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Jetty Road Mainstreet Committee

NOTICE OF MEETING

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

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

Tuesday 20 June 2018 at 6.00pm



Justin Lynch
CHIEF EXECUTIVE OFFICER

Jetty Road Mainstreet Committee Agenda

1. OPENING

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

2. APOLOGIES

2.1 Apologies received

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. REPORTS/ITEMS OF BUSINESS

4.1 Draft Jetty Road Glenelg Retail Strategy 2018-2022 (Report No: 216/18)

4.2 Governance Models (Report No: 215/18)

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

6. DATE AND TIME OF NEXT MEETING

The next meeting of the Jetty Road Mainstreet Committee will be held on Wednesday 4 July 2018 in the Glenelg Library Meeting Room, Colley Terrace, Glenelg

7. CLOSURE



JUSTIN LYNCH
CHIEF EXECUTIVE OFFICER

Item No: 4.1

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

Date: 20 June 2018

Written By: Jetty Road Development Coordinator

Acting General Manager: Ms M Lock, Community Services

SUMMARY

At the 7 March 2017 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.

At the 11 April 2018 JRMC meeting the draft high level summary was presented for endorsement ready for trader consultation throughout May 2018. At the meeting the Committee discussed the draft document and agreed that the Committee members should have more time to provide feedback on the Draft Strategy presented. At this meeting the Committee adjourned endorsing the draft Jetty Road Retail Strategy until the 2 May 2018 JRMC meeting and Committee members were asked to provide feedback on the draft document to the Manager City Activation by 20 April 2018. Throughout May and June Committee members reviewed the draft strategy and provided feedback to the Jetty Road Development Coordinator.

Presented for information of the JRMC is the draft Jetty Road Glenelg Retail Strategy 2018-2022 and Summary document that is ready for trader consultation via the City of Holdfast Bay's Your View website throughout July 2018.

The Strategy will be provided to Council for their information at their meeting on 26 June 2018, and is also attached to this Report

RECOMMENDATION

That the JRMC endorse the draft Jetty Road Glenelg Retail Strategy 2018-2022 Summary and Full Strategy for consultation during July 2018.

COMMUNITY PLAN

Placemaking: Creating lively and safe places
Community: Providing welcoming and accessible facilities
Community: Fostering an engaged and contributing community
Economy: Supporting and growing local business
Economy: Boosting our visitor economy

COUNCIL POLICY

Not Applicable.

STATUTORY PROVISIONS

Not Applicable.

BACKGROUND

At the 7 March 2017 JRMC meeting the JRMC endorsed the vision, strategic objectives and direction of the draft Jetty Road Retail Strategy 2018-2022.

Throughout April, May and June the JRMC reviewed the draft and provided feedback to administration.

REPORT

The draft document delivered by Premier Retail Marketing has undergone final editing and this draft has informed the delivery of a high level public facing document. A copy of the Draft Jetty Road Retail Strategy 2018-2022 Summary document and the full strategy are attached to this report.

Refer Attachments 1 & 2

The Jetty Road Retail Strategy will be:

- Placed on the City of Holdfast Bay's Your View website throughout July 2018 for consultation,
- Promoted to traders for comment in the Jetty Road trader newsletter, and;
- The strategy will be hand delivered to traders to make them aware of the engagement.

Activity	Timeframe	Who
Endorsement of draft Strategy by JRMC	20 June 2018	JRMC
Draft Strategy to Council to note	26 June 2018	CoHB City Activation
Business engagement conducted via trader news and Your View website	28 June 2018 – 19 July	COHB City Activation
Feedback and amendments circulated to JRMC electronically	23-27 July	COHB City Activation
Feedback and amendments presented to JRMC and JRMC to endorse	1 Aug 2018	CoHB City Activation
Final Strategy sent to council to note	14 August 2018	COHB

Strategy launched via Jetty Road Trader Newsletter	16 August 2018	JRMC
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Importantly an Engagement and Communications Plan is currently being developed for JRMC review.

BUDGET

The cost of public consultation will be absorbed within existing budget lines.

LIFE CYCLE COSTS

The 2018/2019 budget includes \$40,000 for implementing actions contained in the Summary.

Introduction

This strategy has been commissioned by the Jetty Road Mainstreet Committee and developed collaboration with the City of Holdfast Bay to foster a prosperous precinct and a resilient retail sector.

The retail sector is a key driver of the Jetty Road Precinct's economy and vital to the future success and vibrancy.

Contributing \$345 million per annum to the City of Holdfast Bay's economy¹, the retail, hospitality and allied industry sectors play an important role in attracting visitors, providing local jobs and catering for the needs of local residents. The retail, hospitality and allied industry sectors of Jetty Road Glenelg and surrounds are worth \$263 million and the precincts industry potential is set to grow to \$297 million by 2022.

A thriving retail sector helps to create a lively and safe city, generating both economic and social benefits that radiate throughout the community.

With its attractive seaside location, direct tram link to Adelaide city centre, and diverse and vibrant business mix, Jetty Road, Glenelg is the City of Holdfast Bay's premier retail precinct. It generates more than 40% of the city's total annual retail turn-over and acts as a major drawcard for visitors.

In conjunction with council's Jetty Road Glenelg Masterplan which guides a staged upgrade of Jetty Road Glenelg over the next ten years, the Jetty Road Retail Strategy 2018-22 will position the precinct for continued success and growth in the context of an increasingly challenging retail environment.

The Retail Strategy aligns with council's Tourism Plan 2020, and supports the third pillar of council's strategic plan – Our Place 2030, building a diverse and resilient economy by:

- supporting and growing local business
- making it easier to do business
- harnessing emerging technology
- boosting the visitor economy

Our vision

Jetty Road, Glenelg will be the premier shopping and dining destination; supported by a dynamic local economy. The iconic precinct will attract new and exciting retail brands.

Current scenario

Jetty Road, Glenelg is South Australia's leading seaside shopping and leisure destination.

The mainstreet is home to over 330 shops and services including many unique, independent specialty and hospitality businesses.

Thirty percent of Jetty Road's businesses are service-related including travel, medical and health businesses, while another third are food-related including restaurants, cafes, takeaways, pubs and bars. This reflects the strip's role as a retail precinct for the local community as well as a destination for tourists.

The remainder of the business mix comprises fashion, leisure and homewares stores complemented by key anchor destinations – Woolworths Bayside Village, a free-standing Coles Supermarket and the GU Film House.

The precinct's vacancy rate has remained consistent at around 5% over the last five years.

Shoppers (including residents, day trippers, interstate and international tourists, business tourists, and local workers) enjoy the friendly service, village atmosphere, and leisurely pace of Jetty Road.

Latent demand research conducted in September 2016 by Adelaide based research agency, McGregor Tan highlighted the existing attributes that should be promoted to drive demand. The research identified 'attending festivals' and 'eating out' as having the highest appeal for residents, day trippers and tourists.

The strong identity and profile of Glenelg as a must-see destination for local, interstate and international visitors provides a significant opportunity for promotion to retailers as a desirable location for their stores.

Planned development

Millions of dollars of projects are in the pipeline for Jetty Road which will drive its renewal as a world class location to live, work and play.

A proposal initiated by the Jetty Road Mainstreet Committee would see a multimillion dollar regeneration of the Glenelg jetty. Featuring a boutique hotel, public baths, a pavilion, event

space, a terminal for ferries and seaplanes, moorings for luxury yachts and a possible marine research centre, the intention is to attract thousands of additional interstate and international visitors each year.

The Jetty Road Glenelg Masterplan masterplan was endorsed by the City of Holdfast Bay in February 2018 to guide the development of Jetty Road over the next decade. The masterplan retains the distinctive character of Jetty Road, while proposing new ideas and improvements that contribute to the precinct's attractiveness and functionality.

The resident population is expected to grow, with the first of several premium apartment projects set to commence construction in 2018.

Why we need a strategy

The Australian retail sector is experiencing significant challenges. Digital disruption, uncertain economic conditions, waning consumer confidence and relentless competition have created unprecedented conditions for traditional retailers and shopping centre operators.

Online shopping accounts for 7.4% of Australian spending (source NAB Online Index) and is expected to grow to 15% by 2027. Sophisticated retailers are increasingly using digital marketing techniques to target customers, manage customer relationships and create memorable in-store experiences.

Mega-retail environments such as Westfield Marion offer shoppers the convenience of all their favourite brands in a single, undercover environment with ample parking. And home-maker centres are drawing furniture, electrical and homewares stores away from mainstreets. The nearby Harbour Town outlet centre has become a fashion shopping destination for bargain savvy consumers, and IKEA competes for the homeware dollar. The political environment has changed with the proposed de-regulation of shop trading hours, that will impact on the Glenelg Tourist Precinct's current competitive advantage on public holidays.

Limited population growth and stagnant wages have restricted consumer spending in South Australia over the past five years. Low consumer confidence continues to dampen retail demand in all except the food and hospitality segments, which have continued to grow and account for a significant proportion of new leasing demand.

In order to remain relevant and appealing to shoppers and compete with alternative shopping experiences and leisure destinations, Jetty Road must evolve and differentiate its offering.

The Jetty Road Retail Strategy will guide the future direction and identify the actions required to maintain a prosperous retail sector. It will leverage the opportunities created through the masterplan and new development investment, bringing place-making and place-management together to create a unique offering in a high-quality environment.

Priority Areas

The retail strategy identifies four key priority areas for success:

1. Promote shopping and dining as the key reasons to visit
2. Develop and enhance the appeal of the retail experience
3. Grow the capabilities of the retail sector
4. Work better together

Priority 1: Promote shopping and dining as the key reasons to visit

Jetty’s Road’s marketing and promotional campaigns will incorporate a mix of mainstream and digital media to highlight the small, independent businesses not found in the large shopping centres, and showcase the food-scene, leveraging the number and variety of cafes, restaurants and bars along the strip.

Campaigns should target the day tripper and tourist markets and seek to build traffic during off-peak months by promoting Jetty Road as a great all-year-round destination.

A working group will help engage local traders, encourage cross-promotion, and ensure business operators have sufficient advance notice to enable their participation in promotional activities.

Drive awareness of shopping and dining as a key reason to visit actions
Drive awareness of easily accessible shopping and dining experiences through integrated marketing campaigns.
Increase Jetty Road, Glenelg’s digital presence to showcase businesses, experiences, shopping, promotions and what’s on.
Grow demand for food and wine as part of the visitor experience by showcasing the produce and restaurant offer on Jetty Road.
Actively seek and collaborate with unique brands and partners across an array of sectors (food and wine, fashion, lifestyle, services) to add value to the destination appeal and drive sale conversion.
Encourage locals, Adelaide day trippers and domestic tourist markets to re-discover Jetty Road, Glenelg.
Promote Jetty Road as a great place to visit and shop all year round, focusing on growing off-peak periods.
Encourage retailers to create cross promotions to increase visitor length of stay, repeat visitation and expenditure.

Measures
Overall retail and hospitality expenditure in Jetty Road, Glenelg
Local retail and hospitality expenditure in Jetty Road, Glenelg
Visitor retail and hospitality expenditure in Jetty Road, Glenelg

Priority 2: Develop and enhance the appeal of the retail experience

Jetty Road will seek to attract unique, independent traders and high-end restaurants and bars to complement the existing business mix. A targeted list of desired retailers will be developed that align with the vision for each of the three zones identified in the masterplan.

Zone 1 – Coast: hospitality and entertainment

Zone 2 – Central: fashion, gifts and homewares

Zone 3 – Gateway: fresh food and services

A new website will showcase the precinct to consumers and potential tenants and printed collateral will set out the business case for leasing.

Aligned to the delivery of the masterplan, parking access and availability will continued to be monitored and promoted to address access perceptions.

Existing businesses will be encouraged to take advantage of the Shopfront Improvement Grant, enhance their forward planning, and improve the instore experience offered to consumers.

Develop and enhance an appealing retail experience actions
Attract investment by developing a Jetty Road retail website to showcase the precinct, retail investment and leasing opportunities.
Develop a targeted list of desired retailers to enhance the mix of businesses, aligned to the Jetty Road brand and the three zones set out in the masterplan.
Promote the Shopfront Improvement Grant to encourage enhancements in line with the improvements identified in the masterplan.
Promote the unique brands, products and services and convenient parking available on Jetty Road.
Encourage retailers to improve the in-store experience through meaningful customer experiences, brand engagement, unique merchandise offers and improved digital capabilities.
Encourage retailers to holistically plan and execute across all channels to drive conversion whether it be in store or online.

Measures
Maintain a diverse and appealing retail and hospitality mix
Number of new anchor and unique retailers
Continuation of the Shopfront Improvement Grant and number of upgrades delivered
Overall retail and hospitality expenditure in the precinct

Priority 3: Grow the capabilities of the retail sector

The Jetty Road Mainstreet Committee will support Jetty Road retailers to adapt to the changing retail environment and embrace new technologies that enable them stay competitive.

Up-to-date information, training and workshops will help traders understand consumer expectations and develop compelling online and instore experiences.

Partnerships and collaborations between traders will result in packages that encourage visitors to stay longer and spend more.

Grow the capabilities of the retail sector actions
Provide the retail industry with information and insights on the latest emerging ecommerce and digital technologies to grow their business.
Provide training and workshops to the retail sector, that help them make the right investment decisions and to keep their businesses at the forefront of the industry.
Encourage local businesses to partner with one another to create packages to provide a stronger reason for consumers to choose Jetty Road as a place to shop or visit.
Jetty Road Mainstreet Committee work collaboratively and support existing businesses to continue to be innovative and drive expenditure.

Measures
Off peak visitation and expenditure in the precinct
Industry attendance at training workshops and networking events
Number of new industry partnerships in place delivering retail outcomes

Priority 4: Work better together

The Jetty Road Retail Strategy requires the support of key private and public stakeholders. A well-coordinated and professional approach to mainstreet management will be applied that covers:

- An inclusive governance model
- Marketing and promotion
- Business mix development and support
- Streetscape planning and management

Council and the Jetty Road Mainstreet Committee will continue to work closely to ensure that the needs of traders, landlords and consumers are respected, to advocate for the precinct, and to leverage the opportunities presented through partnerships and future development.

Working better together actions
Develop partnerships across the retail, hospitality, entertainment and service sectors to drive retail outcomes.
Continue to provide a strong and best practice management structure with the JRMC.
Continue to foster a positive relationship with council to drive growth in Jetty Road Glenelg’s retail economy.
Working with State Government, including DPTI, particularly in relation to planning reforms and the tram.
Work with landlords to ensure a clear vision for the tenancies in the precinct align to the zones in the Jetty Road Masterplan.

Measures
Industry participation and engagement with Jetty Road Mainstreet Committee and the masterplan
Jetty Road Mainstreet Committee delivery of the strategy against priority areas
Sentiment of traders and landlords with the Jetty Road Mainstreet Committee through the annual Jetty Road Business Survey
Collaborative initiatives delivered by the Jetty Road Mainstreet Committee and Council

How will we measure success?

The success of the Jetty Road Retail Strategy will be measured by its impact on a range of factors, including:

- Pedestrian traffic along Jetty Road
- Customer spending and retail market share
- Dwelling time in the mainstreet
- The mix of shops and services
- Vacancy rate
- Awareness of and attitudes towards Jetty Road as a leisure, shopping and dining destination

References

A variety of references were used to develop this strategy. In particular the Jetty Road Mainstreet Committee and the City of Holdfast Bay would like to acknowledge the work undertaken by Premier Retail Marketing, Principal Consultant, David West in preparing this strategy.

Want to know more?

Jetty Road Mainstreet Committee hello@jettyroadglenelg.com

JETTY ROAD GLENELG
RETAIL STRATEGY 2018-2022

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1. Introduction

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The retail sector is a key driver of the Jetty Road Precinct's economy and vital to the future success and vibrancy.

Contributing \$345 million per annum to the City of Holdfast Bay's economy¹, the retail, hospitality and allied industry sectors² play an important role in attracting visitors, providing local jobs and catering for the needs of local residents. The retail, hospitality and allied industry sectors of Jetty Road Glenelg and surrounds are worth \$263 million and the precincts industry potential is set to grow to \$297 million by 2022.

A thriving retail sector helps to create a lively and safe city, generating both economic and social benefits that radiate throughout the community.

With its attractive seaside location, direct tram link to Adelaide city centre, and diverse and vibrant business mix, Jetty Road Glenelg is the City of Holdfast Bay's premier retail precinct and a major drawcard for visitors.

In conjunction with council's Jetty Road Glenelg Masterplan which guides a staged upgrade of Jetty Road Glenelg over the next ten years, the Jetty Road Retail Strategy 2018-22 will position the precinct for continued success and growth in the context of an increasingly challenging retail environment.

The Retail Strategy aligns with council's Tourism Plan 2020, and supports the third pillar of council's strategic plan – Our Place 2030, building a diverse and resilient economy by:

- supporting and growing local business
- making it easier to do business
- harnessing emerging technology
- boosting the visitor economy

¹ Remplan Retail Trade Output June 2018

² Allied industry sectors include food and beverage services, accommodation, personal services and travel agencies

2. Background

2.1 About Jetty Road

Running from Brighton Road to the foreshore at Moseley Square, Jetty Road Glenelg is one kilometre long, and is home to over 330 businesses.

Thirty percent of Jetty Road's businesses are service-related including travel, medical and health businesses, while another third are hospitality-related including restaurants, cafes, takeaways, pubs and bars. This reflects the strip's role as a retail precinct for the local community as well as a destination for tourists.

The remainder of the business mix comprises fashion, leisure and homewares stores complemented by key anchor destinations – Woolworths Bayside Village, a free-standing Coles Supermarket and the GU Film House.

Shoppers (including residents, day trippers, interstate and international tourists, business tourists, and local workers) enjoy the friendly service, village atmosphere, and leisurely pace of Jetty Road.

2.2 Planned development

Millions of dollars of projects are in the pipeline for Jetty Road which will drive its renewal as a world class location to live, work and play.

A proposal initiated by the Jetty Road Mainstreet Committee would see a multimillion dollar regeneration of the Glenelg jetty, designed to attract thousands of additional interstate and international visitors each year.

The Jetty Road Glenelg Masterplan was endorsed by the City of Holdfast Bay in February 2018 to guide the development of Jetty Road over the next decade. The masterplan retains the distinctive character of Jetty Road, while proposing new ideas and improvements that contribute to the precinct's attractiveness and functionality.

The resident population is expected to grow, with the first of several premium apartment projects set to commence construction in 2018.

2.3 Jetty Road Mainstreet Committee

The Jetty Rd Mainstreet Committee (JRMC) is an advisory committee of Council for the benefit of traders and is funded by a mainstreet levy.

The role of the JRMC is to provide advice to council on:

- Enhance and promote the precinct as a vibrant shopping, leisure and recreational area with year-round appeal to residents and visitors.

- Furthering the economic development of the precinct, encouraging further retail investment in the precinct.
- A consistent marketing and brand strategy for the precinct.
- Initiatives required to operate the Precinct in accordance with the Council's Strategic Management Plans.
- The Committee will also maintain communication between the Council, traders, landlords, tourism providers, consumers and residents in the precinct.

The JRMC will help guide the future of the precinct and fund many of the actions identified in this strategy via the mainstreet levy that is valued at \$568,000 in 2018/19.

3. Why do we need a strategy?

The Australian retail sector is experiencing significant challenges. Digital disruption, uncertain economic conditions, waning consumer confidence and relentless competition have created unprecedented conditions for traditional retailers and shopping centre operators.

Despite its significance as a tourist destination, Jetty Road must evolve and differentiate its offering in order to remain relevant and appealing to shoppers and compete with alternative shopping experiences and locations like Harbour Town, Westfield Marion and other leisure options.

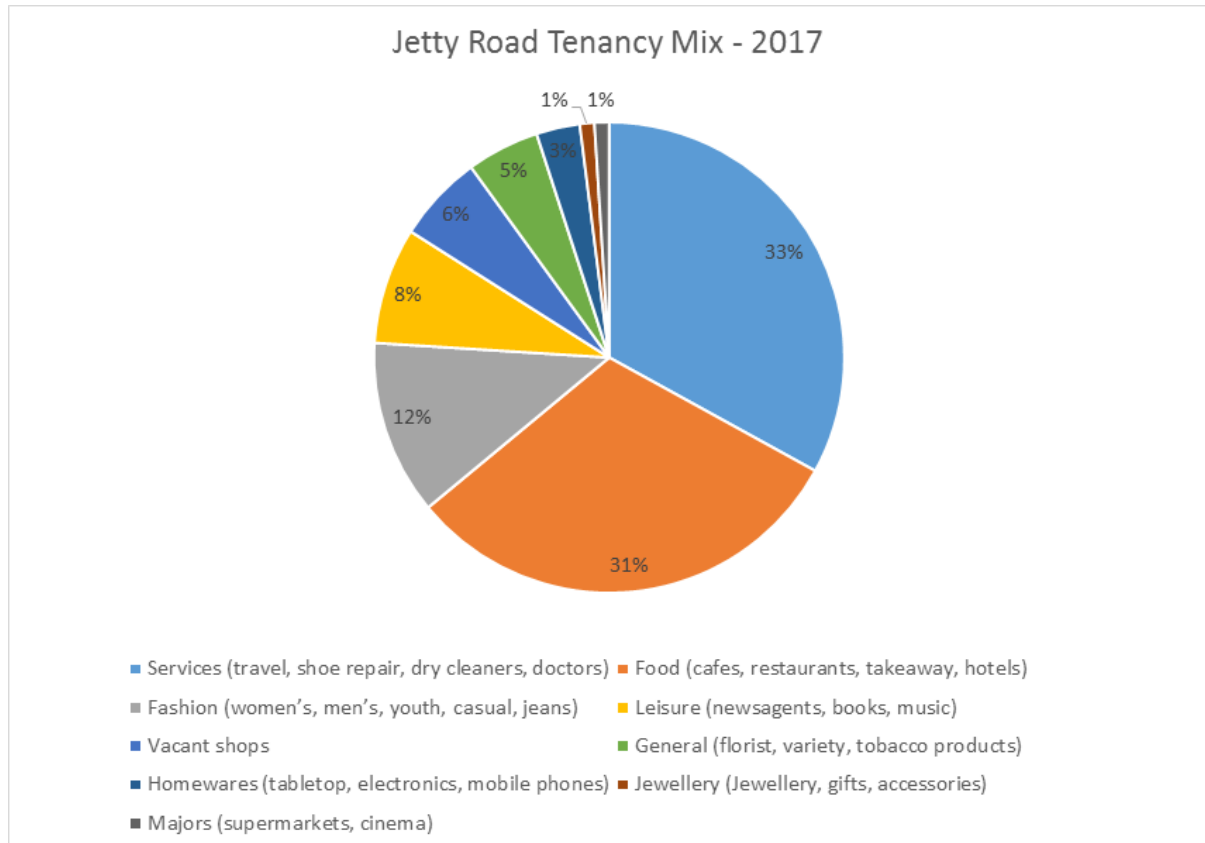
The political environment has changed with the proposed deregulation of shop trading hours, that will impact on the Glenelg Tourist Precinct's current competitive advantage on public holidays.

Engaging existing traders and attracting new lessees also requires a coordinated approach that establishes a clear way forward and provides an inspiring vision for the future.

The Jetty Road Retail Strategy will guide the future direction and identify the actions required to maintain a prosperous retail sector. It will leverage the opportunities created through the masterplan and new development investment, bringing place-making and place-management together to create a unique offering in a high-quality environment.

4. Where are we now?

4.1 Business mix



Jetty Road offers 330 stores and services on the mainstreet and side-streets anchored by the Bayside Shopping Centre, Woolworths supermarket, the free-standing Coles supermarket, GU Film House cinema complex, Stamford Grand hotel and more than one hundred restaurants, cafes, bars and takeaway outlets.

The hospitality sector accounts for over one third of the businesses on Jetty Road. As the sector has grown over the past few years it has provided a more multi-cultural and diverse food offering which is consistent with other mainstreets in cities around the world. However, the precinct lacks a choice of high-end restaurants and bars expected by the overnight tourist and Adelaide day tripper market.

The extensive food offering in Jetty Road and Moseley Square is supported by retailers in the fashion, accessories, homewares and entertainment categories along the retail strip.


Independent boutique fashion and homeware stores have set a high standard in recent years, offering a point of difference to nearby competitors.

The GU Film House cinema complex and The Beachouse provide entertainment and help to extend the length of stay within the precinct.

The retail, hospitality and entertainment segments each play a role in attracting and retaining customers and contributing to the experience of Jetty Road, Glenelg.

Jetty Road Retail Sector	Jetty Road Hospitality Sector	Jetty Road Entertainment Sector
<ul style="list-style-type: none"> • Bayside Shopping Centre & • Woolworths supermarket • Coles supermarket free standing • Multiple brand and franchise stores • Unique independent brands • Small retailers and boutiques • Retail services including travel, beauty • Professional services - health, medical 	<ul style="list-style-type: none"> • Cafes, restaurants • Pubs, taverns, bars, clubs • Takeaway food outlets • Catering services • Accommodation 	<ul style="list-style-type: none"> • GU Film House • The Beachouse • Chalkers Pool Room • Playground

The mainstreet serves as destination for convenience shopping, comparison shopping and experiential opportunities.

Jetty Road Primary catchment zone	Jetty Road Secondary catchment zone	Jetty Road Tertiary catchment zone
Residents living within 5km radius Local staff/workers Convenience shoppers Food shoppers Use retail and professional services 	Residents living within 10km radius Comparison shoppers Fashion/accessory shoppers Homewares shoppers 	Residents from outer metropolitan Adelaide Day trippers (regional/state) Overnight tourists Experience shoppers 
Short term parking (<1hr) needed Convenient access is important	Medium term parking (2-3hr) needed	Public transport access is important

- Photos examples only – please replace* (no permission)

4.2 Changes to the business mix

While the vacancy level has remained stable at approximately 5% over the past five years, the table below shows the changes in the business mix from 2012 to 2017. The decrease in services, fashion and homewares was offset by an increase in food and general retailers.

Changes in the mix are a response to market conditions and the impact of competition and online shopping. The increase in hospitality businesses is consistent with a statewide trend in mainstreets, shopping centres and the Adelaide city centre.

Category	2012	2017	Change over 5 years
Services (travel, shoe repair, dry cleaners, doctors)	37%	33%	(4%) decrease
Food (cafes, restaurants, takeaway, hotels)	26%	31%	5% increase
Fashion (women's, men's, youth, casual, jeans)	16%	12%	(4%) decrease
Leisure (newsagents, books, music)	8%	8%	0% no change
Vacant shops	6%	6%	0% no change
General (florist, variety, tobacco products)	2%	5%	3% increase
Homewares (tabletop, electronics, mobile phones)	4%	3%	(1%) decrease
Jewellery (jewellery, gifts, accessories)	1%	1%	0% no change
Majors (supermarkets, cinemas)	1%	1%	0% no change

Source: Premier Retail Marketing 2017.

4.3 Access

Jetty Road Glenelg is served by Anzac Highway, Brighton Road and Tapleys Hill Roads, and the Glenelg–Adelaide tramway.

Anzac Highway connects many of Adelaide’s main arterial roads, and funnels people to Glenelg from any point in Greater Adelaide.

Jetty Road is visible to high volumes of passing vehicle traffic (43,800 vehicles cross Brighton Road and Jetty Road intersection daily³).

The area offers sufficient parking with approximately 3,500 carparks. However, off-street carparking is underutilised, and on-street parking will be reconfigured under the Jetty Road Masterplan to create a better balance between the pedestrian environment and provision of readily accessible carparking.

With services running every 15 minutes during peak times, the tram delivers an average of 19,000 people per week⁴ to the precinct.

4.4 Events and attractions

Jetty Road traders benefit from the extensive calendar of events held in Glenelg which attracts a large number of visitors to the area.

Annual large-scale events include the Bay Sheffield Sports Carnival, National Beach Volleyball, and the Brighton Jetty Classic open water swim, and the City to Bay Fun Run, New Year’s Eve celebrations and the Glenelg Christmas Pageant.

The Jetty Road Mainstreet Committee and the City of Holdfast Bay value events highly and understands the flow-on effect that events have on the community and offers different levels of support to events, from cash sponsorship to in-kind infrastructure and advice.

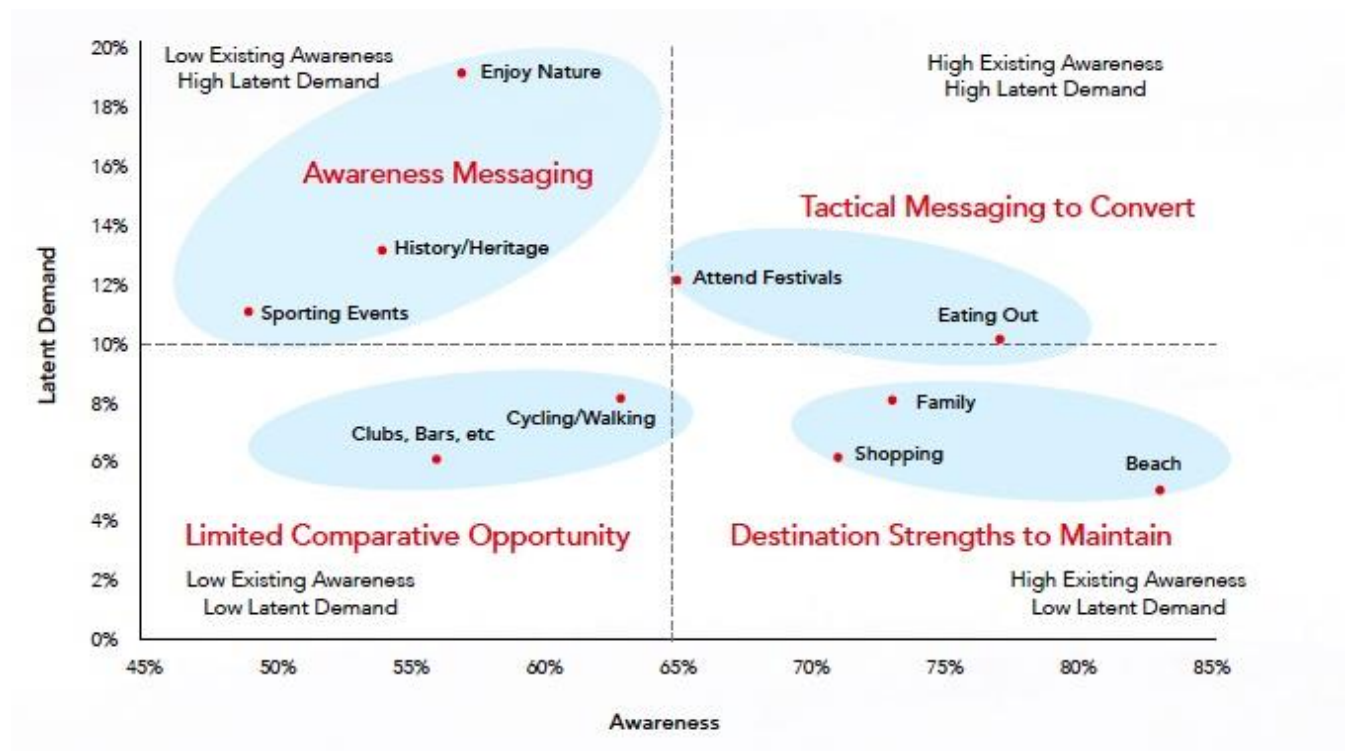
The City of Holdfast Bay also boasts many outstanding natural and historic assets that serve to attract people to the area.

Research into latent demand (factors that motivate people to travel) identified the beach and shopping as one of the area’s key strengths, and history/heritage and nature as aspects that have a high latent demand but low current awareness.

³ DPTI Annual Average Daily Traffic Estimates 24 hour two-way flows.

⁴ APN Outdoor Advertising tram Statistics

City of Holdfast Bay Latent Demand vs Awareness⁵



The above latent demand table provides:

- Insight into which existing attributes/activities should be promoted through tactical messaging to generate increased visitor demand
- Destination strengths to maintain due to high existing awareness
- Which attributes/activities have limited return on investment and should only be promoted when new/ refreshed product becomes available

The retail entertainment offer in Glenelg is anchored by the Beachouse as a drawcard for many day trippers and domestic visitors with its activities for families.

The GU Film House attracts patrons from Glenelg and surrounding areas.

The Stamford Grand Hotel also draws business and private function guests to the area.

4.5 Digital presence

Jetty Road Glenelg has a substantial online community that has grown organically, Facebook following of over 23,000 people, over 5,000 Twitter followers and 5,500 on Instagram.

The Jetty Road Lifestyle blog www.jettyroadlifestyle.com.au has 1160 subscribers and the Jetty Road Mainstreet Committee is investing in upgrades mid-2018 to become www.jettyroadglenelg.com.

⁵ McGregor Tan qualitative consumer research study September 2016

The precinct lacks an online directory, and a consolidated digital presence for leasing information. It does not provide any form of app for consumers.

The 2017 Business Confidence Survey indicated only a quarter of businesses are transacting online and these businesses were more likely to be retail or accommodation and food services.

44% of all businesses surveyed claim to be investing in eCommerce or digital platforms to aid business transactions. Those more likely to be investing however are not the food services or retail enterprises rather they are medium sized businesses in the transport, postal and warehousing; rental, hiring and real estate services; professional, scientific and technical; construction; manufacturing and administrative and support services sectors.⁶

4.6 Seasonality

Glenelg's appeal as a beachside destination means that the level of foot traffic along Jetty Road is influenced by the seasons - attracting a higher number of people during the summer months.

4.7 Trading hours

The majority of businesses on Jetty Road operate during standard trading hours (9am-5pm), with late night trading on Thursday evening (to 9pm) and extended trading hours in the run up to Christmas.

While the two supermarkets and a cluster of hospitality businesses near to Mosely Square trade into the evening, the night-time economy is limited.

Overseas studies and examples show that the night-time economy can make a significant contribution to mainstreet and city centre economies. However, the extension of trading hours has implications for public transport, licensing, public safety and the amenity of local residents which need to be carefully considered.

4.8 Current perceptions

Glenelg Preferred Activities

Tourists and day trippers; Walk around Glenelg + jetty, eat + drink, sunset, swim, ice-cream, Residents; grocery shopping, meal and coffee, meet family friends, visit a service, walk, run, ride and non-grocery shopping, swimming, drinking.

Glenelg Shopping Experience Net promoter score⁷;

Tourists - 41

Day trippers - 34

Residents +3

⁶ Intuito Market Research City of Holdfast Bay survey on Business Confidence November 2017

⁷ McGregor Tan qualitative consumer research study September 2016

Glenelg Dining Experience Net promoter score⁸;

Tourists - 32

Day trippers - 6.7

Residents -14.8

Gaps

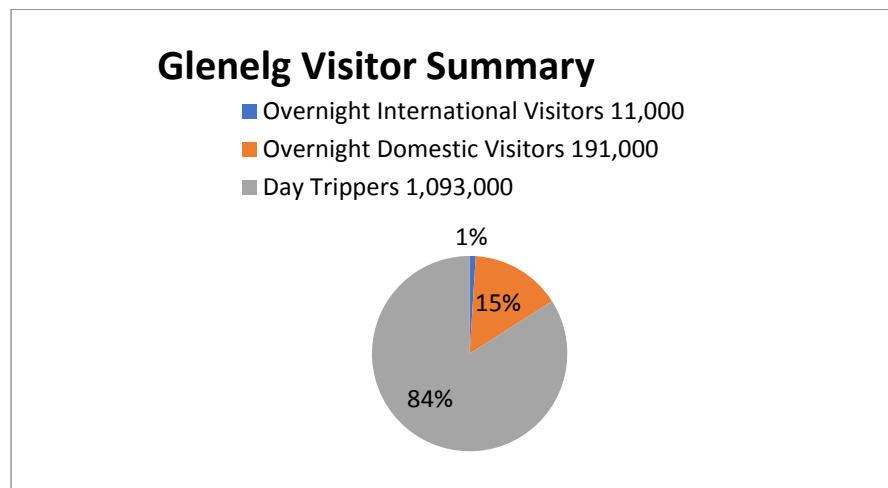
Day trippers and Tourists - Weekend outdoor market, fresh food market, boutique or unique shops, providores

Residents - Fresh seafood shop, better quality products, regional specialty product stores, menswear

Net Promotor Score offers an indication of whether people who have recently visited a destination will promote it to people in their lives. Having a low score is not a negative in itself, but the more people out there recommending your product (promoters) the better, it is more a measure of loyalty than satisfaction. On average, tourism destinations should be aiming for between 20-30 Net Promoter Score, which indicates a strong positive sentiment for the place brand.

5. Market Profiles

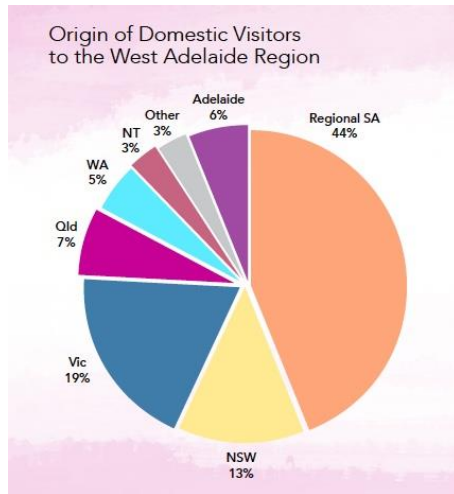
Glenelg receives over 1 million visitors each year. Eighty four percent of visitors are day trippers, 15% are domestic tourists staying overnight, and 1% are international visitors⁹.



Data compiled for the Western (Adelaide) Region Tourism Destination Action Plan 2020 indicates that the bulk of domestic visitors are from regional SA, while the relatively small percentage of international visitors come from a variety of regions including the UK, Europe, Asia and New Zealand.

⁸ McGregor Tan qualitative consumer research study September 2016

⁹ Tourism Research Australia, NVS and IVS 2016, Adelaide



In addition, almost 60% of local residents shop or access services in Glenelg at least once a week¹⁰. This translates to approximately 3,000 people visiting Jetty Road each day.

The table below describes the varying interests of the markets currently attracted to Glenelg.

User Profiles	Demographics	Interests/Activities
Residents	35-49 year age group predominantly affluent females	Grocery shopping and services, foreshore recreation, unique events
Day Trip Visitors	Two distinct ages categories: 18-24 years and 40-54 years	Events, non-grocery shopping; restaurant or café dining; catching up with family and/or friends; and watching the sunset
Interstate	Predominantly visiting friends and relatives aged 40-54 years	Stroll around to experience the sense of fun, quaintness, colour, atmosphere of the various precincts, shop and do other indoor and outdoor activities
International	Backpackers: usually a younger demographic (under 25) Hotel users: High yield travellers on holiday tending to be over 40 with a disposable income	Beach, beautiful jetty, lots of shopping and things to do, vibrancy, great atmosphere, easy to get to
Social Media Jetty Road Facebook Followers	73% fall into the 25 – 44 age group, predominantly female Adelaide based, 5% interstate and 4% international	Seaside holiday destination, shopping, entertainment, events

¹⁰ Intuito Market Research 2016

6. Competition

Online shopping accounts for 7.4% of Australian spending and is expected to grow to 15% by 2027¹¹. Sophisticated retailers are increasingly using digital marketing techniques to target customers, manage customer relationships and create memorable in-store experiences.

While platforms such as UBEReats and Deliveroo are catering to changing customer habits, they are challenging current business models and placing margin pressure on hospitality businesses.

Staying abreast of the rapidly changing digital market place can be daunting for small business owners.

Mega-retail environments such as Westfield Marion offer shoppers the convenience of all their favourite brands and new dining experiences in a single, undercover environment with ample parking.

Home-maker centres are drawing furniture, electrical and homewares stores away from mainstreets.

The nearby Harbour Town outlet centre has become a fashion shopping destination for bargain savvy consumers, and IKEA competes for the homeware dollar.

Upmarket high street shopping destinations such as King William Road, and an increasing number of food, craft and fashion markets such as the Holland Street and Gilles Street markets compete for the attention of experience-seeking shoppers.

A burgeoning, vibrant restaurant and bar scene in Adelaide has made the city centre an increasingly competitive proposition for people wanting to eat-out.

¹¹ NAB Online Index 2017

7. Economic climate

The City of Holdfast Bay conducted a business confidence survey of 330 businesses city wide in November 2017. Analysis revealed 53% of local businesses felt confident however in comparison to previous years overall confidence is down compared to the national index. The level of worry is considerably higher with local medium sized businesses particularly within the accommodation and food service sectors.¹²

Businesses indicated power costs was the most prominent factor affecting profitability followed by cost of labour, rent and low margins.

Importantly local businesses highly value day tripper visitation with intrastate visitors rated more highly at 7.5 out of 10, followed by interstate visitors at 5.2 out of 10 and international visitors at only 3.7 out of 10. This is reflective of a buoyant tourism market both nationally and globally.¹³

Limited population growth and stagnant wages, combined with an uncertain housing market and rising living-costs have restricted consumer spending in South Australia over the past five years.¹⁴

Low consumer confidence continues to dampen retail demand in all except the food and hospitality segments, which have continued to grow and account for a significant proportion of new leasing demand.

¹² Intuito Market Research City of Holdfast Bay survey on Business Confidence November 2017

¹³ Intuito Market Research City of Holdfast Bay survey on Business Confidence November 2017

¹⁴ Global Powers of Retailing 2018, Deloitte

8. Key influences

6.1 Jetty Road Masterplan

The Jetty Road Glenelg Masterplan was commissioned to establish a planning and design framework to guide future works over the next decade while maintaining the historical and distinctive character of the street.

Improvements to Jetty Road are driven by:

- Participation by the private sector including developers who are willing to work with council to coordinate their proposals with public realm improvements.
- Responding to the community's desire for a safe and inclusive public realm, including wider footpaths, improved paving, lighting and street furniture.
- The need to accommodate climate change including planning for tree succession, increased shade and introduction of water sensitive urban design.

Key aspects of the masterplan include:

- The identification of 3 zones:
 - Zone 1 – Coast: hospitality and entertainment
 - Zone 2 – Central: fashion, gifts and homewares
 - Zone 3 – Gateway: fresh food and services
- Improved connectivity and integration with Moseley Square and Colley Terrace.
- Safer pedestrian crossings.
- Wider footpaths, street trees, new street furniture and pedestrian lighting.
- Removal of on-street carparking.
- Redefining a visual identity to the eastern gateway to Jetty Road.
- Improved safety for cyclists and better connections to the Mike Turtur Cycleway.
- Clearer wayfinding through improved signage.

A staged implementation will see upgrades to enhance the precinct's function and attractiveness as a destination over the next 5 – 10 years.

The masterplan provides an impetus for change amongst existing businesses and will result in opportunities to attract new retail businesses to Jetty Road.

Insert map/artists impression

6.2 Major projects

Premium apartment projects are set to commence construction in 2018 including Ei8ht South Esplanade as well as a mixed use development on Colley Terrace, and another at the gateway end of Jetty Road, all of which are set to increase the residential population using the precinct.

The Lustro Hotel Group has plans to commence a 12-story, 6-star waterfront development on Adelphi Terrace, increasing Glenelg's capacity to host high-yielding visitors and further boosting the residential population.

A proposal initiated by the Jetty Road Mainstreet Committee would see a multimillion dollar regeneration of the Glenelg jetty. Featuring a boutique hotel, public baths, a pavilion, event space, a terminal for ferries and seaplanes, moorings for luxury yachts and a possible marine research centre, the intention is to attract thousands of additional interstate and international visitors each year.

6.3 Western Region Tourism Destination Action Plan

The Western Region Tourism Destination Action Plan 2020 sets the strategic direction for destination management and marketing of the visitor economies for the Western Adelaide councils of City of Port Adelaide Enfield, City of West Torrens, City of Charles Sturt, and the City of Holdfast Bay.

In conjunction with council's own Tourism Plan 2020, the action plans will help to grow the profile of the region and attract a greater number of visitors to Glenelg.

9. Challenges and opportunities

9.1 SWOT Analysis

Strengths	Weaknesses
<p>Beachside location 350 diverse retail businesses Bayside Village shopping centre including Woolworths supermarket Coles supermarket GU Film House cinema Stamford Grand hotel Major tourist destination 7 million people on the tram service annually Moseley Square alfresco dining Collective campaigns funded by a \$500k levy Annual marketing and promotional activity Positive publicity stories Significant events calendar Street manager to support businesses Beachouse leisure facility Proximity to Adelaide Airport Strong social media presence</p>	<p>Winter trade seasonality Car parking perception <ul style="list-style-type: none"> • Staff park in customers car parks • Partridge Street rooftop underutilized Inconsistent presentation of buildings JRMC Committee needs wider support from the street Visitors and residents do not rate shopping highly No consumer shopping directory/website/APP No central leasing information point for potential businesses/retailers considering Jetty Road No long term retail mix plan to meet future needs No official loyalty scheme for staff No special offers collated for tourists Retail Awards lack a secret shopper element Lack of upmarket restaurants and fashion stores Holdfast Walk vacant shops Streetscape is tired The road is 1.0km long Shop numbers are not visible on shop facades Some retailers need upskilling in the digital space</p>
Opportunities	Threats
<p>New retail, residential and infrastructure developments New regional tourism alliance Growing Chinese tourism market Master Plan investment can be leveraged Increase digital marketing and distribution sophistication of traders Provide promotional opportunities linked to events to leverage shopping Liquor license reform</p>	<p>Competition from other coastal towns such as Henley Beach, Semaphore, Port Noarlunga and new Adelaide attractions Westfield Marion (285 retailers) Harbourtown Outlet Centre (135 outlet stores) IKEA – homewares / furniture Growing online shopping Consumer confidence affecting spending De-regulation of shop trading hours</p>

In summary, the Jetty Road Retail Strategy seeks to address the following key challenges and opportunities:

9.2 Challenges

- Seasonality
- High levels of competition (traditional and digital)
- Sluggish economy
- Mediocre perceptions of current retail offer
- Inconsistent presentation of premises
- Inconsistent uptake/use of emerging technology

9.3 Opportunities

- Masterplan and new development
- Latent demand for eating-out and shopping
- Growing tourism market – supported by regional tourism alliance
- Existing digital/social media presence
- Events program
- Cross promotion and partnerships

10. Where do we want to be?

10.1 Vision

Jetty Road, Glenelg will be the premier shopping and dining destination; supported by a dynamic local economy. The iconic precinct will attract new and exciting retail brands.

10.2 Objectives

The objectives of the retail strategy are:

To support the ongoing viability of traders and the future growth of the retail offering by:

- Positioning Jetty Road and the premier coastal shopping and dining destination.
- Attracting a greater number of shoppers.
- Attracting new independent and upmarket retailers and hospitality providers to complement this existing business mix.
- Supporting retailers to embrace the digital market place and provide a high-quality retail experience.

11. How will we get there?

The retail strategy identifies four key priority areas:

1. Promote shopping and dining as the key reasons to visit
2. Develop and enhance the appeal of the retail experience
3. Grow the capabilities of the retail sector
4. Work better together

Priority 1: Promote shopping and dining as the key reasons to visit

Jetty’s Road’s marketing and promotional campaigns will incorporate a mix of mainstream and digital media to highlight the small, independent businesses not found in the large shopping centres, and showcase the food-scene, leveraging the number and variety of cafes, restaurants and bars along the strip.

Campaigns will build upon existing awareness and key strengths, including the beach location and distinctive character of Jetty Road.

Campaigns will primarily target the day tripper and domestic tourist markets and seek to build traffic during off-peak months by promoting Jetty Road as a great all-year-round destination.

A working group will help engage local traders, encourage cross-promotion, and ensure business operators have sufficient advance notice to enable their participation in promotional activities.

Promote shopping and dining as a key reasons to visit actions
Drive awareness of easily accessible shopping and dining experiences through integrated marketing campaigns.
Increase Jetty Road, Glenelg’s digital presence to showcase businesses, experiences, shopping, promotions and what’s on.
Grow demand for food and wine as part of the visitor experience by showcasing the produce and restaurant offer on Jetty Road.
Actively seek and collaborate with unique brands and partners across an array of sectors (food and wine, fashion, lifestyle, services) to add value to the destination appeal and drive conversion.
Encourage locals, Adelaide day trippers and domestic tourist markets to re-discover Jetty Road, Glenelg.

Promote Jetty Road as a great place to visit and shop all year round, focusing on growing off-peak periods.
Encourage retailers to create cross promotions to increase visitor length of stay, repeat visitation and expenditure.

Measures
Overall retail and hospitality expenditure in Jetty Road, Glenelg
Local retail and hospitality expenditure in Jetty Road, Glenelg
Visitor retail and hospitality expenditure in Jetty Road, Glenelg

Priority 2: Develop and enhance the appeal of the retail experience

Jetty Road will seek to attract unique, independent traders and high-end restaurants and bars to complement the existing business mix. A targeted list of desired retailers will be developed that align with the vision for each of the three zones identified in the masterplan.

- Zone 1 – Coast: hospitality and entertainment
- Zone 2 – Central: fashion, gifts and homewares
- Zone 3 – Gateway: fresh food and services

Emphasis will be placed on the development of corner sites which have the potential to add to the vibrancy of the street. Pop-up stores will be encouraged to set up in vacant locations.

A new website will showcase the precinct to consumers and potential tenants and printed collateral will set out the business case for leasing. A cache of retail statistics will be maintained to help underpin the business case for prospective tenants.

Aligned to the delivery of the masterplan, parking access and availability will continued to be monitored and promoted to address access perceptions.

Existing businesses will be encouraged to take advantage of the Shopfront Improvement Grant, enhance their forward planning, and improve the instore experience offered to consumers. And the masterplan improvements to the streetscape will be promoted to help attract and inspire new traders.

Develop and enhance an appealing retail experience actions
Attract investment by developing a Jetty Road retail website to showcase the precinct, retail investment and leasing opportunities.
Develop a targeted list of desired retailers to enhance the mix of businesses, aligned to the Jetty Road brand and the three zones set out in the masterplan.
Promote the Shopfront Improvement Grant to encourage enhancements in line with the improvements identified in the masterplan.
Promote the unique brands, products and services and convenient parking available on Jetty Road.
Encourage retailers to improve the in-store experience through meaningful customer experiences, brand engagement, unique merchandise offers and improved digital capabilities.
Encourage retailers to holistically plan and execute across all channels to drive conversion whether it be in store or online.

Measures
Maintain a diverse and appealing retail and hospitality mix
Number of new anchor and unique retailers
Continuation of the Shopfront Improvement Grants and number of upgrades delivered
Overall retail and hospitality expenditure in the precinct

Priority 3: Grow the capabilities of the retail sector

The Jetty Road Mainstreet Committee will support Jetty Road retailers to adapt to the changing retail environment and embrace new technologies that enable them stay competitive.

Up-to-date information, training and workshops will help traders understand consumer expectations and develop compelling online and instore experiences.

Partnerships and collaborations between traders will result in packages that encourage visitors to stay longer and spend more.

Grow the capabilities of the retail sector actions

Provide the retail industry with information and insights on the latest emerging ecommerce and digital technologies to grow their business.

Provide training and workshops to the retail sector, that help them make the right investment decisions and to keep their businesses at the forefront of the industry.

Encourage local businesses to partner with one another to create packages to provide a stronger reason for consumers to choose Jetty Road as a place to shop or visit.

Jetty Road Mainstreet Committee work collaboratively and support existing businesses to continue to be innovative and drive expenditure.

Measures

Off peak visitation and expenditure in the precinct

Industry attendance at training workshops and networking events

Number of new industry partnerships in place delivering retail outcomes

Priority 4: Work better together

The Jetty Road Retail Strategy requires the support of key private and public stakeholders. A well-coordinated and professional approach to mainstreet management will be applied, including:

- An inclusive governance model
- Marketing and promotion
- Business mix development and support
- Streetscape planning and management

Council and the Jetty Road Mainstreet Committee will continue to work closely to ensure that the needs of traders, landlords and consumers are respected, to advocate for the precinct, and to leverage the opportunities presented through partnerships and future development.

Working better together actions

Develop partnerships across the retail, hospitality, entertainment and service sectors to drive retail outcomes.
Continue to provide a strong and best practice management structure with the JRMC.
Continue to foster a positive relationship with council to drive growth in Jetty Road Glenelg’s retail economy.
Working with State Government, including DPTI, particularly in relation to planning reforms and the tram.
Work with landlords to ensure a clear vision for the tenancies in the precinct align to the zones in the Jetty Road Masterplan.

Measure
Industry participation and engagement with Jetty Road Mainstreet Committee and the masterplan
Jetty Road Mainstreet Committee delivery of the strategy against priority areas
Sentiment of traders and landlords with the Jetty Road Mainstreet Committee through the annual Jetty Road Business Survey
Collaborative initiatives delivered by the Jetty Road Mainstreet Committee and Council

12. How will we measure success?

The success of the Jetty Road Retail Strategy will be measured by its impact on a range of factors, including:

- Pedestrian traffic along Jetty Road
- Customer spending and retail market share
- Dwelling time in the mainstreet
- The mix of shops and services
- Vacancy rate
- Awareness of and attitudes towards Jetty Road as a leisure, shopping and dining destination

A progress report will be prepared annually and distributed to Jetty Road Mainstreet traders and service providers.

13. Want to know more?

Jetty Road Mainstreet Committee hello@jettyroadglenelg.com

14. References

The Jetty Road Mainstreet Committee and the City of Holdfast Bay would like to acknowledge the work undertaken by Premier Retail Marketing, Principal Consultant, David West in preparing this strategy. David has a deep understanding of the national and global retail landscape and has experience in mainstreet and shopping centre management.

- Our Place 2030 Strategic Plan
- Holdfast Bay Tourism Plan 2020
- Jetty Road Glenelg Masterplan 2017
- Western Alliance Tourism Destination Action Plan 2017
- Intuito Mainstreet Panel Discussion Summary, April 2017
- Intuito Market Research Resident, Daytrippers, Interstate Domestic and International Tourism 2016
- City of Holdfast Bay Destination Management Plan, Nov 2017
- Jetty Road pedestrian traffic counts
- Investment Prospectus 2016
- McGregor Tan qualitative consumer research study September 2016
- Shopping Centre News SCN 2017

Item No: 4.2
Subject: **GOVERNANCE MODELS WORKSHOP**
Date: 20 June 2018
Written By: Jetty Road Development Coordinator

Acting General Manager: Ms M Lock, Community Services

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*. Membership consists up to 11 members and aligns with the current term of Council and is required to operate in accordance with Part 4 of the Local Government Act 1999. The JRMC are investigating alternative governance models and were provided with a discussion paper at the 6 June JRMC meeting. *Refer attachment 3:*

Jan Turbill, Managing Director of Intuito Market Research will facilitate the workshop at the 20 June Special Meeting with industry experts invited to discuss with the JRMC their preferred governance model. Thereafter at the 4 July JRMC meeting the Committee will endorse their preferred model to be approved by Council.

RECOMMENDATION

That the Jetty Road Mainstreet Committee note this report.

COMMUNITY PLAN

Placemaking: Creating lively and safe places
Community: Providing welcoming and accessible facilities
Community: Fostering an engaged and contributing community
Economy: Supporting and growing local business
Economy: Boosting our visitor economy

COUNCIL POLICY

Not Applicable.

STATUTORY PROVISIONS

Not Applicable.

BACKGROUND

The Jetty Road Glenelg Precinct (“the Precinct”) is recognised throughout South Australia and beyond as one of the best examples of a thriving traditional retail, hospitality and business district, servicing the needs of the community and around 1.3 million visitors each year.

In 1994, the former City of Glenelg established the Jetty Road Mainstreet Board (“the Board”) with the aim of supporting the Precinct to flourish and expand, to strengthen partnerships between businesses, the Council and local community. In 2007, the name was changed to the Jetty Road Mainstreet Management Committee (JRMMC).

The JRMC are investigating alternative governance models including:

- Local Government Act (Section 41)
- Business Improvement District/Association; and a
- Subsidiary model

REPORT

The timeframes outlined below are associated with the consideration of the alternate governance models for JRMC:

- 6 June 2018 JRMC Meeting - Discussion Paper was tabled for consideration
- 20 June 2018 Special JRMC Meeting – Workshop with facilitator and external governance experts
- 4 July 2018 JRMC Meeting - JRMC Endorse the preferred Governance model to be approved by Council.

BUDGET

Not applicable

LIFE CYCLE COSTS

Not applicable



JETTY ROAD MAINSTREET GOVERNANCE MODELS DISCUSSION PAPER

Author: Acting General Manager Community Services

Title: Jetty Road Mainstreet Governance Models

Date: May 2018

Background

The Jetty Road Glenelg Precinct (“the Precinct”) is recognised throughout South Australia and beyond as one of the best examples of a thriving traditional retail, hospitality and business district, servicing the needs of the community and around 1.3 million visitors each year.

In 1994, the former City of Glenelg established the Jetty Road Mainstreet Board (“the Board”) with the aim of supporting the Precinct to flourish and expand, to strengthen partnerships between businesses, the Council and local community. In 2007, the name was changed to the Jetty Road Mainstreet Management Committee (JRMMC).

Current Model

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*. Membership consists up to 11 members and aligns with the current term of Council and is required to operate in accordance with Part 4 of the Local Government Act 1999.

The JRMC is established to advise Council on:

- Enhancing and promoting the Precinct as a vibrant shopping, leisure and recreational area with year round appeal to residents and visitors.
- Furthering the economic development of the Precinct and encouraging further retail investment in the Precinct.
- A consistent marketing and brand strategy for the Precinct.
- Initiatives required to operate the Precinct in accordance with the Council’s Strategic Management Plans.

Subject to compliance with all Council policies, plans and procedures, the purpose of the JRMC is to:

- Recommend a strategic management and financial plan for the Precinct for a period of at least four years for consideration and adoption by Council;
- Promote the Precinct and to encourage its use by residents, visitors and the greater community in general;
- To make recommendations to Council in relation to the maintenance and upgrade of the Precinct’s existing infrastructure and physical appearance to ensure it is maintained to a high standard in keeping with a historic seaside village concept;
- To recommend annually to Council a budget to support the performance of its activities and functions. Through regular reporting to Council on the JRMC’s financial and general performance, monitor the aspects of the budget approved by Council relating to the JRMC and the Precinct.

The Committee also maintains communication between the Council, traders, landlords, tourism providers, consumers and residents within the Precinct.

Meetings are held at least once every 2 months and conducted in accordance with Part 3, of the Local Government Act (Procedures at Meetings) Regulations 1999, the City of Holdfast Bay Code of Practice for Meeting Procedures and any additional procedures discussed within the Terms of Reference.

Importantly, during preparation of the draft retail strategy in 2017, JRMC expressed an interest in exploring alternative governance models to improve functionality, independence and effectiveness in pursuit of continuous business improvement.

As such two alternate governance models are provide below for consideration;

OPTION 1.

Business Improvement District (BID)/Association Model

A Business Improvement Association (BIA) is an organisation created to service a specific geographic zone, with distinct boundaries. Commercial buildings within the zones or districts pay a special levy, which funds activities focused on improving that specific area.

A BID/BIA works alongside local government to supplement services and activities. To establish a BID/BIA, businesses within a geographic area need to informally agree to the concept. The businesses then approach Council to conduct a formal consultation process to enable businesses that would be affected by a levy, to provide feedback.

Jetty Road Mainstreet traders and service providers would be required to set up an incorporated body/association via Consumer and Business Services,.

An incorporated body/association is a legal entity separate to its members which usually include the following; Public Officer, Chair, Secretary, Treasurer and committee members.

Incorporated associations that are prescribed with gross receipts of more than \$500,000 per year, need to lodge annual financial statements with Consumer and Business Services. Associations must follow legal standards of accounting and annually audit association finances.

Funding

BID/BIA raises a compulsory levy paid by commercial building owners within the agreed geographic boundaries. Council maintains the list of building owners, and collects the funds (via the rating process?) paid by members of the BID/BIA. The BID/BIA develops a service agreement with Council to provide Business Improvement activities, and Council passes on the total annual levy to fund those activities. This is similar to a grant arrangement, where an annual plan of business improvement activities is provided to Council, and upon agreement (by who?) the levy is then forwarded to the BID/BIA to financially manage. The BID/BIA would the report twice a year acquitting the levy expended.

BID/BIA is structured as a non-profit organisation, separate from Council, and is eligible to engage in fee-for-service arrangements. Additionally, they can seek funding and grants from other bodies.

Governance

BID/BIAs are a separate body from the Council. Although globally BID/BIAs work closely with Council to ensure strategic objectives are achieved and all funds raised are fully acquitted.

The incorporated association is member based organisation governed by a constitution which is lodged with Consumer and Business Services.

A committee of management, is charged with management of the organisation. The committee of management, is made up of volunteers, drawn from members or their nominees, in accordance with the constitution. Each year at the AGM the committee of management positions are declared vacant. All full members of the incorporated association are eligible to vote at the AGM as well as to stand for election, or to nominate someone to stand on their behalf.

The committee of management employs an executive manager to oversee the day to day activities of the organisation. The executive manager reports each month at management meetings on the running of the organisation.

Responsibility

A BID/BIA is responsible for all associated expenses drawn from the levy raised by Council on behalf of the BID/BIA including;

- Audit committee
- Internal and external auditors
- Human Resource management and all associated functions
- Finance systems – produce an annual budget which meets all of the financial regulations and standards
- Business plans
- Annual reports

This would mean that any services provided by Council, would be on-charged to the BID/BIA for reimbursement from Levy funds.

OPTION 2.

Subsidiary Model

A subsidiary requires Ministerial approval to establish a body with corporate status. It is an established body corporate which appoints a board of management to oversee its operations.

A Charter is prepared by Council addressing the following;

- Purpose of the subsidiary
- Constitution of the board of management
- Determine whether board members need to submit returns under the LG Act
- Powers, functions and duties of the subsidiary
- Scope and description of any activities undertaken out of the Council area
- Staffing issues – can the subsidiary employ staff and if they are able to the conditions and processes of employment
- Funding arrangements – fully self-funding or partially funded and any other relevant arrangements relating to costs and funding
- Any special accounting, internal auditing or financial systems or practices to be established or observed by the subsidiary
- Acquisition or disposal of assets
- Manner in which surplus revenue is to be dealt with by the subsidiary
- Nature and scope of any investments the subsidiary can undertake
- Reporting obligations to Council – operations, financial position and other relevant issues.

Council can include any other relevant matters, and has the power to review the Charter at any time to align with Council’s strategic plans and amend the charter as required.

Funding

Council would need to agree to raise a compulsory levy paid by all businesses within precinct. The precinct’s geographic boundaries would be determined by Council.

The subsidiary would manage, expend and acquit all funds raised by Council from the levy.

Governance

A subsidiary appoints a board of management with the membership determined by Council. The board of management may consist of or include persons who are not members of Council. Board members are appointed for a term not exceeding 4 years and at the expiration of a term of office are eligible for reappointment.

The board of management is responsible for the administration of the affairs of the subsidiary, and for ensuring that:

- The subsidiary observes all plans, targets, structures, systems and practices required or applied to the subsidiary by the Council
- The subsidiary prepares and adopts a business plan consistent with its charter including:
 - Performance targets to be met,
 - Statement of financial and other resources,
 - internal processes that will be required to meet the targets,
 - Performance measures that are to be used to monitor and assess performance.

The board's liabilities are guaranteed by Council and any borrowings need to be approved.

Responsibility

A subsidiary is responsible for all associated expenses drawn from the levy raised by Council on behalf of the subsidiary, including:

- Audit committee
- Internal and external auditors
- Human Resource management and all associated functions
- Finance systems – produce an annual budget which meets all of the financial regulations and standards
- Business plans
- Annual reports

This would mean that any services provided by Council, would be on-charged to the BID/BIA for reimbursement from Levy funds.

Overview

	BID	Subsidiary	Current
Established under	Incorporations and Associations Act	Local Government Act (s42)	Local Government Act (s41)
Governance structure	Member based Board (separate to its members)	Board (determined by Council)	Committee (determined by Council)
AGM	Annually	Annually	Not required
Governing Rules	Constitution	Charter	Terms of Reference
Direction & Control	Members	Council	Council
Liability	Own assurance	Guaranteed by Council	Guaranteed by Council
Reporting to	Members	Council	Council
Financial management	Annual audited accounts as per Associations Act	Annual audited accounts as per LG Act	Annual audited accounts as per LG Act
Staff	Employed by Association	Employed by Subsidiary	Employed by Council
Employees	Manager, plus required admin. staff	Manager, plus required admin. staff	n/a – see above

Ability to raise funds	BID requests Council to raise agreed funds	Council to raise a compulsory levy	Council to raise a compulsory levy
Budget	Agreed by members	Recommended to and agreed by Council	Recommended to and agreed by Council

Discussion Points

- Risks/liabilities associated with each respective governance model
- Financial implications associated with each respective governance models
- Human resource management implications with each respective governance model.
- Accountability/Responsibility with each respective governance model.

Next Steps

The timeframes outlined below are associated with the consideration of the alternate governance models for JRMC:

- 6 June JRMC Meeting - **Discussion Paper** Tabled for Consideration
- 20 June Special JRMC Meeting – **Workshop** with facilitator and external governance experts
 - Tracey Riddle – Kelledy Jones Lawyers
 - David West, Premier Retail Marketing
 - Melissa Kretschmer, CHB Team Leader Governance, Strategic and Commercial Services.
 - Rob McKay – Deputy Chairperson, Rundle Mall Management Authority
- 4 July 2018 JRMC Meeting - **JRMC Endorse** the preferred Governance model to be approved by Council.