

9. MANCHESTER STREET CAR PARKING FOR CANTERBURY INNOVATION INCUBATOR

Officer responsible Director of Business Projects	Author Ian Hay, DDI 371-1474
Corporate Plan Output: Economic Development	

The purpose of this report is to seek Council approval to providing free car parking in the Manchester Street car park for the Canterbury Innovation Incubator for a period of three years.

Canterbury Development Corporation in association with Orion has developed a Canterbury Innovation Incubator on the Orion site. The intention is to nurture small technology and innovation companies with the intent of assisting in the commercialisation process and protection of the ideas and patents for Christchurch. Orion have underwritten initial rental and fitout of the buildings with CDC providing some seed capital.

There is a need to provide on-site car parking for the facility for an initial three year period. In discussion with the Parking Manager, the Manchester Street building has been identified as the most suitable source and CDC has requested that the Council provide 30 car parks free of charge from 1 July 2001 with the first 10 to be made available from 1 May 2001. The Manchester Street car park has 350 parking spaces of which 170 are leased on a long term basis. The remaining 180 are retained for casual use to ensure space is available for visitors to the central city but in reality the car park is "full" about 20% of the available time.

Council policy is to ensure an adequate supply of casual parking to meet the average peak demand, with reserve parking available to utilise the excess supply over casual demand and to provide adequate revenue streams. Despite a waiting list for reserved spaces at Manchester Street and the opportunity to increase revenue, the level of reserved spaces has been held at the present level to meet the above objectives.

The opportunity cost of the Council providing 30 spaces to the Innovation Incubator ranges from approximately \$5,000 (based on the current mix of reserved/casual spaces) to \$17,500 (based on long term leasing of additional spaces if the mix was changed).

The Canterbury Innovation Incubator is an initiative between the private and public sectors in Christchurch. The budget to operate the facility is tight and Council is being requested to provide some "in kind" support to the project.

- Recommendation:**
1. That the Council agree to the provision of 30 permanent car parks in the Manchester Street building at no cost from 1 July 2001 for a three year period.
 2. That an initial 10 car parks be made available from 1 May 2001.
 3. That the Parking Unit revenue projections for the three years be reduced by \$7,500 to provide for the free parking.

- Chairman's Recommendation:**
1. That 10 car parks in the Manchester Street building be made available free of charge in May and June 2001.
 2. That, subject to approval in the final stage of the Financial Plan process, 30 car parks be provided for a three year period from 1 July 2001.
 3. That the economic development budget be increased by \$7,500 per annum for three years to cover the costs.