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Jetty Road Mainstreet Committee

NOTICE OF MEETING

Notice is hereby given that a meeting of the Jetty Road Mainstreet Committee will be held in the

**Glenelg Library Meeting Room
Colley Terrace, Glenelg**

Wednesday 5 December 2018 at 6.00pm

Justin Lynch
CHIEF EXECUTIVE OFFICER

Jetty Road Mainstreet Committee Agenda

1. OPENING

The Chairman, Mark Faulkner will declare the meeting open at 6:00 pm.

2. APOLOGIES

2.1 Apologies – Mr S Robinson

2.2 Absent

3. DECLARATION OF INTEREST

If a Committee Member has an interest (within the terms of the Local Government Act 1999) in a matter before the Committee they are asked to disclose the interest to the Committee and provide full and accurate details of the relevant interest. Committee Members are reminded to declare their interest before each item.

4. CONFIRMATION OF MINUTES

Motion

That the minutes of the Jetty Road Mainstreet Committee held on 7 November 2018 be taken as read and confirmed.

5. QUESTIONS BY MEMBERS

5.1 Without Notice

5.2 With Notice - Nil

6. MOTIONS ON NOTICE - Nil

7. PRESENTATIONS

- 7.1 Jetty Road Masterplan

Warwick Deller-Coombs, Team Leader Strategy at the City of Holdfast Bay will provide an update on work being undertaken by Jensen Plus and Tonkin for the detailed designs (Stage 1) of the Jetty Road Masterplan.

7.2 Outgoing Committee Members

The Jetty Road Mainstreet Committee would like to take the opportunity to provide a vote of thanks to Councillor A Bradshaw and Councillor S Charlick for their time on the Jetty Road Mainstreet Committee this year.

8. REPORTS/ITEMS OF BUSINESS

- 8.1 Monthly Finance Report (Report No: 380/18)
- 8.2 Jetty Road Retail Strategy (Report No: 382/18)
- 8.3 De-regulation of Shop Trading Hours (Report No: 383/18)
- 8.4 Cowper Street Festoon Lighting (Report No: 384/18)
- 8.5 Tree Lighting on Jetty Road (Report No: 385/18)
- 8.6 Jetty Road Development Coordinator Work in Progress Update (Report No: 386/18)
- 8.7 JRMC Governance Model Business Case (Report No: 381/18)

David West of Premier Retail Marketing will present the draft business case for feedback.

9. URGENT BUSINESS – Subject to the Leave of the Meeting

10. DATE AND TIME OF NEXT MEETING

The next meeting of the Jetty Road Mainstreet Committee will be held on Wednesday 6 February 2019 in the Glenelg Library Meeting Room, Colley Terrace, Glenelg.

11. CLOSURE

**JUSTIN LYNCH
CHIEF EXECUTIVE OFFICER**

Item No: **8.1**

Subject: **MONTHLY FINANCE REPORT**

Date: 5 December 2018

Written By: Jetty Road Development Coordinator

General Manager: General Manager Community Services, Ms M Lock

SUMMARY

The Jetty Road Mainstreet Committee October 2018 variance report is prepared by the Jetty Road Development Coordinator and is presented for information to the member of the Jetty Road Mainstreet Committee.

RECOMMENDATION

That the Jetty Road Mainstreet Committee note this report.

COMMUNITY PLAN

Economy: Supporting and growing local business
Economy: Making it easier to do business
Economy: Boosting our visitor economy

COUNCIL POLICY

Not Applicable.

STATUTORY PROVISIONS

Not Applicable.

BACKGROUND

The Jetty Road Mainstreet Committee (JRMCM) has been established to undertake work to benefit the traders on Jetty Road, Glenelg using the separate rate raised for this purpose. An annual budget is endorsed by Council each year. Expenditure is monitored against budget each month to ensure that all expenditure and income is within approved parameters.

REPORT

Current 2018/19 Jetty Road Mainstreet budget is on track.

BUDGET

Not applicable

LIFE CYCLE COSTS

There are no life cycle costs associated with this report.

INCOME & EXPENDITURE STATEMENT 31 October 2018

	Annual Budget	YTD Budget	YTD Actuals	Variance	<u>2017/18 Comparatives</u>	
					Actuals 31 October	Actuals 30 June
Revenue						
General Rates Raised	564,539	564,539	564,513	(26)	564,510	564,510
Other Income	4,200	1,415	2,614	1,199	15,351	2,612
Gift Card Revenue	-	-	3,980	3,980	-	26,059
	568,739	565,954	571,107	5,153	579,861	593,181
Expenses						
Employee Costs	149,371	48,718	48,002	716	57,662	149,323
Sponsorships	12,500	3,900	100	3,800	11,225	9,771
Professional Services	4,500	-	8,321	(8,321)	4,914	28,416
Event Management	69,388	24,130	26,567	(2,437)	25,234	41,705
Marketing	129,994	70,304	61,420	8,884	45,843	125,083
Retail Strategy Implementation	40,000	11,667	-	11,667	-	-
Repairs & Maintenance	-	-	-	-	694	994
Food & Drink	3,250	270	500	(230)	876	2,782
Office Expenses	1,750	175	1,456	(1,281)	246	1,315
Directory Board	2,500	957	-	957	133	939
Christmas Decorations	42,515	-	38,000	(38,000)	-	20,064
Operation Shopfront	-	-	-	-	195	195
Gift Card Expenditure	-	-	1,160	(1,160)	-	30,240
Unallocated credit card expenditure	-	-	2,708	(2,708)	-	-
Christmas Pageant	35,717	767	5,270	(4,503)	3,482	30,502
Winter Wonderland	74,421	71,010	40,725	30,285	34,613	34,685
Tour Down Under	50,000	-	10,225	(10,225)	-	42,100
October Street Party	30,000	-	15,779	(15,779)	4,071	34,318
Tram Track Marketing	-	-	-	-	(2,393)	(2,393)
	645,906	231,898	260,233	(28,335)	186,795	550,039
Net Profit/(Loss)*	(77,167)	334,056	310,874	(23,182)	393,066	43,142

*Annual Budget includes carry forward amount from 2017/18 of \$77,167

Marketing - Breakdown

	Actual	Budget
Digital Marketing	22,786	
Radio	-	
Television	-	
Outdoor Signage	31,716	
Print Media	6,350	
Promotional Collateral	568	
Contingency Budget		
	<u>61,420</u>	<u>129,994</u>

226 - Glenelg Mainstreet

Activity	Original Budget	Carry Forwards / Budget Reviews	Current Adopted Budget	Current Adopted YTD Budget	YTD Actuals	YTD Variance	Orders	Total Actuals	Balance Available
200 - Salaries	126,597	126,597	126,597	126,597	41,387	40,700	688	0	85,897
249 - Wages - Overtime	4,000	4,000	4,000	4,000	0	0	0	0	4,000
250 - Salaries Superannuation	11,871	11,871	11,871	11,871	3,881	3,852	29	0	8,019
283 - Sponsorships	12,500	12,500	12,500	12,500	3,900	100	3,800	0	12,400
300 - Other Contractual Services	0	0	0	0	0	68	(68)	0	(68)
301 - Professional Services	4,500	4,500	4,500	4,500	0	8,253	(8,253)	0	(3,753)
310 - Project/Event Management	69,388	69,388	69,388	69,388	24,130	26,567	(2,436)	0	42,821
31D - Retail Strategy Implementation	40,000	40,000	40,000	40,000	11,667	0	11,667	0	40,000
401 - Christmas Decorations	42,515	42,515	42,515	42,515	0	38,000	(38,000)	0	4,515
415 - Food and Drink	1,250	1,250	1,250	1,250	102	412	(311)	0	838
41F - Food, Drink, Entertainment (FBT Applicable)	2,000	2,000	2,000	2,000	168	88	80	0	1,912
426 - Printing and Stationery - Other	750	750	750	750	0	1,238	(1,238)	0	(488)
433 - Marketing - Promotion & Familiarisation	122,827	122,827	122,827	122,827	63,137	61,420	1,717	0	61,407
438 - Directory Board	2,500	2,500	2,500	2,500	957	0	957	0	2,500
817 - Insurance - Workers Compensation - Sals	6,903	6,903	6,903	6,903	3,450	3,450	0	0	3,453
832 - Telecommunications	1,000	1,000	1,000	1,000	175	218	(43)	0	782
898 - Credit Card Expenditure yet to be Allocated	0	0	0	0	0	2,708	(2,708)	0	(2,708)
89A - JPMC Carry Forward Budget	(70,000)	7,167	7,167	7,167	7,167	0	7,167	0	7,167
8GC - Gift Card Expenditure	0	0	0	0	0	1,160	(1,160)	0	(1,160)
900 - Miscellaneous Income	0	0	0	0	0	(94)	94	0	94
910 - Ticket Sales	(4,200)	(4,200)	(4,200)	(4,200)	(1,415)	(2,520)	1,106	0	(1,680)
966 - General Rates Raised	(564,539)	(564,539)	(564,539)	(564,539)	(564,539)	(564,513)	(26)	0	(26)
9GC - Gift Card Revenue	0	0	0	0	0	(3,980)	3,980	0	3,980
	(190,138)	(112,971)	(112,971)	(405,833)	(382,873)	(22,960)	0	(382,873)	269,902

J01 - Christmas Pageant - Jetty Road Contribution (50% of budget)

Activity	Original Budget	Carry Forwards / Budget Reviews	Current Adopted Budget	Current Adopted YTD Budget	YTD Actuals	YTD Variance	Orders	Total Actuals	Balance Available
249 - Wages - Overtime	7,223	7,223	7,223	7,223	0	0	0	0	7,223
310 - Project/Event Management	7,000	7,000	7,000	3,267	4,500	(1,233)	3,000	7,500	(500)
312 - Hire Companies	9,754	9,754	9,754	0	0	0	8,980	8,980	774
423 - Repairs and Maintenance - General Materials	1,200	1,200	1,200	0	0	0	0	0	1,200
433 - Marketing - Promotion & Familiarisation	6,000	6,000	6,000	0	0	0	0	0	6,000
800 - Other Expenditure	2,520	2,520	2,520	0	770	(770)	0	770	1,750
806 - Donations	573	573	573	0	0	0	0	0	573
835 - Entertainment/Special Occasions	5,447	5,447	5,447	0	0	0	1,905	1,905	3,542
944 - Sponsorship Income	(4,000)	(4,000)	(4,000)	(2,500)	0	(2,500)	0	0	(4,000)
	35,717	35,717	35,717	767	5,270	(4,503)	13,885	19,155	16,562

J02 - Winter Wonderland - Jetty Road Contribution (50% of Budget)

Activity	Original Budget	Carry Forwards / Budget Reviews	Current Adopted Budget	Current Adopted YTD Budget	YTD Actuals	YTD Variance	Orders	Total Actuals	Balance Available
205 - Wages	0	0	0	0	36	(36)	0	36	(36)
249 - Wages - Overtime	541	541	541	541	0	541	0	0	541
301 - Professional Services	100,000	100,000	100,000	100,000	72,294	27,706	0	72,294	27,706
310 - Project/Event Management	2,207	2,207	2,207	2,207	2,100	107	0	2,100	107
312 - Hire Companies	0	0	0	0	35,293	(35,293)	0	35,293	(35,293)
326 - Security Services - General	12,000	12,000	12,000	12,000	11,568	432	0	11,568	432
433 - Marketing - Promotion & Familiarisation	18,000	18,000	18,000	16,412	9,300	7,111	0	9,300	8,700
492 - Web Sites Updates	170	170	170	0	34	(34)	0	34	136
800 - Other Expenditure	4,677	4,677	4,677	3,024	236	2,788	0	236	4,441
801 - Advertisements	15,485	15,485	15,485	15,485	209	15,276	0	209	15,276
835 - Entertainment/Special Occasions	6,356	6,356	6,356	6,356	825	5,531	0	825	5,531
910 - Ticket Sales	(81,720)	(81,720)	(81,720)	(81,720)	(88,621)	6,901	0	(88,621)	6,901
944 - Sponsorship Income	(3,295)	(3,295)	(3,295)	(3,295)	(2,550)	(745)	0	(2,550)	(745)
	74,421	74,421	74,421	71,010	40,725	30,284	0	40,725	33,696

J03 - Tour Down Under - Jetty Road Contribution

Activity	Original Budget	Carry Forwards / Budget Reviews	Current Adopted Budget	Current Adopted YTD Budget	YTD Actuals	YTD Variance	Orders	Total Actuals	Balance Available
205 - Wages	1,400	1,400	1,400	0	0	0	0	0	1,400
249 - Wages - Overtime	2,750	2,750	2,750	0	0	0	0	0	2,750
310 - Project/Event Management	35,000	35,000	35,000	0	0	0	0	0	35,000
312 - Hire Companies	10,100	10,100	10,100	0	225	(225)	0	225	9,875
423 - Repairs and Maintenance - General Materials	750	750	750	0	0	0	0	0	750
800 - Other Expenditure	0	0	0	0	10,000	(10,000)	0	10,000	(10,000)
	50,000	50,000	50,000	0	10,225	(10,225)	0	10,225	39,775

J04 - October Street Party

Activity	Original Budget	Carry Forwards / Budget Reviews	Current Adopted Budget	Current Adopted YTD Budget	YTD Actuals	YTD Variance	Orders	Total Actuals	Balance Available
249 - Wages - Overtime	0	0	0	0	2,780	(2,780)	0	2,780	(2,780)
310 - Project/Event Management	30,000	30,000	30,000	0	11,861	(11,861)	0	11,861	18,139
433 - Marketing - Promotion & Familiarisation	0	0	0	0	1,138	(1,138)	0	1,138	(1,138)
	30,000	30,000	30,000	0	15,779	(15,779)	0	15,779	14,221

Item No: **8.2**

Subject: **JETTY ROAD GLENELG RETAIL STRATEGY 2018-2022**

Date: 5 December 2018

Written By: Jetty Road Development Coordinator

General Manager: Community Services, Ms M Lock

SUMMARY

At the 7 March 2018 JRMC meeting the Jetty Road Mainstreet Committee (JRMC) endorsed the vision, strategic objectives and direction of the draft Jetty Road Glenelg Retail Strategy 2018-2022.

Throughout April, May and June the JRMC reviewed the draft and provided feedback to Administration. At the 20 June JRMC special meeting the updated draft Jetty Road Glenelg Retail Strategy 2018-2022 and Summary document was presented to the Committee and endorsed for trader consultation. The Draft Strategy was provided to Council for their information at their meeting on 26 June 2018 and following this the Chair of the JRMC and David West, Principle of Premier Retail Marketing presented the draft strategy at the Council workshop on 7 August 2018. Due to Council caretaker period taking place from 4 September 2018 the JRMC were unable to distribute the Draft Strategy for consultation until Council elections had occurred. The draft strategy was available to view from 19 November to 3 December 2018 for a closed consultation with Jetty Road, Glenelg retailers and landlords. The strategy will be scheduled to be endorsed at the 29 January 2019 Council meeting.

RECOMMENDATION

The Jetty Road Mainstreet Committee endorse the Jetty Road Glenelg Retail Strategy 2018-2022

COMMUNITY PLAN

Economy: Supporting and growing local business

Economy: Harnessing emerging technology

Economy: Boosting our visitor economy

COUNCIL POLICY

Not Applicable.

STATUTORY PROVISIONS

Not Applicable.

BACKGROUND

At the 7 March 2018 JPMC meeting the JPMC endorsed the vision, strategic objectives and direction of the draft Jetty Road Retail Strategy 2018-2022. Throughout April, May and June the JPMC reviewed the draft and provided feedback to Administration. At the 20 June JPMC special meeting the updated draft Jetty Road Glenelg Retail Strategy 2018-2022 and Summary document was presented to the Committee and endorsed for trader consultation. The Draft Strategy was provided to Council for their information at their meeting on 26 June 2018 and following this the Chair of the JPMC and David West, Principle of Premier Retail Marketing presented the draft strategy at the Council workshop on 7 August 2018.

Council caretaker period taking place from 4 September 2018 the JPMC were unable to distribute the Draft Strategy for consultation until Council elections had occurred.

REPORT

The draft strategy was available to view from 19 November to 3 December 2018 for a closed consultation with Jetty Road, Glenelg retailers and landlords. This was communicated to Jetty Road, Glenelg retailers and landlords via the Jetty Road Trader Newsletter on 19, 22 and 29 November 2018 and two hard copies of the Summary, Full Strategy and Four Year Delivery were available to be viewed at the Glenelg Library. At the time of writing this report, no feedback had been received on the draft strategy. The strategy will be scheduled to be endorsed at the 29 January 2019 Council meeting.

The final version with any feedback received will be tabled at the 5 December 2018 meeting.

BUDGET

Not applicable

LIFE CYCLE COSTS

The 2018/19 budget includes \$40,000 for implementing actions outlined within the Strategy.

Item No: **8.3**

Subject: **DE-REGULATION OF SHOP TRADING HOURS**

Date: 5 December 2018

Written By: Jetty Road Development Coordinator

General Manager: Community Services, Ms M Lock

SUMMARY

The de-regulation of shop trading hours report is prepared by the Jetty Road Development Coordinator and is presented for information to the members of the Jetty Road Mainstreet Committee. The current Shop Trading Hours Act recognises Glenelg's unique position as a tourist precinct, allowing exempt shops to trade on public holidays. The majority of shops in the Glenelg Tourist Precinct are exempt. Non-exempt shops include shops that have more than 200m² of retail floor area, or are a grocery store with more than 400m² of retail floor area.

Last month the Treasurer Rob Lucas granted a special exemption for shops in suburban areas to trade between 9:00am and 5:00pm on Boxing Day. The Chair of the JRMC requested that a representative of the JRMC attend a meeting with Colin Shearing, Chief Executive of the South Australian Independent Retailers Association on 20 November 2018 to discuss the impact of Treasurer Rob Lucas' recent decision to grant special exemption for shops in suburban areas to trade between 9am and 5pm on Boxing Day. Mr Shearing would like to keep in close communication with the JRMC and its retailers to monitor the impact of Boxing Day trade and may approach some retailers for comment for media in relation to this matter

In addition to Boxing Day trading hours, extra trading hours have been approved by the State Government in the lead up to the 2018 Christmas period and for the post-Christmas sales period and are outlined in this report.

RECOMMENDATION

The Jetty Road Mainstreet Committee note this report.

COMMUNITY PLAN

Economy: Boosting our visitor economy
Economy: Supporting and growing local business

COUNCIL POLICY

Not Applicable.

STATUTORY PROVISIONS

Not Applicable.

BACKGROUND

The current Shop Trading Hours Act recognises Glenelg's unique position as a tourist precinct, allowing exempt shops to trade on public holidays. The majority of shops in the Glenelg Tourist Precinct are exempt. Non-exempt shops include shops that have more than 200m² of retail floor area, or are a grocery store with more than 400m² of retail floor area.

The Chair of the JRMC requested that a representative of the JRMC attend a meeting with Colin Shearing, Chief Executive of the South Australian Independent Retailers Association on 20 November 2018 to discuss the impact of Treasurer Rob Lucas' recent decision to grant special exemption for shops in suburban areas to trade between 9am and 5pm on Boxing Day.

The exemption allows Boxing Day trading in Adelaide suburbs for the first time where people will be able to shop at Marion, West Lakes, Burnside and Tea Tree Plaza shopping centres on Boxing Day. SA Treasurer hasn't ruled out making the same exemptions for other public holidays.

The exemption will allow the following shops in Jetty Road, Glenelg to trade on Boxing Day including Kathmandu, Cheap as Chips, Woolworths and Coles.

REPORT

The JRDC attended the meeting with Mr Shearing, his lawyer, the Chair of the Rundle Mall Management Authority and a representative of the SDA (Union for Retail, Fast Food and Warehouse Workers). Discussion focused on the loss of city vibrancy within the precinct on Boxing Day as consumers will have more choice and may choose to shop elsewhere. In addition to this it was noted that the major supermarkets will greatly benefit from the Treasurers decision, allowing suburban shopping precincts to open.

Mr Shearing would like to keep in close communication with the JRMC and its retailers to monitor the impact of Boxing Day trade and may approach some retailers for comment for media in relation to this matter.

To promote Boxing Day trade in Jetty Road, Glenelg the normal messaging used to promote the precinct on public holidays will be used through social media. New this year we will be running a NOVA radio campaign "We Salute Weekends" from Fri 21 - Sun 23 December to promote the following messaging: Win 8 x Jetty Road gift cards, Christmas Shopping and Boxing Day Sales on Jetty Road. This campaign is funded through the recent retail marketing initiatives approved by the JRMC.

In addition to Boxing Day trading hours, extra trading hours have been approved by the State Government in the lead up to the 2018 Christmas period and for the post-Christmas sales period. Normal trading hours apply on all other dates. Anyone working during these extended hours will do so on a strictly voluntary basis.

As per the Christmas trading exemption notice in the SA Government Gazette dated 8 November 2018, the extended trading hours for non-exempt shops in the city and metropolitan area are:

Extra trading hours – non-exempt shops

Day	CBD	Metro
Sunday, 2 December 2018	9am to 5pm	9am to 5pm
Sunday, 9 December 2018	9am to 5pm	9am to 5pm
Thursday, 13 December 2018	until 12 midnight	until 12 midnight
Sunday, 16 December 2018	9am to 5pm	9am to 5pm
Thursday, 20 December 2018	until 12 midnight	until 12 midnight
Friday, 21 December 2018	until 12 midnight	until 12 midnight
Saturday, 22 December 2018	until 6pm	until 6pm

Sunday, 23 December 2018	9am to 6pm	9am to 6pm
Wednesday, 26 December 2018	9am to 5pm	9am to 5pm
Sunday, 30 December 2018	9am to 5pm	9am to 5pm

Source: www.safeworksa.gov.au

BUDGET

Not applicable

LIFE CYCLE COSTS

There are no lifecycle costs associated with this report.

Item No: **8.4**

Subject: **COWPER STREET FESTOON LIGHTING**

Date: 5 December 2018

Written By: Jetty Road Development Coordinator

General Manager: Community Services, Ms M Lock

SUMMARY

The Cowper Street Festoon Lighting report is prepared by the Jetty Road Development Coordinator and is presented for information to the members of the Jetty Road Mainstreet Committee. At the 7 November 2018 JRMC meeting a report was presented on a new initiative that would see the installation of festoon lighting in Cowper Street that would drive new economic outcomes for the precinct including the creation of an entry statement for the cinema, increase the aesthetics and atmosphere in the laneway, create a unique event space and play a significant role in marketing and driving demand to the Jetty Road, Glenelg precinct. The JRDC undertook quote refinement in November in consultation with the City of Holdfast Bay's Building and Facilities Manager. The final quote was approved by the Chair of the JRMC and Manager City Activation in November and the works are scheduled to be completed prior to Christmas.

RECOMMENDATION

The Jetty Road Mainstreet Committee note this report.

COMMUNITY PLAN

Economy: Supporting and growing local business

Economy: Making it easier to do business

Economy: Boosting our visitor economy

COUNCIL POLICY

Not Applicable.

STATUTORY PROVISIONS

Not Applicable.

BACKGROUND

At the 7 November 2018 JRMC meeting a report was presented on a new initiative that would see the installation of festoon lighting in Cowper Street that would drive new economic outcomes for the precinct including the creation of an entry statement for the cinema, increase the aesthetics and atmosphere in the laneway, create a unique event space and play a significant role in marketing and driving demand to the Jetty Road, Glenelg precinct.

This project would provide an enhanced sense of arrival and increased patronage to the GU Filmhouse which is a major entertainment drawcard for the eastern end of the Jetty Road precinct. This initiative strongly aligns to the JRMC's terms of reference as well as the Jetty Road Glenelg 2018-2022 Retail Strategy which highlights the GU Filmhouse as an important entertainment venue to help extend length of stay within the precinct, and in attracting and retaining customers and contributing to the experience of Jetty Road, Glenelg.

REPORT

Three quotes were received and the JRDC undertook quote refinement in November with two of the electrical companies in consultation with the City of Holdfast Bay's Building and Facilities Manager. The final quote was approved by the Chair of the JRMC and Manager City Activation.

The JRDC will prepare a Memorandum of Understanding between the JRMC and the City of Holdfast Bay for the ongoing maintenance of the asset by the JRMC over the next eight years. Maintenance could include a broken light bulb or a lightbulb that has blown.

BUDGET

The JRMC will allocate \$18,000 to deliver this project from budget savings made from the Winter Wonderland event. Winter Wonderland returned \$35,000 to the JRMC budget.

LIFE CYCLE COSTS

Budget allocation of \$1,000 per annum for Cowper Street festoon lighting maintenance.

Item No: **8.5**

Subject: **TREE LIGHTING ON JETTY ROAD**

Date: 5 December 2018

Written By: Jetty Road Development Coordinator

General Manager: General Manager Community Services, Ms M Lock

SUMMARY

At the 7 November 2018 Jetty Road Mainstreet Committee meeting the Deputy Chair requested a report be provided on the background of maintenance on the tree lights on Jetty Road, Glenelg. The Jetty Road Mainstreet Committee installed tree lights on Jetty Road at the end of 2013 by Rawson's Electrical. Last maintenance took place in September 2016. A list of six trees were provided to Rawsons Electrical as the lighting was not working correctly. In the interests of alignment with the future vision for the precinct the Jetty Road Mainstreet Committee should consider the Jetty Road Masterplan when planning for new tree lighting. The JRDC will consult with the City of Holdfast Bay's Strategic Planning team to investigate some proposed concepts that can be presented to the JRMC in the first quarter of 2019.

RECOMMENDATION

The Jetty Road Mainstreet Committee :

- 1. Note this report, and;**
 - 2. Consider new tree lighting options through the Jetty Road Masterplan process and consider 2019/20 budget allocation towards new lighting.**
-

COMMUNITY PLAN

Placemaking: Creating lively and safe places
Economy: Supporting and growing local business

COUNCIL POLICY

Not Applicable.

STATUTORY PROVISIONS

Not Applicable.

BACKGROUND

The Jetty Road Mainstreet Committee installed tree lights on Jetty Road at the end of 2013 by Rawson's Electrical.

In early 2015 lighting was installed to four extra trees at the eastern end of Jetty Road as there was originally no power available in the street during the main install and the contractor needed to wait for the footpath upgrade to be completed.

The colour of the tree lights can be changed through an App on an iPad. Unfortunately the owner of the App software has not upgraded the App software, making it difficult to easily access and use the app. To use the software an iPad with outdated software must be used and the City of Holdfast Bay's IT Department was able to locate an old iPad to make available for use by the JRDC in November 2018.

REPORT

Last maintenance took place in September 2016. A list of six trees were provided to Rawsons Electrical as the lighting was not working correctly.

In July 2017 Rawsons were contacted to change the lights to blue, however were not instructed to provide any maintenance.

During November 2018 the JRDC attempted to change the lighting from blue to another colour, however due to the lighting weathering over time the light colours were not illuminating to the desired colour. Rawsons were contacted shortly after the return 6 tree lights back to blue.

In September 2018 the JRDC sourced a quote from Rawsons Electrical to improve the tree lighting with the following costings for the 24 trees:

Bud Lights – replacing all bud lighting in trees - \$55,000

Remove all old RGB led strip light and controllers from 24 trees.

Install new 24v DC power supply on pole.

Replace overhead cabling from pole to tree with one small cable.

Wrap tree with 5 runs of commercial grade bud lights (either warm or white output)

Central control Spot Light - \$104,500

All 24 trees controlled from a central location using the Control Freak Spektra Controller.

This will allow easy control of all trees or preset scenes that could make all the trees cycle through colours for an event like NYE.

Trees are lit using 2 x 27W RGB Spot Lights. (Extra lights can be added)

These lights will be attached to the trunk and positioned to light up inside the canopy.

In the interests of alignment with the future vision for the precinct the Jetty Road Mainstreet Committee should consider the Jetty Road Masterplan when planning for new tree lighting. The JRDC will consult with the City of Holdfast Bay's Strategic Planning team to investigate some proposed concepts that can be presented to the JRMC in the first quarter of 2019.

BUDGET

Not applicable

LIFE CYCLE COSTS

Not applicable

Item No: **8.6**

Subject: **JETTY ROAD DEVELOPMENT COORDINATOR WORK IN PROGRESS REPORT**

Date: 5 December 2018

Written By: Jetty Road Development Coordinator

General Manager: Community Services, Ms M Lock

SUMMARY

This report provides an update on the upcoming work in progress to be undertaken by the Jetty Road Development Coordinator over the summer 2018/19 period.

RECOMMENDATION

That the Jetty Road Mainstreet Committee note this report.

COMMUNITY PLAN

Economy: Supporting and growing local business
Economy: Making it easier to do business
Economy: Boosting our visitor economy

COUNCIL POLICY

Not Applicable.

STATUTORY PROVISIONS

Not Applicable.

BACKGROUND

The Jetty Road Development Coordinator is responsible for implementing initiatives on behalf of the Jetty Road Mainstreet Committee across the areas of the Marketing Strategy, Retail Strategy, Communication and Engagement and Events.

REPORT

Key upcoming tasks being undertaken by the JRDC include:

- Social Media management
- Liaison with Glenelg Sunset Markets for upcoming events
- Tour Down Under Street Party planning and trader engagement
- Winter Wonderland Sponsorship attraction
- 2019/20 JRM budget planning
- Consumer Newsletters and Blogs, December, January and February
- Delivery of Cowper Street festoon lighting project
- Implementation of year one delivery of the Retail Strategy
- Trader engagement – on street and via trader newsletter during peak Summer period to ensure traders are across events and opportunities.
- JRM membership – January open for nominations, with new members appointed in March

BUDGET

As per approved budget, on track.

LIFE CYCLE COSTS

As per approved forecasts, on track.

Item No: **8.7**

Subject: **JRMC GOVERNANCE MODEL**

Date: 5 December 2018

Written By: Jetty Road Development Coordinator

General Manager: Community Services, Ms M Lock

SUMMARY

The Jetty Road Mainstreet Committee (JRMC) is an advisory committee of the City of Holdfast Bay formed under Section 41 of the *Local Government Act 1999*. The JRMC conducted a Special Meeting on 20 June 2018 to workshop alternative governance models with a facilitator and external subject matter experts. At its 4 July 2018 meeting the JRMC recommended to Council their preferred governance model of an Incorporated Association established under the Associations Incorporation Act 1985.

At the 3 October JRMC meeting the committee agreed to prepare a business case on their preferred model to present to administration. At the 7 November JRMC meeting the JRMC appointed Premier Retail Marketing and Peter McNabb and Associates to prepare a business case and a draft accompanies this report.

RECOMMENDATION

That the Jetty Road Mainstreet Committee note this report.

COMMUNITY PLAN

Economy: Supporting and growing local business
Economy: Boosting our visitor economy

COUNCIL POLICY

Not Applicable.

STATUTORY PROVISIONS

Not Applicable.

BACKGROUND

The JRMC conducted a Special Meeting on 20 June 2018 to workshop alternative governance models with a facilitator and external subject matter experts. A discussion paper on the alternative models has been provided to the Committee that provides an overview of the options:

- a. Section 41 Committee – retain as per status quo;
- b. Section 41 Committee that enjoys delegated authority to make decisions on behalf of the Council;
- c. Incorporated association established under the *Associations Incorporation Act 1985* (“the AI Act”);
- d. Council subsidiary established pursuant to section 42 of the LG Act

At its 4 July 2018 Committee meeting the JRMC recommended to Council their preferred governance model of an Incorporated Association established under the Associations Incorporation Act 1985.

At the 7 November JRMC meeting the JRMC appointed Premier Retail Marketing and Peter McNabb and Associates to prepare a business case and a draft accompanies this report.

REPORT

David West, Principle of Premier Retail Marketing and Peter McNabb and Associates have been undertaking work on the draft business case from 8 – 29 November 2018. David West will attend the meeting to provide an update on the progress of the governance model business case.

Refer Attachment 1

BUDGET

The JRMC 2018/19 budget has been approved by Council without consideration of the proposed changes for a new governance model.

LIFE CYCLE COSTS

The JRMC need to consider budget implications associated with establishing a new governance model.

Draft

Jetty Road Governance

The Business Case for a Business Association

November 2018

Prepared for the
Jetty Road Mainstreet Committee

Authored by:

Peter McNabb

David West

Peter McNabb & Assoc



Premier Retail Marketing

PREMIER
retail marketing

1. Executive Summary

KEY POINTS:

- A new management approach will engage more traders and guide Jetty Road forward to meet future challenges.
- More than 20% of Jetty Road traders/property owners responded to the recent survey.
- 85% preferred the Business Association approach as did all of the current business members of the Jetty Road Mainstreet Committee.
- Businesses and property owners must be involved in the new approach.

Mainstreets and City centres across the world have moved to a professional and more nimble management approach that involves property owners and traders in developing business plans and implementing them. Over 90% of the marketing and business development programs in Australia funded by a separate rate levy are run by independent business associations. Excellent outcomes have been achieved over a long period of time when the business sector is actively engaged in the management of their city centre or mainstreet.

The Council's engagement policy aims to empower the local community to be more actively involved in decision making and partnership opportunities. An independent management approach will provide businesses with a meaningful opportunity to guide Jetty Road forward to meet future challenges.

Investing over \$550,000 each year in marketing, promotion and events to benefit small businesses and improve property values over time, businesses and property owners have a say in the expenditure of these funds and ensure that management is accountable and transparent. Reporting against measurable goals is also a high priority. 85% of businesses that responded to November survey supported the business association approach as did all of the current business members of the current Jetty Road Mainstreet Committee.

Links with Council will be maintained through a funding agreement that specifies the roles and responsibilities of both the Business Association and Council. A Councillor Representative on the Committee also can sustain the connection.

It is recognised that additional time and effort will be required by the business representatives on the new Association Committee to make the new arrangement work. . These business representatives also must have the necessary professional skills to be capable of managing the program effectively. This needs to be covered through the recruitment of Committee members with particular skills.

There will be additional administrative costs up to \$25,000 a year with this approach. These can be covered by reductions in some items of the current program and/or additional revenue obtained through voluntary contributions from businesses outside the separate rate area and/or corporate sponsorships. It is considered that reductions could be made in the current levy funding allocated to activities such as the Christmas Pageant. Additional revenue will add to the range of activities undertaken in the marketing program. The net result will be no increase in the separate rate.

2. Current Mainstreet Separate/Special Rate Levy Management Examples

KEY POINTS:

- Business associations have managed mainstreets all over the world for over 20 years.
- Victoria has a significant number of mainstreets and association management examples.

The current management of coordinated marketing and business development programs in strip shopping centres or town centres funded by separate rate/special levies is undertaken across Australia primarily by independent incorporated business associations through **funding agreements** with local councils.

More than 90% of these programs are managed in this way. Victoria has the largest number of any of the state where business association committees run 64 (96%) of the 67 special levy programs in the state, as illustrated below:

- Eleven programs in the City of Banyule;
- Eight programs in the City of Boroondara;
- Five programs in each of the City of Stonnington and Mornington Peninsula Shire;
- Four programs in the City of Moonee Valley;
- Three programs in each of the Cities of Port Phillip, Glen Eira, Darebin, and Whittlesea as well as the Shire of Nillumbik;
- Two programs in each of the Cities of Moreland, Brimbank, Manningham and Whitehorse;
- One program in each of the Cities of Ballarat, Kingston, Maroondah, Mildura Monash, Swan Hill, and Yarra as well as the Shire of Yarra Ranges.

Over 85% of these programs have been in operation for more than 15 years with formal renewals of each levy required every three to six years. Given this intense scrutiny of the effectiveness of the programs, **business association management has demonstrated over this long period of time to be a successful and resilient approach** to coordinating and delivering marketing and business development initiatives to a diverse range of mainstreets across the state.

South Australia has the next largest number of levy programs. Business association committees run 11 or 85% of the 13 special levy programs in the state, as illustrated below:

- Five programs in the City of Unley;
- Two programs in Mount Barker District Council;
- One program in each of Adelaide Hills, Gawler, Norwood and Salisbury;

In addition the Onkaparinga Council area has 14 business association programs that rely on grants and member contributions without a formal levy. Queensland, New South Wales and Western Australia also have a range of business associations or chambers of commerce including Wanneroo, Beaufort Street, Subiaco, Newtown and Newcastle.

In New Zealand the Auckland Council supports many independent business associations including Glen Eden, Papkura, Parnell, Ponsonby, Uptown, Pukekoe and many more. Many of these are in business improvement district areas and a similar management approach is replicated in over 3000 mainstreets, high streets, City centres and small towns worldwide.

With the proven track record of so many independent business associations in the management of special levy programs, it is argued that this approach should be established at Jetty Road Glenelg for the administration of its separate rate. The following report builds on this background information to present a business case for this recommendation.

3. The Operation of Business Associations and their Management Committees

KEY POINTS:

- Business Associations must state their purpose and abide by governance rules.
- The Association works closely with Council through a funding agreement.
- The mainstreet manager plays a key role in developing and implementing plans.
- The Association must engage strong, committed and pro-active business members and property owners.

Business associations responsible for the administration of special levy programs across Australia operate as incorporated associations under the relevant Associations Incorporation legislation in each state. The legislation outlines the process for a business group to become incorporated and sets out various governance requirements including:

- The development of a statement of **purposes** for the organisation
- The development of a set of **rules**

A Government department in each state sets out a rules framework that these business associations need to address including issues such as membership; the process of general and special meetings of the association; quorum and voting arrangements at meetings; the process of electing a committee; the general duties of committee members and how often committee meetings must be held; and the financial matters to be considered by the association including the keeping and inspection of financial records and the preparation and submission of financial statements.

Business associations running special levy programs generally set out the purposes and roles of their association to include:

- Representing the views of their business community
- Facilitating a shared vision for the mainstreet
- Providing a central point of contact for the local council, businesses and other organisations
- Advocating and lobbying the local council and other stakeholders
- Providing the structure to deliver and facilitate activities to improve and activate the centre
- Providing key marketing, promotional, business development and communication activities in an integrated way
- Building relationships among the business community and with the local council, other Government organisations and community groups
- Complying with the requirements of the Associations incorporation legislation in their state and the relevant local council

The activities of the association normally cover:

- The development of a funding agreement with the local council relating to the use and management of the special levy funds in accordance with the rating policy that generates these funds, outlining the roles and responsibilities of both the association and the local council.
- An annual election by association members of a committee or board of management at the association's annual general meeting (AGM) with a specified number of executive officers (e.g., President, Vice President, Secretary and Treasurer) and an agreed number of other general committee members. Membership on the committee is usually restricted to association members. This generally means that business operators or property owners in the designated area where the levy applies. In a few instances, the association through its rules provides for elected members or council staff to be on the committee to maintain a strong connection with the council. In some instances, the council representatives do not have voting rights. Some associations where a council is not represented formally on the committee, invite council officers and other Government and community representatives to attend committee meetings on an as needs basis.
- Regular committee meetings to direct, monitor and evaluate the association's activities. The tasks usually involve the development of an annual business plan and budget which is submitted to the local council for approval in keeping with the funding agreement, the appointment or continuation of a mainstreet manager or marketing coordinator, the overseeing of the association's annual program of activities in line with the agreed budget and generally implemented by the mainstreet manager and other contractors; and an ongoing evaluation of the effectiveness of the program.
- General association meetings from time to time with all members to discuss the current and future programs.
- Production of progress reports and financial records for both the committee and local council in accordance with the funding agreement.
- Regular briefings of local council staff and elected members by the committee executive and the mainstreet manager/marketing coordinator.
- An AGM to outline the activities and achievements of the association for the previous year, plans for the next year, and the financial statements as well as to elect the committee members for the coming year.

Most associations do not have separate dedicated offices or office equipment. They rely on committee members, particularly the president, secretary and treasurer, as well as the mainstreet manager to organise reports, emails etc. from their own offices and to have committee and other meetings in local cafes and restaurants or their own business premises in the centre.

The mainstreet manager or marketing coordinator plays a key role in assisting the work of the association committee and in marketing and promoting the centre.

The key tasks include:

- Working with the committee in developing an annual business plan and budget including a detailed marketing and business development program
- Implementing the marketing program through various promotional events, media advertising, and social media
- Implementing a business development program through the organisation of business networking opportunities, business training, and hands-on assistance to business operators in the centre
- Communicating with businesses and property owners throughout the centre via email, meetings, newsletters, and face-to-face discussions
- Organising evaluations of levy program activities and business surveys to capture feedback
- Assisting the committee in its liaison with council staff and elected members
- Preparing progress reports for the committee and council in relation to the funding agreement
- Assisting the committee with other administrative tasks

The main administrative tasks for the association cover:

- Preparing business plans, budgets, and reports
- Engaging the mainstreet manager/marketing coordinator on a contract or employee basis and monitoring performance
- Organising and responding to correspondence
- Obtaining insurance to cover the association's activities
- Paying bills
- Preparing regular financial reports and, if required, organising an annual audit of the association's accounts

Committee members including the president generally are not paid for their services. The mainstreet manager or marketing coordinator is normally employed on a contract basis with a specified hourly rate or agreed financial package, although a few are engaged as employees of the business association. Many business associations with separate rate/special levies have been working effectively with these arrangements for over 20 years.

The “best practice” ingredients of their success are:

- Strong, committed and pro-active business members and property owners on the association committee who have a range of skills and work well together;
- An innovative and hard-working mainstreet manager;
- Regular communication by the association committee and mainstreet manager through face-to-face visits, emails, social media etc. with all businesses in the centre;
- Accountability and transparency by committee members of the association's income and expenditure through good financial records and their availability to association members on request;
- Performance measures that are monitored after events and throughout the year;
- An exciting marketing and business development program targeted to meet the needs of businesses in the centre;
- A supportive and helpful local council with good working relationships with the association committee and mainstreet manager, and little interference in the day-to-day running of the association's program;
- Adherence by both the business association and the local council to the provisions in the separate rate levy funding agreement, particularly in the preparation and submission of business plans, budgets and financial reports

The Jetty Road Mainstreet Committee has a reasonable understanding of the skills, time and effort required to undertake these necessary governance arrangements to make an independent business association approach work. It is keen to learn more through this report and is committed to best practice to ensure that future management of the levy program under a business association approach can be effectively implemented.

4. Benefits and Costs of an Independent Business Association Management Approach

KEY POINTS:

- The Association model can unlock a higher level of business engagement.
- The Committee members will be elected by the business community.
- The Association will have the ability to raise additional funds outside the levy program to reduce overall costs associated with the program.

From the experiences of the more than 80 Australian special levy programs run by independent incorporated business associations and similar organisations overseas, the benefits of this approach include:

- Business rather than government leadership of the program enabling businesses in a centre to take greater control over their destiny;
- Independence from a council or other government organisation;
- An elected association committee (by business members of the association) rather than a committee of business people (who may or may not be members of the association) appointed by the local council;
- Direct business control over how the levy money is spent;
- Reduction or elimination of Council influence and direction on how the levy money is spent including Council use of the levy money for promotion, public works or maintenance not supported or authorised by the business community;
- Business capacity building – the opportunity provided by this approach to develop and improve the leadership, management and communication skills of businesses in the centre;
- Greater business involvement in the program as more business people tend to volunteer to be part of a business association rather than a government-run organisation;
- Greater opportunity for independent advocacy of a centre where a council-organised program may not be able to advocate in certain controversial issues due to the range of its constituents;
- Capacity to fund raise and generate resources through multiple revenue streams including voluntary contributions from businesses outside the levy area, corporate sponsorships and partnerships compared with most council-managed programs that receive only public dollars. This provides greater flexibility and resilience for the program whereas a council-led program may be in greater jeopardy of receiving less external funding due to lack of diversification in times of political pressure or shortfalls in tax dollars;
- A stronger track record of business associations engaging with a wide variety of stakeholders in managing the program, typically leading to more innovative thinking and programming. Council programs tend to be internally focused on decision-making which can limit the diversity of opinion and insight;

- Less risk of shifts in the program's priorities which under council control can lead to major changes as a result of elections or other political decisions;

Under an independent business association program, the majority of the expenditure (typically 60-80%) will continue to relate to marketing and business development expenses that benefit businesses and attract more customers.

The expenses of the mainstreet manager and/or marketing coordinator(s) may be slightly higher if those people are expected to undertake tasks currently performed by council staff whose salary and expenses related to the program are not paid for out of the levy funds. However, from the experience elsewhere, with an independent business association, the mainstreet manager is able to attract corporate sponsorship or other commercial partnership arrangements that would offset these additional costs, resulting in some cases with the mainstreet manager becoming cost neutral to the business association.

The one area where the costs of the program will increase under a business association arrangement is in general administration if the local council program has not taken these expenses out of the special levy revenue but has accounted for them in more generic line items within the council budget. The expenses in question relate to accounting, audit, insurance, secretarial services (preparation of meeting agenda, reports, minutes, etc.) and office accommodation. From the experience in other centres, these costs can represent 3-5% of the total costs of the program.

To reduce this amount, some business associations do not pay for separate office accommodation, but use local business offices, cafes and restaurants for meetings or to undertake other work at no cost to the association. Similarly, many associations have an elected secretary and treasurer who undertake the association's secretarial and financial management tasks at little or no cost to the program.

In the situation where the business association pays for these administrative services, it is recognised upfront as the costs of running a professional organisation. The trade-off may be small reduction in the levy program's marketing budget. Alternatively, the association may pursue additional revenue to offset the extra administrative costs. This may be achieved through voluntary contributions from businesses outside the levy area, corporate sponsorships or other partnership arrangements.

Through this report the Jetty Road Management Committee will have a better understanding of both the benefits and likely costs of an independent business association management approach. It will need to be committed to ensuring that any additional costs do not result in an increase in the levy on properties, but are covered through increased revenue from other sources or reductions in expenditure in other parts of the levy program.

5. Application of the Independent Business Association Management Approach to Jetty Road

KEY POINTS:

- The Business Association would take the lead role in managing the levy program.
- A funding agreement between Council and the Association would be developed.
- The Association would develop an annual business plan and budget.
- Transparency and accountability are critical to a successful program.

The application of the independent business association management approach to the Jetty Road levy program is discussed in terms of the governance and financial arrangements.

Governance Arrangements

Under an independent business association approach, a new Jetty Road Mainstreet Business Association would take over from Council in the lead role of managing the levy program. Businesses and property owners in Jetty Road would need to establish this association as an incorporated association under the South Australian *Associations Incorporation Act 1985*.

Once the new association is established, its members would elect the committee or board to oversee the running of the program. This would occur at the first general meeting of the Association. The committee also could include a (voting or non-voting) Councillor from Holdfast Bay Council. This would need to be included in the rules for the Association and agreed by members at the time of incorporation.

Through the committee, the Association would develop and approve a **funding agreement** with Council in relation to the use of the levy funds collected by Council. The agreement would set out the roles and responsibilities of each party.

To fulfil its obligations, the Association would develop a **business plan and budget** outlining for each year the income to be received from the levy and any other sources as well as a breakdown of expenditure. These documents would be submitted to Council for overall approval.

Following approval of the business plan and budget, Council would forward the levy income to the Association on a quarterly or other agreed basis. The Association Committee would be solely responsible for all expenditure of these funds. This would require the Treasurer to open a separate bank account and to pay all bills related to levy fund expenses.

The Treasurer also would prepare regular financial statements detailing income and expenditure for consideration at Committee meetings. To ensure full transparency and accountability, these statements would be made available to any Association member (i.e., a business or property owner in Jetty Road) on request.

An independent audit of the financial records would be undertaken on an annual basis and presented at the Association's AGM for consideration by members as well as submitted to Council. Other financial reports would be prepared for Council at agreed intervals throughout the year in line with the funding agreement.

The Association would be responsible for any office accommodation, equipment and supplies that it considers necessary to administer the levy program. Under an agreement with Council, the Association's office could be established within existing municipal offices. Alternatively, it could be organised, if required, in business premises in Jetty Road under an agreement with the business or property owner.

The Association also would need to organise appropriate public liability insurance particularly in relation to promotional events that it organises as well as insurance for Committee members.

The employment of the development and events coordinator(s) would be transferred from Council to the Association. The Association would become solely responsible for the terms of employment including the role and tasks to be performed as well as the termination provisions. The person(s) selected by the Association Committee to fill this role(s) would be engaged as an employee of the Association or on a contract basis, and would work solely on tasks for the Association.

Regular communication and engagement with members about the levy program would be an important priority of the new Jetty Road Business Association. This would occur through emails, newsletters, and social media posts to businesses in the separate rate area as well as regular public meetings or workshops organised by the Committee. The development coordinator would continue to play a critical role in this through face-to-face discussions with businesses in the street as well as responses to issues raised through phone calls and emails.

Transparency and accountability are key ingredients to a successful program, and both the Committee and development coordinator need to ensure that members of the Association are up to date with what is happening in and proposed for the street and that their issues and concerns are being addressed.

Financial Arrangements

Under the business association approach, the Committee would be responsible for managing the financial arrangements relating to the implementation of the separate rate funds. This section of the report outlines how the transition from the current arrangements could occur.

The 2018-19 Jetty Road budget, managed by Council, specifies the following income and expenses (including the surplus from previous years):

Jetty Road Mainstreet Budget 2018-19

Revenue	2018-19 Budget (\$)
General Rates Raised	564,539
Other Income	4,200
<i>Total Revenue</i>	<i>566,739</i>
Expenses	
Employee costs	149,371
Sponsorships	12,500
Professional Services	4,500
Event Management	69,388
Marketing	129,994
Retail Strategy Implementation	40,000
Food & Drink	3,250
Office Expenses	1,750
Directory Board	2,500
Christmas Decorations	42,515
Christmas Pageant	35,717
Winter Wonderland	74,421
Tour Down Under	50,000

November Street Party	30,000
<i>Total Expenses</i>	<i>645,906</i>
Net Profit (Loss)*	(77,167)

* The 2018-19 Budget includes carry forward amount from 2017-18 of \$77,187.

Source: Holdfast Bay City Council

27% of the revenue obtained for the program is spent on administration. This includes employee costs and office expenses. The employee costs of \$149,371 cover:

- Salaries, wages, superannuation for the Jetty Road Development Co-ordinator - \$106,524
- 40% of the salaries, wages, superannuation for the Events Assistant - \$31,944
- Workers compensation insurance - \$6,903
- Ad hoc wages of Depot staff for various events in Jetty Road - \$4,000

The office expenses of \$1,750 for the year cover:

- Mobile phone expenses - \$1,000
- Printing and stationery supplies - \$750

Other administration expenses for items such as office accommodation for the Development Coordinator and Events Assistant, secretarial services, financial management and auditing of the program's accounts, and public liability insurance are not charged to the levy program. They are covered within line items of the administration budget for Council as a whole.

The change to a business association management approach at Jetty Road would require all of the administrative expenses outlined above to be included within the levy budget unless Council agreed to continue to pay for some expenses or the Jetty Road Business Association decided to make other arrangements, as outlined in previous sections of this report, so as not to incur these expenses.

To obtain an estimate of what these expenses might amount to, an analysis was undertaken of the administration expenses of the Camberwell special levy program in Melbourne. This example was used because the special rate there raises \$506,000 per annum (close to the \$565,000 raised for Jetty Road) and the program incurs expenditure for a centre coordinator, office accommodation and other administrative expenses similar to those that would be expected for Jetty Road.

The total 2018-19 budget for administration expenses in the Camberwell (Vic) program is approximately \$110,000 or 22% of the amount raised by the special rate. This proportion allocated to administration is much less than the 27% in the current Jetty Road program.

A breakdown of that expenditure is detailed below:

Camberwell Business Association Administration Expenses

Administrative Item	2018-19 Budget (\$)
----------------------------	----------------------------

Centre Coordinator fees	95,000
Office accommodation	5,500
Office telephone, Internet, web hosting, domain registration, mobile phone for coordinator,	1,800
Bank fees, licences, etc.	500
Accounting & secretarial expenses	4,500
Audit	1,500
Insurance (directors, public liability, office)	1,400
Total expenses	110,000

The Camberwell Business Association employs the centre coordinator on a contract basis with a fixed monthly fee to cover the 30 hours a week spent on the program. Kerry Daly is employed as a contractor as she and her husband undertake other work in their property company. As a contractor, she is responsible for her own expenses on items such as workers compensation insurance and superannuation.

The annual cost for office accommodation is quite low. The Association has been able to negotiate the use of a community room in a commercial shopping complex in the Camberwell centre. Under the terms of the planning permit, this space in the complex cannot be leased for retail purposes, and hence the overall rent is very reasonable. The Association's cost also is low because the space and rent are shared with the Association's bookkeeper.

Using the Camberwell example and following discussions with the Jetty Road Mainstreet Committee, it is estimated that the maximum annual amount of additional general administrative expenses for the Jetty Road program under a business association approach would be in the order \$25,000. This is a conservatively high estimate being \$9,000 above the \$16,000 currently spent on these items in the Camberwell program.

A breakdown of those additional administrative expenses is outlined in the following table:

Administrative Item	2018-19 Budget (\$)
Office accommodation	11,000
Office telephone, Internet, web hosting, domain registration, mobile phone for coordinator, printing and stationery	2,500
Bank fees, licences, etc.	500
Accounting & secretarial expenses	5,000
Audit	2,500
Insurances(directors, public liability, office)	2,000
Miscellaneous	1,500
Total expenses	25,000

The aim of the Jetty Road Mainstreet Committee and the wider business community is to cover these additional expenses without increasing the separate rate. This would be achieved either by reducing the amount currently spent on other items in the Jetty Road budget or generating additional revenue from other sources.

The areas where it is considered cost reductions in the order of at least \$25,000 could be made to the current program include:

- The current contribution to the Christmas Pageant Community Event
- The contribution to the Street Party and the Tour Down Under

As an alternative, additional revenue could be generated for the Jetty Road program under a business association approach through:

- Annual voluntary contributions from properties in Glenelg that are just outside the separate rate area and see a benefit in contributing to the program
- Corporate sponsorships for particular events or activities in the program

The Swan Hill Inc. program in Victoria makes use of voluntary contributions from businesses adjacent to the special rate area. Approximately \$10,000 is received annually from businesses in New South Wales that are over the Murray River but linked to the Swan Hill District. The amount paid by each business is comparable to what a similar property in Swan Hill would contribute to the special rate. The business association manages the transactions by sending out an invoice to each business and ensuring that it receives payment.

A similar arrangement could be put in place for the Jetty Road program. It is estimated that there are approximately 10-20 businesses close to Jetty Road not paying the separate rate that would see benefits in being a part of the program. These businesses include operations such as the Glenelg Marina, Anzac Road or Broadway businesses. It is estimated that voluntary contributions from these businesses could achieve additional revenue for the program in the vicinity of \$10,000.

Corporate sponsorships of particular events or activities also could add revenue to the program. Sponsorships could be obtained from corporate partners such as banks, insurance companies or mining companies. These sponsorships could potentially provide a further \$10,000 to the annual income.

A Jetty Road business association approach, therefore, could maintain the entire current marketing program as well as cover its existing and proposed additional administration costs in an effective way without increasing the separate rate. An indication of how this could be achieved is outlined in the following table. Key changes to the current budget are highlighted in red.

Jetty Road Mainstreet – Current and Alternative Association Budgets for 2018-2019

Revenue	2018-19 Budget (\$)	Association Budget (\$) with surplus carry over of \$77,167 for fair comparison	Association Budget (\$) Not including \$77,167 surplus carry over

General Rates Raised	564,539	564,539	564,539
Other Income	4,200	4,200	4,200
<i>+Sponsorship</i>		10,000	10,000
<i>+Additional Income</i>		10,000	10,000
<i>Surplus carry forward</i>	77,167	77,167	0
<i>Total Revenue</i>	645,906	665,906	588,739
Expenses			
Employee costs	149,371	149,371	149,371
<i>+Administration/office costs</i>	0	23,250	23,250
Sponsorships	12,500	12,500	8,000
Professional Services	4,500	4,500	4,500
Event Management	69,388	69,388	56,000
Marketing	129,994	149,994	120,118
Retail Strategy Implementation*	40,000	40,000	40,000
Food & Drink	3,250	3,250	3,250
Office Expenses	1,750	1,750	1,750
Directory Board	2,500	2,500	2,500
Christmas Decorations	42,515	42,515	40,000
Christmas Pageant	35,717	12,467	10,000
Winter Wonderland	74,421	74,421	65,000
Tour Down Under	50,000	50,000	40,000
November Street Party*	30,000	30,000	25,000
<i>Total Expenses</i>	645,906	665,906	588,739
<i>*please note that the surplus allocation was \$40,000 to the Retail Strategy and \$30,000 to the Street Party</i>			

In the proposed new arrangements, \$20,000 of extra income is included in the budget as well as \$23,250 (\$25,000 - \$1,750) of extra administrative costs. To cover these extra administrative costs, \$23,250 has been removed from the Christmas Pageant in line with the Committee view that most of the expenses for the pageant should be covered by Council.

However, if the Association does obtain \$20,000 of additional revenue, as suggested in this budget, it can be used to undertake additional marketing so it has been added to that part of the budget expenditure. This provides an important net gain for the Association.

6. Survey and Interview Responses

The development of this business case involved extensive consultation within a very limited time frame for the project. An information sheet and survey was distributed to businesses and property owners in the Jetty Road separate rate area to assess the level of support for the change in governance arrangements from the Council Committee to an independent business association

approach. Members of the current Jetty Road Mainstreet Committee also were consulted on their views.

David West and Peter McNabb spent over 50 hours conducting face-to-face and telephone interviews talking directly to traders and property owners to answer their questions. Businesses were presented with all four approaches to Jetty Road management (including the current approach) to ensure that all options were understood.

This process involved much more consultation than the previous survey undertaken by Council. From the feedback from businesses, the Council process received a very poor response due to a host of reasons including:

- several businesses were closing or short term (currently 18 vacant shops and pop-ups)
- several new shop owners not being aware of the program and therefore not being able to respond
- 61% (31) said they were aware from the e-news or flyer but only 3 completed the survey
 - 13% (4) thought it related to the Master Plan and did not investigate further
 - 19% (6) assumed that their head office would deal with it
 - 26% (8) said it was too much information causing them not to respond
- 39% (20) said they were not aware or could not recall the information
 - 35% (7) said they did not receive it
- In addition to this, the 22 Bayside Village shops have their own centre management governance in place.
- In some cases traders were aware of the information but did not follow through or complete the survey as they were seeking more explanation before committing themselves.

In contrast, the recent approach by our Premier Retail and McNabb & Associates consultants involving emails as well as personal delivery of the surveys and follow-up discussions ensured a higher level of meaningful engagement. Multiple visits to a business were required to connect with the owner or manager as they were often not onsite at Glenelg.

Business and Property Owner Responses

On the 13th November the information sheet was delivered to all Jetty Road and Moseley Square shopfront businesses and Council followed up with an email on Friday 15th November to all businesses in the separate rate area. Traders were personally contacted between Monday 19th to Friday 23rd November to discuss the various options and to seek their views for the survey.

The information sheet asked traders and property owners if they supported a business association model as detailed below:

- Future management of Jetty Road would be undertaken by an incorporated independent Business Association
- Committee members will be elected at the Annual General Meeting by the business members rather than appointed by Holdfast Bay City Council, as is the current approach
- The Incorporated Association will be guided by the agreed Rules of the Association

- The Association will have independent decision making ability
- A Funding Agreement with Council is required to manage the marketing funds raised by the levy
- The Association must report its budget position and progress to Council during the year
- Alignment with Council directions and plans will be undertaken by the Association
- The Association is responsible for its own insurance, accounting and annual audits
- The Association must manage any employees or contractors carrying out work on their behalf
- The Association will be required to pay for any office space, equipment and technology support not provided by Council
- The business community must show strong leadership, commitment, and good governance for the Association approach to be workable
- The Association can enter into partnerships with Council to deliver special events/projects and lobby Council to undertake further improvements in Jetty Road
- The Association can seek additional grants and corporate sponsorships from Council, Government, private and community organisations

One question was put forward in the survey – “Are you in favour of the above management approach”? YES / NO

Sixty six (66) businesses and property owners or 22% of the 305 occupied premises in the Jetty Road separate rate area responded to the survey. Their responses to the preferred management approach are outlined in the following table:

Business Name	Preferred Approach
The Annex Café	Association
Peter Shearer Menswear	Association
Bay Newsagency	Association
Westpac Glenelg	Association
Mamma Carmela	Association
TSG Glenelg	Association
Zest Café	Association
Glenelg Pharmacy	Association
Bay Junction Florist	Association
Caruso’s Fruit & Veg	Association
CIBO Café	Association
Fassina Liquor	Association
Maios Properties	Association
Enve Hairdresser	Association
Taplin Property	Association
Holdfast Opals	Association
Pure Boutique	Association
Changing Canvas	Association
H&A Café	Association
FEED Jetty Road	Association
Elegance at the Bay	Association
Barbara’s Sew & Knit	Association
ANZ BANK	Association
Grundy’s Shoes	Association
Sakura Sushi	Association
M&S Dry Cleaners	Association
Wlane Fashion	Association

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GU Filmhouse	Association
Fotopolous Property	Association
Hello Harry	Association
Adelaide Exchange Jewellers	Association
Peoples Choice	Association
Cardones Seafood Grill	Association
Extreme Boardriders	Association
Blazae	Association
Glenelg Health Foods	Association
Fishbone Café	Association
Mio Gelato	Association
Fruizberry	Association
Emporium Beauty	Association
Savenio Travel	Association
The Daily Fixx	Association
Carnegie Est Fashion	Association
2B Altered	Association
Black Pepper	Association
Coastal Uggs	Association
Jetty Road Shoe Repair	Association
Ottoman Grill	Association
Reece Bathroom Supplies	Association
Haigh's Chocolates	Association
Mint on Moseley	Association
Mint Function Centre	Association
Frankie Hairdresser	Association
Inner Focus Gym	Association
Wishart Jewellers	Association
Copyfax Stationers	Council Subsidiary
Kathmandu	Council Subsidiary
Property Owner D&S Group	Council Subsidiary
Property Owner John Papatolis	Council Subsidiary
Shades	Council Subsidiary
Waffle King	Council Subsidiary
Bracegirdles Café	Current Section 41 Committee
Goldsmithery	Current Section 41 Committee
JL Stevens Nominees	Current Section 41 Committee
Touche de Paris	Current Section 41 Committee
Gelatissimo	Current Section 41 Committee

Summary of responses:

- 83% (55) preferred the business association approach. Many felt that while Council could appoint members to the JRMC they also had a democratic right and obligation to vote for Board members. They also would like to see representation from the three geographical sectors including the eastern end of Jetty Road as they often were not included.

- 8% (6) preferred a Council subsidiary established under Section 42 of the Local Government Act and used in Rundle Mall. However other businesses were concerned that no traders or levy payers were on the Rundle Mall Board.
- 7% (5) preferred the current Section 41 Committee of Council

For those who were supportive of a business association approach, it was clearly explained to them that businesses would need to step up and be involved if this approach was to be successful. A number of businesses (8) commented that they believe a link with Council in some form would be beneficial as they also invest heavily in Council rates in addition to the levy.

Committee Responses

The consultants discussed the four governance options with the nine business representatives of the current Jetty Road Mainstreet Committee. All of the nine business representatives on the Committee supported the business association approach as long as the administration costs were accounted for without adverse impact on the delivery of the marketing and event program and did not result in an increase in the separate rate. In addition they indicated that members of the new Committee must have the necessary professional skills to be capable of managing the program effectively.

No one supported the Section 41 Committee arrangement.

The reasons indicated by the majority of the Committee for the change to the business association approach are:

- Desire for more business control over the direction and budget expenditure of the program
- Removal of the Council red tape and veto of some proposals which is slowing the progress of the program
- More direction for the role and duties of the Development Coordinator who they would like to have more time allocated to face to face time with businesses on the street
- More opportunity for the Committee to generate additional revenue for the program through voluntary contributions from Glenelg businesses outside the separate rate area and through corporate sponsorships.