



Main Street/Small Towns Program

Northern Illawarra – success story

Challenges and opportunities

In mid 2003, a huge crack was found in Lawrence Hargrave Drive in the embankment section between Coalcliff and Clifton; the main tourist route along the coast from north of Wollongong to south of Sydney. There had already been a number of severe rock falls from the cliff face onto the road, and further investigation of the 40 metre crack showed that the road was unstable and would require significant repairs and reconstruction, including a new 655 metre bridge to be cantilevered out from the cliff face above the ocean. The road would have to be closed for some time.

Roadworks took nearly three years to complete and businesses from Northern Wollongong to Helensburgh were dramatically affected. The previously strong tourist trade came to a halt for the coastal villages north of the road closure – Coalcliff, Stanwell Park, and Otford. South of the road closure the villages of Clifton, Scarborough, Wombarra, Coledale, Austinmer, and the retail town of Thirroul, lost not only their tourist trade but also their local customers when residents found it easier to travel to other, larger centres for shopping.

Compounding the problems faced by the local business community was the fact that many of the small business owners in the area had little formal business management training. Many business owners were locked into rental contracts and leases, which meant that they had to continue in business. Many were unsure how to cut costs and devise new business strategies. There was an air of desperation about the situation and increased levels of personal and family stress in the community. Help and advice were needed on many levels.

A program for change

In early 2004, the Illawarra ITeC (Information and Technology Centre) met representatives from a number of the affected businesses, plus various federal, state and local authorities, to discuss what could be done to reverse the devastating downturn in business and to prepare for the reopening of the road.

Funds were sought from the Department of State and Regional Development (DSRD) 's Main Street Small Towns Program, the Illawarra Area Consultative Committee for Regional Partnerships, the Roads and

Traffic Authority and Wollongong City Council to help residents and businesses adjust to the impact of the road closure.

The Northern Wollongong Business Development Project was formed to provide marketing support that businesses on their own could not afford, and to give individual professional advice to local businesses. In early 2005, a Project Officer was hired to work with key stakeholders until the road was re-opened, and for some months following. Among the many tasks was development of a plan of action for the business community and analysis of individual small businesses' needs to determine what could be done to help them. Assistance required included discussions with the Australian Tax Office and provision of professional business advice.

Much time and effort was put into strengthening local business networks and alliances, as well as business/community relationships. Businesses were also coached to capitalise on the spectacular new road-bridge which would undoubtedly be a major tourist drawcard once it opened.

Goals

The following goals were pursued:

- § key business people were identified, and met with the Project Officer one-on-one to determine the most immediate needs
- § a number of 'Traders' meetings were held throughout Northern Illawarra, including in Thirroul, Stanwell Park and Helensburgh
- § a newsletter was published for businesses in the area informing them about local plans, ideas under discussion and when planning meetings were scheduled
- § regular visits were made to all the businesses in the area so that individual problems and issues could be immediately addressed.

Projects

During the nine months before the road re-opened the Project Officer made 1,300 individual visits to affected businesses. All businesses with shop frontage were visited at least once a month from May to December 2005 and three times following the road opening from January to June 2006. Sixty people were referred to sources of assistance. Seventeen editions of the newsletter were distributed to the community from May 2005 to June 2006, and 28 separate marketing initiatives were implemented during the same period.

Members of the Northern Illawarra art community, who had long lived in the area because of its natural beauty, were also affected by the road closure because many sold their work from home. With no drivers passing by, casual sales dried up. So, as one of many special events associated with the North Wollongong Business Development Project, an art exhibition was organised at the Clifton School of Arts at the time of the road re-opening to celebrate the art community. It achieved that, but more importantly, many artists also sold their works.

A great deal of publicity was generated for the Northern Illawarra region during this entire period. The media covered the closing of businesses, the progress of the bridge and community activities and festivals.

How the Main Street Small Towns Program has helped

Since early 2005, \$45,000 has been provided under the Main Street Small Towns Program. These funds have been used to employ a Project Officer by Illawarra ITeC, as well as fund the Stanwell Park 2005 Festival of Flight and Thirroul 2006 Seaside and Arts Festival.

Considerable funds were also made available by the Australian Government through Regional Partnerships; additional monies were accessed through a community fund set up by the Roads and Traffic Authority. All of these groups worked together to achieve a solution for the Northern Illawarra during the road closure.

Ongoing activities

The new Lawrence Hargrave Drive, with its spectacular Sea Cliff Bridge, opened in December 2005 to great publicity and acclaim. From the start, traffic and sight-seeing on the scenic stretch of road was very heavy, particularly on weekends.

The large numbers of tourists and passing trade did not immediately translate into an upsurge in income for businesses in the area. Further, during the road closure, developers moved into the district and a number of landlords lifted rents by as much as 120%, exacerbating the existing problems.

It is clear that the business community will take a long time to completely recover from the setback of the road closure. Restaurants and cafes which were probably the hardest hit have now begun to trade well but many retail shops continue to struggle. However, not all businesses are experiencing the same difficulties – some have reported a rise in business of up to 25% while others report no change.

The consensus of opinion is that the experience of the road closure has also left a positive legacy. Businesses in the area are now working together more co-operatively, and the networks that were put in place prior to the road re-opening have continued to operate. This vital framework means the business community is better equipped to take on future challenges.

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Locality name: Northern Illawarra
Communities: Northern Wollongong, Austinmer, Coalcliff, Coledale, Darkes Forrest, Helensburgh, Otford/Lilydale, Scarborough, Stanwell Park, Stanwell Tops
LGA: Wollongong City
Region: Illawarra
Population: approx 18,000
Main industries: coal mining, retail, tourism