



MINUTES

ECONOMIC DEVELOPMENT COMMITTEE

1 July 2014

6.00pm

City of Albany Council Chambers

**CITY OF ALBANY
COMMUNITY STRATEGIC PLAN (ALBANY 2023)**

VISION

Western Australia's most sought after and unique regional city to live, work and visit.

VALUES

All Councillors, Staff and Volunteers at the City of Albany will be...

Focused: on community outcomes

This means we will listen and pay attention to our community. We will consult widely and set clear direction for action. We will do what we say we will do to ensure that if it's good for Albany, we get it done.

United: by working and learning together

This means we will work as a team, sharing knowledge and skills. We will build strong relationships internally and externally through effective communication. We will support people to help them reach their full potential by encouraging loyalty, trust, innovation and high performance.

Accountable: for our actions

This means we will act professionally using resources responsibly; (people, skills and physical assets as well as money). We will be fair and consistent when allocating these resources and look for opportunities to work jointly with other directorates and with our partners. We will commit to a culture of continuous improvement.

Proud: of our people and our community

This means we will earn respect and build trust between ourselves, and the residents of Albany through the honesty of what we say and do and in what we achieve together. We will be transparent in our decision making and committed to serving the diverse needs of the community while recognising we can't be all things to all people.

TERMS OF REFERENCE

(1) Function:

The Economic Development Committee is responsible for the delivery of the following Sense of Community Objectives contained in the City of Albany Strategic Plan:

- (a) To build resilient and cohesive communities with a strong sense of place and community spirit;
- (b) To create interesting places, spaces and events that reflect our community's identity, diversity and heritage
- (c) To develop and support an inclusive and accessible community.

(2) It will achieve this by:

- (a) Developing policies and strategies;
- (b) Establishing ways to measure progress;
- (c) Receiving progress reports;
- (d) Considering officer advice;
- (e) Debating topical issues;
- (f) Providing advice on effective ways to engage and report progress to the Community ; and
- (g) Making recommendations to Council.

- (3) Chairperson:** To be elected from the Committee
- (4) Membership:** Minimum of 4 and a maximum of 7 elected members
- (5) Meeting Schedule:** As required
- (6) Meeting Location:** Council Chambers
- (7) Executive Officer:** CEO or nominee
- (8) Delegated Authority:** None

ECONOMIC DEVELOPMENT COMMITTEE
 MINUTES –01/07/2014
 ** REFER DISCLAIMER **

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1. DECLARATION OF OPENING

[6:00:01 PM](#) The Chair (Mayor Wellington) declared the meeting open.

2. PRAYER AND ACKNOWLEDGEMENT OF TRADITIONAL LAND OWNERS

“Heavenly Father, we thank you for the peace and beauty of this area. Direct and prosper the deliberations of this Council for the advancement of the City and the welfare of its people. Amen.”

“We would like to acknowledge the Noongar people who are the Traditional Custodians of the Land.

We would also like to pay respect to Elders both past and present”.

3. RECORD OF APOLOGIES AND LEAVE OF ABSENCE

Mayor Mayor D Wellington (Member)

Councillors:

Member	S Bowles
Member	G Stocks
Member	C Dowling
Member	A Hortin JP
Member	V Calleja JP

Observer	N Williams
Observer	B Hollingworth
Observer	A Goode JP

Staff:

Chief Executive Officer	G Foster
Executive Director Community Services	C Woods
Manager Tourism Development and Services	M Bird

Minutes	J Williamson
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Apologies:

Member	R Hammond (Chair)
Member	J Price
Member	G Gregson
Member	R Sutton

No members of the public or media were in attendance.

4. DISCLOSURES OF INTEREST

Name	Committee/Report Item Number	Nature of Interest
Nil	Nil	Nil

5. REPORTS OF MEMBERS Nil

6. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE Nil

7. PUBLIC QUESTION TIME Nil

8. APPLICATIONS FOR LEAVE OF ABSENCE Nil

9. PETITIONS AND DEPUTATIONS Nil

At this point in the meeting, due to the Mayor having a prior official engagement, the meeting moved straight to consideration of ED015: Clipper Round the World Yacht Race Event 2015.

[6:29:44 PM](#) Following consideration of ED05: Clipper Round the World Yacht Race Event 2015, the Mayor left the meeting to attend an official engagement. Deputy Mayor Stocks took the Chair.

10. CONFIRMATION OF MINUTES

RESOLUTION

VOTING REQUIREMENT: SIMPLE MAJORITY

MOVED: COUNCILLOR HORTIN

SECONDED: COUNCILLOR BOWLES

THAT the minutes of the Economic Development Committee Meeting held on 6 May 2014, as previously distributed, be CONFIRMED as a true and accurate record of proceedings.

CARRIED 4-0

11. PRESENTATIONS

Great Southern Festival (PIAF)

Mr Julian Donaldson gave a presentation to Council on behalf of the Great Southern Festival (PIAF). A copy of this presentation is attached at Appendix A.

12. UNRESOLVED BUSINESS FROM PREVIOUS MEETINGS Nil

ED015: CLIPPER ROUND THE WORLD YACHT RACE EVENT 2015

Proponent	:	City of Albany
Owner	:	N/A
Attachments	:	<ul style="list-style-type: none">• Clipper 2013 - post event assessment Catalyst report• Clipper Media Evaluation Report• Clipper Partner Support Letters
Appendices	:	Nil
Responsible Officer(s):	:	Executive Director Community Services (C Woods)

Responsible Officer's Signature:



STRATEGIC IMPLICATIONS

1. This strategy directly relates to the following elements from the Community Strategic Plan – Albany 2023 and the Corporate Business Plan 2013-2017.

This item relates to the following elements of the [City of Albany Strategic Community Plan 2023](#) and [Corporate Business Plan 2013-2017](#):

- a. **Key Theme: 1.** Smart Prosperous and Growing.
- b. **Strategic Objective: 1.2** To strengthen our region's economic base.
Strategic Objective 1.3 To develop and promote Albany as a unique and sought after destination.
- c. **Strategic Initiative 1.2.1.** CBD Revitalisation
Strategic Initiative 1.2.2. Economic Diversity
Strategic Initiative 1.3.1. Events Management
Strategic Initiative 1.3.2. Tourism Destination

In Brief:

- The City of Albany has been invited to bid for the rights to act as the host port for the Clipper Round the World Yacht Race for 2015.

RECOMMENDATION

ED015: COMMITTEE RECOMMENDATION

MOVED: COUNCILLOR CALLEJA
SECONDED: COUNCILLOR DOWLING

THAT the Responsible Officer Recommendation be ADOPTED.

CARRIED 5-0

ED015: RESPONSIBLE OFFICER RECOMMENDATION

THAT the Committee recommend to Council to:

- ENDORSE the City of Albany entering into final contract negotiations with Clipper for the 2015 event host port rights as recommended in the confidential report attachment; and
- AUTHORISE the CEO to seek grant funding from potential local and regional partners to reduce the total cost of the Host Port offer to the City; and
- NOTE that if approved funding will be allocated in the 2015/16 financial year budget.

BACKGROUND

2. The City of Albany successfully hosted the Clipper Round the World Yacht Race (Clipper) in late November 2013.
3. The event attracted 332 sailors, 22 event management personnel and generated significant positive feedback and goodwill from the local community.
4. The City of Albany contracted an independent economic assessment of the 2013 event (full copy of Catalyst report attached). A summary of the report findings include;
 - Outstanding result for Albany on various criteria;
 - *Feedback from visitors*
 - *Positive perceptions from locals*
 - *A boon for local businesses*
 - *Significant increase in civic pride and capacity building through volunteer involvement and mobilisation.*
 - Strong economic impact, though below forecast;
 - *Direct spending over \$550,000*
 - *A multiplier of 20% for additional indirect spending suggests total impact of \$660,000+*
 - Accommodation and Food/Beverage venues were the biggest beneficiaries;
 - *Account for 70% of spend*
 - *Potential targets/sectors for joint sponsorship activities*
5. The independent economic benefit analysis does not include media value estimates. The Clipper event organisers however have supplied a media evaluation summary of Leg 3 to, and including the stopover in Albany (copy attached). The Clipper report states 367 news items were published reaching a cumulative audience of 192m people, an advertising equivalent value of \$AUD3.5m, and a PR value of \$AUD10.6m for the period. These estimates have been supplied by Clipper and whilst the scale of these claims could be debated, it is acknowledged that the Clipper Race is a major generator of international media attention for participants including the host port destinations.
6. Assuming the above estimates are correct the total impact of the 2013 Clipper event is in the order of \$675,000 in direct spend and \$810,000 using a multiplier of 20%.
7. The independent evaluation conducted by Catalyst is considered a conservative estimate because it did not consider:

- direct or indirect spending from non competitor and non Clipper event staff participation i.e. visitor and resident spending activated by the Clipper event.
 - Clipper event organisers also report spending some additional \$125,000 directly with local and WA businesses in yacht maintenance and provisioning post the survey completion.
8. The City of Albany successfully partnered with other local agencies and groups to deliver the event. Total cost for the 2013 event was \$103,249 with partner contributions of \$35,158. The net direct cost to the City of Albany was \$68,092 plus an estimated \$25,000 in City officer time and in-kind resources.
 9. The 2013 host port partners have indicated high satisfaction levels with delivery of the 2013 event and strong support for hosting the 2015 event. Attached are copies of support letters from the Princess Royal Sailing Club, the Department of Transport, Great Southern Development Commission, and The White Star Hotel.

DISCUSSION

10. The City of Albany, with considerable support from local community and other agencies, successfully hosted the 2013 Clipper Round the World Yacht Race event in November 2013.
11. Major benefits to Albany included:
 - An estimated total impact of \$810,000 into the local economy.
 - Substantial local, national and international media coverage was achieved for Albany as the host port.
 - The 2013 event added significant vibrancy to the Albany Waterfront Marina and main retail and hospitality venues over the seven day period.
 - Achieved substantial community engagement including yacht arrival and race restart events, the School “Adopt a Yacht” and group visits program, participation with the Clipper Festival, and open day for yacht inspections by local community.
12. Discussions between the City and Clipper organisers have achieved preliminary in principal agreement for Albany to secure the host port rights for the 2015 Clipper event.
13. This preliminary agreement is subject to Albany City Council endorsement.
14. Major potential event co-funding partners include Eventscorp, Great Southern Development Commission, Landcorp, Department of Transport and local industry/business partners including the Albany Chamber of Commerce and Industry. The net direct cost to the City is estimated to be comparable to the hosting of the 2013 event. See attached letters of support received to date from the 2013 Clipper partners.
15. Some costs with the hosting of the 2013 event will not be re-incurred if the 2015 event is secured as a result of infrastructure upgrades to the marina and boat shed.
16. Hosting of the 2015 event will enable the City to develop a major Albany maritime festival event that would promote the destination to new visitor markets and leverage some of Albany's unique points of difference, namely maritime heritage, natural harbours and elevated viewpoints for these type of events.
17. The Clipper 2015 event will also help to activate Stirling Terrace and the Town Square infrastructure, which have been recently funded and are under development. This is part of the City's broader economic development objectives – CBD revitalisation.

18. Significant benefits should be achieved both during the hosting of the event and in the lead up to the event via an effective marketing campaign into the Perth visitor and sailing enthusiast market.
19. Attracting major international events such as Clipper will work to continue the strong visitor awareness for the Albany destination that is being generated around the Anzac Centenary Commemorations.
20. Subject to Council approval to proceed, the City will enter into contractual arrangements with the Clipper organisers to secure the 2015 event.

GOVERNMENT & PUBLIC CONSULTATION

21. The City of Albany partnered with a large number of local agencies, groups and individuals to deliver the 2013 event. All partners have rated the 2013 event favourably and indicated a desire to investigate hosting and supporting the 2015 event.
22. Local media interest in the 2015 event host port bid has generated significant community comment in local media. Anecdotal evidence suggests there is strong support for the City to secure the 2015 host port rights as long as it is at the “right price”.
23. The Community Strategic Plan involved widespread community consultation in late 2012 and early 2013. The community identified a number of economic priorities under the theme of Smart Prosperous and Growing including the attraction of iconic major events.

STATUTORY IMPLICATIONS

24. Nil

POLICY IMPLICATIONS

25. Nil

RISK IDENTIFICATION & MITIGATION

26. The risk identification and categorisation relies on the City’s [Enterprise Risk Management Framework](#).

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Financial – other event co-funding partners may not contribute.	Possible	Moderate	Medium	<ul style="list-style-type: none"> • City of Albany allocate required resources in forward 2015/16 budget. • CEO to seek alternative funding bodies.

FINANCIAL IMPLICATIONS

27. Council has already committed to hosting the Campervan and Motorhome Club of Australia AGM in 2015 so this additional expenditure will require funding in the 2015/16 financial year.
28. Council has the opportunity to consider increasing revenue for event attraction and hosting through various means prior to the setting of the 2015/16 budget.
29. Financial and resource allocation is required by the City for the 2015/16 financial year.

LEGAL IMPLICATIONS

30. Nil

ENVIRONMENTAL CONSIDERATIONS

31. Nil

ALTERNATE OPTIONS

- 32. Council may choose not to meet the minimum agreed bid offer and therefore forfeit the event; or
- 33. Council may choose to delay the decision to support the host port bid until a minimum level of partner financial support is secured. Should Council decide on this option, it will have a direct limiting effect on the ability to secure additional funding from grant providers such as EventsCorp who require a commitment by the City prior to granting funding.

SUMMARY CONCLUSION

- 34. Securing the 2015 Clipper Round the World Yacht Race event achieves a City strategic deliverable to identify iconic events that provide community and economic benefits and work with partners to attract market and host events.
- 35. On a cost benefit basis this international event is considered a value for money investment with a minimum expected return of 3.5 to 1.
- 36. The Clipper Round the World Yacht Race attracts a global audience and is considered a major international event. Attracting this event will work to continue the high level of visitor awareness for the Albany destination that will be generated by the Anzac Albany Centenary Commemorations.

Consulted References	:	Nil
File Number (Name of Ward)	:	RC.EVM.35 (All Wards)
Previous Reference	:	Nil

14. NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF COUNCIL Nil

15. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN. Nil

16. REPORTS OF CITY OFFICERS

Executive Director Community Services gave a verbal update to the Committee on the Centre of Excellence for Regional Health Care System.

Manager of Tourism Development Services gave a verbal update to the Committee on the following matters;

- ED012 Linyi Delegation visit; 13-18 July
- Regional Events Sponsorship program
- Local Tourism Organisation and Regional Cooperation; ASW GS regional marketing plan
- Airservice Deregulation August Economic Development Committee
- City of Albany Events Strategy August Economic Development Committee
- Councillor Economic Development Workshop

17. MEETING CLOSED TO PUBLIC.

As no members of the public or media were present at the meeting ED015: Clipper Round the World Yacht Race Event 2015 was not discussed behind closed doors.

18. CLOSURE. There being no further business, Deputy Mayor Stocks declared the meeting closed at [7:13:46 PM](#)

(Unconfirmed Minutes)

Dennis W Wellington
Mayor

Greg Stocks
Deputy Mayor

PRESENTATION BY MR JULIAN DONALDSON



HISTORY

- o Established in 2003
- o The Festival will be a 10-12 day experience
- o The artistic focus is on delivering 3 major international events
- o Developing local artistic content

HOW WE CAN ACHIEVE SHARED OBJECTIVES?

- o Enhance tourism activity to the region
- o Promote access to international arts events
- o Increases the region's quality of life, sense of community and vibrancy
- o Create employment opportunities
- o Offer professional development for local artists
- o Increase investment in the Great Southern Region
- o Building participation with the Festival with sponsors, donors and volunteers
- o Cooperative tourism campaign with GSDC

PROMOTING ALBANY AND THE GREAT SOUTHERN

A targeted and strategic marketing campaign, including:

- o Exclusive 40 page Great Southern brochure (20,000 distribution)
- o Feature in the Festival main brochure (145,000 distribution)
- o Comprehensive digital strategy including website, online communications and social media
- o Full program promotion in The West Guide to the Festival (279,000 distribution)
- o A media campaign including radio and press; working with partnering organisations ABC South Coast and Albany Advertiser

ATTENDANCE STATISTICS

2003 - 2013

Total ticketed attendance	24,785	
Total attendance		63,924

2014

Ticketed attendance	5,133	
Total attendance		7,760

Based on our economic impact model the 2014 Festival generated approximately \$2,446,390 in ancillary spending by our patrons.

PROMOTING ACCESS TO INTERNATIONAL ARTS EVENTS

- o Since its inception the Great Southern has been host to over 500 international artist from over 25 countries
- o In 2014 25 international artists contributed to the Great Southern Festival, sharing the stage with 16 interstate and 59 local artists

PRESENTATION BY MR JULIAN DONALDSON

INCREASE THE REGION'S QUALITY OF LIFE, SENSE OF COMMUNITY AND VIBRANCY

The provision of arts and cultural activities is directly related to improving social outcomes and quality of life in communities.

The Great Southern Festival is unique to the region, and is Western Australia's premier regional arts program. Having the largest regional arts festival in Western Australia, Albany has a unique opportunity to differentiate itself as a vibrant and cultural hub.

CREATE EMPLOYMENT OPPORTUNITIES

The Great Southern Festival creates job opportunities by:

- Directly employing staff to work on local projects
- Using local service providers such as venues and accommodation who employ casual staff
- Employing local artists to participate in the Great Southern Festival

OFFER PROFESSIONAL DEVELOPMENT FOR LOCAL ARTISTS

In addition to creating work for local artists, professional workshop are an integral part of the calendar of events each year, providing local professionals and aspiring artists a range of mentoring and professional development opportunities.

- 87 professional workshops have been conducted by national and international artists
- Workshops have been attended by 988 individuals

INCREASE INVESTMENT IN THE GREAT SOUTHERN REGION

- 13 performance and events spaces were used to deliver over 73 events
- 3 local accommodation outlets
- 5 Great Southern wine producers
- Various local suppliers including catering, media outlets, booksellers and logistical companies

EXPENDITURE INJECTED INTO THE COMMUNITY BY THE FESTIVAL EACH YEAR:

	2012	2013	2014
Accommodation	\$31,582	\$22,955	\$11,987
Venue	\$33,797	\$23,705	\$39,253
Direct Festival expenditure	\$519, 556	\$309,591	\$382,601
Total Festival expenditure	\$727,336	\$433,427	\$533,642
Total number of local suppliers	36*	27	30

*2012 was an extended program due to the 10th year celebration of the Great Southern Festival

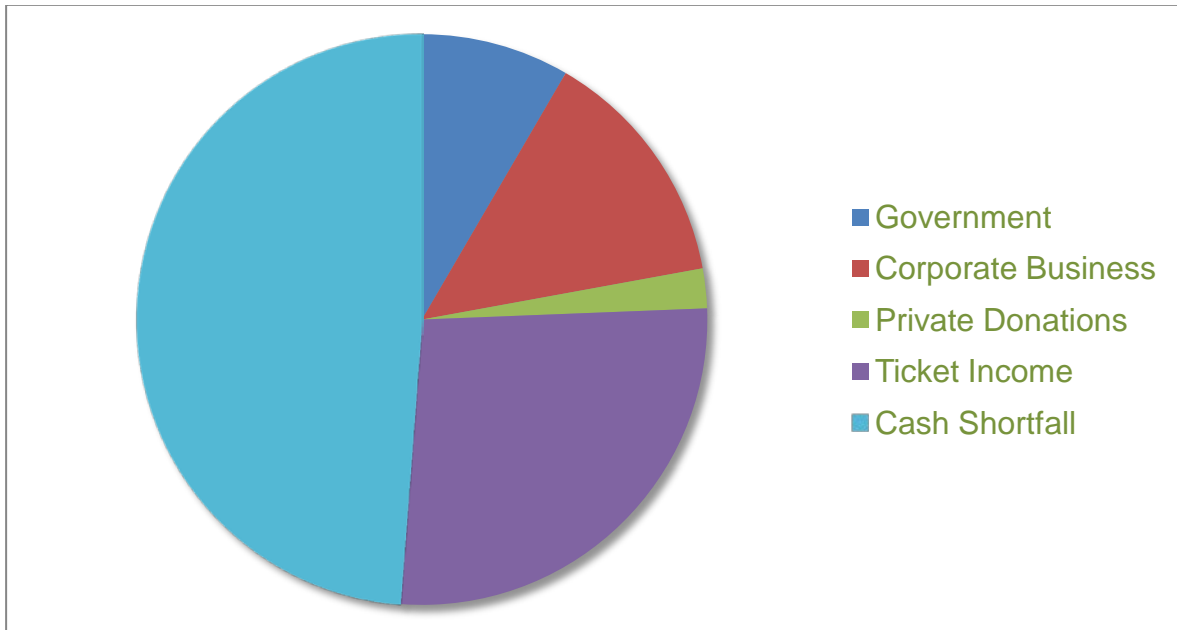
PRESENTATION BY MR JULIAN DONALDSON

BUILDING PARTICIPATION WITH THE FESTIVAL WITH SPONSORS, DONORS AND VOLUNTEERS

The Festival is supported by Government, local businesses and individuals within the community providing stronger linkages between all who work, live and operate within the Great Southern region.

In 2014 the Festival received support from 3 Government partners, 20 businesses and 14 individual donations.

INCOME RECEIVED:



- The Festival currently subsidises 48.3% of each ticket sold within the Great Southern
- City of Albany’s current contribution subsidises 2.7% of each ticket sold

PRESENTATION BY MR JULIAN DONALDSON

SUPPORT IN THE LAST 5 YEARS

	2010	2011	2012	2013	2014
State Government	\$75,000	\$75,000	\$100,000	\$40,000	\$45,000
Local Government	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
Cash sponsorship	\$3,500	\$21,000	\$14,000	31,950	\$23,000
Donations	n/a	n/a	\$8,500	6,200	\$12,050