

STRATEGIC ASSESSMENT FOR INVESTMENT – ANNUAL PLAN 2019/20

PROJECT NAME: EPIC Town centre strategy

PROJECT OWNER: EPIC, supported by Julie Gardyne

PART 1: THE PROJECT

1.1 Description of the project/proposal

A group of Business Owners, Landlords and a Commercial Leasing Agent have formed EPIC. EPIC has a vision of a re-energised and revitalised Whakatane town centre that attracts more people, who stay longer and spend more. The group have travelled to other cities in the Bay of Plenty and spoken to other town-centre program co-ordinators and board members which has helped give direction. They have also contracted to a Tauranga based company Tuskany who run Downtown Tauranga and they have facilitated a workshop and produced a strategy for EPIC, which has so far been self-funded. EPIC are seeking funding for a town-centre programme and coordinator, via way of a targeted rate on the Whakatane CBD to achieve this strategy, and to run marketing and promotion campaigns.

1.2 Benefits to be delivered

EPIC advises that the objectives they are seeking are:

- To maintain a sustainable CBD
- To collaborate with stakeholders
- To Enhance the shoppers experience
- To support businesses in the CBD

This proposal aligns with the feedback from the communitrak survey which highlights the community’s priorities around business support. It also aligns with the Council’s town regeneration project.

For clarity however, EPIC are seeking Council’s role primarily being one of collecting the targeted rate. The rates funding would be re-distributed back to EPIC. Many other towns around New Zealand have successful town-centre programmes place, including across the Bay of Plenty and Taupō.

The potential dis-benefit of this project would be the increased rates cost on businesses in the CBD, the perception that this is a Council cost, and the administration cost of applying the targeted rate. Subject to inclusion of this proposed targeted rate in the Draft Annual Plan, feedback on the proposed increased costs would be sought during the consultation process.

1.3 Implications of not doing the project

EPIC are keen to ‘get started’ and of course, the Council cannot set a targeted rate without following a formal consultation process, and until the beginning of the next financial year. It is very unlikely that EPIC would achieve the benefits of the strategy and promotion campaign by seeking voluntary contributions from retailers.

PART 2: ALIGNMENT WITH THE COUNCIL’S STRATEGIC DIRECTION

2.1 Alignment with Council’s Community Outcomes

What Community Outcomes does this project contribute to (tick)?

Effective Leadership <input checked="" type="checkbox"/>	Sustainable economic development <input checked="" type="checkbox"/>	Community Needs <input checked="" type="checkbox"/>	Quality Services	Valuing our environment	Reliable & affordable infrastructure
---	---	--	------------------	-------------------------	--------------------------------------

PART 3: PROJECT COSTS

3.1 Financial cost analysis

EPIC has advised that it is seeking an estimated \$80,000 towards the costs of a the programme (coordinator, marketing and campaigns).

Proposed Budget Requirement and Rating Impact	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Proposed Capital Expenditure	-	-	-	-	-	-	-	-	-
Proposed Operational Expenditure	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000
Cumulative rating impact % by year	0.18%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Debt Impact	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Increase in closing debt	-	-	-	-	-	-	-	-	-

Proposed Funding Sources	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Proposed internal funding sources <i>100% targeted rate - Whakatane CBD (new rate)</i>	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000
Proposed external funding sources	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

3.2 Resource Requirements

Finance team resources. The collection of the rate and the distribution of the funding would require finance team administration costs.

PART 4: STAKEHOLDERS

4.1 Stakeholders

Outline the key stakeholders and their interest / likely engagement with the proposal (it is not expected that stakeholders have been consulted at this stage).

Stakeholders	Interest in proposal
Retailers, business owners, tenants in the Whakatane CBD	Cost that would be imposed by the targeted rate. Support or otherwise, for the EPIC strategy outcomes
EBOP Chamber of Commerce	Understanding how EPIC and Chamber of Commerce can support each other
Other town centres in the Whakatane District e.g. Kopeopeo	Whether the success and learnings could be applied, or whether the strategy could be extended to apply
Wider business community	Support for a thriving Whakatane CBD

PART 5: RISK IDENTIFICATION

5.1 Risk identification

The key risks include

- Consultation ‘push back’ from businesses in the CBD during consultation
- That the rate cannot be simply targeted on retail businesses. There are a wide range of commercial businesses in the CBD
- Timeframes – there would need to be a delay in starting this proposal until July 2019. We currently have a group of enthusiastic community members keen to input into this work. However they are continuing to develop the strategy in addition to running their own businesses
- EPIC strategy and programme fails to deliver the outcomes sought