

# And what comes next....

## An Essay on the impact of COVID - 19 on cities and towns

### Episode 3 - City and Town Centres

For the past 10 000 years city and town centres have been used for civic life, administration, commerce and entertainment. COVID has brought about changes that may have long term consequences, some of these are discussed below.

*Operationalising Resilience* - As discussed in the previous section there are many components to creating resilient cities however conceptually a starting point is to examine supply chains.

Towns and cities become fragile when they rely on long, complicated and interlocking supply chains. It can be argued that the architecture of market economics, with its focus on specialised actors delivering goods and services in the most cost effective manner, will favour the creation of these types of chains. A practical example from COVID is the way that the economic priorities of the USA lead to surgical masks being outsourced, mainly from China. When COVID broke there was insufficient supplies of masks in the USA<sup>1</sup> with the ensuing health risks.

Consequently the major challenge for civil society working with governments will be firstly, understand which supply chains supporting their towns and cities most vulnerable to disruption. Secondly, innovate ways reduce the length of supply chains; thirdly, find ways to make these chains less complex; and finally build alternative and fallbacks to commonly used supply chains.

This concept of looking at shortening supply chains is applicable across many areas including:

- finance - activating local investment in local projects,
- food - maximising the amount of food produced locally,
- work - having work places an easy commute distance from home,
- transport - cost effective, reliable and convenient public transport,
- energy - locally produced renewable energy,
- materials - using materials that are sourced locally, emphasising local production and circularising the economy, and
- entertainment - creating amazing and vibrant places that no one wants to leave because they are having too much fun.

Each of these need significant investigation for each local circumstance, however the positive side to this is that there is a huge amount of science in the corporate world about supply chain analysis. This work can be redeployed to examine the vulnerability of towns and cities, and it is work that can be done by informed and committed local communities.

The challenge with this however will be that decisions that support resilience may not be the most economically efficient. This is essentially a perception issue because there were many industries pre-COVID that were classed as economically efficient e.g. anything “luxury”, but in reality were a significant waste of resources.

*On-line living:* As a result of COVID the movement of administration, commerce and, to a certain extent civic life, to operating on-line has been strengthened. This then raises the question whether the only purpose of town centres is for entertainment and whether this too will move online through 3D, robotics, AI and streaming services as described in the film *Surrogates*<sup>2</sup>.

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<sup>1</sup> <https://www.wired.com/story/decades-offshoring-led-mask-shortage-pandemic/>

<sup>2</sup> *Surrogates* (2009) Directed by Jonathan Mostow Writing Credits Michael Ferris & John Brancato

Similarly many businesses will already be weighing up the economic efficiency of a dispersed office against the cost of maintaining a central city office particularly as COVID has forced people to adapt to on-line technology.

The end result of this is that there will be less commercial and administrative reasons for having a central business district. The hidden cost of this will be increased personal worker isolation and businesses shedding the economic costs of running a workplace to private individuals.

*Fear of large groups of people:* COVID has also driven home the risk of connection and the problems of forced interactions on public transport, streets and shops. In this context the safe isolation of cars will be increasingly attractive alternative to public transport which will impact on congestion.

Further impacting on town centres will be the fear of the stranger, such that smaller centres where people know each other will become more attractive. The down side of this that identifying the stranger as a risk will lead to increasingly conservative, narrow and judgemental communities.

*Much less disposable income:* the combination of job losses in the service industries and having to pay for stimulus packages will mean that people will have much less disposable income. The numbers of people requiring welfare support will also increase significantly and it is likely that this will continue for a number of years. This will increase the difficulty of restarting the service economy.

*People still want connection and meaning:* Juxtaposed to the above pessimistic assessment above is the fact that COVID has rekindled an awareness of the richness of human connection and the preciousness of life. There is still the desire for people to have places and spaces in which to connect rather than pursuing identity and distraction through the prestige of travel, indulgence, food, cars and clothes.

*People want to be local:* The positive side of this rediscovery of connection is that local places will become 'owned' by the people who live there. They will want to have a hand in shaping what their place is and what it looks like.

*We need public transport but cars feel safer:* With decreased income access to good quality public transport will become more important than ever, however the fear of crowds will drive people towards using cars.

*People want authenticity:* COVID has shaken out what is important in people's lives. The neo-liberal offering of "more stuff equates to importance" has been replaced with "authentic feels important". Whether this is authentic connection between people, real food that we have grown or the feeling of being alive in the face of a real existential risk. The question is however how do we individually and collectively manifest this interest in authenticity, or will the glittery allure of the shopping mall as the cathedral of consumption pull people back to the security of their identity as consumers.

*DIY will increase:* With less money and an increasing interest authenticity people will resort to DIY. Comparatively, despite the lockdown, the hardware, craft, fabric, board games and sports shops have been doing well. In this context it is likely that there will be a continuation of the DIY home make overs, op-shop shopping, bespoke clothing and food growing.

*We can look after people:* The epidemiology of COVID is such that it does not discriminate and the disadvantaged in society are seen as being potentially significant vectors of this virus. In response governments that previously allowed these people to remain on the streets have been able to find housing for these people. This shows that there is no reason why we are not able to look after the disadvantaged in our society.

## **We will have to reinvent town centres**

In response to all of this we will have to reinvent our town centres. The free market is good for delivering goods and services but, as COVID has demonstrated, it is woeful at creating resilient places. Far more leadership by civil society is required to shape our towns moving them from being purely about retail, commerce and administration to become places of creativity and local identity.

### *Civil Society to Lead*

Civil society needs to step up and start the difficult process of talking with each other about the types of places we want to create. We can no longer look to centralised government or the free-market to deliver the places we want. The mythology has been that if government or the free market consults the community then good things will emerge. However the efforts of an extensive consultation industry over the past forty years has only had very limited success.

We need to provide thought leadership. We need direct actions to start the change. Whether this is street level community activities, celebrations of our places or building alliances with developers to produce good outcomes, we as citizens need to create our future and define and create what makes 'our' places 'ours'. The challenge for governments at different levels will be to let this process happen rather than shutting down and focusing on bureaucratic delivery of limited services in the face of decreasing budgets.

### *Different Work*

While dispersed work will be more common, people will still need the connection that they would normally find in a traditional workplace in a local centre. Even though they may be employed by different dispersed businesses they will need to be part of a local tribe that has the same diversity, common interests and reliability of presence that is found in current work places. This transition would be characterised by reframing the common identifying question of "who do you work for?" or "what do you do?" to "where do you work from?" rather than the present.

And these new work places will need to be far different from the typical shared workspaces that sell hot desks and development courses. They will need to blend the public and private realm far more than occurs at the moment. The germ of this concept can already be seen where private developers create public places e.g. play grounds outside shopping developments or public parks as part of office complexes, however this concept needs to be put on steroids such that the public spaces, irrespective of whether they are government or privately owned, are functionally diverse and fluid in their use. For example there is no reason why childcare can not be co-located with a park under joint administration between the private sector and local government.

### *Different High Streets*

The impact of on-line shopping on retail will continue to increase. This will mean that it will be harder to fill retail tenancies and life will become more difficult for shop front businesses that focus on selling a product. Increasingly retail life will have to be about providing an authentic experience with a strong local flavour and providing bespoke, locally made goods and services in a local context. The use of advanced manufacturing processes and digital design connection can support these activities.

### *Different Rules*

There is also a need to rethink planning codes. Many activities that historically were seen as unacceptable in certain locations are now able to be undertaken with far less impact due to improvement in production technology. In addition we, collectively, need to realise that the price of vibrant and interesting places is a bit more noise, smell and activity than the current planning codes allow. The shift from use codes to performance codes will support this transition.

If high-streets are going to be maintained with a vibrant mix of retail, residential and commercial uses landlords will have to take a financial hit as there will be a lot less money to pay the rents that have historically been demanded. This challenge will increase where the financing of properties is structured in such a way as there is no incentive to landlords to rent them in the current market and the financially best option is to leave properties vacant pending better times.

In this context both local and state governments need to introduce scalable incentives and penalties for leaving shops vacant.

#### *Different Places*

A further factor that brings life to places is creative expression and experiences. Local markets, performances, productions all make places come alive however each of these require places in which to do their development and run the events. The challenge however is that providing bespoke, locally made goods and services, and creative experiences does not provide the rental cash-flow that can be done by food and beverage or high volume sales of imported goods. This may need to be addressed by combinations of strategies involving civil society, business, and local government

A significant opportunity to create good places is to have a lot more people living there. However the traditional formula of put up apartment blocks with a cafe and retail in the bottom floor is unlikely to work. A more productive option would be to assume that the ground plane of an apartment block needs to be about creating a living experience and populate the space with low or no-rent bespoke artisans and creatives. This strategy is based on the assumption that having people doing interesting stuff on the ground plane will make the overall development a lot more attractive.

#### *Different Investment and Governance*

If we are going to restructure our towns and cities it will need new investment and governance structures. This is a major challenge because of the intimate linkage between neo-liberal economics and the conservative and narrow focus in the supply of finance. With increasingly tight flow of funds and a focus by banks on security and guaranteed short term returns, it is likely that local communities will have to rely on locally sourced funds coupled with large institutional investors that are looking for multiple outcomes from their investments, rather than the established banks and investment groups.

To counterbalance this governments will be investing in projects to rebuild economies there will be significant opportunities for communities to develop resilient city projects and programs that are targets for government investment.

#### *Different Transport*

While the security of the car is alluring the fundamental issue for cities, the reinstatement of agile accessible and flexible public transport is still a fundamental issue to address if we are going to have a resilient city. There are many solutions and no major engineering or technical barriers, policy and financing need to change.

#### *Summary*

COVID has opened doors to a new way for people to be with each other in their towns. It has taught us that we are vulnerable and need each other. The Government's efforts to offset the health and economic impacts of COVID means that there will be less money around and we can not return to pre-COVID Business As Usual. We have to create a new future.

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