

ATTACHMENT

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Four (4) page printed information bulletin

Investing in our future

Proposed continuation of the Additional Special Business Rate Variation Levy which funds the Lismore Business Promotion Program

Setting the scene

The existing SBRVL

The Special Business Rate Variation Levy (SBRVL) funds the city centre revitalisation project and Lismore-wide marketing activities of the Lismore Business Promotions Program. This program, now in its fourth year of operations, is actioned by the Lismore City Centre Manager and governed by the Lismore Business Promotions Panel.

The SBRVL has been in operation and administered by Lismore City Council since July 1, 1998. In a successful submission made by Council to the NSW Minister for Local Government in that year, the SBRVL was sought for two purposes:

- To create a new CitySafe program that would improve the experience of shoppers and visitors and combat perceptions that Lismore was unsafe, and;
- To promote the city centre and the overall business sector in general, in order to attract people back to shop and use the range of services Lismore has to offer.

How the SBRVL is collected

The SBRVL has been in existence for 14 years and is paid for by 234 Business Property Owners in the defined city centre area and 846 Business Property Owners in the remainder of the Lismore Urban Area. In most, but not all instances, the cost of the SBRVL is passed on to businesses which lease or rent the rated Business Properties (the exceptions are Owner-occupied business premises).

Background to the current Additional SBRVL funding

After a rigorous and transparent process of consultation with property owners and business owners and/or managers from across the Lismore Urban Area in late March 2010, Council applied successfully to the NSW Minister for Local Government for an increase to the existing Special Business Rate Variation Levy (SBRVL) which funds the Lismore Business Promotion Program, for the additional amount of \$100,000 per annum for a period of three consecutive years, commencing on 1 July 2010.

On average, the cost of the Additional SBRVL is just under \$100 a year, for the combined total of 1080 Business Property Owners in the Lismore Urban Area. The current Additional SBRVL will cease on June 30, 2013.

The figures below record the Total SBRVL Income collected from Business Ratepayers over the past three consecutive years.

2010/11 - \$308,000
2011/12 - \$316,600
2012/13 - \$328,000

The contribution from the Additional SBRVL to the total income collected over these three years is as follows:

2010/11 - \$100,000
2011/12 - \$103,700
2012/13 - \$106,500

Note: the increases in both forms of the SBRVL collected each year reflect the previous year's collections plus the rate pegging percentage for the current year. The reason for the sequential growth shown is that the SBRVL has increased in 2010/11 by the accumulating rate pegging 2.8% increase in 2011/12 and 3.6% increase in 2012/13 to \$106,500.

The proposal

On 19 November 2012, the Lismore Business Promotion Panel recommended an extension of the Additional SBRVL for a further 5 years, to Lismore City Council. At its meeting on Tuesday, 11 December 2012, Council requested that comprehensive consultation with the Lismore Urban Area business community, including property owners and business owners/managers, take place regarding a Special Rate Variation application to raise \$106,500 per annum for 5 years to be spent on business promotion activities, from 1 July 2013 onwards. Details of the consultation process involved are contained within this bulletin.

The results of the consultation need to be reported back to Council in March 2013 to determine if a Special Rate Variation application is to be submitted to the Independent Pricing and Regulatory Tribunal (IPART).

If there is support from the Lismore business community for the proposed 5 year extension and should the Special Rate Variation application be approved by IPART, Council will increase the rates paid by the Lismore Urban Area business rated properties in 2013/14 by \$106,500.

The effect of the proposed extension

- If the recommended \$106,500 per annum increase IS approved, there will be no extra cost to Business Property Owners in total. However, in future years, the Additional SBRVL will increase by rate pegging.
- If the proposed increase does NOT occur, Business Property Owners in the Lismore Urban Area will have their rates reduced as a group, by the overall amount of the current Additional SBRVL of \$106,500 after 30 June 2013.





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Progress so far

The Lismore Business Promotion Program is based on a commonsense approach. We need to ensure that an attractive and sustainable product exists that can be promoted effectively to our local community and wider afield. This product is a combination of the amenity of the city centre, the range of goods and services to be found there, and regular activities and attractions that provide consumers with a reason to visit Lismore.

Snapshot of achievements to date

Successive Business Plans, media reports and bi-annual issues of the 'Lismore Heartbeat' newsletter have listed the results of the Lismore Business Promotion Program in detail since its inception in late 2009. Outcomes so far include:

- Origination and production of the high-impact 'Lismore-come to the Heart' brand and related collateral, and sequential media marketing campaigns, many linked to special events and retail promotions;
- Assistance for an average of 30 local festivals, events and activities each year; both within the city centre and outer areas in the Lismore Urban Area;
- The introduction of regular weekly and monthly attractions such as the CONcerts, the Craftmakers' Market and the Lismore Produce Market;
- Production and airing of regular 'Come to the Heart' television commercials at key times to promote major shopping events organised by the City Centre Manager, such as Mother's Day, the annual Stocktake Sale and Christmas Bonanza;
- Creation of a state-of-the-art website incorporating the first-ever comprehensive and LGA-wide Business Directory with the ability to enable Lismore businesses which don't have an on-line presence, to benefit from inclusion. 450+ businesses were listed on the 'Lismore-come to the heart' website at the start of December 2012, and more are being added progressively;
- Organisational and marketing support for existing and brand new sporting and entertainment events;
- The introduction and adaptive use of social media including Facebook, Twitter, blogs and viral marketing and crowd-sourcing techniques to broaden the appeal of Lismore;
- Assisting major cultural initiatives such as the Back Alley Gallery and the Lismore Art in the Heart Project that have enlivened the CBD; and
- Securing sponsorships and additional grant funding to boost the LBP Program budget to the value of \$115,000 over the past two years.

How do we rate?

SCU review preliminary findings

Southern Cross University's Business School has been commissioned to review the effectiveness of the Lismore Business Promotion Program by the Lismore Business Promotion Panel and will provide its report (based in part on personal interviews and online surveys with consumers and members of the Lismore business community) in early 2013.

At the time this bulletin was assembled, 109 members of the wider community and 89 business property owners, business owners and managers had taken part in the SCU survey. A preliminary indication of respondents' views is as follows:

Wider Community / Shoppers

- 67% agree or strongly agree that over the past two years the CBD has improved; while 12% disagree/strongly disagree
- 66% agree or strongly agree the CBD is more attractive to them; 12% disagree/strongly disagree
- 45% agree or strongly agree they want to visit more often; 22% disagree/strongly disagree

In general terms:

- A clear majority thought that the city centre has vitality and improved over the past two years.
- Most respondents believe that the city centre has become more attractive to them over this period.
- However, it is recognised that more work needs to be done in order to make them want to visit the city centre more frequently.

Business Community

At the time of writing, 89 of the 129 business community surveys had been processed, and the majority of businesses were in favour of continuing the levy, with the results showing that:

- 65 (73%) agree
- 24 (27%) disagree.

This overall response is similar to that found in previous studies, the SCU team reports.

Again, in general terms:

- Overall, respondents were neutral as to whether the city centre has improved over the past two years and many indicated they thought Lismore does not have vitality.
- Businesses surveyed were similarly luke-warm when asked if Lismore is more attractive to shoppers now compared to 2 years ago.

The difference in perceptions between the two groups surveyed warrants more scrutiny. In effect,



the consumers of the product being offered – the range of experiences to be found in the Lismore city centre – appear to believe that change for the better has occurred. However the providers of the product – the business community – don't appear to recognise these improvements.

What are the challenges we face?

Additional findings from the preliminary review of the Lismore Business Promotion Program by the SCU Consultants suggest that the city centre revitalisation process has made considerable headway, but needs to consolidate and increase its marketing efforts. There needs to be more sustained out-of-region advertising and promotional activity, to ensure that Lismore's position as the only city in the Northern Rivers and its role as commercial hub of the region is not undermined by recent and rapid development in neighbouring coastal towns.

There is also a need for improved and more regular communications with the business community, which faces its own challenges due to poor take up of current and emerging technologies which are changing the face of retail operations, Australia-wide.

In addition, increased training and educational assistance needs to be provided for some sections of the business community that have not kept up with rapid technological change or had some difficulties adapting to current trends or altered consumer habits.

What is the extended funding for?

Future projects that could be included in the application to I-PART covering the next 5 years are grouped under the same four components found in the current Lismore Business Promotion Program budget, and will be reviewed and workshopped by the Lismore Business Promotion Panel. These potential future projects include:

Marketing

- Refreshing the 'Lismore-come to the Heart' brand and collateral, and increasing advertising to out of region markets (Brisbane, SEQ, Coffs Harbour and the West) for specific events and activities that can attract shoppers and patrons from further afield;
- Placing regular press advertising in print media servicing surrounding towns in the Northern Rivers highlighting the range of services Lismore has to offer, and reinforcing its role as the regional hub;
- Increased use of social media, including securing links to influential national retail-focused and other 'blogs';

- Increasing the level of interaction and marketing support for those SBRVL contributors outside the prescribed city centre zone (i.e. those in the Industrial Estates, South and North Lismore, East Lismore and Goonellabah).

Events

- Identifying and then assisting one or more signature events that have the potential to match existing major iconic events recognised and supported by Council and the business community (Lismore Lantern Parade, Tropical Fruits, North Coast National);
- Scoping potential signature events such as a family-oriented alcohol-free New Year's Eve concert and related activities, or a 'Taste of Lismore' food and wine festival;
- Working to achieve a critical mass of quality events and promotions which will enable locals and visitors to anticipate correctly that there will be some kind of scheduled activity taking place in the city centre throughout the year.

Place Making

- Helping to create a large central plaza or meeting place, which can be used for major attractions, outdoor performances, markets and events such as Symphony Under the Stars etc.
- Installing solar-powered fairy lights around The Block to improve night-time ambience for diners and patrons attending evening events;
- Instituting walking tours of the city centre laneways and arcades and creating and/or improving signage to direct pedestrians to key CBD destinations;
- Assigning resources to improve amenities in the city: for example, paying for the costs of maintaining and cleaning existing toilets in key city centre arcades;
- Installing power outlets to service promotional and special events in the three streets in The Block that have not yet been upgraded (to date, Magellan and Carrington Streets have been completed);
- Installing wi-fi facilities throughout the CBD in strategic locations and providing a smart phone app (linked where possible to the website) to enhance the walking tours described above;
- Activating spaces with currently little or no activity or life (the paved area beside the Transit Centre, for example) via performances, small-scale special events, commercial promotions and community activities;
- Identifying a section of the laneway network that could become a shared pedestrian zone, and host a café, performance space and other uses attractive to consumers.

If the recommended \$106,500 per annum increase IS approved, there will be no extra cost to Business Property Owners in total. However, in future years, the Additional SBRVL will increase by rate pegging.





Business and Community

- Boosting funding for local business organisations such as the Lismore Chamber of Commerce and the Stella Network (Women in Business) to expand educational seminars, business skills development and new technology workshops, year round;
- Increasing the frequency of 'shorter/smarter/quicker' communications material aimed at the business community and other stakeholders, ideally within a fortnightly schedule;
- Publicising extended trading hours in weekends (this has been requested consistently by consumers from Lismore and wider afield);
- Establishing a system of weekly audits from the 'people meters' recently installed in the city centre to track and compare visitation patterns;
- Assisting non-CBD commercial centres with suitably-themed promotions and events and trialling a free shuttle bus service for shoppers between the city centre and Lismore Shopping Square.

The consultation process

IPART requires Council to consult with the business community and obtain a clear indication of support (or otherwise) for the proposed extension of the Additional SBRVL.

Methodology

All Business Property Owners and Business Owners/Managers in the Lismore Urban Area are being sent this information, either by post or e-mail, backed by media activity. Recipients will be informed that they may be randomly selected and invited to take part in a workshop in mid- February 2013 to consider the proposal. This random selection process

will be conducted by specialist Sydney company 'IRIS', not Council, to ensure impartiality.

Workshop participants will be a wholly representative sampling of the Lismore Business Community and will be a mix of:

- Business Property Owners (who currently pay the SBRVL), including a number of Business Owners/Managers who operate from their own (SBRVL-rated) properties; and
- Business Owners/Managers who, through their leases, currently contribute to the SBRVL.

In terms of geographic spread, both groups will be drawn from across the entire Lismore Urban Area.

Benefits of random selection

The proven benefits of the methodology outlined above include:

- Participants can make an informed decision, based on the pros and cons of the issue;

- It is not possible for vested interests (either 'for' or 'against' a particular proposition) to arrange for representation; and
- Genuine consensus is able to be reached.

This form of engagement involving random selection has been used successfully by Lismore Council (most recently in the 'Imagine Lismore' community consultation process) and has received support from the NSW State Government. Former NSW Premier and current Chair of Infrastructure NSW, Nick Greiner, and former WA Premier, Geoff Gallup, recently wrote to Council to commend this consultation process in their capacity as directors of the New Democracy Foundation.

Action required

What we're asking you to do

Please consider if you are willing to commit your time and input from 8am-12pm on Wednesday, 13 February 2013 and join other members of the business community to work through the issues arising from the proposed continuation of the Additional SBRVL.

If randomly selected, you will be invited to participate in the workshop, under the guidance of a skilled facilitator. Breakfast and refreshments will be provided at this intensive session, which will be held in the Lismore Council Chambers.

Conclusion

If approved, the additional SBRVL will enable the marketing of Lismore's business and commercial sector to increase, expand and adapt to changing circumstances over the next 5 years.

It will also enhance the city centre revitalisation process and enable non-CBD business areas in the Lismore Urban Area to be

promoted effectively, whilst helping the Lismore Business Promotion Program to achieve its vision, which remains unaltered:

"Lismore's City Centre will be a vibrant meeting place for locals and visitors seven days a week and the most desirable location for business and pleasure."



Lismore
come to the heart