



19. 12. 2003

**REPORT BY THE CHAIRMAN OF THE
SUSTAINABLE TRANSPORT AND UTILITIES COMMITTEE**

PART A - MATTERS REQUIRING A COUNCIL DECISION

2. CENTRAL CITY PROMOTION

The purpose of this report is to follow up on the matters presented to councillors at the seminar held this morning, 19 December 2003, on options for a central city promotion programme, organisation, and funding.

BACKGROUND

The seminar demonstrated how the commercial viability of the central city is at risk unless action is taken urgently for central city retail co-ordination and promotion. It is clear that this can only happen satisfactorily if it is facilitated and funded by the Council.

The favoured option for funding the estimated \$1,000,000 per year required, is to raise **additional** funding from the Council's parking buildings. This option would have no impact on rates. It would require examination of how the Council manages its parking building assets, with a view to a more commercial approach, with aggressive promotion of the parking buildings, to generate the additional revenue, while still pursuing the Council's wider objectives. A council controlled organisation (CCO) is suggested to manage these facilities. It is considered that such an approach would optimise the support to central city businesses which parking buildings provide, while at the same time providing the revenue needed to fund central city promotion activities. The CCO might also administer the central city promotion budget in conjunction with central city retailer and business organisations.

An urgent staff, or consultant report, on these matters is now needed, so that the Council will be in a position to consider and decide how it wishes to proceed early in the new year, and in time for the annual plan. The following recommendations are intended to "get the ball rolling".

Chairman's

Recommendation:

1. That staff urgently investigate and report as soon as possible in 2004 on the matters discussed at the seminar referred to above, including:
 - (a) Management of Council parking buildings using a council controlled organisation or other structure for the purpose of generating a more commercial approach for these facilities, and especially the capacity to raise additional funds from them.
 - (b) The investment of such additional funds for central city business promotion purposes.
 - (c) The administration of such funds in ways involving central city business organisations.
2. That staff, and/or any consultant employed, work with Mr Steve Collins and with the chairs of the Strategy and Finance and Sustainable Transport and Utilities Committees in developing a report and recommendations to the relevant committees for recommendation to the Council.

CONSIDERED THIS 19TH DAY OF DECEMBER 2003

MAYOR