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ITEM: 5
SUBJECT: NICHOLAS STREET REDEVELOPMENT TRADER MARKETING SUPPORT
AUTHOR: STAKEHOLDER RELATIONS MANAGER
DATE: 14 OCTOBER 2019

EXECUTIVE SUMMARY

This is a report concerning proposed marketing support to be provided to traders / retailers located in the primary 'impact zone*' of the Nicholas Street redevelopment precinct through council's Economic Development Incentives Policy.

Retailers in the 'impact zone' are struggling with foot traffic due to the road closures and fencing surrounding Nicholas Street and its footpaths, with significant paving and landscaping work to commence in late October 2019 which won't be completed until the end of December 2019. This is causing considerable stress to retailers.

(Note the 'impact zone' is defined as Nicolas Street from Brisbane Street to Bremer Parade, and Union Place from Nicholas Street to Bell Street. Fourteen retailers are located in this 'impact zone'.)*

RECOMMENDATION

Amended Economic Development Committee No. 2019(10) of 22 October 2019

That the Interim Administrator of Ipswich City Council resolve:

That a one-off payment of \$1,000 per retailer located in the 'impact zone', to be put towards marketing initiatives, as agreed to between each retailer and council as part of a strategic marketing plan (maximum budget \$7000), be approved.

INTERIM MANAGEMENT COMMITTEE COMMENTS

The Interim Administrator stated that he was supportive of the program but queried whether a \$500 payment (as was recommended in the report) to each retailer was sufficient.

The Manager – Coordination and Performance advised that council will be looking at spending additional money on advertising the precinct and that retailers would also benefit through this advertising.

Simone Webbe from the Interim Management Committee stated that she was supportive of Council working one-on-one with retailers and suggested that council start with \$500 and if needed that it be escalated later.

The Interim Administrator advised that he would resolve a \$1,000 payment to each retailer now to assist with marketing initiatives.

RELATED PARTIES

There are no potential conflicts of interest.

ADVANCE IPSWICH THEME

Strengthening our local economy and building prosperity

PURPOSE OF REPORT/BACKGROUND

The delivery of the redevelopment of the Nicholas Street precinct is one of council's major priorities, with the first stage (the reopening of Nicholas Street) hoped to be completed by the end of 2019.

Unfortunately, redevelopment of this scale brings with it significant challenges to current traders and retailers, and the 14 businesses located within the 'impact zone' are struggling to attract customers while this redevelopment work is underway.

A number of issues have been brought to the attention of council's Stakeholder Relations team by traders, including the fact that the fencing and hoarding currently in place provides a visual barrier to potential customers. It appears that the mall is closed, when in fact these 14 traders are still operating.

Rather than a 'staged approach' to hoarding, the contractor has taken an 'all-of-project' approach.

Following several discussions with impacted traders and an internal brainstorming session with the relevant council stakeholders, it was agreed that council should provide a comprehensive marketing and communications program to better support individual traders as well as the precinct in general during this challenging period to help reduce some of the inconvenience caused by council's contractor.

Council proposes to support these retailers in the following ways:

1. Implementation of a strategic communications plan, through the Stakeholder Relations Team, with the goal of increasing updates and strengthening relationships.
2. Working with retailers one-on-one to create a tailored marketing plan to help attract new customers between now and the end of December.
3. Production of 'We're still open' signage to be placed throughout the entire precinct.
4. Provision of \$500 per retailer to put towards this marketing program, through the Economic Development Incentives Policy.

5. Creation of a council-driven social media campaign with the goal of reminding the community that the 14 traders in the Nicholas Street precinct are still operating through the promotion of special offers and incentives (with a \$1000 budget)

LEGAL/POLICY BASIS

This report and its recommendations are consistent with the following legislative provisions:

Local Government Act 2009

RISK MANAGEMENT IMPLICATIONS

It is imperative that this program is refined and clearly defined, to ensure a 'start and end' to the financial support provided by council to the disadvantaged traders and a clear geographic area of relevance. As such, this proposed program will be offered only to the 14 traders in the 'impact zone' (which is defined as Nicolas Street from Brisbane Street to Bremer Parade, and Union Place from Nicholas Street to Bell Street).

Council has been advised that the hoarding will be removed from the Nicholas Street zone by December 20 2019, so a condition of this program is that the \$500 must be put towards marketing between now and 20 December 2019.

There is a risk that this proposed marketing program may not generate increased foot traffic and help embattled traders. However, a targeted and tailored approach with support and recommendations from council's Stakeholder Relations Team will help to provide maximum return on investment.

There is a risk that traders outside of the 'impact zone' may apply for this funding. This risk is mitigated by clearly defining the primary 'impact zone' and targeting just 14 traders only within this zone.

FINANCIAL/RESOURCE IMPLICATIONS

The Nicholas Street Redevelopment Trader Marketing Support Program is unfunded.

It is proposed that \$500 is offered to each of the 14 traders located in the 'impact zone' as a once-off payment (\$7000 maximum) between now and the end of December 2019. This funding is relevant to the Economic Development Incentives Policy which states that:

"The objective of this policy is to facilitate this development through the provision of development incentive packages that will relate primarily to economic development and will be considered separately to the development application process."

The policy extends to "joint marketing / promotion packages".

The total budget required would not exceed \$8000, which includes \$7000 for joint marketing / promotions (\$500 for each of the 14 traders), and \$1000 for Nicholas Street social media support.

COMMUNITY AND OTHER CONSULTATION

To ensure the support offered by council was relevant to the traders and would help to solve their challenges, members of the Stakeholder Relations team had one-on-one discussions with the majority of the 14 traders located in the 'impact zone'. A stakeholder meeting was also held, facilitated by the Manager of Media and Stakeholder Relations. The feedback received in these sessions / discussions were used as the basis for the recommendations in this report.

Internally, a brainstorming session was held with representatives from the Office of Economic Development, Marketing, Media and Stakeholder Relations to further refine the proposed offer. All stakeholders were supportive of the recommendations in this report, and mindful of the need to refine the amount and the area, and to ensure the marketing initiatives employed were tailored to each trader / business.

The Legal Services Branch was also consulted to ensure a transparent, accountable and ethical method of financial support was recommended, as per the Economic Development Incentives Policy. They noted that council was not legally obliged to provide this funding.

CONCLUSION

While the opening of the redeveloped Nicholas Street precinct will be a benefit for the 14 traders currently operating in the area, they are currently being negatively impacted by the significant redevelopment work.

Council does not want to see these 14 businesses suffer any more than they have to. The endorsement of this Nicholas Street Redevelopment Trader Marketing Support Program would help these traders through the months ahead, between now and the end of December, when the hoarding will come down and foot traffic will increase.

ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS

1.	Economic Development Incentives Policy
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Allison Grant

STAKEHOLDER RELATIONS MANAGER

I concur with the recommendations contained in this report.

Sean Madigan

GENERAL MANAGER - COORDINATION AND PERFORMANCE

"Together, we proudly enhance the quality of life for our community"