major detractor, with the replacement of parking along the strip with clearways perceived as having made the street less accommodating for pedestrians.

Australian Design Centre

Location: 101/113-115 William St (outside of precinct)

The Australian Design Centre is Australia's leading centre for contemporary craft and design. The Centre is located on the corner of William Street and Palmer Street, to the north of the Oxford Street precinct, at the ground floor of a three storey building. The Centre has been using this space since 2015.

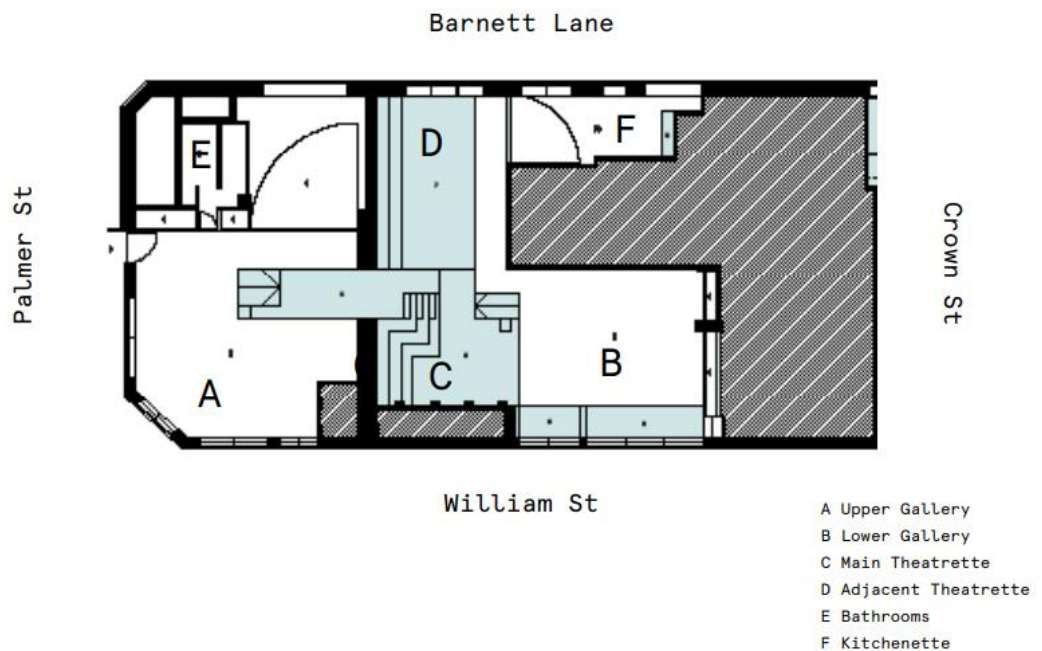
FIGURE 26: AUSTRALIAN DESIGN CENTRE EXTERIOR VIEW



Source: <https://sydneylivingmuseums.com.au/sydneyopen/2019/australian-design-centre-adaptive-reuse>

As illustrated in the plan below (Figure 27), the Centre consists of two gallery spaces, a workshop and event space with tiered seating, a kitchenette and office space for the organisation.

FIGURE 27: AUSTRALIAN DESIGN CENTRE FLOOR PLAN



Source: <http://www.creativespaces.net.au/find-a-space/australian-design-centre-4>

The Centre showcases work from a range of creative mediums, including contemporary craft, textiles, ceramics, glasswork, paper art, furniture design, industrial design, fashion, and

architecture. Prior to the COVID-19 pandemic, the Centre had 17 different exhibitions scheduled and more than 100 events across 2020, plus 3-5 touring exhibitions. These events support around 700 professional artists and makers. As well as exhibitions, the Centre includes a retail component (Object Shop) where handmade items can be purchased. Orders can also be made through the Centre's online store.

The Centre runs Sydney Craft Week, a city-wide festival which has around 115 associated events, and curates markets held in Palmer Street which showcase creative producers and usually has 3-5,000 people attending. The Centre also has a focus on education in design thinking, providing free online resources and outreach learning programs run with school students.

As well as its role as a gallery and event space for the creative sector, the Centre's lower gallery space is also available for hire by the public. The space is able to be used for a range of things – creative uses (such as workshops in small groups) and general events (such as corporate meetings and parties). Venue hire comes with access to tables, AV facilities, and the kitchenette. Figure 28 below shows interior views of the space.

FIGURE 28: AUSTRALIAN DESIGN CENTRE INTERIOR VIEWS



Source: <http://www.creativespaces.net.au/find-a-space/australian-design-centre-4>

The COVID-19 pandemic has impacted on the Centre's operations and function. At a general level, the reduction in foot traffic in the area has impacted on the number of people visiting, though there has still been a steady stream of visitors and retail sales (suggested to be linked to locals having more time on their hands and money to spend with travel restrictions in place). With indoor capacity limits and social distancing restrictions, the Centre reopened in early June but at that time was not able to run any events, being allowed only 28 and 22 people respectively in each gallery at one time. During this time, they trialed different forms of delivery and pivoted towards doing virtual opening nights, which in some instances still had around 50-60 attendees online – however this obviously can't replace the feel of being at these types of events in person.

Tenure and costs

The building that the Centre is currently located in is owned by the City of Sydney. The Centre receives a subsidy through the City's Accommodation Grant, however, the rent charged by the City was waived for a period of six months due to onset of the COVID-19 pandemic and the impact that this had on businesses.

The Centre has a longer-term lease with the City for the space, which will keep them in the same location until 2026.

Locational requirements

The choice of this location for the Centre was primarily based on its ability to meet the vision of the organisation. This includes having a space that is open and visible to the street, as this is very important to capitalise on foot traffic, interact with the community directly, and bring people into the gallery. Having a space with street frontage is also seen as important to creating and supporting street activation in the area. It was also noted that the Centre's location on William Street has a different feel to Oxford Street, with the former having more of a commercial floorspace focus. As such, visibility to the street is very important to the Centre to make sure people know that it is there.

The other key factor for the Centre was the physical features of the space. The space is a former car showroom, and as such provides larger, warehouse-style rooms than would be possible in other retail-oriented buildings. Though there are some elements of the space that they have to work around (such as the location of windows), the high ceilings and volume of space is particularly beneficial for the Centre in being able to host a range of different activities and exhibitions with larger pieces. The elements left over from the space's former life as a showroom can also be positive and provide unique features to work with in designing different events.

As a gallery space, vehicular accessibility from the street is also very important. This is because to facilitate many of their exhibitions and events they need be able to receive deliveries, build scaffolds, and move crates and other large items around. This can become difficult in locations that don't have proximity to space for vehicles to park and make these deliveries. The Centre also generally relies on specialist companies to set up for events and so on, which are not necessarily located nearby to the Centre itself.

The Centre also has strong linkages to the creative institutions in the broader area, including the NAS and UNSW. The Centre provides opportunities for students, staff and alumni of the art schools to exhibit work and be involved in exhibitions generally. Since 2016, the Designing Bright Futures exhibition has showcased graduating student work. They also undertake research projects with the institutions, including a current grant with UNSW.

Broader themes/opportunities

Many of the issues noted with the area for the Australian Design Centre and issues more broadly for the sector are related to the impact of the COVID-19 pandemic. A significant challenge is likely to be the potential for a longer-term downturn in foot traffic and activity in general, and the potential impacts on visitation and the retail element of the Centre. Earlier in 2020 the downturn in people in the CBD and surrounding areas was particularly noticeable with most people working from home. The concern is that people are still likely to be nervous venturing out and about for some time, and this reduced activity could also be compounded by more people choosing to work from home over the long term.

Another broader concern noted was funding for the creative sector overall, with a feeling that there is currently a lack of support from all levels of government. The Centre is aiming to support artists through its operations and showcasing their work, however, the funding challenge is significant (and has obviously been exacerbated further by COVID).

The Centre sees that if Oxford Street is able to be revitalised, this would be a huge benefit not just to businesses within the precinct itself, but to businesses across the area like the Australian Design Centre, and would draw many more people back to this part of Sydney. Some ideas suggested to support this include initiatives like the Sydney East Art Walk, which is run four times a year, which sees a range of businesses in the area working together. Targeted efforts by the City in years past to bring creative businesses into Foley Street was also noted as something that had worked well for a while (though opportunities for this may have changed with the sale of the buildings there).

Scale Architecture

Location: 9a/94 Oxford St

Scale Architecture was founded in The Netherlands in 2002, and moved to Sydney in 2004 with its owner Matt Chan. Its portfolio includes cultural and educational facilities and residential developments, with a focus on embedding principles of ecological sustainability in its work.

FIGURE 29: DARLINGHURST COLLECTIVE SITE VIEWED FROM FOLEY STREET



Source: <https://www.ashemorgan.com.au/asset/the-darlinghurst-collection/>

Scale's office is currently located in the Darlinghurst Collective site recently acquired by Ashe Morgan. It occupies a 125 square metres office space within the complex, which houses its studio and spaces for client consultation.

FIGURE 30: SUITE ENTRANCE, SCALE ARCHITECTURE



Source: <https://thelocalproject.com.au/profiles/scale-architecture-sydney-architectural-design-studio-profile/>

Scale's business operation has remained largely resilient to COVID-19, with capacity for staff to correspond with clients and conduct plan-making from home during the initial lockdown and subsequent period. However, despite this capacity and resilience to the immediate impacts of lockdown compared to other businesses, the pandemic has impacted Scale's level of work throughout this time.

Tenure and costs

Scale's current premises is owned by Ashe Morgan, who acquired the site in 2019 through a long-term lease agreement with the City of Sydney.

Locational requirements

Scale noted a desire to remain on Oxford Street and in their current premises where possible. The strengths of Oxford Street as a location were noted as contributing to this, particularly a perceived affordability advantage as compared to other city-fringe office rental markets. As Scale was previously a beneficiary of subsidised rental arrangements with the City of Sydney, exposure to the affordability pressures of traditional leasehold arrangements was a major concern.

Oxford Street and Darlinghurst were also seen to offer a more eclectic mixture of uses and built character than other comparable precincts. It was noted that these attributes, combined with a relative level of affordability, were attractive qualities for businesses such as Scale to locate in, especially given their low level of susceptibility to changes in foot traffic compared to the difficulties this presents for more public-facing uses.

The current tenant mix within the Darlinghurst Collective site was provided as an example of this, with a mixture of predominantly creative and cultural clustering as a result of the site's former rental arrangements. In summary, the affordability of spaces was seen as being more important to facilitate the clustering of creative uses than large-scale investment or renewal.

Broader themes/opportunities

In terms of the broader precinct, traffic flows and a lack of pedestrian amenity were again seen as the most significant threats to the precinct's revitalisation, particularly as the precinct's small, fine-grained businesses rely heavily on pedestrian through-traffic.

Beyond this commonly-held concern, it was suggested that there was no commonly accepted strategic vision for the strip's identity or future use. Having a strategic vision was seen as important to supporting a diverse range of culture-related organisations and businesses, such as those which have been housed at the site in previous years.

Room 205

Location: 205 Oxford St

Room205 provides a flexible, open plan venue suitable for pop-up retail, art exhibitions or marketing and networking events. The space is available for hire for up to one month. As of December 2020, it was providing space for a temporary exhibition of vintage advertising posters. It also provides space for regular live drawing classes.

FIGURE 31: ROOM 205 SHOPFRONT EXTERIOR

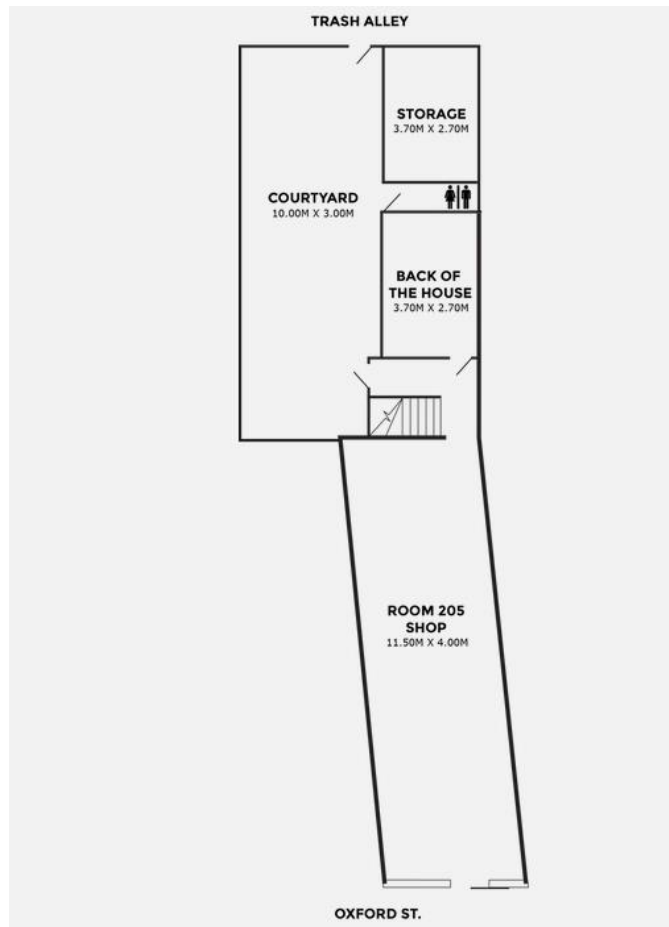


Source: <https://www.room205.com.au/>

As shown in Figure 32 below, the site consists of a multi-function 'shop' space, back of house area, and a private courtyard with rear entrance. In total the space is around 96 square metres.

Hire of the space was suspended during the COVID-associated lockdown earlier in the year, with subsequent reintroduction of patrons following the space's reopening in June 2020. Under social distancing requirements of four square metres per person, the venue's capacity remains limited to 12 people at a time.

FIGURE 32: ROOM 205 FLOORPLAN



Source: <https://www.room205.com.au/>

Locational requirements

The flexibility of its space and therefore its capacity to host a variety of users is the foremost locational concern for Room205. Its existing space mimics the built form attributes of a traditional fine-grain retail business, with an open plan layout and private courtyard access. This is suitable given its clientele of small-scale, boutique style operations, who may prefer to hire a flexible space rather than sign a commercial lease due to their small scale.

As it is often used as an exhibition space for artists, and plays host to regular live-drawing events, its proximity to the National Art School and UNSW COFA campus is also considered a strength. This clustering of art-related institutions and exhibition spaces is crucial to Room205's offering as a location for creators to display work. Its positioning within a precinct with a creative/cultural identity (such as Oxford Street) is key to its marketability, and being attractive for both potential hirers of their space and the target audience of their work.

Furthermore, given the 'experience' component of many of Room205's potential uses, such as boutique art exhibitions, the presence of complementary entertainment uses, such as food and beverage retailers, is core to its success.

The existence of these surrounding uses also serves to generate foot traffic, another key locational consideration given the reliance of pop-up stores and other public-facing uses on walk-in customers. This is added to by the temporary nature of each use, which means that they may not have the reputational 'pull' of traditional businesses with established customer bases.

Broader themes/opportunities

Room205 noted that the properties in the section of the precinct between Taylor Square and South Dowling Street (where it is situated) are 'stranded' in transition between upper and lower sections of Oxford Street. This is despite the presence of major art institutions in the NAS and UNSW's COFA Campus being at each end of this section of the street. These were viewed as major under-utilised assets which could be leveraged more effectively. A means for students of these campuses to display their works in spaces throughout the precinct was suggested to remedy this.

Existing planning controls were also viewed as being prohibitively complex for smaller enterprises and overly restrictive for larger-scale developments to occur. It was suggested that some increase in development capacity would be necessary to spur the precinct's future development, and that development in many locations was not feasible under the current controls.

The Beacham Hotel (formerly the Beauchamp Hotel)

Location: 265-267 Oxford St

Originally constructed in 1900, the former Beauchamp Hotel (now named The Beacham) is a heritage-listed pub with around 740 square metres of internal floorspace across three levels. Prior to the COVID-19 pandemic, it was capable of hosting 375 patrons at its maximum capacity.

FIGURE 33: THE BEACHAM VIEWED FROM OXFORD STREET



Source: <https://timegents.com/2018/01/17/beauchamp-hotel-darlinghurst/>

The venue has been closed throughout the pandemic, and is currently undergoing major internal renovations as part of its rebranding to The Beacham. A date for reopening has yet to be confirmed, although it is expected to be during the second half of 2021.

The Beacham has been privately owned and operated by its current owner since 2005.

Locational requirements

As a heritage-listed pub which has occupied the same site for over 120 years, the location of the Beacham is quite inflexible compared to other businesses and organisations within the precinct. Given the length of its tenure in the same location, it acts as a key anchor along the strip, and its reputation and cultural identity is strongly established within its local community. It is also regarded as an important site for the area's legacy of LGBTQ culture. These attributes invariably take time to accrue and cannot be manufactured.

However, its ability to survive as its present use remains dependent on its ability to adapt to the changing profile of surrounding residents and nearby uses, as well as broader economic trends affecting the market for retail and entertainment uses. Although it is unlikely to change its location, it may close or be adapted to another use if it cannot respond to these external pressures effectively.

Like other entertainment venues, foot traffic is also an important location factor, with broader declines in activity affecting potential patronage.

Broader themes/opportunities

Despite recognition of heritage's essential contribution to the area's character and cultural offering, the current planning controls in place were seen as prohibitive to effective adaptive reuse of buildings like the Beacham along the strip. This perception was informed by the refusal of previous development applications lodged by the Beacham's owner, which sought to make alterations to the building's exterior.

It was stated that some degree of additional flexibility for business owners occupying heritage buildings along Oxford Street would allow for adaptive reuse to occur and contribute to revitalisation. The Olympia Theatre was cited as an example of this, with a recent proposal for adaptive reuse of a major heritage site nearby as a hotel.

The Berkelouw

Location: 19 Oxford Street, Paddington

Occupying the same site since 1994, The Berkelouw occupies around 780 square metres of floorspace on the corner of Oxford Street and Verona Street. In addition to its primary role as a retailer of new and second-hand books, a bar/café is located on its upper floor.

FIGURE 34: BERKELOUW FROM OXFORD STREET



Source: <https://www.afar.com/places/berkelouw-books-paddington>

The store and bar is open from 10am to 8pm Monday to Friday, with these extended hours aiming to service a broader customer base and support a reputation beyond that of a traditional retail destination.

The Berkelouw reopened subject to social distancing requirements following the lifting of stage three lockdowns across NSW in May 2020. However, it has been affected by a significant reduction in patronage over this time.

FIGURE 35: BERKELOUW'S UPSTAIRS CAFÉ AND BAR



Source: <https://www.timeout.com/sydney/shopping/berkelouw-books-paddington>

Locational requirements

In addition to its shopfront on Oxford Street, Berkelouw operates a store on Norton Street, Leichhardt (this location does not include a café/bar). Both are located in established, fine-grain retail strips with a strong heritage character, with this type of environment being preferable for them as a business.

In the case of its Oxford Street premises, extended trading hours and food and beverage retailing broaden the role of the business beyond that of a traditional specialty retail format, moving towards a role as a recreational/entertainment use with distinct locational requirements. The location provides benefits being nearby to complementary uses such as the Palace Verona cinema, Unicorn Hotel and specialty clothing retailers, with the focus of this cluster directed more strongly towards 'experience' retailing and entertainment. There is a locational need for the shop to be in a precinct which can fulfill a role beyond that of a standard retail centre, with a greater focus on cultural and lifestyle offerings.

Broader themes/opportunities

Similar to the themes discussed in consultation with Room205, operators of the Berkelouw noted the persisting issue in the area between Taylor Square and South Dowling Street and the lack of a clear role for this area. It was noted that the area of Oxford Street closer toward the city possesses a more urban character and is known for its reputation as a night-time destination, while the portion of Oxford Street east of South Dowling Street is known for its village atmosphere and as a destination for clothes retailing. A similar rapport was not seen to exist for the section between these two distinct areas (noting that this issue has also been acknowledged separately by the City).

Options for sympathetic development akin to that proposed for the former Olympia Theatre site was seen as an opportunity for the strip to progress. This development was used as an example where a 'balance' had been struck between the interests of heritage and revitalisation.

Oxford Street's lack of attractiveness as a thoroughfare for pedestrians was seen as having exacerbated the street's decline in recent times. Public realm improvements to remedy this were strongly advocated for.

Cooee Art Gallery

Location: 326 Oxford St, Paddington (outside of precinct)

Cooee Art is Australia's oldest continually running Aboriginal Art business, with locations at Bondi Beach and Oxford Street. Its Oxford Street space serves as a gallery and exhibition space.

FIGURE 36: COOEE AUSTRALIAN INDIGENOUS FINE ART AUCTION



Source: <https://www.instagram.com/cooeeartmarketplace/?hl=en>

The space has been able to successfully reopen and begin hosting exhibitions in the latter half of 2020. However, Cooee noted that the closure of its art marketplace during the pandemic would have been a major issue had the lockdown been extended, as this forms its primary source of revenue generation.

FIGURE 37: COOEE ART GALLERY'S MAIN GALLERY SPACE



Source: <https://www.cooeeart.com.au/about/cooeeart/>

Locational requirements

Unsurprisingly, visibility and pedestrian access were some of the key locational attributes sought by Cooee. Given its role as a gallery and exhibition space designed to interact with the public, its Oxford Street location was chosen on the basis that it would provide a public-facing site with a high level of exposure to passers-by.

This interface between pedestrians and the gallery frontage is critical to the success of its location and building typology.

Broader themes/opportunities

The effects of COVID on Oxford Street more broadly were discussed, with the prevailing view that patronage for businesses along the strip had declined notably during the pandemic. There was a view that this decline would continue to deepen and lengthen without a clear direction for economic and cultural development from the City. Building on the strip's existing identity as a centre for LGBTQ culture, boutique retail, and night-time uses was viewed as the strongest proposition for culture-led recovery in the precinct.

Paddington Market was cited as an example where an existing strength had been identified and built upon, with market stall owners retailing speciality clothing and boutique homewares, complementing surrounding storefronts of a similar character.

Cooee also noted that there could be opportunities for the numerous vacancies throughout the strip to be leveraged for temporary cultural/creative uses. It was suggested that existing creative capital present in major arts institutions along this strip could play a role, with students encouraged to participate in a temporary use scheme to display their works.

National Art School

Location: Corner Forbes and Burton Streets (138 Oxford Street)

The National Art School (NAS) is Australia's leading fine arts school, with a 175-year history. The NAS campus occupies the former Darlinghurst Gaol and extends to Burton Street to the north, and is located adjacent the historic Darlinghurst Courthouse at 138 Oxford Street. The campus includes around 18,000 square metres of floorspace.

FIGURE 38: NAS CAMPUS VIEW



Source: <https://nas.edu.au/contact/>

The NAS offers a range of tertiary courses in fine art mediums to domestic and international students, including art history and theory, ceramics, drawing, painting, photomedia, printmaking and sculpture. Short courses and outreach educational programs to schools and teachers are also offered.

The NAS has its own gallery, which was refurbished in 2006. The NAS also holds an extensive permanent art collection.

FIGURE 39: NAS GALLERY SPACE



Source: <https://nas.edu.au/nas-gallery/>

In light of the COVID-19 pandemic and restrictions on indoor space capacity, use of the campus has been significantly scaled back – the campus is currently only open to staff and students. Events that would normally be held in person at the campus have been shifted to online formats, including open days.

The NAS is a very different example compared to the other case studies, being a significant institution, registered as a higher education provider, registered with the Australian Charities and Not-for-Profits Commission, and being on a heritage listed site. The site is currently owned by Create NSW with a long-term (45-year) lease to the NAS. The site is zoned as SP1 Special Activities, which limits its ability to host cultural activities.

Locational requirements

The NAS is unique compared to the other case studies in that it hasn't needed to find space in the typical market, and won't need to for a very long time. However, there are still different benefits and challenges associated with its current location and the buildings there. The longer-term decline of the precinct is an issue of key concern to them, which has been influenced over time by the establishment of major retail anchors (Westfields) at either end of the street, as well as demographic shifts (e.g. the LGBTQ community moving out and dispersing).

A key benefit is that it is at the heart of Oxford Street, and can set a strong example for the revitalisation of the street and the Kings Cross area more broadly. There are plans for the NAS to rezone and master plan redevelopment of the campus (which is still being negotiated with the State Government). This has the potential to include 10 'micro-galleries' of 40-50 square metres intended to provide vital creative spaces that people will want to come to. The plans are also focused on better utilising the Courthouse as the natural 'front door' to the campus, opportunities for reinterpretation of heritage, creating museums, and having more festivals and events – with the intention of creating more activity in general. However, the realisation of these plans is likely to be several years away. The intention overall is for the campus to become porous with the wider Oxford Street precinct and become its 'engine room.'

One of the issues associated with the current situation in Oxford Street is that there could be a need for two to three more ground floor, artist-run spaces (galleries, studios, rehearsal spaces, space for projections) for art to be presented in – for both two-dimensional and three-dimensional forms. These kinds of spaces are very important to supporting grass-roots level creative practice.

However, it was also noted that it isn't just the provision of suitable spaces that is important – if new spaces were put up in the area tomorrow they would be filled, but there are also broader policy settings that are needed to support the sector. One of the main issues continues to be the regulatory compliance required around holding events and creative activities – this is seen as being inhibitive to allowing the sector to expand and flourish. Examples given include a small number of complaints from neighbours shutting down events. It was felt that in order for art and culture to be a key feature of the precinct, residents need to be more accepting of the noise and other things than sometimes go with them.

Another important issue is that small arts organisations also don't necessarily have the funds to be able to overcome compliance issues – an example was given for a dance festival held over three years, which cost around \$25,000 just in DA fees. It is seen as important that governments are able to help and facilitate the process for creative businesses to navigate and overcome compliance barriers.

Broader themes/opportunities

The discussion with the NAS identified a number of potential opportunities to better utilise existing spaces in and around the campus and contribute to the improvement of Oxford Street, recognising that the street is in the unique position of having two prestige art schools within close proximity to each other.

The area around Taylor Square and the space in front of the Courthouse was noted as having significant potential as a location for outdoor events and activities – which will be important going forward while COVID-related restrictions are in place for indoor venues. Suggestions for the types of activities that could be done include using the courtyard space and sides of buildings for night-time light projections (students at the school are currently experimenting

and innovating with this art form), having art workshops in Taylor Square which are open to the public, or other simple interventions in public areas to support people to stay there like setting up chairs and giving talks (that might normally take place in a theatre) outdoors instead. Other suggestions for the precinct as a whole could include things like having walking tours (the NAS has recently commissioned a historian to do these around the campus and Darlinghurst-Kings Cross) – recognising that engagement with the arts and cultural activity doesn't need to be in a formal setting or space.

There is also a need to recognise that an arts culture can't simply be imposed from above even with great architecture/spaces – the precinct's revitalisation will need to be driven from the grassroots, with policies/strategies in place to support this. With this in mind, one of the other main issues noted was that there needs to be greater connectivity between the arts sector, business owners, the institutions and the City – to ensure that art is welcome in the precinct.

This needs to go beyond just putting artwork into shopfronts, toward all the stakeholders of the precinct working together to facilitate (but not design) what happens there. This could involve grant programs to support local businesses to work with artist to design their shopfronts or their marketing material, or things like using bars in the precinct as venues for artists forums where students bring their art to be critiqued – ways of integrating creative practice into the every day use of spaces in the area.

It was also suggested that the precinct could benefit from a dedicated committee or similar which could have oversight of the whole area, and include members representative of the broad spectrums of interests in the precinct (e.g. business groups, councillors, arts institutions etc.). This would help to better align activities with the precinct's objectives, without making the process too bureaucratised (which was seen as something that had held back the success of previous initiatives such as efforts of Foley Street in recent years). This would also provide an opportunity for the revitalisation of Oxford Street (including its night-time economy) to be arts-led.

The Record Store

Location: 34/277 Crown St (corner of Crown and Campbell, just outside of precinct)

The Record Store is a long-standing retail store in the Oxford Street area. The Store has recently relocated (in March 2020) from its previous location at 255B Crown Street (accessed via Goulburn Street to the south of Oxford Street), to a new site slightly further south at 277 Crown Street, on the corner with Campbell Street.

The Store had been in its previous location for around 20 years. This former space was a basement location, and had no visible street frontage. The retailing area within was around 25 square metres but also had additional floorspace for an office and studio, plus another 50 square metres as part of the tenancy that was able to be sublet – giving a total area of 100 square metres. The former space also had the advantage of providing a street art wall on the side of the building, on which a range of murals were painted over the years (see Figure 40 below).

In contrast, the space that the store has moved to has much more of a traditional retail feel, being at the ground level with strong street frontage and large windows (see below). The Store's current space is actually smaller overall, but provides the benefit of having more retail floorspace at around 30-35 square metres, plus a small office.

FIGURE 40: THE RECORD STORE – FORMER LOCATION ON GOULBURN ST



Source: Google Maps Street View.²⁷

FIGURE 41: THE RECORD STORE – CURRENT LOCATION ON CROWN ST



Source: Google Maps, 2020.²⁸

²⁷ https://www.google.com/maps/@-33.8799176,151.2147357,3a,75y,2.17h,78.85t/data=!3m6!1e1!3m4!1sV69CcW_C2VneX9gz_-JVw!2e0!7i16384!8i8192
²⁸ https://www.google.com/maps/uv?pb=!1s0x6b12ae175d695edf%3A0x6766693186ea4d0c!3m1!7e115!4shttps%3A%2F%2F5.googleusercontent.com%2Fp%2FAF1QipMplR9Kz9jvij-s_bw4-Xdp-lsYNljDii78kmX7%3Dw284-h160-k-no!5sthe%20recordstore%20darlinghurst%20-

The choice for the Store to relocate was primarily based on the needs of the business in its operations, in addition to the former building being sold. The retail element of the Store is the core of the business, but they also run a range of classes in skills for DJs and music producers. The studio in the former space was used for these lessons, however because the classes make up only a small proportion of the Store's turnover and is seen as more of a 'value add' than core business, it wasn't felt that having a studio was as important or necessary in a new space. The Store's owner is able to utilise their local connections in the music industry to source studio spaces as needed to run the classes.

Tenure and costs

The current location is in a privately owned building, and there are no financial subsidies associated with the space. There is no demolition clause on the site – this was something The Record Store was careful to check, with past experiences of such clauses and the difficulties that they can present (noting also that many tenants may not be aware of them). The new space is on a lease for five years, which was as long as the building owner was willing to offer.

In terms of rents, the new space is more expensive than what the Store was paying in the previous location. In effect, the Store is getting 50 per cent less space, but paying 30 per cent more. It was also noted that Store's owner was able to negotiate the asking price down by around 40 per cent only because of their history and knowledge of the area and the wider prospects of the precinct (including a role in the Darlinghurst Business Partnership). This reflects the very high rents that are prevalent in this part of Sydney, which are essentially unsustainable for most businesses. The rule of thumb is that businesses should be paying no more than 10 per cent of turnover in rents – in this case what was initially advertised/asked would have been at least 15 per cent of its turnover.

Locational requirements

Locational factors which are important to The Record Store include practical elements like the availability of parking. In its former location, parking for deliveries was less of an issue due to being on a side-street, whereas the current location is a bit more restricted as it is on a main thoroughfare. Though having the street parking there is a definite benefit for the Store, there are also some challenges in getting deliveries to the store – for example, a delivery of 400 records weighs around 100 kilograms, which is difficult to move for any great distance, and means delivery drivers often have to stop in 'no parking' zones if the on-street parking is full. However, this area was also noted as being better than areas like the CBD that the Store also considered before choosing this location, where there would be no way to receive deliveries or allow for customers to park near the shop at all.

Other locations that The Record Store considered relocating to included places like Redfern and Chippendale, but after eventually seeing this Crown Street location, it was a much easier move for them to make – both physically and because it was easier for existing customers to find them again.

The Store established its online store last year, however, this didn't become a focus for them until COVID emerged. They have seen an increase in business through the online platform since the pandemic began (including a bump when Victoria went into its strict lockdown), though this obviously has the potential to reduce as restrictions are eased and international supply chains return to normal. They are one of the few businesses to really benefit from the lockdowns and restrictions, as many people still have jobs and are willing to spend money in the area. It was noted that retailers like this are in a relatively privileged position as well in being able to pivot the business to the internet, in contrast to businesses such as cafes that cannot do the same. Overall, the online side of the Store represents around 15-20 per cent of

[%20Google%20Search%2015sCglgARICEAE&imagekey=11e10!2sAF1QipMpLr9Kz9jvjj-s_bw4-Xdp-IsYNljDii78kmX7&hl=en&sa=X&ved=2ahUKEwiSsdX4h-jSAhVxzDgGHfLmAe0QoiowEnoECCUQAw](#)

the business. Since restrictions have eased, they feel there has also been an uptick in business for them because they have a more visible street presence in the new location.

Besides the parking access, they haven't found any issues with the new space. It is in a good location as well in terms of being on a corner with other retail uses, which combined give people a good shopping experience – including a bookstore, clothing store and coffee shop. It was noted that groups of people will often come there together and split off into the different stores depending on their interests. The Store is currently happy with the new space, and they are not intending to move again any time soon.

Broader themes/opportunities

While The Record Store has still chosen to remain in the area, they have identified a number of issues for the Oxford Street precinct and surrounding area based on their experience. A key issue remains the current rents and overall affordability, where landlords (for new buildings in particular) are effectively charging city rents in what is a fringe market.

There are also potentially issues with the size of spaces, and there could be benefits from new developments being more specific in what they plan to deliver in terms of the new floorspace to be able to better meet local business needs. As an example, spaces around 200 square metres are not useful for small business, while spaces around 20-30 square metres are more usable (and affordable). It is felt that in the current market, the only businesses that can really afford the retail spaces are large chains (KFC and so on) – while these uses on their own aren't an issue, there is a question of the flow on effect and evolution of the precinct into a place that is only able to be occupied by chains without the vibe and character that Oxford Street has had in the past.

While noting that there is not likely to be a simple answer to resolving the affordability issue, which in turn would contribute to bringing activity back into the area initiatives such as reducing land tax to encourage landlords to reduced rents, or waiving parking meter charges in the evenings to encourage people back into the precinct's night-time uses, could be considered. An example given was Newtown, where the southern end of King Street is relatively cheap and has a lot of things happening, whereas at the northern end landlords are asking for higher rents and seeing less activity.

Sydney Gay and Lesbian Mardi Gras

Location: Suite 6, 94 Oxford Street (relocating in the near future)

The Sydney Gay and Lesbian Mardi Gras organisation's office is currently located on an upper floor of 94 Oxford Street. Mardi Gras occupies the space through Council's Accommodation Grants until recently when the site was purchased by Ashe Morgan. It is understood that the site is planned for redevelopment, with the development application recently submitted to Council, and construction expected to start in August or September next year. Mardi Gras have been tenants of the building for around 12 years.

Due to the age of the building, there have been a number of internal issues with the space and its general upkeep and quality – such as visible mould on ceilings and plumbing issues.

FIGURE 42: STREET VIEW OF 94 OXFORD STREET



Source: Google Maps Street View.²⁹

Tenure and costs

With the sale of the building to Ashe Morgan, Mardi Gras have begun looking for a new space for their office. Typically for their organisation they need around 250 square metres of office floorspace, including boardroom and training facilities. However, they are also currently sharing resources and working with World Pride very closely (across two suites in the building), so are ideally looking for something that can accommodate both organisations together with boardroom and training spaces – around 500 square metres in total. So far, it has been difficult for them to find a new location, due to the significant costs expected.

As noted above, the current space was previously part of the City's accommodation grant program for around 10 years, under which they were paying the equivalent of \$220 per square metre. Ashe Morgan have allowed them to retain this level of rent currently until they move out of the space to allow for the redevelopment. However, this rate is significantly lower than the market rate for non-subsidised spaces on Oxford Street, which are more in the order of \$650 to \$800 per square metre. This gap in prices is obviously a significant cost to bear for businesses.

The high rents are not limited to Oxford Street itself. Mardi Gras have been looking at spaces in locations such as Newtown as well, where costs are also very high. In one instance of a heritage building space they have been considering, the landlord will require Mardi Gras to pay to upgrade the space to a suitable level themselves – at an estimated cost of upwards of \$2 million. These types of conditions are clearly placing significant pressures on businesses and act as a real disincentive. Mardi Gras would have much preferred to stay in Oxford Street, given its connection to the precinct and its identity, but it may not be possible due to the costs involved.

²⁹ <https://www.google.com/maps/@-33.8794566,151.2155959,3a,90y,51.68h,106.95t/data=!3m6!1e1!3m4!1s6DEZjpRSaigU70mJzXef7w!2e0!7i13312!8i6656>

Locational requirements

As well as its office space, in preparation for the main event each year Mardi Gras also needs access to a workshop/warehouse type space (shown below). Previously, Mardi Gras had owned a workshop which was used to construct floats and other things required for the parade, however this was sold some time ago. They still require access to this type of space, but it is difficult to find any warehouses nearby to Oxford Street given most have been redeveloped over time. At the moment they are using spaces in places like Alexandria, however there are lots of logistical challenges to then getting the floats through the city to Oxford Street (such as with traffic management on the day of the parade).

FIGURE 43: MARDI GRAS WORKSHOP SPACE



Source: Sydney Mardi Gras, 2020.³⁰

While the Mardi Gras office doesn't specifically need to be nearby to other businesses to operate (other than World Pride as mentioned above), they do work very closely with venues, community groups, business partnerships and so on up and down the street, and benefit from being nearby to them, as well as being in the heart of Oxford Street and its history with Mardi Gras.

Broader themes/opportunities

Mardi Gras has raised a number of issues concerning the Oxford Street precinct at a broad level from their experience in recent times. This includes the difficulties of the general decline of the precinct as a destination for people and perception that the street is 'dying,' with the night-time economy in particular taking a hit. There is a feeling that there isn't any real support for businesses, particularly in light of the affordability challenges described above. The expensive nature of spaces in the precinct is simply causing people to move away – businesses as well as residents, including the dispersal of the LGBTQ community. With this decentralisation, the former energy of the precinct is being lost.

5.3 Additional market consultation

Additional consultation was undertaken in early 2021 to supplement the above case studies and gain a better understanding of the character of demand for creative uses in the precinct, recognising that there are businesses that may like to locate in the precinct but aren't there at the moment. This consultation included discussions with internal Council staff and real estate agents specialising in CBD fringe markets. Key points raised are outlined below.

Types of spaces available dictate the creative uses that can be in Oxford Street

It was noted that the types of spaces that are available on Oxford Street in recent times has strongly influenced the types of uses that can operate in the precinct. With affordability constraints, often the only spaces available for new creative businesses has been the subsidised spaces provided by the City. As a number of the spaces were empty shopfronts, it

³⁰ <https://www.mardigras.org.au/workshop>

meant that the types of activities run were often short-term, exhibition style events, such as gallery openings or exhibitions run for a few weeks, or as showcases for creatives to sell their work.

Shopfront-style spaces can be important for creatives as a way to market their work and gain an audience, however, there is also a strong latent demand for spaces in the area for people to be able to make/create work as well. Many creative businesses are only very small scale operations, so do not have staff to manage a workshop and a front-of-house separately.

While spaces in the precinct have been generally only made available as short-term tenancies, the advantage of having regular turnover through shopfront locations is that it allows for experimentation and for different ideas to be put on show.

Affordability trade-offs drive choices for most creatives

As was noted in the case studies and other consultation, the affordability of spaces on Oxford Street remains a key issue affecting the demand in the area. In some cases, creatives have sub-let to others to share the costs, so there may be one business using the shopfront, and another using an office space out the back (such as a graphic designer). However, on the whole, commercial rates are beyond what creative enterprises can manage – even with premium products, the amount of turnover that is required to cover rents is just not feasible.

There are elements of Oxford Street that will still drive people to want to locate there – including the character of the stock – which businesses weigh up against affordability considerations. There is likely to always be demand for the older heritage buildings that have character (such as the former Council-owned sites), which may only be classed as C-grade office spaces, but have an attractive façade and heritage quality that people like. If businesses can get this at a reasonable price, they will take what may be a lower quality product. The length of tenure is also another consideration. If rents are lower, businesses may be more willing to accept a shorter tenure, in return giving flexibility to the landowner.

It was noted that for some businesses, engaging in longer-term leases may not be of interest. As above, for shopfront spaces a creative business may only need that type of space for a few weeks in a location like Oxford Street to capitalise on foot traffic and activity in the area. Start-ups with capacity to grow and expand could potentially be more interested in larger spaces and longer term leases, but the cost is still a major factor.

Creative office uses, such as architects and designers, are likely to remain key users of Oxford Street spaces. Some of these types of businesses have utilised the Accommodation Grants program in the past, however, because they have a more commercialised business model than some other creative businesses they have been able to stay in the precinct after the program. This has meant for some that they may have had to move to smaller spaces (i.e. having more people per square metre) to be able to afford to stay in the area. For smaller businesses this is manageable, but for businesses that want to expand to larger numbers, the current stock on Oxford Street is currently more limited.

Diversity in available spaces is important

It was also noted that while there does need to be a focus on supporting more maker spaces within the precinct, it is also important that there is a diversity in the types and size of spaces available to support the precinct's vibrancy – Oxford Street shouldn't just try to become a place for short-term programs or for maker spaces only.

Oxford Street likely isn't going to replace other locations within the City that have a competitive advantage in maker spaces and larger floorplate uses (such as Alexandria), but it has the opportunity to provide for a diverse mix of uses. Small tech start-ups, for example, will be looking for office spaces that are close to the CBD but still have connections and proximity to other fringe areas like Surry Hills, and have a unique feel and more human scale than the CBD. Oxford Street's proximity to major institutions is also a key feature that would appeal to these kinds of smaller office-based uses. At the same time, creatives in the precinct want to

be near other creatives, but not so much that it becomes a 'ghetto' of only artists – it is important for creative uses to be near other industries and activities too.

It was suggested that having a diversity of spaces will also be important to making the precinct more affordable. In general, a large space at market rates is likely to be far too expensive for most creative uses, however, if there are also smaller spaces available (which might even be offered at a higher cost per square metre than the large spaces) this is likely to be more manageable for a small business to cover. At the same time, providing for some larger floorplates (e.g. above 200 square metres) could also attract new niche office users, such as boutique creative agencies or architecture firms for instance, who may want to be in an interesting location that is also close to the CBD.

Opportunities to improve affordability

The consultation also brought up the idea of live/work models for creatives. It was noted that the City has a small program of spaces specifically for artists on William Street, which has been attractive to artists, however, the affordability is a significant factor – if the spaces were offered at market rates most artists would not be able to use these kinds of facilities.³¹

The benefit of having live/work programs for artists can be that this creates clusters of activity, and reduces the potential for land use conflicts with other residential uses (such as neighbours complaining about noise).

It was suggested that an affordable housing-style mechanisms could be considered to restrict who can take up new residential spaces if they are proposed in the precinct – such as having a certain percentage of dwellings set aside for creatives, with the rest offered to the market.

Emerging retail and consumer trends will redefine some floorspace uses

Engagement with agents focused on the CBD fringe highlighted that continued changes to retail will re-shape sub-markets such as Oxford Street. A shift towards experiential retail and consumer activities was flagged as a potential evolution in high street business structures. In this example, retailing of some businesses in industries such as travel agencies or real estate may have a small ground floor presence but a larger shop-top presence with virtual reality suites to give customers immerse retail experiences. While this retail model is unlikely to be the future of all retailing, it is a model that requires larger flexible commercial suits above ground floor, with strong connections to ground floor uses.

Demand from boutique agencies

In a similar vein to the floorspace requirements of the future retail models, a more traditional commercial profile is considered to also still be in demand in Oxford Street. High quality commercial floorspace is likely to be in demand from smaller high value creative firms or boutique agencies that would be considering other sub-markets such as Surry hills and Chippendale when considering location. Unlike the creative industries discussed above, these would be the types of businesses able to pay market rent for high quality spaces in an area they want to associate with. These would be in the vein of 200-300 square metre style suites as part of high quality commercial or mixed use developments.

³¹ The City's spaces are currently offered at around \$200 per week, whereas the market rate would be something in the order of \$650 per week.

6. INSIGHTS AND RECOMMENDATIONS

This section summarises the key insights gleaned from the analysis and case studies, and provides recommendations and further considerations for Oxford Street and its sub-precincts.

6.1 Insights

The analysis undertaken in the sections above provides a range of insights into the current state of Oxford Street, its key characteristics, and the key issues that it is facing. The following section weaves together these insights as a summary, leading to a suggested way forward with the recommendations in the next section.

Oxford Street's history and challenges

Oxford Street has a long history and strong identity. Oxford Street has been a destination in its own right at a local and metropolitan level, as well as internationally with its affiliation with the LGBTQ community and events like Mardi Gras. It benefits from its heritage character and the presence of two major arts institutions. It is also an important arterial point of connection for surrounding suburbs.

However, the precinct has seen a gradual process of decline. This has been influenced by a range of factors, including the emergence of competing destinations for entertainment, the application of the lock-out laws on night-time activity, and broader changes in consumer spending patterns. The factors combined have seen the Oxford Street precinct decline in activity and lose some of its identity and character, evidenced by a high rate of vacancies and the loss of established businesses over time.

The COVID-19 pandemic has exacerbated the precinct's existing issues. COVID-19 has undoubtedly impacted significantly on many parts of Oxford Street, and introduced new challenges for most businesses in their operations (particularly in the short term). But as well as introducing new challenges, COVID-19 has accelerated some of the trends that were already impacting on the precinct – such as the decline in foot traffic and activity generally, and higher vacancies. A lack of affordability in commercial spaces has also been a persistent issue brought into sharper focus during the pandemic as businesses had their incomes impacted.

Existing policies and strategies have identified and attempted to remedy some of these issues. The City's more recent strategies have included initiatives to further support the growth and diversification of the night-time economy, facilitate more flexibility in the regulations that apply to creative businesses and activities, and support the provision of more affordable spaces that creatives need.

Trends in the economy more broadly present challenges but also opportunities for Oxford Street. The prevalence of online shopping, popularity of co-working models, renewed focus on 'fine grain' centres and unique experiences, and more recently, shifts towards people working from home, may present challenges for businesses on Oxford Street, but also opportunities to adapt for the future. The repeal of the lock-out laws is seen as a positive step for the precinct.

There are a range of key principles to facilitate a successful creative precinct. The review of best practice examples and other work identified a series of key principles for successful precincts. The range of principles and examples is indicative of the fact that there is no one perfect example of a 'right' way to make precincts work, but there are initiatives and key things that can be translated to the Oxford Street context.

Oxford Street's floorspace profile and characteristics

Creative industries make up around 10 per cent of employment and five per cent of floorspace in the precinct. The review of the City's FES data highlights that creative industries play an important role in the area, with Arts Education floorspace and jobs at NAS and UNSW also accounting for a significant proportion above this.

Most recent growth has been seen in the Creative Business sub-sector, while other sub-sectors have declined. Creative Business floorspace, which typically requires office-type spaces, has seen the largest increase in presence in the precinct in the last 5-10 years. In contrast, Creative Manufacturing uses, which tend to need larger floorspaces, have seen a large decline in presence over this time.

The clustering of business types within the study area has been used to define sub-precincts. Recognising that Oxford Street can't be treated as one homogenous entity, sub-precincts have been defined based on the existing floorspace uses and key characteristics in the Study Area:

- Hyde Park to Riley Street has an existing strength in office uses and retail
- Riley Street to Bourke Street is a concentrated area for entertainment and food and drink
- Taylor Square is a unique and underutilised space that could be reinvented to be a focal point for creative uses and activities
- NAS to UNSW has a strong educational focus, with sections of the street requiring bold initiatives to revitalise it.

There is likely to be limited capacity for new development in the precinct, and a modest amount of demand for new floorspace overall. Capacity for new development is limited by existing development patterns and heritage controls, though there may still be some capacity for redevelopment on selected sites. Demand projections suggest that there will not be a significant volume of new creative floorspace needed in the precinct, however, the quality, character and affordability of the floorspace that is available is also an important consideration in addition to the overall amount.

Insights from case studies of businesses

The consultation undertaken with businesses and organisations operating in and around the Oxford Street precinct has highlighted some key issues and themes.

Creative businesses have been impacted differently by COVID-19. At the height of the pandemic some were forced to shut down completely, while others (such as those with an online retail presence) were able to keep operating, and in some cases, thrive. The longer-term flow-on impacts are also likely to affect different sectors differently, with those reliant on large numbers of people to gather (such as entertainment venues) likely to be impacted the most until restrictions can be lifted.

Rents continue to be high and essentially unsustainable for creative sector businesses. While they are line with those that would be expected of a CBD fringe market, the rents charged for commercial spaces on Oxford Street are too high for most creative operators to afford. Without subsidies such as those offered through the City's Accommodation Grants, many businesses simply can't stay in the precinct. The City's subsidy program has been an important part of keeping many creative sector businesses in Oxford Street.

The current state and 'feel' of the precinct is seen as a deterrent for people to locate there. Issues such as the upkeep and appearance of building frontages, pedestrian accessibility, and

the dominance of vehicular traffic, were raised as things that limit the attractiveness of Oxford Street as a destination and place for people to linger in.

Broader trends in society are impacting on Oxford Street as well as localised issues. This includes the emergence of other entertainment precincts like Newtown (driven somewhat in response to the lock-out laws), and the dispersal of the LGBTQ community more broadly – as society has become more accepting of this community, there has been less need for Oxford Street to act as the only destination for LGBTQ entertainment and businesses as it did in the past.

Regulatory processes around creative uses are seen as restrictive and impeding creative activity in the precinct. The processes for development applications and permits required to undertake creative activities, even small ones, can be difficult and costly for creatives to navigate. This acts as an impediment to interventions that could help to re-enliven and improve the precinct.

There is a need for a clear vision for Oxford Street and what it wants to be. While there have been a range of initiatives and strategies developed concerning Oxford Street, there is still a perception that it doesn't have a clear direction for creative uses and what the precinct is intended to evolve into.

The strong history and identity of the precinct remains something that can be built on. Businesses still want to be associated with Oxford Street and its unique history – addressing the practical obstacles for creatives to be able to locate there is the challenge.

Limitations in available spaces has limited opportunities for businesses to locate in Oxford Street. The additional consultation suggests that there is strong demand for a more diverse mix of creative spaces in the precinct, particularly for more spaces that are capable of being used as maker spaces. A number of the vacancies in recent years have been in retail shopfronts, which has seen subsidised spaces often being used for short-term exhibition style activities.

Affordability is driving choices around locating in the precinct. With commercial rents being so high, creative businesses have to make trade-offs in choosing to locate in Oxford Street. The heritage quality and character of the precinct is a key driver for creatives to want to locate there, and they may accept lower quality or less fit for purpose spaces and shorter leases provided the rent is cheaper.

Having a diverse range of spaces is key. While there is latent demand for more maker spaces on Oxford Street, it is important to recognise that the precinct can't be all things to all people, and that there are other locations in the LGA that are better placed to cater to some types of demand. Oxford Street has the benefit of being close to the CBD, which brings in a different type of demand for office space, alongside the need for creative maker space, exhibition/gallery style spaces, and traditional retail and commercial. Having a diversity of spaces of different sizes to cater to these will be important going forward, and can allow creative businesses to find a space that can suit their budget.

The potential for live/work models on or around Oxford Street could be further explored. There may be opportunities for live/work models to be implemented on or around Oxford Street, or for mechanisms as part of planning controls to be introduced to set aside space for creatives in future development applications.

An emerging demand profile

While the profile of industries and business need in Oxford Street is diverse, the engagement undertaken has identified three broad user profiles that can influence demand in Oxford Street.

- **Creative users who require some form of subsidy.** These are the businesses and sole traders who take up the short term lets or subsidised spaces and who trade off quality for location. Many of these may be temporary and while this is not a business cohort that

creates a sustainable local economy, they are central to the identity, diversity and vibrancy of Oxford Street and need to be accommodated.

- **Boutique agencies or high end retail requiring high quality and flexible commercial floorspace.** This market segment will consider Oxford Street as another CBD fringe precinct competing with the likes of Surry hills and Chippendale. These are businesses that align with the Oxford Street identity but who require high quality commercial floorspace with a degree of flexibility, and at a larger scale than traditional shop-top office space that characterised much of the corridor.
- **Creatives requiring larger maker spaces.** This niche demand aligns with the creative users above, but due to its operational and floorspace requirements is not considered an appropriate focus for future floorspace in Oxford Street, both due to their price sensitivity and the fact that other precincts in the City (such as Alexandria) are better equipped for this type of use.

6.2 Framework for recommendations

The floorspace analysis, case studies and other analysis and consultation undertaken have reinforced the inherently complex nature of the Oxford Street precinct. This complexity means that a range of different initiatives, addressing different issues, is likely to be needed to revitalise the precinct and achieve the City's strategic aims.

Recognising this, SGS has developed a number of **recommendations** relating to potential planning changes or initiatives within the precinct, as well as a number of broader '**considerations**' which identify suggestions for further investigation and thinking in areas which may overlap with other studies being done for the precinct (such as urban design) or with other areas of Council (such as business units). The recommendations and considerations primarily relate to strategic planning, but also touch on opportunities with economic development and governance, and build on the analysis in this report and the *Floorspace Supply and Demand Study*.

The recommendations and considerations include those for the broader precinct as a whole, and those targeted to each of the sub-precincts identified above given their relative strengths and characteristics. These have been informed by feedback from Council staff.

The recommendations and considerations have also been developed in light of COVID-19 and how different sectors may be impacted directly and indirectly in different ways and over different time periods. **While planning for the long term is the goal of the Study, it is important to understand that some interventions may be needed in the short term while there is the current uncertainty to 'stabilise' the situation and ensure that creative businesses aren't lost to the precinct permanently.**

6.3 Broad/precinct-wide recommendations and considerations

Governance of the precinct

Consideration: explore potential governance options for the precinct

As noted above, a consistent theme from the consultation was that there is a need for a more targeted approach and sustained attention to be given to the precinct if it is going to change and realise its strategic aims as a creative and cultural precinct. The noted issues for the precinct similarly suggest there is a misalignment between what the market is delivering and what is needed to maintain the precinct as a destination for creative and cultural activity, particularly in affordability.

As such, it may be that some sort of governance intervention may be required to facilitate better connections between the moving parts of the precinct. Further investigation would be

required to understand potential options that would be suitable, such as whether this would need to be government or community/business-led to be most effective.

Policies for subsidised space

Recommendation: target Council-run affordable spaces to uses that are important but cannot be sustained in the private market for floorspace

The analysis has noted that market rents within Oxford Street are not notably different to surrounding areas, however, the consultation in particular brought up that for the creative sector, market rents are generally unsustainable – especially when compared to subsidised rates available to businesses in through Council’s Accommodation Grants. When the subsidies are removed or organisations can’t access those spaces, they have to leave the precinct.

Council’s subsidy program therefore plays a very important part in keeping some businesses on Oxford Street. However, it is important to remember that it is not necessarily Council’s role to prop up unsustainable businesses over the long term. At the same time, there is a strong argument that some forms of creative and cultural uses should be seen as ‘essential’ for precincts and communities, in the same way that providing schools and other community facilities are.

With this in mind, Council could reconsider the types of businesses/uses which are supported under its subsidised space schemes (noting that some of these spaces are no longer available to Council with the Ashe Morgan proposed redevelopments) towards those uses that are most essential for the precinct but who wouldn’t otherwise be able to make their business stack up to locate in the area due to costs.

For creative businesses that operate on a more traditional business model (such as Creative Retailing), using the subsidy as more of a traditional ‘incubator’ model could be more beneficial. This could involve the businesses having a set time in a particular space at a subsidised rent to establish themselves and develop their business model and see if it is sustainable, after which they would be required to graduate to space in the private market.

However, this would still likely require some form of subsidy from Council and importantly, also that suitable spaces can be made available elsewhere in the precinct. Beyond information sharing, the fundamental challenge remains of how to ensure that rents and land values are affordable when it is a market issue over which Council has very little influence through statutory planning mechanisms.

Consideration: investigate potential for the City’s strategic acquisition of sites for creative uses

Unlike affordable housing, there is no formal mechanism for delivering affordable commercial floorspace and, more importantly, sustaining it as affordable in perpetuity. So, even if affordable floorspace is proposed or provided through future development, the City has very little control over whether it remains affordable or reverts to market prices, without taking an active role.

Recognising the important role that the Accommodation Grants scheme has played in retaining creative uses on Oxford Street (as noted in some of the case studies), the City could consider the possibility of acquiring or entering long-term leases for strategic sites (whether whole buildings or individual tenancies) for the purpose of providing affordable spaces at reduced rents for creative uses. While this would result in costs to the City, to retain affordable creative spaces in the precinct, there is likely to be a need for some form of subsidy from government.

Maximising opportunities with existing floorspace in a low-demand environment

Recommendation: loosen controls in the precinct to allow for light industrial uses where possible

Much of the floorspace across the Oxford Street precinct is made up of retail-based and office uses, with larger warehouse-style (and generally cheaper) spaces that are used by the creative sector being pushed out over time. To facilitate the return of spaces that may be more useable for a wider variety of creative uses, such as workshops and production spaces, Council could loosen the existing planning controls to allow for light industrial uses to become permitted uses. In 2020 Council exhibited proposals to allow light industrial uses as uses permitted with consent as part of its Open and Creative Planning Reforms.

At the same time, it is important to recognise that this type of space is unlikely to become the norm on Oxford Street. The higher value associated with existing permitted uses may act as a disincentive for landowners to convert spaces to light industrial uses without some sort of further incentive. Retrofitting existing spaces to suit those uses could also be challenging given Oxford Street's existing built form. The place of Oxford Street in the wider City should also be recognised – realistically, light industrial uses are going to be more feasible and suited to places like Alexandria. Oxford Street is seen as a higher value location, so may have to focus on the higher order types of creative uses going forward.

It is also important to recognise here that Oxford Street's creative diversity should be considered in the context of other precincts that are seeking similar futures but which have a more diverse range of floorspace types – for instance North Alexandria. Not all creative uses may be suited to the linear, fine grained and relatively expensive Oxford Street corridor.

Recommendation: mandate higher ceilings in new developments to allow for flexibility in usage

Related to the above, mandating higher ceilings at the ground level for new floorspace developed in the precinct could be a way to ensure that new buildings provide more flexible spaces so as not to limit the types of creative uses that they can be utilised for. Similar to the above, higher ceilings could facilitate more light industrial uses, production spaces, and galleries than would be the case in typical spaces designed as shopfronts for retail which is most common currently. This could be a way to slowly reintroduce this type of space into the precinct over time by adjusting existing DCP controls, though the feasibility implications (for example, how this would affect FSRs) would need further investigation. Mandating higher ceilings could also be considered for any live/work proposals, to allow for a variety of creative uses to be supported in these spaces, including dance, movement, and visual art.

Consideration: explore opportunities to improve the streetscape and/or appearance of buildings and better utilise existing space for different activities

Recognising that the forecast volume of additional floorspace needed in the precinct to 2036 is not significant, consideration may need to be given to other ways of generating interest in the precinct besides through redevelopment opportunities. This could include simple things like cosmetic improvements to the streetscape/urban design of the precinct and buildings, and would likely require working with building owners. More detailed consideration of potential options around this is likely to be needed through the urban design and other studies being undertaken for the precinct.

Using future developments to support creative and cultural uses

Recommendation: investigate and implement a bonus floorspace scheme to incentivise new creative space as part of redevelopment projects

While the overall perception may be that Oxford Street is in decline, there is still a lot of interest in the precinct from developers, and several current projects which propose to redevelop some key sites (the Ashe Morgan sites being a key example). While the economic benefits and opportunities associated with these proposals is important, it is also important that new uses and buildings in the precinct are designed to support and contribute to the aims of Oxford Street as a creative and cultural precinct. If development is simply left to the market, there is a risk that uses which are not complementary to those aims will be introduced, or that spaces which are delivered and intended for creative uses are not actually utilised because they don't meet actual needs.

As such, a bonus floorspace scheme for the delivery of creative space could be introduced across the precinct. Similar to existing schemes that target the delivery of social housing or other forms of infrastructure, this could require proponents of new developments to include a certain amount of dedicated creative or cultural floorspace which is suitably flexible to be able to cater to different uses – for example, having floor-to-ceiling heights of a certain level so that they could be used for production, exhibitions, rehearsals and so on as well as retailing/less specialised uses – in exchange for additional floorspace or building height above the existing controls. This recognises that in some locations (such as sub-precinct 4 – see below), existing controls are unlikely to deliver substantial new development, and also that there is a need for particular types of floorspace in the precinct. However, the financial feasibility of this approach may need to be further tested.

It will also be important to consider if and how these spaces will be made and kept affordable for cultural and creative organisations long term, as new floorspace will tend to have higher rents. If more redevelopment occurs, as has been seen in other precincts, land values are likely to increase putting pressures onto rents without a specific intervention.

With the City's model of discussing planning incentives with developers to deliver the most appropriate infrastructure through VPAs, the same approach could apply in Oxford Street. Mandating floorspace types that are conducive to creative uses through the VPA negotiation process will then enable future developments to have more targeted floorspace provided that meets clearly identified needs. By tailoring it to specific uses (such as, for instance, specific flooring types such as sprung floors or small theatre facilities) it is more likely that creative uses will be retained in new floorspace over the long term.

This approach is not without its risks, as developers may resist highly specialised requirements that narrow the attractiveness of the floorspace over the long term to subsequent commercial or cultural tenants.

Consideration: explore whether additional incentives would be required to support delivery of live/work spaces in and around the precinct

Live/work typologies have been raised as a potential method for providing more affordable spaces for creative practice, contributing to creative activity in the precinct, and limiting future residential uses in the precinct to those that will be compatible with its aims to be a creative and cultural destination. Among the benefits of this idea are that the precinct would benefit from having more creative activity while still generating revenue from the residential component that can be reinvested to subsidise affordable workspaces and so on. This has the potential to contribute to sector sustainability which is a strategic priority for the City in its Cultural Policy and Action Plan.

However, there are relatively few examples of this being implemented in Australia, and further investigation is likely to be needed as to any implications for planning controls and the economic feasibility of such a model in the Oxford Street context. Examples such as those identified in Section 3.3 could be examined as a starting point.

If this type of model is found to be suited to the precinct, proponents could be given an incentive of additional height if they were to provide live/work spaces rather than regular residential development, thereby maintaining the precinct as a place for commercial activity.

The live/work model reflects the traditional land use diversity of the Oxford Street corridor and could be a clear identifier of the precinct's characteristic, setting it apart from other competing precincts for both development investment and also cultural and social identity. This link with the historical role, function and culture of the precinct is important (and cuts across other recommendations) as with any broad economic development activity, success of hinges on how 'authentic' proposed actions really are, and how well they leverage intrinsic assets.

A live/ work model applied would need to be mindful of land-use conflicts that introducing or increasing residential into areas with strong night-time economies may create. It may also be important to consider how to ensure that live/work spaces provided are affordable for creatives. Requiring a certain proportion to be offered at affordable rates to the types of industries/workers that the City would like to encourage in the precinct could be a mechanism to do this.

6.4 Sub-precinct recommendations and considerations

Hyde Park to Riley Street

This area can be a strong gateway from the CBD to the buzz and activity of Oxford St – a transitional zone with a focus for office-based creative uses while supporting existing night-time uses.

As detailed above, this area has a concentration of office based creative uses, but is also home to important night-time economy venues and has a strong retail anchor with the Oxford Village shopping centre. It has a clear function as the gateway between the Oxford Street precinct and the CBD, Hyde Park, and many cultural institutions in the surrounding area.

Recommendations:

- Given the current uncertainty around the long term impacts/prevalence of working from home in particular, the City may need to regularly monitor changes in the market for office space in this area. If working from home trends continue post-COVID, this will have implications for locations like this for not only the market for office space, but also for the retail, night-time economy and other businesses in the area which rely on office-based foot traffic. More regular audits of space could be used to understand the market and also provide opportunities to link businesses looking for space to those that are available (perhaps through the brokerage unit or place manager role described above). The loss of ground floor activity could also in turn erode the ability of this sub-precinct to remain an office-based precinct post-COVID.

Considerations:

- To emphasise its role as a gateway, interventions to improve wayfinding from the CBD could be considered to guide people into the precinct. This could take the form of soft infrastructure such as public art, signage/branding, and electronic methods (e.g. QR codes), or as a more permanent interventions such as design guides as part of Council's development controls.

Riley to Bourke Street

This area can be the focus for the night-time economy and complementary creative activities within the precinct.

The existing concentration of NTE and other active uses in this area, and its location in the centre of the precinct, present an opportunity for it to be the primary location for new active uses such as entertainment and Creative Recreation activities.

Recommendations:

- Implemented in the short term, relax planning controls and regulatory barriers for outdoor dining and low-impact creative activities that can support a more lively streetscape. (Noting that the City is already in the process of amending some of these regulations, and consideration may need to be given to the urban design implications given such as accessibility requirements concerning the placement of outdoor dining, and that streetscape improvements could be needed to make it an attractive proposition.)
- Assess if planning controls and permitted uses should be changed to limit the uses in any future redevelopments in this sub-precinct to ensure that they are compatible with its intended role for night-time economy and active uses. Proposed redevelopments in this area (such as the Ashe Morgan sites) should be used as catalysts to encourage and facilitate cultural and creative activity as much as possible and send a signal to the market about the vision for what Oxford Street is going to be. This recommendation applies along Crown Street too where it intersects with Oxford Street as it is one of the few places the precinct has the opportunity to expand its footprint beyond the corridor, building on the existing activity along Crown Street.

Considerations:

- Investigate opportunities for activation and the provision of creative and cultural space through the laneways in and around the precinct. This would need to consider the potential impacts in different areas on residential neighbourhoods, servicing impacts and constraints (such as garbage collection, requirements to have footpaths for access), and whether mechanisms to incentivise the retrofitting of existing buildings to facilitate this would be required.

Taylor Square

Taylor Square is the heart of this precinct – it can be more welcoming and become a place people want to be in.

Taylor Square is a key underutilised asset in the precinct, and presents a significant opportunity to target outdoor activities and events.

Recommendations:

- Reduce regulatory barriers and compliance requirements for creative activities to be held in the Square and the space adjacent to the NAS on the opposite side of the street. This will be important in the short term as a way to encourage activity in the precinct while COVID-related restrictions remain in place on indoor venues. This could include things like outdoor art exhibitions, installations, markets, live music and other types of performances. City staff have also raised the idea of ‘global DAs,’ as a way to pre-approve several activities to reduce the complexity of application and compliance processes.

Considerations:

- There may be opportunities for urban design initiatives to be made to the Square to improve its appearance and make it more inviting for people to visit and dwell in. This could include things like pocket parks, landscaping and so on, but would need to be informed by urban design studies being undertaken for the precinct. If the Square is used more regularly for activities more permanent infrastructure may also be required to be installed.
- Consider working with the owners of the properties surrounding the Square to ensure that land uses and activities in these spaces are complementary to and enhance the function of Taylor Square as a destination. This acknowledges that uses in the surrounding buildings have a significant impact on how the space feels and is utilised by people. Consideration could also be giving to engaging with NAS on ways to better utilise

the space on the northern side of the street which is also underutilised but could be used as an extension of the Square to better integrate the two sides of the street.

- Work with local Indigenous community representatives, including within the City of Sydney, to integrate Indigenous cultural thinking regarding places of gathering into the future design of Taylor Square.

NAS to UNSW

The stretch between Flinders and South Dowling Streets is a problem area and requires a bold solution and a 'big move' to change it.

This area benefits from the strong presence of the two major educational campuses, but in between is something of a 'dead zone' which requires a change in approach. Keeping the existing uses is unlikely to see any substantial change, and given the low level of existing activity, is probably the most suitable location in the precinct for the introduction of any type of residential uses.

Recommendations:

- Implement a floorspace bonus scheme for the delivery of creative floorspace as part of new developments (as detailed for the broader precinct above). Feedback from real estate agents suggested that existing controls on this stretch of the street would be unlikely to deliver any substantial new development. In this location, new creative floorspace could be particularly targeted to workshop, studio and rehearsal type spaces, acknowledging that there is a need for low-cost spaces of this type for creative production, and that the traditional retail/commercial floorspace at the ground level doesn't work in this location. However, the financial feasibility of this approach may need to be further tested, also being mindful of the heritage controls in place. This could take the form of an incentives for uplift on sites in the way that best suits the City's ambitions.
- Limit permissible uses under the existing zoning to target the types of residential uses that could be delivered in this sub-precinct in future redevelopments while retaining the predominantly commercial character of the precinct. Currently, shop top housing and tourist accommodation are permissible uses in the B2 zone – this could be tightened to ensure that only residential uses that are compatible with the aims of the precinct would be allowed in this area, such as live/work spaces for artists, which could also be considered outside the precinct. This could reduce the potential for noise conflicts and other issues that can be associated with typical residential uses.

Considerations:

- In the short term, consider working with landowners along the strip to explore options for the temporary use of shopfronts for creative uses. This could include using vacant spaces to exhibit student work or use as production spaces, which would bring some life to an area that is suffering from a high rate of vacancy. This could also take the form of a more formalised temporary use scheme (a la Renew Newcastle) though there are resourcing implications for Council that would need to be considered with that type of program.

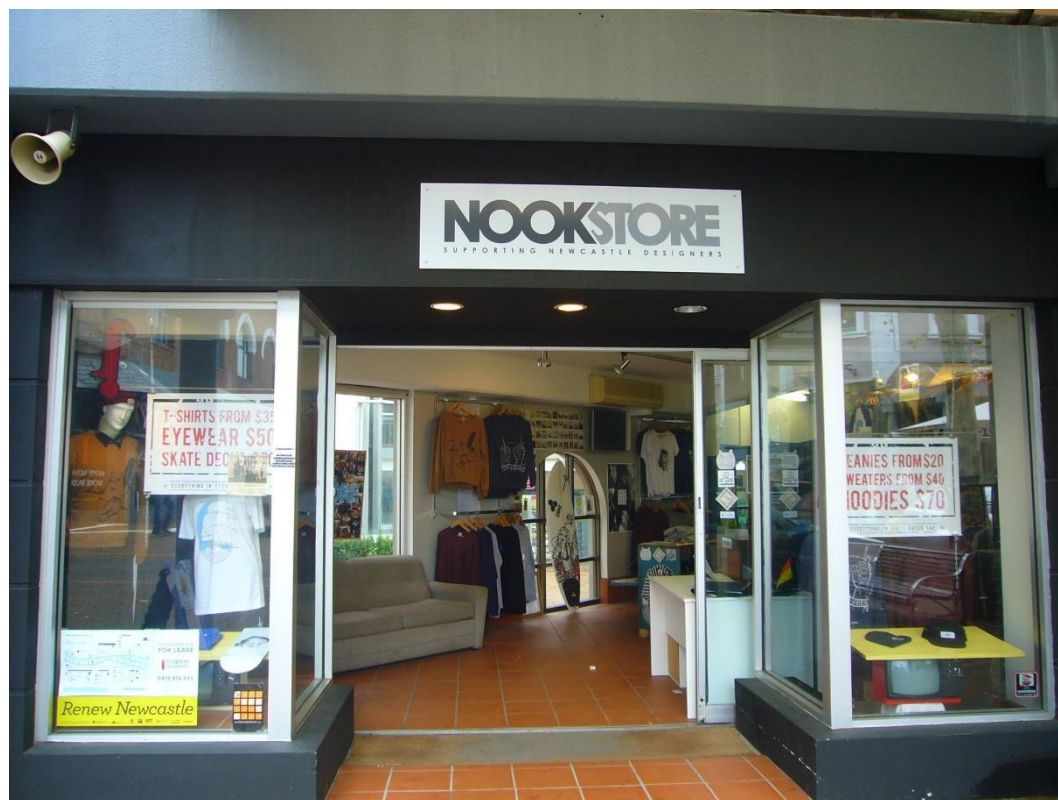
APPENDIX 1 – BEST PRACTICE EXAMPLES

Renew Newcastle

Summary and key features

Renew Newcastle operated a highly successful temporary use scheme in the Newcastle CBD between 2008 and 2017. Through this scheme, owners of dormant buildings within the Newcastle CBD were linked with prospective creative enterprises.

FIGURE 44: EXAMPLE OF SPACE USED AS PART OF RENEW NEWCASTLE SCHEME



Source: <https://futurechallenges.org/local/renew-newcastle-renewing-the-creative-commercial-and-cultural-heart-of-a-city/>

At the time of the program's implementation, over 150 vacant premises could be found along the city's high street. Associated blight and relocation of major retail anchors to suburban shopping centres had served to erode the area's credentials as a destination.

Due to the legal complexity and level of commitment associated with a traditional leasehold arrangement, licence agreements for the use of space were developed. Owners had the option to suspend or renew these after each 30-day term, allowing owners to keep their spaces on the market. This also avoided the obligations, rights and costs of a normal lease, the rationale being that flexibility for both artists and owners was paramount.³²

³² Renew Newcastle 2017, <https://renewnewcastle.org/about/faq/>

Renew Newcastle would hold a single insurance policy for all premises involved in the scheme, accessed by users of space for a small weekly fee. Utility costs were paid either by the tenant, dependent on their financial capacity.³³

Throughout its nine-year history, Renew housed 230 creative enterprises in affordable spaces within Newcastle CBD. Spaces occupied via the scheme were predominantly small, former retail premises which had been repurposed several times throughout their lifespan.

The program operated without subsidy from the City of Newcastle for much of its duration, relying on philanthropic support and 'sweat equity'. The program also received funding from the local business council and Create NSW.

Emergent themes/lessons

A report prepared by SGS on behalf of Renew in 2011 found that the scheme had achieved a benefit/cost ratio of 10.8:1.³⁴

Of the 230 businesses housed in Renew's spaces throughout its lifetime, 35 were able to 'graduate' from the scheme and become commercially viable businesses operating on traditional leases within Newcastle's CBD.³⁵

This demonstrates that for small, creative enterprises, a process of trial and error is necessary to establish a successful business model. Artists and creatives also often lack business experience and have limited financial resources.

Affordable and preferably flexible spaces are required for a creative process to occur, as these reduce the cost of failure and thereby encourage innovation. Renew demonstrates this effect in practice, with a simplified, supportive regulatory arrangement negotiated by a broker sitting between landowners and prospective users of space.

Therefore, creating a regulatory environment which reduces financial and administrative barriers to small creative and cultural businesses is a key factor in the success of a cultural precinct. This model (or similar models) avoids the bulk of costs imposed by traditional tenancies, lowering barriers to entry for projects and eliminating the cost of failure. Space, a UK-based organisation, performs a similar function to Renew, acting as a property manager for landlords participating in temporary use programs, sourcing and managing start-up, and acting as an intermediary between the landlord and tenant.

Prahran Square and Chapel Street, Melbourne

Summary and key features

Chapel Street is one of Melbourne's premier destinations for retail and entertainment uses, stretching for several kilometres through the city's Inner Eastern Suburbs.

Adjacent to the strip, the recently developed Prahran Square has utilised a former council carpark site to provide 10,000 square metres of public open space. The square is well integrated with the surrounding streetscape through both its spatial layout and sympathetic building materials.³⁶

Land for the site has been zoned PUZ6 Public Use, denoting its status as local government owned land to be used exclusively for public purposes.³⁷

³³ Westbury 2015, 'Creating Cities'.

³⁴ Flanagan and Mitchell 2016, https://renewnewcastle.org/wp-content/uploads/2017/02/CofFEE_RenewNewcastleFinalReport_Dec2016.pdf

³⁵ Renew Newcastle 2017, <https://renewnewcastle.org/projects/past-projects/>

³⁶ Foreground 2020, <https://www.foreground.com.au/parks-places/prahran-square/>

³⁷ Victorian Department of Environment, Land, Water and Planning, <http://services.land.vic.gov.au/maps/imf/map.jsp?site=old-pmo>; Victorian Department of Environment, Land, Water and Planning, https://planning-schemes.delwp.vic.gov.au/schemes/vpps/36_01.pdf

This aims to support active uses nearby and reduce the area's shortage of public open space, indicating a clear prioritisation of pedestrian amenity over private vehicle access.

The square is part of a greater public realm strategy that includes surrounding street, public forecourts and pocket parks to create a new integrated precinct. Crime Prevention Through Environmental Design (CPTED) analysis was also undertaken as part of the design process, supporting the area's night-time economy.³⁸

FIGURE 45: PRAHRAN SQUARE AND ITS SURROUNDS



Source: <https://www.kane.com.au/project/cato-square>

Emergent themes/lessons

Richard Florida's now widely adopted notions of 'creative class' state the importance of lifestyle interests beyond standard quality of life amenities in successful creative precincts. These include entertainment uses, natural amenities and public spaces such as Prahran Square.³⁹

Leading creative centres provide a mixture of business-types, plentiful outdoor and lifestyle amenities, and a distinctive urban character. This suggests that areas with these attributes are best positioned to attract workers in creative industries. Therefore, enhancements to the amenity, quality and distinctive qualities of an area's cultural identity and public realm are crucial to the success of creative precincts.

Similar examples are common throughout Sydney and other global cities, with streets pedestrianised and landscaped, heritage protected and open spaces provided to and create attractive, amenable destinations which provide lifestyle incentives for creative enterprise to locate in.

The commercial properties and businesses within Chapel Street and Prahran Square are also represented by the Chapel Street Precinct Association, a non-for-profit advocacy and marketing body that aims to represent the business community and ensure connections between businesses within the Precinct.

³⁸ Foreground 2020

³⁹ Florida 2020, 'Rise of the Creative Class'.

London's Business Improvement Districts (BIDs)

Summary and key features

Business Improvements Districts (BIDs) are independent, business-owned and led companies which seek to improve a given location for commercial activity. These have been implemented widely in the UK, where they provide services to businesses within a designated area.

These are typically funded by a mandatory levy on eligible businesses within the precinct where the BID operates. This is then provided to the BID company to market and provide services to member businesses.⁴⁰

One example is the New West End Company in London, a partnership of over 600 businesses anchored by the major retail destinations of Bond Street, Oxford Street and Regent Street. Their roles include destination marketing, advocacy to government, networking opportunities and the facilitating and hosting of events.⁴¹

Also in London, businesses within the Brixton BID benefit from savings on utilities via joint procurement arrangements set up by the BID.⁴²

FIGURE 46: NORTHBANK BID PROVIDES MARKETING SERVICES FOR LONDON'S MOST ICONIC LOCATIONS



Source: <https://www.thenorthbank.london/>

Emergent themes/lessons

Business-led arrangements such as these are able to leverage the combined influence of all tenants within a precinct to generate economies of scale in the provision of utilities and advocate to policy makers.

⁴⁰ Mayor of London, <https://www.london.gov.uk/what-we-do/business-and-economy/supporting-business/about-business-improvement-districts>

⁴¹ Visit West End 2020, <https://www.visitwestend.com/about/>

⁴² The Means 2016, <https://www.themeans.co.uk/projects/brixton-bid-management>

Businesses within a precinct are obviously highly invested in its success. Therefore, offering firms a higher degree of self-determination in the activation and branding of their surrounding area is potentially a powerful tool.

BID-like arrangements can also effectively serve as a mouthpiece to articulate the precinct's opportunities and challenges to policymakers.

One comparable of a BID-like arrangement in Australia is the Chapel Street Precinct Association (CSPA) in Melbourne, representing over 2,200 business owners, property owners and operators over a distance of four kilometres. Funds for the activities of CSPA are primarily raised through a Special Rate collected from commercial properties, which is then provided to CSPA to market and promote Chapel Street Precinct.

Melbourne Arts Precinct Blueprint

Summary and key features

Melbourne's Arts Precinct hosts major institutions such as the Arts Centre, National Gallery of Victoria, Melbourne Recital Centre and the Victorian College of the Arts. Each of these major institutions act as destinations in their own right, but function as silos, independent of each other. Historically, the Precinct lacked support of the broader arts ecology of studio spaces and smaller institutions. Also, while each large institution was located in well architecturally designed buildings, the spaces between each institution were often car dominated, and didn't support walking and informal, outdoor interaction.

To counter these challenges and establish the area as a world-leading arts precinct, a Melbourne Arts Precinct Blueprint was established in 2011, which was a collaboration between national, state and local government and the University of Melbourne.

The Blueprint outlines a series of strategies that aim to improve the public realm through reducing the impact of the car and creating more spaces for parks and paved public space, such as development of the Southbank Boulevard. The strategies also aim to market the precinct as a destination for arts and creative culture, rather than a transient location. Life was brought into the streets through reprogramming and opening up existing buildings, such as the Guild apartments, where a co-working space and other creative office and exhibition spaces were introduced into formally vacant shop fronts. A public art strategy was also introduced that involved artists to create site specific works that respond to the identity of the Precinct.

Emergent themes/ lessons

The Melbourne Arts Precinct Blueprint is relevant for Oxford Street both in terms of strategy and its procurement, and the initiatives it sets forth. The success of this strategy relies on involvement, coordination and support across local and state government agencies, and major educational and institutional partners.

There are lessons to be drawn from the focus on supporting the broader arts and creative ecology by providing places to work, exhibit, and engage for emerging artists and creative industries, in addition to supporting the major arts institutions. The focus on spaces between buildings, the quality of the public realm and its activation is an important part of this strategy. More space can be dedicated to pedestrians and events through lessening the space given over to vehicles. Finally, the strategy acts as an overarching document for initiatives underway, setting a vision for the Precinct. A series of interventions and events are introduced in stages, creating a strategy that is implemented rather than sitting on the shelf.

Hobart Waterfront Precinct

Summary and key features

Hobart's Waterfront Precinct has dramatically transformed over the last 15 years, becoming a major arts and culture destination. Formally a working harbour, Hobart Waterfront Precinct now hosts important institutions and cultural events, such as the University of Tasmania (Sandy Bay Campus), Tasmanian Museum and Art Gallery, State Library of Tasmania, Parliament House and Gardens, Theatre Royal, MONA, the Salamanca Markets and The Henry Jones Art Hotel.

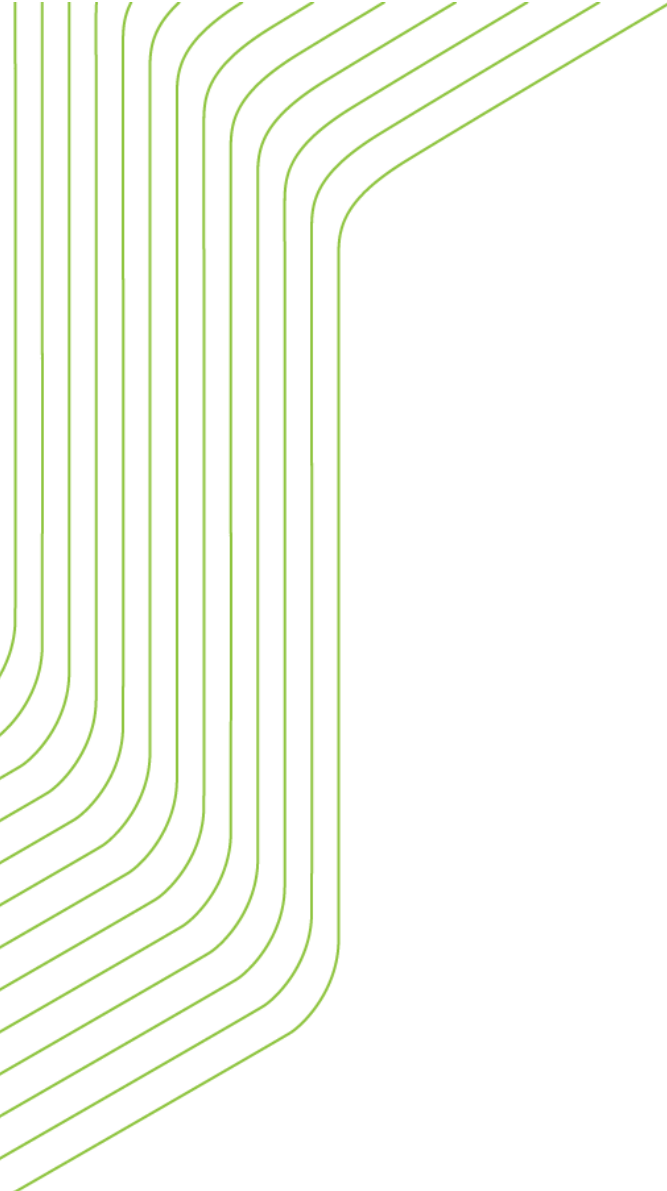
A series of seasonal, nationally significant events have also played a role in this transformation. These include:

- Taste of Tasmania
- Sydney to Hobart
- Dark MOFO
- MONA (all year round).

There is not a single plan, strategy or stakeholder that has driven the transformation seen in Hobart. Rather, it is a combination of driven individuals, groups and government agencies. The transformation of the Precinct, particularly in terms of the public realm and attracting suitable institutions, was in part facilitated by a working group – a partnership between local, state and commonwealth government – which oversaw an upgraded precinct parallel to an events strategy over a seven-year period.

Emergent themes/ lessons

The Hobart Waterfront Precinct is relevant for Oxford Street, both in terms of its success through aggregation and an important events strategy. There are lessons to be drawn from the success of aggregating important destinations and spaces within this precinct while concurrently providing places to stay, study and learn and local history, talent and produce.



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