

INNER CITY VITALITY REPORT 2022

The release of the 2021 Census provides a critical update of who lives and works in the inner and near city areas, with a growth of some 36,000 in the number of workers in the inner and near city Brisbane area, and more than 16,500 additional residents who call the inner Brisbane area home.

CBD Dashboard	2018	2019	2020	2021	2022
Office Market	5	6	5	6	6.5
Residential Market	6	6	3	5	6
Tourism Industry	6	7	5	4	7
Retail Market	6	7	6	5	4
Education Industry	8	8	5	5	5
Overall Rating	6.2	6.8	4.8	5	5.7

Office and residential market

Brisbane City has recovered in parts from the worst effects of the COVID-19 pandemic, adding a significant amount of new office supply in the first half of the year. New projects totalling more than 100,000sqm of space are currently under construction, with many more approvals and proposals in the pipeline. Across the CBD, 41% of workers were working from home at the time of the 2021 Census, indicative of a larger trend of workers choosing to work from home if they can. The residential market remains quieter but demonstrates very low vacancy rates and most new supply to be delivered in coming years – most notably the residential component of the Queen’s Wharf project.

Retail market

The Brisbane City retail market is still suffering a lag from 2021 restrictions and infection outbreaks, with vacancy rates in the most prominent CBD retail centres around 7.5% and considerably higher in precincts along Adelaide St and Elizabeth St that are reliant on passing foot traffic. New developments include the redevelopment of Eagle St Pier (Waterfront Brisbane) – which will add significant public realm – and the retail precinct at Queen’s Wharf which is integrated into the resort and hotel developments.

Tourism market

Across the inner city, the tourism market was significantly healthier and upbeat in comparison to previous years, with a recorded revenue per room night of \$173 in the CBD and a recovering occupancy rate close to 70%. Major new infrastructure and accommodation facilities within the CBD and for the City as a whole will continue to change the face of the CBD’s tourism sector.

Education market

Data has shown international students returning to Australia in numbers reminiscent of 2019. Brisbane especially seems to have recovered well, with its large student accommodation providers reporting occupancy rates of 95%+, and a number of expansion and development projects identified by some of Brisbane’s top universities.



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“ Each of the five inner City areas has their own unique identifier and heart; hearts that are increasingly beating more rapidly and regularly! ”

Fortitude Valley

Fortitude Valley Dashboard	2019	2020	2021	2022
Office Market	6	6	4	5
Residential Market	6	5	7	7
Tourism Industry	8	7	7	7
Retail Market	6	6	5	5
Education Industry	6	6	7	7
Overall Rating	6.4	6	6	6.2

After falling into decay in recent decades, the Valley has completed a remarkable revival – establishing itself as one of Brisbane’s trendiest suburbs thanks to significant retail redevelopment – harking back to its past as Brisbane’s premier shopping district. Residents have increased in large numbers, with the local population growing by 70% in the last ten years.

The future of tourism bodes well, with the Valley’s luxury hotels continuing to perform strongly. Not only a home of luxury hotels, the Valley has affirmed itself as a hub for upmarket and destinational retailers, as James St continued to perform well, exhibiting extremely low vacancy rates compared to other shopping strips such as Brunswick St – with the ongoing Valley Metro redevelopment precinct set to revitalise the area.

South Brisbane

South Brisbane Dashboard	2019	2020	2021	2022
Office Market	7	6	6	6
Residential Market	7	5	6	6
Tourism Industry	8	6	5	7
Retail Market	5	4	4	5
Education Industry	8	8	8	9
Overall Rating	7	5.8	5.8	6.6

South Brisbane is returning to its status as Queensland’s cultural and lifestyle heart; visitor numbers at QPAC for the 2022-23 financial year are predicted to return to pre-COVID levels, forward bookings at BCEC have more than doubled 2021/22 levels, and the new theatre will open at QPAC. It also retains its status as an educational hub as two local private schools embark on major masterplans and the State has recently granted accreditation for the new St George School.

South Brisbane has also experienced significant population growth over the last 5 years, nearly doubling its population. This growth has largely been in younger students and professionals – particularly those from Asia – leading it to become the second youngest SA2 in Brisbane. With nearly 3,000 apartments approved or currently under construction, this residential boom shows no sign of abating.

Spring Hill

Spring Hill Dashboard	2020	2021	2022
Office Market	5	4	5
Residential Market	5	5	6
Tourism Industry	6	5	6
Retail Market	7	6	5
Education Industry	8	9	9
Overall Rating	6.2	5.8	6.2

With the advent of working from home, the traditional office market in Spring Hill continues to struggle, with a vacancy rate of over 20%. Because of this, the convenience-dominated retail market has also struggled, with ground floor tenancies largely vacant in the area. Despite this, the health market expands with a new building on Boundary St hosting medical and office suites building on the area’s strength as a health, wellbeing and educational hub for the City.

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The 2022 analysis has highlighted a sense of urgency around experiences that is having a bounceback effect across tourism, education and residential sectors in particular.
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Woolloongabba

Woolloongabba Dashboard	2020	2021	2022
Office Market	8	8	8
Residential Market	7	7	8
Tourism Industry	n/a	5	6
Retail Market	9	9	9
Overall Rating	8	7.25	7.75

Woolloongabba is still ground-zero when it comes to urban renewal, a status that will only endure as mega projects such as Cross River Rail and the new Olympic stadium roll on. New “urban village” projects such as South City Square continue to progress in adding residential, retail and short term accommodation facilities, and the proposed redevelopment of Buranda Village will further shake up Woolloongabba as we know it – set to offer residents an integrated, mixed-use community with the potential to house more than 1,000 residents and some 3,000 workers.

More than 9,000 workers in Woolloongabba were employed in the health care sector in 2021. The Gabba’s location close to the Princess Alexandra and Mater hospitals also offers significant opportunity for future healthcare precincts, with two separate projects on Ipswich and Annerley Rd alone set to add 17,000sqm of medical and office floorspace to the local market.

View the full report on our website

committeeforbrisbane.org.au

Data compiled by Urban Economics