Case Study 6: Newcastle, New South Wales

Located 100 miles north-east of Sydney, the Newcastle area was traditionally occupied by the Awabakal and Worimi people. With a population of 288,000, Newcastle is the largest coal exporting harbour in the world. Its economic history was dominated by heavy industries, particularly coal and steel. Recent challenges include an earthquake in 1989 killed 13 people, injured 162 and destroyed or severely damaged a number of prominent buildings. A decade later in 1999, the steelworks closed after 84 years.

What the situation was

The centre of Newcastle was badly hit by the construction of suburban shopping centres, so that the old 'city centre' was no longer a desirable retail destination. There were over 150 visibly empty buildings, which attracted vandalism and street crime. New businesses were reluctant to open in areas that had been in a spiral of visible decline for over two decades.

How it happened

Renew Newcastle connects people with spaces, supporting a neighbourhood of creative entrepreneurs to incubate their endeavours in the public arena. Renew Newcastle has launched 236 creative businesses and community projects, reopened 80 empty properties, and overseen a 60 to 90% drop in vacancy rates. In 2008, Newcastle's Hunter Street Mall was more than half empty – by 2014, it was the city's second most popular tourist attraction behind Nobby's Beach, with tourism in Newcastle up by 25.5%.

For the city, Renew Newcastle projects have generated a new story, both for the local community and further afield, giving the city a new sense of itself. The local *Newcastle Herald* wrote:

After years of depression and desperation about Newcastle's decay… young and creative people have helped make the Renew Newcastle project the signature move to get the city thinking positively again. [38]

Stories about Renew Newcastle and the promotion of the Central Business District (CBD) as a distinctive and interesting place have appeared in international magazines, websites and newspapers. When *Lonely Planet* listed Newcastle as one of the top 10 cities in the world to visit in 2011, they referred to the *'dozens of disused city-centre buildings occupied by photographers, fashion designers, digital artists and more as part of the inner-city regeneration scheme, Renew Newcastle.'*

How it happened

Renew Newcastle was established in 2008, to get creative projects into some of the empty shops and offices in the CBD. Despite the high number of empty premises, there was still a comparative lack of affordable spaces which creative projects could use. Meanwhile, some buildings were worth more to their owners as accounting losses than as going concerns. Renew Newcastle works directly with property owners to 'borrow' buildings that might otherwise be sitting vacant, and makes them available to artists, creative projects and community groups.

38   Setting the Pace, Newcastle Herald, 26 December, 2009

In legal terms, Renew Newcastle does not lease buildings but rather negotiates a licence agreement that allows the projects to access them. This is important, as it does not trigger the statutory obligations, rights, costs and responsibilities for either party required by a lease. The default licence agreement allows the project to use a building on a rolling 30-day basis. The owner can give 30 days' notice at any time to end the arrangement, addressing concerns about missing out if a commercial offer were to come along.

Both parties benefit from the arrangement. For the artists and community groups, the model works best as a low-risk way of trying out new ideas and activities. In a report published by Arts New South Wales, the founder of Renew Newcastle writes: *'[The] aim is to give projects long enough to determine if what they are doing is viable. Experience shows that realising that something isn't viable in a way that doesn't cost a lot can be highly valuable to fledging creative initiatives.'[39]* The tenancies also provide immediate benefits for property owners, reducing vandalism, squatting and other problems associated with empty buildings,

which in turn lowers maintenance and insurance costs. Newcastle has seen a 25.6% decrease in commercial property crime each year since Renew Newcastle began. Activity leads to increased traffic, and more people on the streets provides passive surveillance and improves safety. All these factors can increase the long-term value of property.

Focusing on small, achievable goals, the Renew Newcastle story is as an example of how ordinary residents can take control without waiting for top-down solutions from Government, developers, or industry. *Monocle* magazine co-founder Dan Hill writes: *'I can think of few more positive examples of how to quickly make a genuine difference in cities ie not just at the surface layers of urban design, as important as that is, or festivals, or marketing, but at the very core of economic, cultural and social sustainability, with all the ensuring knock-on effects for repairing urban fabric and civic confidence... to have addressed this aspect directly, with literally no funding, is thoroughly inspirational.'[40]*

39   Creating Creative Enterprise Hubs: A Guide, Marcus Westbury, Arts NSW, 2010

40   Emergent Urbanism of Bottom-Up Planning, City of Sound blog, February 2010