BACKGROUND PAPER 2026 SUPPORTING MAINSTREET AUSTRALIA's:

Main Streets Matter:

Victorian Main Street

Renewal Agenda 2026

MAINSTREET AUSTRALIA

Purpose of this paper: This longer-form paper provides the detailed evidence base for Mainstreet Australia's *Main Streets Matter: Victorian Main Street Renewal Agenda 2026*. It supports the concise election statement and sets out the case for a $62 million, four-year investment to make Victoria's main streets safer, stronger and more vibrant.

Prepared by Mainstreet Australia

October 2026

Contents

Foreword 4
Executive Summary 4
The problem 5
The proposed response 5
1. Main Streets as Public Economic Infrastructure 6
Why main streets are different from shopping centres 7
1.1 Regional Victoria: main streets as economic and community anchors 7
2. The Main Street Crisis 8
2.1 Crime, safety and anti-social behaviour 8
2.2 Commercial vacancy and poor presentation 8
2.3 Shifts in consumer behaviour 9
2.4 Fragmented governance 9
3. The Governance Problem 10
The case for coordinated management 10
4. The Case for State Government Leadership 10
5. The Proposed Victorian Main Streets Unit 11
Purpose 11
Potential location 11
Core functions 11
Why a dedicated unit matters 12
6. SAFE: Crime, Safety and Confidence 12
6.1 Main Streets Crisis Response Fund – $10 million 12
6.2 SafeStreets Co-Investment Program – $10 million 13
Funding model 13
Eligible initiatives 13
6.3 Retail Worker Protection and Repeat Offending 13
Additional statewide reforms 13
Expected outcomes 14
7. STRONG: Precinct Funding and Governance 14
Limitations of the current system 14
The opportunity: Business Improvement Districts (BIDs) 14
Victorian Business Improvement District Program – $5 million 15
Priority actions 15

8. VIBRANT: Activation and the Extended-Hours Economy 15
8.1 Extended-Hours Economy Coordination 15
Priority functions 16
8.2 Vibrant Precincts Co-Investment Program – $10 million 16
Funding model 16
Eligible initiatives 16
Expected outcomes 16
9. VIBRANT: Streetscapes, Amenity and Greening 17
Urban greening and climate resilience 17
Active transport and accessibility 17
Public realm, amenity and activation 17
Victorian Main Street Amenity and Greening Fund – $20 million 17
Eligible initiatives 17
Expected outcomes 18
10. Building Capability and Leadership 18
Main Street Leadership and Capability Program – $2 million 18
Priority program elements 18
11. Victorian Main Street Renewal Agenda – $62 Million Over Four Years 19
12. Implementation Pathway 20
First 100 Days – Establish Leadership and Priorities 20
Year 1 – Launch and Mobilise 20
Years 2–4 – Scale, Evaluate and Embed 20
13. Mainstreet Australia's Role 21
Potential roles 21
Conclusion 21
Appendix A: Program Snapshot – SafeStreets Co-Investment Program 22
Appendix B: Program Snapshot – Main Streets Crisis Response Fund 22
Appendix C: Program Snapshot – Vibrant Precincts Co-Investment Program 22
Appendix D: Program Snapshot – Main Street Amenity and Greening Fund 23
Appendix E: Data and Evidence Notes 23
References 24

Foreword

Victoria's main streets are among the State's most important public, economic and community assets. They are where small businesses operate, jobs are created, communities connect, visitors spend money and local identity is expressed. They are also the places people experience every day: walking to school, meeting friends, accessing services, catching public transport, eating out, shopping locally and participating in civic life.

Yet many main streets are under growing pressure. Crime and anti-social behaviour are affecting confidence. Commercial vacancies and poorly presented properties are undermining amenity. Consumer behaviour is changing rapidly. Online retail and large-format retail continue to compete for local spending. Climate impacts are making some centres less comfortable and resilient. At the same time, many business associations and trader groups are trying to respond with limited funding and volunteer-led governance structures.

The central problem is not that Victoria lacks good ideas for main streets. The central problem is that no single part of government has clear responsibility for their overall performance. Unlike privately managed shopping centres, main streets are public places. They are more diverse, authentic and important to community life - but they are also more vulnerable to fragmented governance, underinvestment and inconsistent management.

This background paper supports Mainstreet Australia's 2026 Victorian election platform. It preserves the detailed policy work undertaken by Mainstreet Australia's Advocacy Subcommittee while aligning it with the final Main Streets Matter framework: SAFE, STRONG and VIBRANT. The central proposition is that Victoria needs coordinated leadership and targeted investment in main streets as local economic infrastructure.

Executive Summary

Mainstreet Australia is the national peak body representing main streets, high streets, activity centres, business associations, precinct managers, local councils, economic development professionals and small businesses. Our members operate at the frontline of Australia's local economy.

This paper argues that Victoria requires a coordinated approach to main street policy. Responsibility is fragmented across planning, transport, small business, local government, safety, tourism, housing, public realm, policing and infrastructure. Local councils and business associations are often left to coordinate complex issues without the funding, authority or cross-government support required. Mainstreet Australia proposes a $62 million, four-year renewal package organised around three outcomes: SAFE, STRONG and VIBRANT main streets.

A small Victorian Main Streets Unit within existing government architecture would provide a central mechanism for leadership and coordination. It would not replace councils, police, regulators or business associations. It would support place-based partnerships, coordinate funding programs and strengthen precinct capability without creating unnecessary new bureaucracy.

The problem

- Victoria's main streets are critical public places but no single entity is accountable for their overall economic performance.
- Crime, anti-social behaviour, vacancy and poor presentation are affecting customer and business confidence in some centres.
- Consumer behaviour is changing, with online retail accounting for 12.7 per cent of total Australian retail sales in June 2025 and online non-food retail accounting for 19.0 per cent of non-food retail sales.
- Some Melbourne retail strips continue to record elevated vacancy rates, including 15 per cent on Fitzroy Street, St Kilda and 11 per cent on Lygon Street, Carlton in Q2 2025.
- Only a small proportion of Victoria's main streets benefit from coordinated funding and management through Special Rate or Charge schemes.
- Business associations and centre managers are being asked to respond to complex problems without sufficient capability support or consistent State Government partnership.

The proposed response

- **SAFE:** invest $20 million over four years in a Main Streets Crisis Response Fund and SafeStreets Co-Investment Program.
- **STRONG:** invest $12 million in a Victorian Main Streets Unit and Strategy, a contemporary Business Improvement District (BID) program, and leadership and capability.
- **VIBRANT:** invest $30 million in Vibrant Precincts and a Main Street Amenity and Greening Fund.
- Modernise Special Rate and Charge arrangements through a contemporary BID framework, with metropolitan and regional pilots.
- Coordinate extended-hours economy issues through existing government and small-business structures rather than establishing a new standalone office.
- Position Mainstreet Australia as an implementation, consultation, capability and benchmarking partner.
- Ensure statewide access, with explicit recognition of the economic and community role of regional main streets.

- Measure outcomes including safety, business confidence, visitation, dwell time, vacancy, investment and local collaboration.

Core proposition

SAFE → STRONG → VIBRANT → INVESTABLE

Victoria's main streets are local economic infrastructure. Safety comes first; stronger management and capability create the platform for vibrant, investable places.

The next Victorian Government should commit $62 million over four years to a coordinated statewide renewal agenda.

1. Main Streets as Public Economic Infrastructure

Main streets are not simply retail strips. They are public economic infrastructure. Research commissioned by Mainstreet Australia identified 698 main streets across Victoria, supporting approximately 390,000 jobs and generating more than $50 billion in economic value.

These figures, drawn from Geografia's 2020 research, demonstrate the scale of main streets as a significant component of Victoria's economy. Main streets also support small business creation, services, tourism, culture, community life and place identity.

Source: Geografia, The Value of Victoria's Main Streets, 2020, research commissioned by Mainstreet Australia.

Unlike privately owned shopping centres, main streets rely on a combination of public infrastructure, private property, local business investment, community activity and local government services.

Their performance depends on the quality of the public realm, the strength of local business collaboration, the condition of private buildings, transport accessibility, safety, governance and activation.

Because they are public places, main streets are more open, diverse and embedded in community life than shopping centres. That is their advantage. But it is also their vulnerability.

A shopping centre has a single owner or manager responsible for security, marketing, tenancy mix, maintenance, customer experience and long-term investment. A main street usually does not.

Why main streets are different from shopping centres

Issue	Privately managed shopping centre	Public main street
Ownership	Single or concentrated ownership	Multiple private owners and public assets
Management	Central management team	Fragmented responsibility
Security	Dedicated security budget and staff	Reliance on public police response and individual business investment
Marketing	Central marketing budget	Limited or inconsistent business association funding
Tenant mix	Curated and managed by owner	Dependent on property owners and market forces
Presentation	Controlled standards and maintenance	Variable shopfronts, vacancies and property condition
Investment	Long-term asset management strategy	Multiple decision-makers with different incentives

This difference matters because many of the issues facing main streets are not caused by a single business or a single council decision. They arise from the way public places are governed, funded, maintained and activated across multiple parties.

1.1 Regional Victoria: main streets as economic and community anchors

The case for main street investment is particularly important in regional Victoria. In many regional cities and towns, the main street is simultaneously the primary commercial centre, visitor gateway, tourism and hospitality hub, service centre and civic meeting place.

Regional main streets support local jobs, retain spending within communities, connect visitors to surrounding attractions and provide access to essential services. They can also face smaller funding bases, greater distance from specialist services and fewer alternative commercial locations. Statewide programs should therefore provide equitable access and flexibility for regional and lower-capacity precincts.

Investment in regional main streets is investment in local economic resilience, tourism, liveability and community connection.

2. The Main Street Crisis

Victoria's main streets face a convergence of pressures. While many centres remain resilient and continue to perform strongly, others are experiencing rising vacancy, weakened perceptions of safety, cost pressures, reduced confidence and growing competition for consumer spending. These pressures are interconnected and require a coordinated response.

2.1 Crime, safety and anti-social behaviour

Crime and anti-social behaviour have become major concerns for many main street businesses and precinct managers. The issues reported include theft, vandalism, graffiti, aggressive behaviour, public drug and alcohol use, firebombing linked to organised crime and increased insurance concerns for neighbouring businesses.

The latest statewide data requires a nuanced reading. In the year to 31 March 2026, 625,426 offences were recorded in Victoria, while the criminal incident rate fell 2.7 per cent. At the same time, retail theft remained under significant pressure: alleged offender incidents for stealing from a retail store increased 11.7 per cent to 20,998. Separate retail-location analysis reported 4,823 assault and related offences and a 10.1 per cent increase in stalking, harassment and threatening behaviour. The policy case is therefore not that every crime measure is rising, but that retail theft and worker and customer safety remain acute economic issues for main streets.

Mainstreet Australia welcomes recent Victorian Government action, including the $10 million Hospitality Security Fund and the August 2026 announcement of 150 additional PSOs with expanded deployment to shopping strips and crime hotspots. These measures provide a foundation for a broader place-based response covering retail and service businesses and metropolitan and regional centres.

For main streets, the problem is not only recorded crime. It is also the perception of safety. A small number of highly visible incidents can change how customers, workers and residents experience a place. When people feel unsafe, they visit less often, stay for shorter periods and spend less. Businesses then face reduced revenue and rising security costs.

2.2 Commercial vacancy and poor presentation

Persistent vacancy is one of the clearest signs of main street stress. Vacant premises reduce foot traffic, create dead zones, weaken consumer confidence and can attract graffiti, illegal dumping and anti-social behaviour. They also reduce the perception that a centre is successful and investable.

While some prime precincts are performing well, vacancy remains elevated in several centres. Fitzroys Walk the Strip 2025 reported vacancies across 37 Melbourne shopping strips increased from 6.5 per cent to 7.2 per cent over the year. Q2 2025 Melbourne retail market data also reported vacancy levels of 15 per cent on Fitzroy Street, St Kilda, 11 per cent on Lygon Street, Carlton, and 9 per cent on Chapel Street, South Yarra.

Commercial vacancy is not simply a private property matter. When vacancies persist, the costs are borne by neighbouring businesses, councils, customers and the broader community through reduced activation, poorer perceptions of safety and weakened economic performance.

2.3 Shifts in consumer behaviour

Main streets are competing in a rapidly changing retail environment. Australian Bureau of Statistics data shows online sales accounted for 12.7 per cent of total retail turnover in June 2025, up from 11.9 per cent in May 2025 and 11.6 per cent in June 2024. Online non-food retail accounted for 19.0 per cent of non-food retail spending in June 2025. NAB estimated Australians spent $64.88 billion online in the 12 months to July 2025, around 14.6 per cent of total retail trade.

The issue is not that main streets can or should compete with online retail on convenience alone. Their advantage is experience: local character, personal service, food, culture, walkability, human connection and a distinctive sense of place. But to realise that advantage, main streets need safe, attractive, well-managed and well-activated environments.

2.4 Fragmented governance

The underlying crisis is governance. Councils manage public assets and planning controls. Businesses manage their individual operations. Property owners control leasing and building maintenance. State agencies manage transport, policing, planning frameworks and economic programs.

Business associations often provide coordination but rely on limited funds and volunteer committees. No single entity is responsible for overall precinct performance.

This fragmentation leads to practical problems: inconsistent responses to safety issues, slow progress on vacancies, unclear responsibility for activation, limited capacity to coordinate cross-agency issues and uneven support for business associations.

The result is a system that relies too heavily on local goodwill rather than structured leadership.

3. The Governance Problem

The success of Victoria's main streets is shaped by multiple policy levers: planning, transport, safety, local government, small business support, tourism, housing, public realm, infrastructure and environmental resilience. These levers sit across different parts of government and are rarely coordinated through a main street lens.

At the local level, councils vary in their capacity, priorities and resourcing. Some have strong economic development, placemaking and activity centre teams. Others have limited capacity to support precincts beyond core statutory and asset management functions. Business associations also vary widely, from professionally managed organisations funded by Special Rate or Charge schemes to small volunteer trader groups with no formal funding base.

A fragmented system creates three major problems. First, it limits accountability: when a main street declines, it is unclear who is responsible for coordinating a response. Second, it limits investment: without a clear governance model, government and private investment is less likely to be strategic or sustained. Third, it limits capability: local leaders are left to solve complex issues without consistent training, data or support.

The case for coordinated management

Coordinated management does not mean centralised control. It means creating structures that allow councils, businesses, property owners and government agencies to work together with clear roles, reliable funding and shared objectives. The experience of successful Special Rate precincts and international Business Improvement Districts demonstrates the value of dedicated place management.

4. The Case for State Government Leadership

Local government and business associations cannot solve the main street crisis alone. Many of the issues affecting main streets require State Government leadership or cross-portfolio coordination: policing and safety, transport services, planning settings, major infrastructure, business support, economic development, tourism, climate resilience and governance reform.

Victoria has used dedicated structures to lead other priorities, including regional development, tourism, small business, major events and activity centres. Main streets deserve similar attention because they are a statewide economic network supporting thousands of businesses and jobs.

The COVID-era grants to business chambers and trader associations demonstrated that practical, targeted State Government support can be effective when delivered through local business

networks. That success provides a model: identify a clear crisis, fund practical local responses, work through incorporated business associations and councils, and keep administration proportionate.

The current main street challenge is different from the COVID crisis, but the policy lesson is the same. A visible crisis requires practical programs, clear leadership and trusted local delivery partners.

5. The Proposed Victorian Main Streets Unit

Mainstreet Australia recommends that the Victorian Government establish a dedicated Victorian Main Streets Unit. The Unit would be small, strategic and delivery-focused. It would provide a central point of leadership for main street policy and program coordination across government.

Purpose

The Unit would strengthen the performance, resilience and governance of Victoria's main streets by coordinating policy, funding, partnerships and capability building within an existing State Government structure, without creating a new standalone agency.

Potential location

The Unit could be located within the Department of Jobs, Skills, Industry and Regions, given its economic development and small business focus, or within the Department of Transport and Planning, given its activity centre, planning and place functions. A cross-portfolio governance mechanism would be required regardless of location.

Core functions

- Develop and implement a Victorian Main Street Renewal Agenda.
- Coordinate State Government programs affecting main streets.
- Design and administer targeted main street funding streams.
- Support councils and business associations to address safety, vacancy, activation and amenity issues.
- Lead BID reform and pilot implementation.
- Coordinate with Victoria Police, VicTrack, transport agencies, planning agencies and local government.
- Commission statewide research, benchmarking and data collection.
- Partner with Mainstreet Australia on capability building and sector engagement.

Why a dedicated unit matters

A dedicated unit would make main streets visible within government. It would provide a clear home for complex cross-agency issues and allow government to move beyond ad hoc grants toward long-term system reform. It would also give councils and business associations a consistent partner and source of advice.

6. SAFE: Crime, Safety and Confidence

Victoria's main streets continue to be at the frontline of crime and anti-social behaviour. These issues affect both the real and perceived safety of customers, workers and business owners. They also threaten economic sustainability by reducing visitation, increasing operating costs and deterring investment.

The issue has two broad dimensions. The first is built form and passive contributors: commercial vacancies, inactive frontages, poorly designed spaces, poor lighting, graffiti and neglected shopfronts. These conditions can invite anti-social behaviour and reinforce perceptions of decline. The second is resourcing and response: theft, firebombing, illegal tobacco activity and situations where police and enforcement resources are stretched.

Unlike shopping centres, most main streets do not have centralised security teams, managed access points or coordinated private security budgets. Businesses are often left to invest individually in CCTV, locks, alarms, lighting or staff training. This is inefficient and inequitable, particularly for small businesses operating on tight margins.

6.1 Main Streets Crisis Response Fund – $10 million

Establish a flexible $10 million fund over four years to support main street precincts experiencing acute crime, property damage, persistent vacancy, anti-social behaviour or significant shocks to business and community confidence. The Fund would provide timely, place-based assistance to councils, business associations and precinct organisations to develop coordinated local responses.

Eligible initiatives could include rapid safety and amenity improvements, temporary activation of vacant premises, targeted security measures, graffiti and damage response, local business recovery activities and coordinated precinct safety plans.

Funding arrangements should be flexible and proportionate to the severity of local circumstances, with simplified application and acquittal processes. The Fund would complement existing State Government safety initiatives rather than duplicate policing or enforcement responsibilities.

6.2 SafeStreets Co-Investment Program – $10 million

Establish a statewide $10 million SafeStreets Co-Investment Program over four years to improve safety, confidence and economic activity across metropolitan and regional main streets.

It would extend the principle of existing hospitality security support to retail, hospitality, service businesses and mixed-use precincts.

Funding model

- Indicative initial grant tier of up to $20,000 per precinct.
- Flexible co-contributions from councils, business associations, property owners, sponsorship or in-kind support.
- Provision for larger collaborative precinct-wide projects where demonstrated safety needs and expected outcomes justify greater investment.
- Equitable access for regional, smaller and lower-capacity precincts.

Eligible initiatives

- Precinct safety and Crime Prevention Through Environmental Design (CPTED) audits.
- Smart lighting, CCTV and appropriate surveillance infrastructure.
- Safety ambassadors, concierges and targeted security presence.
- Rapid graffiti and property damage response.
- Vacant-shop activation and improved passive surveillance.
- Trader safety training, reporting pathways and local safety plans.
- Coordinated safety partnerships with councils, Victoria Police and other relevant agencies.

The program should prioritise locally designed projects with measurable safety, visitation, amenity and business-confidence outcomes, supported by streamlined acquittals.

6.3 Retail Worker Protection and Repeat Offending

Mainstreet Australia supports stronger practical protections for frontline retail and hospitality workers experiencing threatening, aggressive or violent behaviour. Government should examine responses to repeat threatening and violent behaviour, supported by reporting pathways, visible policing, prevention, youth diversion and appropriate justice measures.

Additional statewide reforms

- Review vacant commercial property settings, including incentives or penalties for long-term vacancy where appropriate.
- Strengthen illegal tobacco enforcement and organised crime responses where main streets are affected.

- Explore targeted deployment of PSOs or similar visible public safety resources where operationally appropriate.
- Promote Crime Stoppers, Snap Send Solve and emergency reporting pathways.

Expected outcomes

- Improved perceptions of safety and business confidence.
- Increased visitation and dwell time.
- Reduced vacancy pressure and improved property presentation.
- Greater collaboration between councils, businesses and enforcement agencies.

7. STRONG: Precinct Funding and Governance

Victoria has relied on Special Rate and Charge schemes under the Local Government Act for more than 40 years to support coordinated main street management. These schemes have delivered significant benefits in many centres, but the model is complex, inconsistent and difficult to establish.

The current system is limited in reach. Mainstreet Australia's sector knowledge indicates that only around 20 to 24 of Victoria's 79 councils operate business-related Special Rate or Charge programs, covering approximately 60 to 70 main street precincts. This represents a small share of Victoria's broader network of activity centres.

Limitations of the current system

- Programs can take 12 to 18 months to establish or renew.
- Processes vary between councils.
- Administrative and political burdens are high.
- Business owners often perceive special rates as an additional tax rather than a reinvestment mechanism.
- Volunteer committees are expected to manage increasingly complex governance and delivery responsibilities.
- There is limited statewide training, guidance or consistency.

The opportunity: Business Improvement Districts (BIDs)

Business Improvement Districts (BIDs) are an internationally recognised model for coordinated precinct funding and management. In Victoria, comparable arrangements have traditionally operated through Special Rate and Charge schemes, while other Australian jurisdictions use different terminology, including Special Improvement Districts (SIDs) in New South Wales. For simplicity and international consistency, this paper uses BID as the preferred term.

Mainstreet Australia supports modernising Victoria's approach to precinct funding and management through a contemporary BID framework that builds on existing legislative foundations while creating clearer governance, transparency, accountability and business participation.

Victorian Business Improvement District Program – $5 million

Mainstreet Australia recommends a $5 million, four-year Victorian BID Program to modernise precinct funding, governance and management. The program should build on Special Rate and Charge arrangements while providing a clearer framework for sustainable precinct organisations.

Priority actions

- Develop a statewide BID framework and guidance.
- Fund metropolitan and regional BID pilots.
- Establish standard business case, engagement, governance and accountability templates.
- Provide training for councils, associations and precinct boards.
- Establish an advisory function and examine opportunities to simplify Special Rate and Charge processes.
- Undertake a formal review after three years.

The objective is transparent, sustainable precinct management supporting business participation and long-term local investment.

8. VIBRANT: Activation and the Extended-Hours Economy

Victoria’s economy increasingly operates across extended hours, reflecting changes in work patterns, consumer behaviour, freight and logistics, tourism, hospitality, health, education and services. However, governance has not kept pace, particularly in main streets and local centres where early-morning, evening and weekend activity can be poorly coordinated.

This is not simply a nightlife issue. An extended-hours economy approach is about how places function across the full day and week: morning economies, commuter patterns, childcare and school activity, hospitality, culture, health services, logistics, public transport, safety, lighting and accessibility.

8.1 Extended-Hours Economy Coordination

A productive main street operates across mornings, daytime, evenings and weekends. Victoria's extended-hours economy encompasses retail, hospitality, services, culture, tourism, transport, workers, families and visitors.

Mainstreet Australia supports stronger coordination of the night-time and extended-hours economy through existing State Government structures, rather than establishing a new standalone office or commissioner. An explicit function should be assigned within existing small-business or economic-development architecture, or through an appropriate existing senior statutory role, preserving any office's independence and core statutory responsibilities.

Priority functions

- Identify planning, licensing, transport and safety barriers and coordinate cross-government solutions.
- Support metropolitan and regional pilots and improve time-of-day economic data.
- Promote diverse, accessible and family-friendly economic activity.
- Represent small-business and main street interests in policy design.
- Work with the Victorian Main Streets Unit on precinct activation and safety.

8.2 Vibrant Precincts Co-Investment Program – $10 million

Establish a $10 million, four-year program to strengthen local economic activity, increase visitation and spending, and support distinctive destinations across metropolitan and regional Victoria.

Funding model

- Indicative grant contribution of up to $20,000 per precinct.
- Matched local contributions through precinct organisations, councils or partners, with flexibility for lower-capacity communities.
- Additional strategic collaboration tier of $10,000 for projects involving three or more precincts.

Eligible initiatives

- Food, cultural and seasonal events; markets and festivals.
- Night-time and extended-hours activities.
- Precinct digital platforms, directories and targeted marketing.
- Place branding, storytelling and temporary event infrastructure.
- Cross-precinct collaborations encouraging visitors to explore multiple main streets.

Expected outcomes

- Increased visitation beyond local catchments.
- Higher local spending and stronger business turnover.
- Stronger place identity and destination appeal.
- Improved collaboration between neighbouring precincts.
- More productive use of existing public and private assets.

9. VIBRANT: Streetscapes, Amenity and Greening

Main streets must compete with controlled retail environments and online convenience by offering distinctive, comfortable, accessible and attractive places. Investment in streetscape quality, urban greening, public toilets, lighting, seating, accessibility, public art and activation is not cosmetic. It is economic infrastructure.

High-quality public environments increase dwell time, improve customer experience, support retail performance and strengthen community connection. Poor amenity has the opposite effect, reducing visitation and undermining business confidence.

Urban greening and climate resilience

Urban greening, including street trees, pocket parks, shaded walkways, green corridors and green infrastructure, helps reduce urban heat, improve air quality, support biodiversity and make streets more usable year-round. In a warming climate, shade and comfort are increasingly important to the economic performance of activity centres.

Active transport and accessibility

Main streets should prioritise walking, cycling and public transport while maintaining balanced access for deliveries, accessibility needs and local customers. Pedestrian-friendly environments support more frequent visits, longer dwell times and stronger engagement across multiple businesses.

Public realm, amenity and activation

Many centres face gaps in basic amenity, including limited shade, poor lighting, inadequate seating, lack of public toilets, narrow footpaths and inconsistent shopfront quality. These gaps directly affect dwell time, comfort and customer experience.

Victorian Main Street Amenity and Greening Fund – $20 million

Establish a $20 million, four-year fund to improve the quality, accessibility, comfort and climate resilience of Victoria's main streets. Projects would be delivered with councils and precinct organisations, with equitable metropolitan and regional access.

Eligible initiatives

- Streetscape upgrades, footpaths, street trees, shade and green infrastructure.
- Public toilets, accessibility improvements, lighting, seating and wayfinding.
- Public art, cultural interpretation and shopfront or façade improvements.
- Temporary activation of vacant spaces, active transport connections and safer crossings.

The Fund should encourage coordinated precinct-wide improvements, appropriate local co-investment and long-term economic, environmental and community benefits.

Expected outcomes

- Increased visitation, dwell time and customer comfort.
- Improved accessibility, tourism and retail performance.
- Greater climate resilience and perceptions of safety.
- Stronger place identity and civic pride.

10. Building Capability and Leadership

The success of any main street reform depends on people and organisations. Precinct managers, trader associations, council officers and volunteer committees are expected to deliver economic development, marketing, governance, stakeholder engagement, advocacy, activation and crisis response. Many do so with limited resources and little formal training.

If Victoria invests only in projects but not capability, outcomes will be uneven and short-lived. A sustained main street renewal agenda requires investment in local leadership.

Main Street Leadership and Capability Program – $2 million

Mainstreet Australia recommends a $2 million, four-year statewide program to strengthen the skills, governance and professional capacity of organisations managing Victoria's main streets.

Priority program elements

- Governance and leadership training for business associations and trader groups.
- Professional development for precinct managers and council economic development and placemaking officers.
- BID readiness and precinct funding guidance.
- Leadership scholarships for regional and emerging precinct leaders.
- Statewide benchmarking and annual State of Main Streets reporting.
- Peer learning, case studies and practical toolkits for safety, activation, marketing, vacancy and stakeholder engagement.

The program should be delivered in partnership with government and relevant sector organisations. Mainstreet Australia is well placed to contribute through its national networks and sector experience.

11. Victorian Main Street Renewal Agenda – $62 Million Over Four Years

The individual policy proposals in this paper are mutually reinforcing elements of a single $62 million, four-year renewal agenda. They are organised around three outcomes: SAFE main streets ($20 million), STRONG main streets ($12 million) and VIBRANT main streets ($30 million).

This is not simply an expenditure package; it is an investment in Victoria's local economic infrastructure.

Investment initiative	Purpose	Four-year investment
SAFE MAIN STREETS		**$20m**
Main Streets Crisis Response Fund	Rapid safety, vacancy and confidence response	$10m
SafeStreets Co-Investment Program	Place-based safety improvements	$10m
STRONG MAIN STREETS		**$12m**
Victorian Main Streets Unit and Strategy	Coordination, strategy and delivery	$5m
Victorian BID Program	Precinct governance and funding reform	$5m
Main Street Leadership and Capability Program	Training, governance and benchmarking	$2m
VIBRANT MAIN STREETS		**$30m**
Vibrant Precincts Co-Investment Program	Activation, marketing and visitation	$10m
Main Street Amenity and Greening Fund	Public realm, accessibility and climate resilience	$20m
TOTAL INVESTMENT	**Four-year renewal agenda**	**$62m**

Total indicative investment: $62 million over four years - **SAFE $20 million, STRONG $12 million and VIBRANT $30 million**.

The extended-hours economy function will operate through existing government structures rather than a new standalone office, and is not separately funded under the proposed $62 million package.

12. Implementation Pathway

The agenda should be implemented progressively over four years, with immediate action on safety and governance followed by targeted investment, pilots, evaluation and statewide expansion.

First 100 Days – Establish Leadership and Priorities

- Establish the Victorian Main Streets Unit within an existing government structure.
- Convene a cross-government Main Streets Taskforce, with safety and business confidence as initial priorities.
- Confirm statewide SafeStreets design and its relationship to hospitality security initiatives.
- Commence consultation on a contemporary Victorian BID framework and Special Rate and Charge arrangements.
- Define the extended-hours economy function within existing government architecture.

Year 1 – Launch and Mobilise

- Launch Crisis Response and SafeStreets funding rounds.
- Commission a State of Victorian Main Streets baseline report.
- Commence Vibrant Precincts pilots and the Leadership and Capability Program.
- Develop local safety partnership protocols with councils, precincts and Victoria Police.
- Progress the BID framework and identify metropolitan and regional pilots.

Years 2–4 – Scale, Evaluate and Embed

- Expand successful safety and activation programs statewide.
- Implement and evaluate metropolitan and regional BID pilots.
- Deliver Amenity and Greening Fund projects.
- Support extended-hours economy initiatives through existing structures.
- Publish annual performance and benchmarking reports.
- Evaluate safety, visitation, vacancy, confidence, investment and governance outcomes.
- Refine and embed successful reforms and consider longer-term funding or legislative arrangements.

Implementation should be supported by transparent funding processes, proportionate reporting and ongoing consultation with the main street sector.

13. Mainstreet Australia's Role

Mainstreet Australia stands ready to partner with the Victorian Government in delivering this agenda. As the peak body for main streets, high streets and activity centres, its national networks can help ensure policy is informed by metropolitan and regional precinct experience. Mainstreet Australia can support government as a sector convenor, BID adviser/expert, capability provider, research partner, policy advisor and potential delivery partner.

Potential roles

- Deliver training and capability programs for business associations, precinct managers and councils.
- Co-design and deliver BID readiness resources and toolkits.
- Convene councils, business associations and State Government stakeholders.
- Lead annual benchmarking and State of Main Streets reporting.
- Develop case studies and practical guidance for safety, activation, governance and amenity.
- Provide formal representation on State Government advisory structures relating to main streets, activity centres and the extended-hours economy.

Conclusion

Victoria's main streets are essential local economic infrastructure supporting small businesses, employment, tourism, investment and community life across metropolitan and regional Victoria. Their performance is affected by safety concerns, vacancy, changing consumer behaviour, fragmented governance and uneven investment.

Mainstreet Australia calls on the next Victorian Government to commit $62 million over four years to the Main Streets Matter: Victorian Main Street Renewal Agenda.

SAFE main streets build business and community confidence. STRONG main streets provide the leadership, governance and coordinated investment required for sustainable precinct management. VIBRANT main streets attract people, activity, visitation and private investment.

Together these reforms combine immediate safety action with governance, capability, activation, amenity and greening to strengthen local economic resilience.

Appendix A: Program Snapshot – SafeStreets Co-Investment Program

Purpose: Strengthen safety, confidence and economic activity through practical place-based interventions.

- Indicative initial State Government grant tier of up to $20,000 per precinct, with larger collaborative projects possible where justified.
- Flexible local co-contributions through councils, business associations, sponsorship or in-kind support.
- Eligible initiatives include lighting, CCTV, ambassadors, CPTED, graffiti reduction and vacant-space activation.
- Reporting should be simple, visual and outcomes-focused.

Appendix B: Program Snapshot – Main Streets Crisis Response Fund

Purpose: Provide timely flexible support to precincts experiencing acute safety, damage, vacancy or confidence challenges.

- Indicative statewide investment of $10 million over four years.
- Locally designed responses including rapid safety improvements, temporary activation, damage response and recovery activities.
- Funding proportionate to need, with simplified applications and acquittals.
- Evaluation focused on safety, business confidence and recovery outcomes.

Appendix C: Program Snapshot – Vibrant Precincts Co-Investment Program

Purpose: Drive visitation, local spending and destination appeal across Victoria's main streets.

- Indicative State Government grant contribution of up to $20,000 per precinct, with flexible local co-contributions.
- Additional $10,000 strategic collaboration tier for projects involving three or more precincts.
- Eligible activities include events, markets, destination activation, digital promotion and place branding.
- Evaluation focuses on visitation, spend, reach, participation and collaboration.

Appendix D: Program Snapshot – Main Street Amenity and Greening Fund

Purpose: Improve public realm quality, accessibility, comfort and climate resilience as economic infrastructure supporting visitation, dwell time and business confidence.

- Indicative statewide investment of $20 million over four years.
- Delivered in partnership with councils and precinct organisations, with equitable access for metropolitan and regional centres.
- Eligible initiatives include streetscape upgrades, trees and shade, public toilets, accessibility, lighting, seating, wayfinding, safer crossings, shopfront improvements and activation of vacant spaces.
- Evaluation should focus on visitation, dwell time, accessibility, business confidence, public-realm quality and climate resilience.

Appendix E: Data and Evidence Notes

- Commercial vacancy: Fitzroys Walk the Strip 2025 reported vacancies across 37 Melbourne shopping strips increased from 6.5 per cent to 7.2 per cent over the year.
- Commercial vacancy examples: Q2 2025 Melbourne retail market data reported Fitzroy Street, St Kilda at 15 per cent vacancy, Lygon Street, Carlton at 11 per cent and Chapel Street, South Yarra at 9 per cent.
- Online retail: ABS Retail Trade data for June 2025 reported online sales at 12.7 per cent of total retail turnover and online non-food retail at 19.0 per cent of non-food retail turnover.
- Online retail value: NAB estimated Australians spent $64.88 billion online in the 12 months to July 2025, around 14.6 per cent of total retail trade.
- Crime: Crime Statistics Agency/DataVic, year ending March 2026, reported that the criminal incident rate fell 2.7 per cent while alleged offender incidents for stealing from a retail store increased 11.7 per cent to 20,998. Australian Retail Council analysis also identified 4,823 assault and related offences at retail locations and a 10.1 per cent increase in stalking, harassment and threatening behaviour.
- Special rates: Mainstreet Australia sector knowledge and earlier research indicate a small minority of Victorian councils operate business-related Special Rate or Charge programs, covering only a fraction of Victoria's main street network.

References

- Australian Bureau of Statistics, Retail Trade, Australia, June 2025.
- Australian Bureau of Statistics, Retail Trade: A journey through 75 years of retail statistics, 31 July 2025.
- NAB, Online Retail Sales Index, July 2025.
- Fitzroys, Walk the Strip 2025 reporting, October 2025.
- UP Australia, Q2 2025 Melbourne Retail Market.
- Crime Statistics Agency / DataVic, year ending March 2026 and updated crime statistics, 22 June 2026.
- Geografia, The Value of Victoria's Main Streets, 2020, research commissioned by Mainstreet Australia.
- CSIRO, Greening Our Cities, 2021.
- Clean Air and Urban Landscapes Hub, Benefits of Urban Greening in the Australian Context.
- Business Victoria, Hospitality Security Fund and program FAQs, 2026.
- Victorian Government, announcements on 150 additional PSOs, expanded shopping-strip deployment and Operation Pulse, August 2026.
- Australian Retail Council, retail worker safety analysis, 2026.
- NSW Government, Office of the 24-Hour Economy Commissioner materials.
- Queensland Government, Office of the Night-Life Economy Commissioner materials.
- Victorian Local Government Act and Local Government Victoria material on special rates and charges.