

**Marketing, Sponsorship and
International Engagement
Committee**

**Notice of Meeting
31 January 2017
4.00pm**

**Committee Room 1
Ninth Floor
Council House
27 St Georges Terrace, Perth**



City of Perth

Agenda

ORDER OF BUSINESS AND INDEX

- 1 Declaration of Opening
- 2 Apologies and Members on Leave of Absence
 - 2.1 Cr Chen (Leave of absence)
 - 2.2 Deputy Lord Mayor Cr Limnios (Leave of absence)
- 3 Question Time for the Public
- 4 Confirmation of minutes – 29 November 2016
- 5 Correspondence
- 6 Disclosure of Members' interests
- 7 Matters for which the meeting may be closed

In accordance with Section 5.23(2) of the *Local Government Act 1995*, should an Elected Member wish to discuss the content of the confidential attachments listed below, it is recommended that Council resolve to close the meeting to the public prior to discussion of the following:

Attachment No.	Item No. and Title	Reason
Confidential Attachments 8.3B and 8.3C	Agenda Item 8.3 – Commercial Events Sponsorship – Mellen Events, Piccadilly Theatre, Hay Street Mall, Perth	S5.23(2)(e)(iii)

- 8 Reports
 - 8.1 - Donation - The Returned and Services League of Australia WA Branch Incorporated (RSLWA) Anzac Day 2017 Commemorations
 - 8.2 - Business Event Sponsorship – Festival of the Web 2017
 - 8.3 - Commercial Events Sponsorship – Mellen Events – Piccadilly Theatre, Hay Street Mall, Perth

(Cont'd)

8.4 - Corporate Sponsorship – 2017 Angel Investing Education Event Series

8.5 - Industry / Sector Development Sponsorship - Western Australian Indigenous Tourism Operators Council

8.6 - Industry / Sector Development Sponsorship – Studio Startup

9 Motions of which Previous Notice has been given

10 General Business

10.1 - Responses to General Business from a Previous Meeting

Upcoming Events to be held at the community space, Northbridge Piazza

At the Marketing, Sponsorship and International Engagement Committee held on 18 October 2016, Cr Yong requested information on upcoming events scheduled to be held at the community space on the ground floor of the Northbridge Piazza.

The Manager Business Support & Sponsorship advises the following information:

Month	Event
January 2017	<ul style="list-style-type: none">• Sherina Hadley - Landscape Photography Exhibition (Tentative);• The Gelo Company - Comedy Venue (for the duration of Fringe World 2017);
February 2017	<ul style="list-style-type: none">• The Gelo Company - Comedy Venue (for the duration of Fringe World 2017);• Simon Sieradzki - Painting Exhibition;
March 2017	<ul style="list-style-type: none">• Free Range Mentorship Award Exhibition;
April 2017	<ul style="list-style-type: none">• National Youth Week 2017 – Group Exhibition and Workshop Hub;• Amy Perejuan-Capone workshop – Autobiographical Map Making;• Persian Arts Exhibition;
May 2017	<ul style="list-style-type: none">• Tanya Jaceglan – Painting Exhibition;• Nathan Rennie – Painting Exhibition; and
June 2017	<ul style="list-style-type: none">• Carolina Arsenii – Painting Exhibition.

10.2 - New General Business

11 Items for consideration at a future meeting

Outstanding Reports: Nil

(Cont'd)

A handwritten signature in black ink, appearing to read 'Martin Mileham', with a horizontal line drawn through the middle of the signature.

**MARTIN MILEHAM
CHIEF EXECUTIVE OFFICER**

25 JANUARY 2017

This meeting is open to members of the public

MARKETING, SPONSORSHIP AND INTERNATIONAL ENGAGEMENT COMMITTEE

Established: 17 May 2005 (Members appointed 22 October 2015)

Members:	1st Deputy:	2nd Deputy:
Cr Chen (Presiding Member)	Cr Davidson OAM JP	Cr Green
Cr Limnios		
Cr Yong		

Quorum: Two
Expiry: October 2017

TERMS OF REFERENCE [Adopted OCM 24/11/15] [Amended OCM 13/12/16]

1. To oversee and make recommendations to the Council on matters related to:
 - a. marketing of the city (including marketing of the City's car parks);
 - b. sponsorship of business, events and festivals (excluding City of Perth Parking partnerships);
 - c. the provision of any grants to individuals or organisations;
 - d. the provision of donations to eligible organisations;
 - e. initiatives to promote Perth as a tourist and investment destination;
 - f. events held in Forrest Place and the Hay and Murray Street Malls and other Council reserves and parks;
 - g. international relations including Sister City relationships and U.S. Naval visits and the World Energy City Partnership and other city partnerships;
 - h. the implementation of the Christmas Decorations Strategy;
 - i. the management of the Australia Day Celebrations;
 - j. street busking in the City;
 - k. use of the City's banner and flag sites;
 - l. corporate communications and public relations;
 - m. to oversee the development and implementation of the International Engagement Strategy to position Perth as a global city.

NOTE:

Delegated Authority 1.1.2 – Marketing, Sponsorship and International Engagement Committee provides authority for the Committee to:

1. Approve or decline requests for donations, grants or sponsorships of up to \$15,000 [FM Reg.12(1)(b)].
2. Approve or decline requests to waive fees for the hire of the City's exhibition screens with a value in excess of \$5,000 [s.6.12].

INFORMATION FOR THE PUBLIC ATTENDING COMMITTEE MEETINGS

Question Time for the Public

- An opportunity is available at all Committee meetings open to members of the public to ask a question about any issue relating to the City. This time is available only for asking questions and not for making statements. Complex questions requiring research should be submitted as early as possible in order to allow the City sufficient time to prepare a response.
- The Presiding Person may nominate a Member or officer to answer the question, and may also determine that any complex question requiring research be answered in writing. No debate or discussion is allowed to take place on any question or answer.
- To ask a question please write it on the white Question Sheet provided at the entrance to the Council Chamber and hand it to a staff member at least an hour before the meeting begins. Alternatively, questions can be forwarded to the City of Perth prior to the meeting, by:
 - Letter: Addressed to GPO Box C120, Perth, 6839;
 - Email: governance@cityofperth.wa.gov.au.
- Question Sheets are also available on the City's web site: www.perth.wa.gov.au.

Deputations

A deputation wishing to be received by a Committee is to apply in writing to the CEO who will forward the written request to the Presiding Member. The Presiding Member may either approve the request or may instruct the CEO to refer the request to the Committee to decide whether or not to receive the deputation. If the Presiding Member approves the request, the CEO will invite the deputation to attend the meeting.

Please refer to the 'Deputation to Committee' form provided at the entrance to the Council Chamber for further information on the procedures for deputations. These forms are also available on the City's web site: www.perth.wa.gov.au.

Disclaimer

Members of the public should note that in any discussion regarding any planning or other application that any statement or intimation of approval made by any Member or officer of the City during the course of any meeting is not intended to be and is not to be taken as notice of approval from the City. No action should be taken on any item discussed at a Committee meeting prior to written advice on the resolution of the Council being received.

Any plans or documents contained in this agenda may be subject to copyright law provisions (Copyright Act 1968, as amended) and the express permission of the copyright owner(s) should be sought prior to their reproduction.

EMERGENCY GUIDE

Council House, 27 St Georges Terrace, Perth



The City of Perth values the health and safety of its employees, tenants, contractors and visitors. The guide is designed for all occupants to be aware of the emergency procedures in place to help make an evacuation of the building safe and easy.

BUILDING ALARMS

Alert Alarm and Evacuation Alarm.

ALERT ALARM

beep beep beep

All Wardens to respond.

Other staff and visitors should remain where they are.



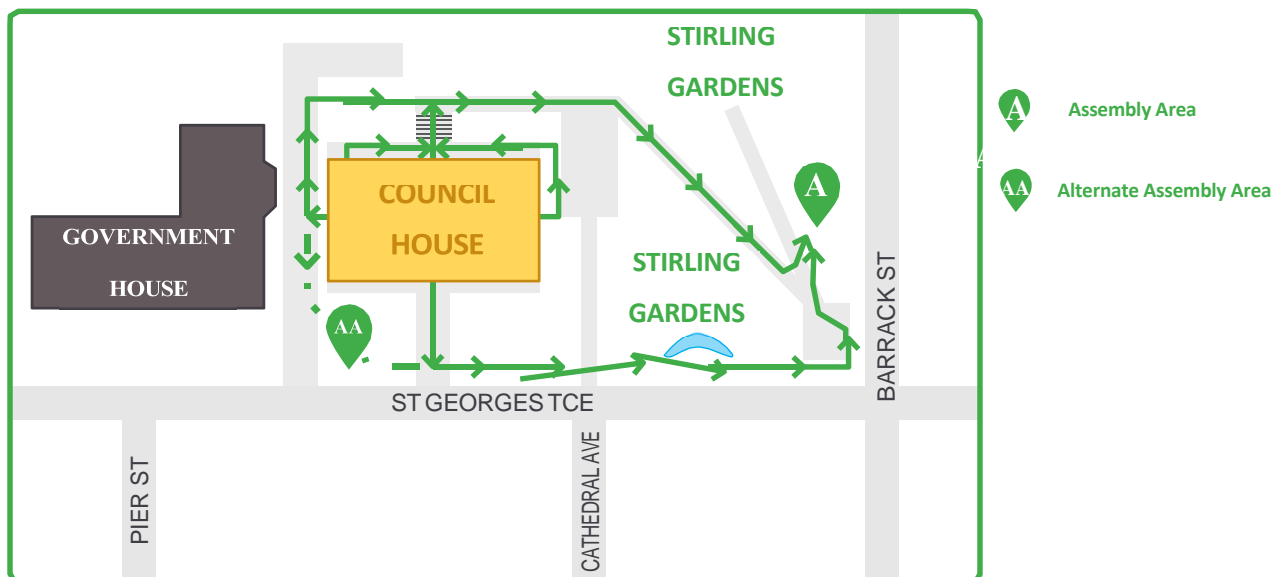
EVACUATION ALARM / PROCEDURES

whoop whoop whoop

On hearing the Evacuation Alarm or on being instructed to evacuate:

1. Move to the floor assembly area as directed by your Warden.
2. People with impaired mobility (those who cannot use the stairs unaided) should report to the Floor Warden who will arrange for their safe evacuation.
3. When instructed to evacuate leave by the emergency exits. **Do not use the lifts.**
4. Remain calm. Move quietly and calmly to the assembly area in **Stirling Gardens** as shown on the map below. Visitors must remain in the company of City of Perth staff members at all times.
5. After hours, evacuate by the nearest emergency exit. **Do not use the lifts.**

EVACUATION ASSEMBLY AREA



Report to the Marketing, Sponsorship & International Engagement Committee

Agenda Item 8.1	Donation - The Returned and Services League of Australia WA Branch Incorporated (RSLWA) Anzac Day 2017 Commemorations
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Recommendation:

That Council approves a cash donation of \$65,000 (excluding GST) to the RSLWA to assist with the costs associated with presenting the ANZAC Day Commemorations – Perth 2017 to be held in the City on Tuesday 25 April 2017.

FILE REFERENCE:	P1010627-31
REPORTING UNIT:	Business Support and Sponsorship
RESPONSIBLE	Economic Development and Activation
DIRECTORATE:	
DATE:	5 January 2017
ATTACHMENT/S:	Attachment 8.1A – Officer Assessment and Details

Legislation / Strategic Plan / Policy:

Legislation	N/A
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Integrated Planning and Reporting Framework Implications	Strategic Community Plan Council Four Year Priorities: Capable and Responsive Organisation S20 Meaningful and contemporary community engagement and communications
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Policy

Policy No and Name:	18.14 - Donations
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Financial Implications:

ACCOUNT NO:	CL 29B260007901
BUDGET ITEM:	TBA
BUDGETED AMOUNT:	\$ 66,200
AMOUNT SPENT TO DATE:	\$ 500
PROPOSED COST:	\$ 65,000
BALANCE REMAINING:	\$ 700

All figures quoted in this report are exclusive of GST.

Purpose and Background:

The Returned and Services League of Australia WA Branch Incorporated (RSL WA) has applied to the City of Perth for financial assistance of \$70,000 to assist with costs associated with holding the annual ANZAC Day Commemorations in the City on Tuesday 25 April 2017. The ANZAC Day Commemorations in the City include the Perth Dawn Service at the State War Memorial in Kings Park, Gunfire Breakfast in Stirling Gardens, the ANZAC Day March through city streets and Commemoration Service at Langley Park.

RSLWA is located at Anzac House, 28 St Georges Terrace, Perth. The association is a not for profit organisation formed in 1916 and since that time has been proactive in attending to the welfare needs of all ex-service and serving personnel with a particular focus on those in need or necessitous circumstances.

Details:

The 2017 ANZAC Day Commemorations include:

Dawn Service

The Dawn Service at the State War Memorial, Kings Park is attended by over 40,000 people and is broadcast live on television through Channel 9.

ANZAC Day March

The March throughout the city and the ceremony on Langley Park has experienced a significant growth in public attendance over the years – there are now more than 6,000 participants and an audience of more than 100,000 people along the route and a live television broadcast across the state through the ABC.

ANZAC Day Gunfire Breakfast

Following the Dawn Service, service and ex-service personnel along with the community are invited to attend a Gunfire Breakfast to share the spirit of ANZAC Day in Stirling Gardens on St Georges Terrace (adjacent Council House) and a gold coin donation is appreciated.

ANZAC Day Commemorative Service

The March will enter Langley Park off Victoria Avenue. The service will commence at 11am and will be broadcast live on ABC TV.

Comments:

Each year on 25 April, people throughout Australia and overseas gather to pay their respects to all Australians who served and died in all wars, conflicts and peacekeeping campaigns and to honour and remember the sacrifices of the original ANZACs.

The annual ANZAC Day Commemoration is an important civic and community event staged in the city each year. The City has a long history of supporting the commemorations.

Marketing, Sponsorship & International Engagement Committee

ATTACHMENT 8.1A – OFFICER ASSESSMENT AND DETAILS

Agenda Item:	Donation – The Returned and Services League of Australia (WA Branch) ANZAC Day Commemorations
Sponsorship/Grant Type:	Donation
Event/Project Name:	Anzac Day 2017 Commemorations
Location of Event/Project:	Kings Park/Langley Park/Stirling Gardens
Applicant (including business type):	The Returned and Services League of Australia WA Branch Incorporated (RSLWA)
Cash Amount Requested (excl GST):	\$70,000
In-Kind Amount Requested (excl GST):	Nil
Total Amount Recommended (excl GST):	\$65,000
Date of Event/Project Commencement:	25 April 2017
Date of Event/Project Completion:	25 April 2017
Expected Attendance:	40,000
Cost of Ticket to Event/Project:	Free
Previous Acquittal TRIM reference:	N/A

Applicant Background

RSLWA is located at Anzac House, 28 St Georges Terrace, Perth. The association is a not for profit organisation formed in 1916 and since that time has been proactive in attending to the welfare needs of all ex-service and serving personnel with a particular focus on those in need or necessitous circumstances.

The RSLWA **Mission Statement** is:

“To ensure that programs are in place for the well-being, care, compensation and commemoration of serving and ex-service Defence Force members and their dependants, and to promote Government and community awareness of the need for a secure, stable and progressive Australia”.

The RSLWA **Objectives** are:

“To serve the interests of its members, veterans, the ex-service community and members of the Australian Defence Force, the RSL executes its role by effectively implementing the following objectives which are in accord with the League’s Mission Statement:

- Community Awareness;
- Commemoration and Remembrance;
- Community participation;
- Community pride;
- Intergenerational understanding; and
- Education.

RSLWA has been managing the State’s ANZAC Day commemorations since the 1920’s and over the past 14 years has taken the State’s most significant commemorative event in the city to new levels and increased both participation and attendance in all activities significantly.

Project/Event Details

The 2017 ANZAC Day Commemorations include:

Dawn Service

The Dawn Service at the State War Memorial, Kings Park is attended by over 40,000 people and is broadcast live on television through Channel 9.

ANZAC Day March

The March throughout the City and the ceremony on Langley Park has experienced a significant growth in public attendance over the years – there are now more than 6,000 participants and an audience of more than 100,000 people along the route and a live television broadcast across the state through the ABC.

ANZAC Day Gunfire Breakfast

Following the Dawn Service, service and ex-service personnel along with the community are invited to attend a Gunfire Breakfast to share the spirit of ANZAC Day in Stirling Gardens on St Georges Terrace (adjacent Council House) and a gold coin donation is appreciated.

ANZAC Day Commemorative Service

The March will enter Langley Park off Victoria Avenue. The service will commence at 11am and will be broadcast live on ABC TV.

Previous Support (last 5 years)

The City of Perth has provided an annual contribution to the staging of the ANZAC Day Commemorations through the provision of City services and contributing to associated costs. Prior to 2010, costs were funded through the City's Parades and Festivals operational budget and between 2012 and 2015 support has been provided through the City's Event Sponsorship Program. In 2016, the funding was provided as a donation for the first time, with the support history as follows:

Year	Sponsorship Amount	Supported Program
<i>2011/12</i>	<i>\$36,000</i>	ANZAC Day Commemorations
<i>2012/13</i>	<i>\$44,940</i>	ANZAC Day Commemorations
<i>2013/14</i>	<i>\$61,120</i>	ANZAC Day Commemorations
<i>2014/15</i>	<i>\$96,617</i>	ANZAC Day Commemorations (Centenary)
<i>2015/16</i>	<i>\$67,868</i>	ANZAC Day Commemorations
<i>2016/17 Requested</i>	<i>\$70,000</i>	<i>ANZAC Day Commemorations</i>
<i>2016/17 Proposed</i>	<i>\$65,000</i>	<i>ANZAC Day Commemorations</i>

RSLWA has requested that the City of Perth assist with the costs associated with staging the commemorations by providing a donation to cover the cost of City service fees and charges including banner site hire, Environmental Health fees, bin hire, Reserve Hire and parking bays.

Estimate of City Fees and Charges

As in previous years, RSLWA has requested the City meet the cost of its services supplied for the ANZAC Day in the city including:

Estimated City service fees and charges	Amount (exc. GST)
Stirling Gardens – event bump in and bump out days, public place hire, retail outlet and plant, on-site vehicles, 3 phase power	\$2,500
Streets – Public Place Hire	\$500
Langley Park – public place hire, retail outlet and plant, on-site vehicles, 3 phase power	\$5,000
Parking Costs – reservation of on-street parking bays	\$6,000
Banner hire along St Georges Terrace, Adelaide Terrace, Hay Street Mall, Murray Street Mall, Forrest Place, William Street Wellington Street and Barrack Street from for two weeks	\$9,500

Estimated City service fees and charges	Amount (exc. GST)
Bins – 160 x 240 ltr sulo bins with rolls of bin liners	\$3,760
Contingency allowance (administration charges, damage restoration to reserves, special clean ups and other services requested by the City)	\$1,500
Administration Charge	\$1,000
Health Fees	\$1,500
Total Requested:	\$31,260

Additionally, costs associated with Traffic Management are estimated at approximately \$42,200.

Eligibility

Criterion	Met (Yes/No)
<i>To be eligible to receive a donation, the recipient must be:</i>	
A Deductible Gift Recipient in accordance with Australian Tax Office requirements	No*
An incorporated non-profit organisation	Yes
<i>In addition, the recipient must not be:</i>	
The Commonwealth or State	Yes
An Australian Government Agency	Yes
A political party	Yes
An organisation that supports, promoted or facilitates violence, intolerance or discrimination	Yes
Eligible for a grant within the City's existing Grants Programs	Yes

*RSLWA is a registered charity, not entitled to receive tax deductible gifts.

Funding

For the past 15 years Lotterywest has been the major funding body for ANZAC Day commemorations across the State by providing a grant for infrastructure and associated costs.

In 2016, Lotterywest approved cash support of \$1,053,641 (exc. GST) to plan and present more than 100 ANZAC Day Services throughout Western Australia.

Over many years the City of Perth has supported commemorations activities for ANZAC Day. As in previous years, RSLWA has requested the City meet the cost of its services supplied for the ANZAC Day in the city including:

Acknowledgement of the City of Perth

The City of Perth support is acknowledged in supporting the event by:

- An invitation for the Lord Mayor to lay a wreath at the memorial and attend the commemoration service;
- The City of Perth crest to appear in related newspaper and other advertisements promoting ANZAC Day, Order of Proceedings Program and in the screen content at Kings Park and Langley Park during proceedings; and
- Recognition of support on the RSL (WA) website and Facebook page.

Report to the Marketing, Sponsorship & International Engagement Committee**Agenda Item 8.2 Business Event Sponsorship – Festival of the Web 2017**

Recommendation:***That Council:***

- 1. *approves cash Business Event Sponsorship of \$20,000 (excluding GST) and in-kind Business Event Sponsorship of \$5,000 (excluding GST) to W3Events Pty Ltd to present the 2017 Festival of the Web from Sunday, 2 April 2017 to Saturday, 8 April 2017;***

- 2. *notes that the event organisers will provide the following sponsorship benefits to the City of Perth:***
 - 2.1 *the City of Perth crest and listing to be included in the conference guide, mobile application, website, and marketing materials (one A4 multiple page brochure for conference satchel, one sponsored door prize at key point in the WWW2017 program, and access for sponsor banners and signage and media wall presence);***

 - 2.2 *one three metre by three metre City of Perth booth at the expo, including the opportunity to distribute City of Perth collateral;***

 - 2.3 *an opportunity for the Lord Mayor, or City of Perth representative, to present at the Welcome Function on Monday, 3 April 2017;***

 - 2.4 *an opportunity for the Lord Mayor, or City of Perth representative, to present at an additional event;***

 - 2.5 *verbal recognition of the City of Perth's support and of the Elected Members in attendance at the various events;***

 - 2.6 *provision of a confirmed attendee list prior to the event;***

 - 2.7 *mainstream media coverage of the event where possible through newspaper, radio, and promotional materials;***

 - 2.8 *digital media coverage of the event, acknowledging the City of Perth's sponsorship, through Facebook, Twitter, Instagram, and the WWW2017 website; and***

 - 2.9 *provision of reports, data and associated information regarding the event to the City of Perth.***

(Cont'd)

3. notes that a detailed acquittal report, including all media coverage obtained, will be submitted to the City of Perth by 31 May 2017.

FILE REFERENCE: P1033034
 REPORTING UNIT: Economic Development Unit
 RESPONSIBLE DIRECTORATE: Economic Development and Activation
 DATE: 6 January 2017
 ATTACHMENT/S: Attachment 8.2A – Officer Assessment and Details

Legislation / Strategic Plan / Policy:

Legislation N/A

Integrated Planning and Reporting Framework Implications **Strategic Community Plan**
 Council Four Year Priorities: Perth as a Capital City
 S6 Maintain a strong profile and reputation for Perth as a city that is attractive for investment

Policy
 Policy No and Name: 18.13 – Sponsorships

Financial Implications:

ACCOUNT NO: 9379 3000 7901
 BUDGET ITEM: Donations and Sponsorship – Creative Industries
 BUDGETED AMOUNT: \$198,000
 AMOUNT SPENT TO DATE: \$ 91,000
 PROPOSED COST: \$ 25,000
 BALANCE REMAINING: \$ 82,000
 ANNUAL MAINTENANCE: N/A
 ESTIMATED WHOLE OF LIFE COST: N/A

All figures quoted in this report are exclusive of GST.

Purpose and Background:

The City of Perth has received a request for Business Event Sponsorship of \$25,000 from W3Events Pty Ltd, to present the 2017 International Festival of the Web (2017 Festival) to be held at the Perth Convention and Exhibition Centre from Sunday, 2 April 2017 to Saturday, 8 April 2017.

The 2017 Festival will include up to 17 local and international conferences and events held over eight days, including the world's premier forum for web academics, researchers and experts – the World Wide Web Conference (WWW) – all which all fall under the banner of 'The Festival of the Web'.

WWW is a celebration of the birth of the World Wide Web and the impact it has on our lives. The conference is held annually in different cities around the world with previous conferences been held in major global cities including Montreal, Florence, Seoul, Rio de Janeiro, and Lyon.

In 2014, Perth was selected to host the 26th annual conference (WWW17) as a result of a competitive bidding process in Geneva, Switzerland, led by Perth-based marketing company W3Events Pty Ltd and representatives from WA universities, Curtin University, the University of

Western Australia and Murdoch University. Perth will be one of only five cities in Asia to have hosted the WWW alongside Tokyo, Beijing, Seoul, and Hyderabad.

Details:

Officer assessment of this business event sponsorship and a breakdown of the 2017 Festival program is detailed in Attachment 8.2A.

The WWW is traditionally held with one or more co-located conferences and additional events. However, W3Events in conjunction with the four public universities mentioned above have evolved WWW17 into an eight-day 'Festival of the Web' which will include eight additional conferences, a large scale Technical Expo and several side events throughout Perth and surrounds.

The 2017 Festival will showcase Perth to the international technology community and position the city as a key centre for innovation and technology.

W3Events aims to showcase the links between WA's mining/resources industries and tech industry, the strength of Perth's start-up community, and the progress on the Square Kilometre Array during the Festival. Several delegates who will attend WWW2017 also work for large international tech companies (Google, Microsoft and so on), which could facilitate future collaboration and knowledge-exchange opportunities for Perth-based businesses.

Event organisers are expecting 3,000 to 4,500 people to attend the Festival's conferences and events (an accumulation of participants, audience, spectators and so on), with 2,400 coming from interstate and overseas and each staying an estimated seven nights in Perth. 1,200 registrations are estimated for participation in WWW17.

W3Events Pty Ltd hopes to establish the Festival an annual occurrence in Perth if the 2017 Festival is a success.

As this is a new event for Perth, an acquittal summary is not available on the Elected Member Portal.

Comments:

It is recommended that Council approves cash Business Event Sponsorship of \$20,000 (excluding GST) and in-kind Business Event Sponsorship of \$5,000 (excluding GST) to W3Events Pty Ltd to present the 2017 Festival of the Web from Sunday, 2 April 2017 to Saturday, 8 April 2017.

The 2017 Festival of the Web provides a valuable opportunity to not only inject significant money into Perth's hospitality and tourism sectors, but to also support WA's emerging innovation and technology sector, and promote Perth and Western Australian on the world stage as a hub for technology, innovation, business and start-up ecosystems. This event may also establish an ongoing annual event for Perth which will complement existing events on the calendar such as the

West Tech Fest as well as creating ongoing and productive relationships with the university education sector in the area of technology and innovation.

Marketing, Sponsorship & International Engagement Committee

ATTACHMENT 8.2A – OFFICER ASSESSMENT AND DETAILS

Agenda Item:	Business Event Sponsorship – Festival of the Web 2017
Sponsorship/Grant Type:	Business Event Sponsorship
Event/Project Name:	2017 Festival of the Web (including WWW17 Conference and various other events and conferences)
Location of Project:	Predominantly the Perth Convention & Exhibition Centre and various other city locations
Applicant (including business type):	W3Events Pty Ltd
Cash Amount Requested (excl GST):	\$25,000
In-Kind Amount Requested (excl GST):	Nil
Total Amount Recommended (excl GST):	\$20,000 cash \$5,000 in-kind
Total Budget of Event/Project:	WWW17 – \$1,661,346
Date of Event/Project Commencement:	Sunday, 2 April 2017
Date of Event/Project Completion:	Saturday, 8 April 2017
Expected Attendance:	3,000 - 4,500 in total
Cost of Ticket to Event/Project:	Various (see below)
Previous Acquittal TRIM reference:	N/A – New event
REMPPLAN Direct Benefit:	\$3,419,000

Applicant Background

W3Events Pty Ltd was set up specifically to host and manage WWW2017. In conjunction with WA Universities – Curtin University, the University of Western Australia and Murdoch University, W3Events Pty Ltd have evolved the conference into an eight-day 'Festival of the Web' encompassing various events and conferences to be held in Perth and its surrounds.

It has three Directors: Rick Barrett, Co-Chair WWW2017 (former staff member, Curtin University); Rick Cummings, Co-Chair WWW2017 (current staff member, Murdoch University); and Kim Heitman (former staff member, The University of WA).

W3Events Pty Ltd hopes to establish the Festival as an annual occurrence in Perth after 2017.

Additional Project/Event Details

The 2017 Festival's program was developed by W3Events staff in conjunction with the universities detailed above and includes the following conferences and events:

- **WWW2017**, the world's premier World Wide Web conference over five days;
- **W4A**, the international *Web For All* accessibility conference across three days;
- **SEGAH2017**, *Serious Games and Applications for Health* conference across three days;
- **C \rightleftharpoons I**, two day conference on building smart business innovation through collaboration;
- **BIG2017**, an one day *International Big Data Innovators Gathering*;
- **Deep Sensor**, a two day, locally developed conference looking at the Internet of Things for the Mining, Oil and Gas industries;
- **Bytes & Rights**, a two day conference focusing on security, privacy, and digital rights;
- **Trust Factory**, a seminar investigating our future digital footprint and how it should be managed;
- **The Big Day In**, a seminar presenting STEM info for 800-1,000 high school students;
- **The Startup Weekend**, the start-up community's annual hackathon and info event;
- **WA Information Technology and Telecommunications Alliance (WAITTA) Awards lunch**, where the 2017 finalists for the WAITTA Awards will be announced;
- **Technical Expo**, where sponsors and exhibitors interact with delegates in a broad space, which will include an Internet of Things display, poster presentations, digital art and visualisation displays, and more;
- **Extreme Tech Festival**, a high-adrenaline extreme sports seminar with new high-tech approaches to sports science;
- **Australian Computer Society (ACS) Hypotheticals**, where the ACS will deconstruct difficult and contentious tech issues in the search for consensus over a three-day conference;
- **Breakfast for the Brain**, daily open discussion sessions on topical issues;
- **Hacks**, including GovHack Light, an Accessibility hack, the BIG2017 Cup, where delegates can solve problems and win prizes across eight days; and
- **Social events**, including a gala dinner, opening and closing sessions, and much more.

Venues

- WWW17 – Perth Convention & Exhibition Centre
- WWW17 Welcome Function – TBA (PCEC Summer Garden, Langley Park, Elizabeth Quay or South Perth Foreshore)

- Other conferences and events – Northbridge, Spacecubed, Bank West, Old Boys School, Public Universities, Perth Town Hall, Library, Kings Park, City Beach and restaurants and bars throughout the city.

Ticket Pricing

- WWW17 – \$125 per day (student/early bird) - \$500 per day (full price ticket/late registration).
- Other conferences and events: Various prices and/or free.

Total Event Budget

- WWW17 – Estimated at \$1,661,346 (based on 1,200) registrations.

REMPPLAN Analysis

IMPACT SUMMARY	DIRECT EFFECT	TOTAL EFFECT
Output (\$M)	\$3.419	\$5.476
Long Term Employment (Jobs)	14	20

Previous Support (last 5 years)

N/A – New event

Estimate of City Fees and Charges

The \$5,000 in-kind component may be applied to conference side events at City of Perth managed venues such as the Perth Town Hall, City of Perth Library or Northbridge Piazza.

Assessment of Application against Guidelines

Criterion	Met (Yes/No)
be a legally constituted entity	Yes
have submitted the application not less than four months from the project commencement date	Yes
demonstrate within the application evidence of meeting defined City of Perth Community Strategic Outcomes	Yes
demonstrate within the application evidence of meeting defined sponsorship objectives contained within this guideline document	Yes
submit a completed application form with all required standard information and relevant questions completed. Incomplete submissions will not be considered	Yes
the event must be a business event (conference, convention, exhibition, awards ceremony or meeting);	Yes
for events with travelling delegates, the main accommodation must be	Yes

Criterion	Met (Yes/No)
within the boundaries of the City of Perth	
the applicant must submit all required documentation outlined under the application checklist section	Yes
the applicant is able to deliver on standard commercial sponsorship benefits	Yes

Report to the Marketing, Sponsorship and International Engagement Committee

Agenda Item 8.3 Commercial Events Sponsorship – Mellen Events – Piccadilly Theatre, Hay Street Mall, Perth

Recommendation:

That Council:

- 1. approves cash Events Sponsorship of \$170,000 annually, over a period of 10 years, commencing in the 2018/19 financial year, for Mellen Events, within the Piccadilly Theatre at 700 – 704 Hay Street Mall, Perth;***
- 2. notes that the Mellen Events will provide the following sponsorship benefits to the City of Perth:***
 - 2.1 inclusion of the City of Perth crest on the Mellen Events web site or specific web site(s) associated with the venue and registration page including a link to the City of Perth website;***
 - 2.2 acknowledgement of the City of Perth in all Mellen Events promotions, advertising and ticketing pertaining to the Piccadilly Theatre;***
 - 2.3 all event space signage at the site including “sponsored by the City of Perth” and the City of Perth crest in a prominent location;***
 - 2.4 a welcome from the Lord Mayor in promotional or booking material for the Piccadilly Theatre;***
 - 2.5 a speaking opportunity for the Lord Mayor (or nominated representative) at the opening of the Piccadilly Theatre;***
 - 2.6 dedicated social media promotion of City of Perth events taking place in conjunction with Mellen Events; and***
 - 2.7 the space being made available to the City of Perth, free of cost, for up to four events a year, subject to prior agreement with Mellen Events;***
- 3. notes that an annual acquittal report, including itemised and annualised details of events; attendance; timing; and promotional spend for events held in the Piccadilly Theatre, measured against the targets contained within Mellen Events Sponsorship Application – Economic Development dated 16 January 2017, will be presented annually to Council;***

(Cont'd)

4. notes that if Mellen Events:

4.1 fails to provide the agreed events, marketing spend and activities;

4.2 breaches its lease;

4.3 becomes insolvent; or

4.4 abandons the space;

then the funding would cease to be payable, or varied accordingly to the terms of the sponsorship agreement to the satisfaction of Council;

5. authorises the Chief Executive Officer to negotiate and authorise a legal agreement between the City of Perth, Mellen Events and the owners of the Piccadilly 700-704 Hay Street Mall, Perth (if applicable), based on the above terms addressing: Events sponsorship benefits; KPIs; payments; and contingencies to the satisfaction of the CEO.

FILE REFERENCE: P101067-23
 REPORTING UNIT: Economic Development
 RESPONSIBLE: Economic Development and Activation
 DIRECTORATE:
 DATE: 23 January 2017
 ATTACHMENT/S: Attachment 8.3A – Officer Assessment and Details
 Confidential Attachment 8.3B - Economic and Financial Analysis of Request Sponsorship
 Confidential Attachment 8.3C - Ticket Subsidy Comparison

Confidential Attachments distributed under separate cover to Elected Members

Legislation / Strategic Plan / Policy:

Legislation

Local Government Act 1995
Commercial Tenancy (Retail Shops) Agreements Act 1985
Disability Discrimination Act 1992
Premises Standard 2012
Building Code of Australia 2016

Integrated Planning and Reporting Framework Implications

Events Business Plan / Strategic Community Plan

Council Four Year Priorities: Perth as a Capital City, and Perth At Night

S5 Increase place activation and use of under-utilised space.

S7 Collaborate with the private sector to leverage City enhancements.

S13 Development of a health night time economy

Policy

Policy No and Name: 18.13- Sponsorship

Financial Implications:

All figures quoted in this report are exclusive of GST.

There is no budgeted amount for this specific project in the 2016/17 or 2017/18 financial years. Given the stage of the project and the lead in time to receive and implement statutory approvals for the works, it is proposed that the sponsorship commence from the 2018/19 financial year budget (\$170,000 annually – subject to performance).

This proposal and consideration of similar opportunities has informed the City's recent review of grants and sponsorships.

Purpose and Background:

This report discusses a 10 year Commercial Events Sponsorship proposal for Mellen Events to occupy the Piccadilly Theatre

Details:

Officer assessment of this commercial events sponsorship application is detailed in Attachment 8.3A.

Adherence to Council Policy 18.13 – Sponsorship

The subject sponsorship is one outcome arising from several years of City investigations in respect to the best options and framework which was the subject of an Elected Member briefing session held on 20 October 2016.

Council, at its meeting held on **13 December 2016**, adopted a new Council Policy 18.13 Sponsorship, replacing 18.8 – Provision of Sponsorship and Donations.

The new policy has introduced a maximum three year term. Given the sponsorship benefits will only be recouped over a longer term as justified in Confidential Attachment 8.3B, a 10 year term is proposed to ensure the City can maximise the partnerships benefits for the community and in particular the local economy in and around the malls as consistent with the City's Corporate Business Plan.

Comments:

This proposal provides a once in a decade opportunity to revitalise an area of the city that has a strong need for diversity and improvements which can drive significant economic, social, cultural and community benefits for City of Perth ratepayers, local business, residents and visitors. Unique opportunities require special consideration.

The City has an opportunity to deliver a sponsorship that enhances the image of and goodwill towards the City of Perth, both in the amenities offered within an international city and responsive to the City's on-going economic development and business support objectives noted in the Strategic Community Plan.

This will build extended economic hours of activity, night time and creative industry capacity and create momentum concurrently with the recently announced Cinema at Raine Square and Rechabites Hall in Northbridge.

The City is demonstrating leadership and sustained action on these matters, decisively and responsively to market considerations and opportunities.

The recommended draft sponsorship model is fiscally responsible and positive over the life cycle of the project as outlined in Confidential Attachment 8.3B and matches or outperforms most other events sponsorships by virtue of the indirect investment 'building capacity' back into the City and its bricks and mortar assets.

Marketing, Sponsorship & International Engagement Committee**ATTACHMENT 8.3A – OFFICER ASSESSMENT AND DETAILS**

Agenda Item:	Commercial Events Sponsorship – Mellen Events – Piccadilly Theatre, Hay Street Mall, Perth
Sponsorship Type:	Commercial Event - Annual
Project Name:	Mellen Events Piccadilly Activation
Location of Project:	700 - 704 Hay Street Mall, Perth
Applicant (including business type):	Mellen Events
Cash Amount Requested (excl GST):	\$170,000 Annually for 10 years
In-Kind Amount Requested (excl GST):	NA
Total Amount Recommended (excl GST):	\$170,000 Annually for 10 years
Total Budget of Project:	\$3,500,000 fit out \$24,094,500 marketing \$19,240,000 operational
Date of Project Commencement:	2018/19 Financial Year
Date of Project Completion:	2027/28 Financial Year
Expected Attendance:	892,500
Cost of Ticket to Event/Project:	NA
Previous Acquittal TRIM reference:	NA
REMPPLAN Direct Benefit:	\$213,802,500

Background

Increased activation, use of under-utilised space and collaborating with the private sector to leverage enhancements are core business functions of the City's Economic Development Unit (EDU); pursuant to the Strategic Community Plan Vision 2029, the Corporate Business Plan and the City's revised Organisational Structure.

In 2012 the City partnered with the private sector to activate the Moana Chambers (618 Hay Street Mall) upper floor with a café, gallery and co working space, by underwriting the initial 12 months of the lease and providing a bond.

Changes to the building legislation in 2012 had a significant detrimental impact to the adaptation feasibility of upper floor spaces and basements, particularly in respect to the costs associated with disabled access. This formed an additional barrier to upper floor activation beyond the long standing financial constraint under the Commercial Tenancy (Retail Shops) Agreements Act 1985, in respect to equitable apportionment of 'outgoing expenses'.

Over 24 months of collaboration with the private sector and landowners has delivered an opportunity for the City to bring a performance / event venue back to the Malls area. Support is sought for corporate sponsorship, to kick start the City's efforts in activating and revitalising the Hay Street Mall, pursuant to the concept outlined in the Elected Members City of Perth Scene Setting Strategy Session - Workshop Outcomes document (December 2015).

Council was provided a briefing on the progress of these activities for the Hay Street Mall Activation Plan on 20 October 2016, including marquee projects regarding upper floor activation in the malls. This sponsorship proposal forms one aspect of broad range of actions being drafted under the Hay Street Mall Activation Plan due for Council consideration in the 2016/17 financial year.

This is a significant opportunity to start the 18 hour economy in the Hay Street Mall which will enhance the economic opportunities for businesses within the area whilst meeting the City's activation targets and strategies to transform an underused precinct of the City. The proposal will also form a catalyst for investment and change of use opportunities within the Malls.

Proponent and Purpose

The proponent, Brad Mellen of Mellen Events is listed as No. 41 in the Australian Music Industry Directorate Power 50. He has consistently delivered major domestic and international artists and events in Perth and is acknowledged by the industry as a principal contact in Perth. Brad also collaborates with Rod Denman, who had a key role in the reinvigorated Astor theatre in Mt Lawley.

Based on the operational costs and rent responsive to the Piccadilly (owners) capital outlay for the fit out, a sponsorship request of \$170,000 annually for a 10 year period has been

submitted for consideration. The total amount requested over a 10 year sponsorship agreement would be \$1,700,000 to deliver a projected 1275 events.

This approach to funding has been refined to be linear over 10 years to avoid front loading of the sponsorship funds as discussions with all stakeholders indicate a linear (flat) annual sponsorship figure provides more certainty for all parties, less risk for the City and simplifies the contingencies regarding the owner's obligations for the space.

The proposed space is the former Piccadilly Theatre, which has been vacant for several years. The proponent has prepared a draft architectural scheme and projected fit out costs of approximately \$3,000,000 to \$3,500,000. Initially the venue will require 25 staff at opening and the following projected patronage:

- Year 1 - 75 shows at average attendance of 700 = 52,500 people;
- Year 2 - 100 shows at average attendance of 700 = 70,000 people;
- Year 3 - 120 shows at average attendance of 700 = 84,000 people; and
- Year 4 onward - 140 shows at average attendance of 700 = 98,000 people.

A full summary of the impact of the requested sponsorship over the 10 year term to the City's finances and the broader economic benefit to Perth is included under Confidential Attachment 8.3B (distributed to Elected Members under separate cover) and summarised below.

Options for Partnership

The *City of Perth Scene Setting Strategy Session - Workshop Outcomes (Dec 2015)* sought immediate and on-going improvements in activating the Malls. It is proposed that the City demonstrate leadership in partnering with the private sector (both the proponents and owners) to deliver a performance / event venue. Three options were considered:

- (i) underwrite the lease of the space for a specified period providing a bond, as per Moana Chambers activation at 618 Hay Street Mall, Perth; or
- (ii) provide a rates rebate, land use or special area incentive pursuant to Section 6 of the *Local Government Act 1995*; or
- (iii) a direct corporate sponsorship of the space itself, with the relevant sponsorship benefits typically afforded to the City, and key performance indicators at various stages of the life of the sponsorship.

A detailed investigation and discussion on the aforementioned options has occurred and indicated significant administrative, legislative and timing challenges associated with underwriting leases or the provision of rates incentives.

Accordingly, a direct event sponsorship is proposed to maximise the public benefit and exposure for the City's efforts, commencing the reactivation process of the adjacent Malls and providing a performance / event venue back in the Malls / CBD.

Legal Advice

The City sought legal advice in June 2016, exploring all the above-mentioned options, associated risks and attributes for the City's consideration. The advice supports the use of the City's Sponsorship framework in light of the City's regulatory and legislative responsibilities and limitations.

The recommendation section of this report incorporates the contingencies summarised in the legal advice.

Sponsorship Benefits

The subject sponsorship will be considered as a corporate sponsorship which enhances the image of the City of Perth, particularly the Malls, with attractions and activities consistent with expectations for an international city; amenities appealing to residents, visitors, workers and tourists and in developing an 18 hour economy.

The creation of an entertainment option in close proximity to growing creative and knowledge professionals within the City will reduce economic and activation leakage to alternative destinations outside of the City.

Direct Media

Projections for advertising of the space and events therein are provided under Confidential Attachment 8.3B. The 10 year marketing spend for 1275 events is projected at \$24,094,500 or an average of around \$18,900 per event. Discussions with the City's marketing provider, Market Force, predict an approximated three per cent return (visibility) in terms of the City branding and sponsorship. The measurable benefit for the City of the direct media (including opening) references and branding will therefore be \$722,835 over the 10 year sponsorship term. It is important to note this benefit does not include general media commentary / press regarding the project which is likely to be significant.

Indirect Media

It is anticipated that the sponsorship will generate significant positive media upon delivery of the venue and on-going benefits continuing for the duration of the sponsorship. There is a methodology available for the City to monitor, quantify and report on the indirect benefits of media associated with the space and its events. This includes identifying the geographic location, reference material, media type (press article, television reference, social media tweets) etc.

By way of example, in 2013, the program curators for Federation Square in Melbourne programmed a Nelson Mandela memorial day commemorating his life. The indirect (unsolicited) media activity generated was monitored to establish its economic value (or benefit) on that single program and at that location, which achieved:

- (i) 362 TV, radio, print and online news references to the value of \$323,500; and
- (ii) 72 national / international twitter and face book references valued at \$71,098.

Should it be deemed necessary, Council could opt to monitor and quantify this activity over chosen periods including the opening period of the venue; however it is not recommended in this report given the additional cost and resourcing burden to the operators of the facility.

Rates Return

Discussions with Landgate and the City's Rates and Finance representatives indicate that, based on the layout of the subject tenancy and the cost of the initial capital injection, rates are projected at \$22,500 a year for the space. Considering the current economic climate, the projected returns for GRV (reviewed triennially) shown in Confidential Attachment 8.3B, assumes no growth in the life of the sponsorship (three GRV reviews are due 2017, 2020 and 2023). Therefore, the proposal would generate a rates return to the City of approximately \$225,000 over a 10 year sponsorship term.

Car Parking Revenue

There is no current methodology to apply 'event' based parking demand, on City car parks, above 'normal' usage.

The City of Perth Parking (CPP) facility in proximity to the Hay Street Mall is charged at \$3.90 per hour. Even if only 10% of total visitation is captured by CPP parking facilities (of 892,500 visitors) this will generate \$1,044,225 in revenue for the City over 10 years (for an average three hour stay).

This patronage is anticipated to assist the City's continued provision of convenient, low-cost and easily-accessible facilities suited to the needs of users. Anecdotally CPP has advised that up to 40% of patrons come to major events by car, to both CPP and non-CPP facilities. Thereby, value capture is likely to be much greater than conservatively estimated at 10% above. Furthermore, this capture does not account for further revenue for patrons staying longer to frequent restaurants, shopping or other entertainment venues.

Sum of Direct Benefits

This collaboration will therefore provide significant goodwill towards the City of Perth, in addition to the direct media. The proposal would generate 892,500 new 'destination' visitors to the Malls over the 10 years.

As outlined in Confidential Attachment 8.3B and noted above, the total direct benefit to the City's finances over the life of sponsorship is projected at \$947,835 (rates and direct media) and close to \$2,000,000 when including the additional conservative estimates on car parking value capture (Refer Table 1 below).

The proposed sponsorship of 1275 events would therefore be \$1333 per event or \$1.90 per ticket. When considering direct financial return to the City (\$947,835), the cost of the City's sponsorship reduces to \$590 per event or \$0.84 per person attending.

When including the additional (conservative) car parking revenue capture of 10%, the effect of the corporate sponsorship is a positive return to the City of Perth's finances over the life of the agreement of approximately \$292,060.

<i>COST BENEFIT, EVENT AND TICKET SUBSIDY SUMMARY</i>			
<i>COST / BENEFIT MEASURE</i>	<i>SUM</i>	<i>REQUESTED PER TICKET SUBSIDY MINUS BENEFITS</i>	<i>PER EVENT COP SPONSORSHIP COST</i>
<i>Base Request</i>	<i>-\$1,700,000</i>	<i>\$1.90</i>	<i>\$1333</i>
<i>Including COP Rates and Marketing Benefit</i>	<i>+\$947,835</i>	<i>\$0.84</i>	<i>\$590</i>
<i>Including CPP Benefit (conservative 10% capture)</i>	<i>+\$1,044,225</i>	<i>-\$0.33</i>	<i>-\$229.06</i>
<i>10 YEAR BUDGET IMPACT</i>	<i>+\$292,060</i>	<i>NA</i>	<i>NA</i>

Table 1: Sum of proposed benefit, subsidies and per event costs

The recommended sponsorship of \$170,000 annually out performs most events in terms of a per ticket subsidy comparison for recent events held in the Malls area as shown in Confidential Attachment 8.3C. The approach demonstrates the benefit of the City collaborating with the private sector to 'build in' event capacity to the City, which can significantly outperform temporary events / infrastructure on a per ticket subsidy basis.

REMPPLAN Analysis

REMPPLAN is an economic impact model developed by Latrobe University and used by the State and Federal government for economic modelling of the impact of various proposals on a locality.

A summary of the yearly economic output (direct and indirect benefits) for the initial works, domestic tourism for events and staffing is included in Confidential Attachment 8.3B. In this regard, the total benefits achieved over the life of the requested sponsorship are:

REMPPLAN ECONOMIC MODELLING TOOL – EVENT SPACE				
PROJECT 10 YEAR TOTALS	TOTAL CONSTRUCTION BENEFIT	TOTAL DOMESTIC TOURISM BENEFIT 1275 EVENTS	TOTAL PROJECT EMPLOYMENT BENEFIT	TOTAL PROJECT ECONOMIC OUTPUT
	<i>\$5,506,000</i>	<i>\$95,497,500</i>	<i>\$112,799,000</i>	<i>\$213,802,500</i>

Table 2: Remplan Economic Tool – Impact of Event Space

It is important to remember that the economic modelling benefits will not be exclusive to the municipality, but is likely to be largely absorbed within the Perth Metropolitan Region. In this regard, the City must remain competitive in providing experiences competing with the metropolitan regional district centres to reinforce its role as a competitive international Capital City as recently gazetted under the Act.

REMPPLAN Context

In terms of the Remplan total economic output, based on the recommended sponsorship below, the proposal outperforms or is comparable with most other major events, delivering \$125.34 of economic output for every \$1 in invested City sponsorship.

However, when considered in light of the total sponsorship pool attracted by all these events (from City of Perth and other sponsoring agencies) and the total economic output, Mellen Events provides a significantly improved economic efficiency with output of between 3.5 to 27 times other major events such as the Christmas Pageant; Perth Heritage Days; PIAF; Symphony in the City; Fringeworld; Awesome and WA Opera.

This reinforces the advantage of partnering with the private sector to deliver built form outcomes and embedded economic activity (rather than intermittent events). The supplementary 'built capital' investment comes from the building owner and tenant including: building upgrades, fit outs and maintenance costs which significantly contribute to the amenity of the City overall on a year-round basis. This is of particular importance for a site of such historical significance in a strategic location within the Hay Street Mall.

Impact on Malls

Temporary interventions via event sponsorship in public spaces can only go so far as they are intermittent. Embedded economic activity is a recommended element to improved activation. When delivered by the private sector such activations are directly market dependent and responsive to the desired consumer spectrum and a longer term focus of the investment. The City can leverage the programmed capital spend in the Hay Street Mall in 2018/19 by engaging with the private sector as noted in the City's Corporate Plan (and as recently implemented in the Improvement Program - Barrack Street).

The changes required to strengthen the evening economy and diversifying uses and activation in the malls will be evident over time, but need to be sparked.

A national review of similar scaled entertainment (mixed performance) facilities revealed an average of 10.8 'specific' events programed for the March 2016 period. Based on an averaged capacity, this could attract up to 13,835 new 'destination' visits for a single venue, over a single month.

The proponent's projections are 10.6 events a month on average over the life of the sponsorship, with the resulting visitation for events of approximately 7420 per month.

Contextually, an additional 7500 people in the Hay Street and Murray Street Malls per month arriving and departing for an event (typically between 9 – 10 pm) would increase base pedestrian numbers (foot fall) in the Malls by 120% at that time (with one single event activation effort). This does not account for other destination use options that will arise in the surrounding tenancies.

The proposal will be both a driver and a complementary outcome to the activities and interventions to come within the Malls.

A particular benefit of a built form outcome, over a temporary event, is the ability of this facility to attract growing patronage as a permanent fixture and not be responsive to seasonal factors. This would be very attractive and helpful to local traders for year round business continuity (staffing etc) with the development of other evening facilities such as the Raine Square cinemas.

The proposal will also assist in addressing concerns regarding antisocial behaviour in the Malls in the evening, with increased foot fall, corresponding passive surveillance and the perception of safety that results.

Finally, the site's strategic location, central to the Malls, includes: links to both Murray and Hay Streets; and provides an activated night time mid-block connection to pedestrians approaching the Underground Station from the south eastern quarter. This will reinforce the ground floor arcade retail offering extending into later evening hours.

Monitoring and KPI's

Performance measures are proposed twofold: firstly, to monitor the impact and economic benefit of the proposal; and secondly to set key performance indicators at specified intervals to evaluate the performance, sum and longevity of the sponsorship:

- Short term improvements to the malls can be monitored (new visitors, repeat visitors, dwell times, origin, destination and navigation paths) via the adapted Wifi infrastructure currently subject to trial;
- Other metrics can include crime statistics, land use / tenancy changes, feedback from existing stakeholders and media; and
- Key performance indicators will be reviewed annually, via the agreement requiring the submission of: an event log; patronage; marketing spend and total staff numbers.

Base line data for monitoring broader improvement to the malls has been gathered as part of the Hay Street Mall Activation Plan currently being prepared. These will be reported on annually over a three year monitoring program.

Recommended Sponsorship Arrangement

The sponsorship proposed is anticipated to generate 892,500 new 'destination' visitors to the Malls over the 10 years.

Deducting the sponsorship requested figure of \$1,700,000 from the City's direct rates and sponsorship (media) benefits, the projected 1275 events would cost the City of Perth \$590 per event. Where considering the conservatively projected CPP parking capture of 10% of total numbers, the proposed corporate sponsorship has a positive impact (return) on the City's overall revenue at \$292,060 (over 10 years – excluding growth in rates, marketing costs or parking fees).

A 10 year commitment is important to incentivise the significant initial capital commitment in the space. Creating a space of this scale and purpose, compliant with the Building Code of Australia for public performances, is unique to the Malls, and will reverse a near half century decline of such upper floor spaces.

This sponsorship agreement provides annual reporting targets to ensure satisfactory performance, while guaranteeing the delivery of a performance space in the City, annual delivery of events and the resulting activation of the Malls. This arrangement will drive innovation and commitment to the space and ensures the delivery of the City benefits.

Assessment of application against Guidelines

The Event Sponsorship Guidelines are an informing document for assessment of Event Proposals under the City's Policy 18.13 Sponsorship, adopted by Council in 13 December 2016. The proposal forms a Commercial Events Sponsorship as defined in the Events Guidelines.

The proposal is consistent with the City's *Strategic Community Plan*, with a particular focus on the following themes:

- Perth as a Capital City; and
- Perth at Night.

Objectives

The proposal is consistent with the objectives of Event Sponsorship as addressed in the report above:

- Celebrate, develop and engage with the City's community;
- Activate City precincts;
- Strengthen international business and cultural connections;
- Encourage investment in the City;
- Encourage visitation and economic impact both immediate and ongoing; and
- Attract the City's identified target markets into the City: families; baby boomers; city workers / young professionals.

Annual Commercial Event Prerequisites

As addressed in the above report, the proposal is consistent with the following prerequisites identified in the Guidelines to qualify for an Annual Commercial Event:

- is a large scale event with a history within the City;
- has helped position Perth on the national stage;
- demonstrated that the majority of the City of Perth funding is directed towards engaging city activation;
- activation should be accessible and drive significant visitation to the City;
- proactively presents opportunities to maximise visitor spend within the city driving commercial benefits to traders;
- proposes leveraging opportunities between the organisation and events to City of Perth programs or initiatives;
- is able to deliver on negotiated commercial sponsorship benefits;
- has a proven track record of attracting a large audience (at least 20,000) into the central city and the surrounds for events; and
- has a proven track record in attracting significant mainstream media coverage.

The guidelines suggest events should not be reliant on City funding. These prerequisites are generally focused on temporary events and activations of public reserves / streets and not in buildings with longevity in investment and outcomes (10 years). As noted in the report above, the City investment in built form can reverse a near 50 year trend of decline in upper floor activation. The City's funding will address a long standing feasibility gap that has been significantly holding back the economic development of the City, in addition to the legislative and financial challenges applicable to upper floors under the following legislation:

- *Commercial Tenancy (Retail Shops) Agreements Act 1985;*
- *Disability Discrimination Act 1992;*
- *Premises Standard 2012;* and
- *Building Code of Australia 2016.*

Assessment Criteria

The proposal performs well against the assessment criteria as follows:

- *Public outcome in the City of Perth:* events will be accessible to a broad demographic and encourage visitation from targeted markets.
- *Economic Impact:* assist local traders; City of Perth Parking; Perth's reputation for investment; and provides high visitation numbers.
- *Sustainability:* safe events; achievable budgets; proven delivery; and demonstrated funding sources.
- *Healthy and Active City:* complements and does not clash with the City's events offerings; environmentally sustainable and increases place activation and use of under-utilised space.

CONFIDENTIAL ATTACHMENTS 8.3B AND 8.3C
ITEM 8.3 – COMMERCIAL EVENTS SPONSORSHIP – MELLEN EVENTS,
PICCADILLY THEATRE, HAY STREET MALL, PERTH

FOR THE MARKETING, SPONSORSHIP AND INTERNATIONAL
ENGAGEMENT COMMITTEE MEETING

31 JANUARY 2017

DISTRIBUTED TO ELECTED MEMBERS UNDER SEPARATE COVER

Report to the Marketing, Sponsorship and International Engagement Committee

Agenda Item 8.4	Corporate Sponsorship – 2017 Angel Investing Education Event Series
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Recommendation:

That the Marketing, Sponsorship and International Engagement Committee:

- 1. approves cash sponsorship of \$15,000 (excluding GST) to Perth Angels to present a series of angel investing information and education events;***
- 2. notes that the event organisers will provide the following sponsorship benefits to the City of Perth:***
 - 2.1 the City of Perth to be listed as the naming sponsor of the events;***
 - 2.2 City of Perth branding and crest to appear on relevant promotional and advertising material (physical and electronic);***
 - 2.3 an opportunity for the Lord Mayor, or City of Perth representative, to present an introductory speech at an event;***
 - 2.4 verbal recognition of the City of Perth's support at events;***
 - 2.5 opportunity to distribute City of Perth collateral at events; and***
 - 2.6 provision of data and associated information relating to the event, including attendee details, to the City of Perth;***
- 3. notes that a detailed acquittal report, including all media coverage obtained, will be submitted to the City of Perth by July 2017.***

FILE REFERENCE:	P1010627-23
REPORTING UNIT:	Economic Development
RESPONSIBLE DIRECTORATE:	Economic Development & Activation
DATE:	15 December 2016
ATTACHMENT/S:	Attachment 8.4A - Officer Assessment and Details

Legislation / Strategic Plan / Policy:

Legislation	N/A
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Integrated Reporting Implications	Planning and Framework	Corporate Business Plan / Strategic Community Plan
		Council Four Year Priorities: Perth as a Capital City
		S6 Maintain a strong profile and reputation for Perth as a city that is attractive for investment

Financial Implications:

ACCOUNT NO:	CL 93 793 000
BUDGET ITEM:	TBA
BUDGETED AMOUNT:	\$198,000
AMOUNT SPENT TO DATE:	\$ 91,489
PROPOSED COST:	\$ 15,000
BALANCE REMAINING:	\$ 91,511
ANNUAL MAINTENANCE:	N/A
ESTIMATED WHOLE OF LIFE COST:	N/A

All figures quoted in this report are exclusive of GST.

Purpose and Background:

Formed in 2010, the Perth Angels is a network of private investors who actively invest in early stage technology companies, primarily ones based in Perth, Western Australia. The group, previously known as the Western Australian Angel Investors Inc. (WAAI) prior to changing their name in 2016, is a registered not-for-profit organisation.

This report discusses a proposed cash Corporate Sponsorship of \$15,000 (excluding GST) to the Perth Angels to present a series of angel investing information and education events in the first half of 2017.

Details:

Officer assessment of this corporate sponsorship application is detailed in Attachment 8.4A.

An acquittal summary for the 2016 Perth Angels Investing Masterclass and breakfast briefing event is available on the Elected Member Portal.

Perth Angels, in partnership with the Australian Association of Angel Investors (AAAI), is facilitating a series of angel investor breakfast briefings and afternoon masterclass workshops over the course of 2017.

Perth Angels have advised that they will hold two breakfast briefings and three master classes in the first six months of 2017. Of the three master classes, two will be aimed at investors and potential investors and one will be aimed at local entrepreneurs.

Comments:

It is recommended that the Marketing, Sponsorship and International Engagement Committee approve cash corporate sponsorship of \$15,000 (excluding GST) to the Perth Angels to present a series of angel investing information and education events in the first half of 2017.

The proposed events are clearly in-line with the City of Perth (the City) Economic Development objectives and aims, particularly with regard to increasing economic investment within the city and in positioning the city as a centre of regional and international significance.

Sponsorship of these events is in alignment with the City's current support and involvement in the local early stage tech and innovation sector. The City is particularly active in supporting the local innovation ecosystem, through the support for co-working spaces, hackathon events, conferences, education events and accelerator programs.

The missing piece in the innovation pipeline that the City has been involved in is in the investment space. Local stakeholders have identified access to capital as a major barrier to success and the biggest hurdle encountered by early stage businesses seeking to expand their start-up.

Support for these events and partnership with the main bodies involved in angel investing will reinforce the City's position as an active and committed participant in the local innovation ecosystem at all levels.

These events help bring private investors together to support the local entrepreneurial and innovation sector by providing an opportunity for these investors to understand best practice in identifying, filtering, selecting and structuring an investment portfolio with early stage companies, which will, in-turn, support further investment and employment in Western Australian-based innovation, helping to attract and retain technology, innovation and knowledge-intensive businesses in Perth.

Marketing, Sponsorship & International Engagement Committee

ATTACHMENT 8.4A – OFFICER ASSESSMENT AND DETAILS

Agenda Item:	Sponsorship – 2017 Angel Investing Education Event Series
Sponsorship Type:	Industry/Sector Development Sponsorship
Project Name:	WA Angel Investing Education Event Series
Location of Project:	TBC
Applicant (including business type):	Western Australian Angel Investors Inc.
Cash Amount Requested (excl GST):	\$15,000
In-Kind Amount Requested (excl GST):	Nil
Total Amount Recommended (excl GST):	\$15,000
Total Budget of Project:	\$41,000
Date of Project Commencement:	Multiple dates in 2017
Date of Project Completion:	30 June 2017
Expected Attendance:	400 attendees across the five events
Cost of Ticket to Event/Project:	\$50 for breakfast attendance; \$200 to attend masterclass
Previous Acquittal TRIM reference:	7876/17
REMPAN Direct Benefit:	N/A
Assessment Panel Score:	N/A

Applicant Background

Formed in 2010, the Perth Angels is a network of private investors who actively invest in early stage technology companies, primarily ones based in Perth, Western Australia. The group, previously known as the Western Australian Angel Investors Inc. (WAAI) prior to changing their name in 2016, is a registered not-for-profit organisation.

Angel investors are defined as individuals who invest their own money in an entrepreneurial company. These investors do not seek direct control of the running of the company and are

typically willing to accept risk with regard to the investment, believing that their investment in a share of the company can be valuable in the future.

In addition to their financial investment, angel investors can also provide value to early stage companies through the benefit of their experience and professional networks, with many operating in a mentoring capacity to further the development and opportunities for early stage local startups.

Perth Angels are a member of the Australian Association of Angel Investors Ltd (AAAI) and there are similar angel investing groups in most of the other Australian Capital Cities. Perth Angels form part of an international network that provides its members with opportunities to generate financial returns and support new industry opportunities.

Vision

Perth Angels aims to provide the efficient sourcing and allocation of incubation and early-stage investment capital for investment ready opportunities in Western Australia.

Objectives

The objectives of Perth Angels are to:

- build a professional community of angel investors in WA;
- educate angel investors to support better investment outcomes;
- provide quality deal flow for angel investors;
- engage, collaborate and leverage early stage investment capital;
- promote ethical and efficient angel investment and angel syndication in Australia; and
- facilitate investment in early stage opportunities in WA.

Perth Angels are sponsored by ANZ Bank, BDO Perth and Lavan Legal.

Project/Event Details

Perth Angels, in partnership with the AAAI, is facilitating a series of angel investor breakfast briefings and afternoon masterclass workshops over the course of 2017.

Perth Angels have advised that they will hold two breakfast briefings and three master classes in the first six months of 2017. Of the three master classes, two will be aimed at investors and potential investors and one will be aimed at local entrepreneurs.

Breakfast event

The first series of breakfast briefings will be held in the northern metropolitan business corridor and be aimed at potential angel investors and local business leaders. Jordon Green, Chairman Emeritus of the Australian Association of Angel Investors (AAAI), will present and discuss national and international trends in angel investing and market segments and

opportunities that require private investment. The Chairman of Perth Angels will also make a presentation and both speakers will provide information on government tax incentives, how local banks are supporting innovation at a state and national level and legal issues surrounding angel investing.

Masterclass

The proposed masterclass workshops are proposed to be held in the afternoon, ideally scheduled to follow earlier breakfast briefing sessions, at a venue within the Perth CBD and will look to provide participants with more detailed information regarding angel investing.

The masterclasses are targeted at prospective angel investors to further their education in various areas of angel investing. There will also be a masterclass aimed at helping local entrepreneurs to become 'pitch ready' and maximise their chances in securing investment for their early stage companies.

The half-day masterclass content has been developed by Angel Education Australia (AEA) – the education division of the Australian Association of Angel Investors – and forms part of the AEA curriculum. AEA course materials benefit from the AAAI's collaboration with leading angel education organisations in North America and Europe.

The objective of the workshop is to improve the investing skills of angel investors through ensuring they have realistic understanding and expectations of angel investing, including knowledge of the angel investment process and support in developing an angel investing strategy.

Topics addressed during the masterclass workshops include:

- Where Angels fit in;
- Angels, Groups and Angel Investing;
- Angel Profile;
- The Investment Process;
- Developing an Angel Investing Strategy; and
- Investment Evaluation and Exit Selection.

The masterclasses will be presented by Jordon Green, with support from a panel of experts in accounting, tax, legal and intellectual property. Participants will receive a workbook that includes presentation content, slides and exercise worksheets.

The masterclasses aim to educate existing and prospective local investors about angel investing and provide information regarding opportunities to invest in early stage companies as opposed to just publicly listed companies. The events will also look to provide attendees with effective methods of investing in early stage companies as a sustainable practice.

The masterclass will conclude with an interactive session, with participants able to ask the expert panel questions, followed by a networking session.

REMLAN Analysis

REMLAN analysis is not appropriate for this project and was therefore not utilised for the purposes of this report.

Previous Support (last 5 years)

Year	Amount	Attendance
2015	In kind – venue & catering	70
2016 (March)	In kind – venue & catering	30
2016 (June)	\$9,900	195

The City of Perth has previously provided in-kind support (venue space and catering) for two WAAI events held at the Northbridge Piazza – a “pitch” night in April 2015 and an investor education session regarding investing in health-tech in March 2016. The City also provided \$9,900 in sponsorship funding to WAAI for a breakfast briefing event and following masterclass featuring Jordan Green in June 2016.

City of Perth Officers who attended the 2016 event provided positive feedback about the detail and quality of the educational aspects presented within the angel investing masterclass, the breakfast was well attended and received a positive response from the local eco system. A satisfactory acquittal report has also been received which details positive media and increasing demand for future events. Post this event, a Perth Angel Pitch Night was held at the ANZ offices at 77 St Georges Terraces where there were 75 attendees. Average pitch night attendees are circa 35.

Assessment of Application against Guidelines

Criterion for Industry/Sector Development Sponsorship	Met (Yes/No)
legally constituted organisation	Yes
be located within the Perth local government area	Yes*
promote industry development initiatives and similar professional development opportunities in key economic sectors	Yes
build long term relationships that provide business and community members with the opportunity to share best practice with visiting industry thought leaders	Yes
enhance opportunities for business development and investment with key sector markets or stakeholders including new and emerging opportunities and export markets	Yes
provide an economic benefit to businesses within the City of Perth	Yes

Criterion for Industry/Sector Development Sponsorship	Met (Yes/No)
promote the City of Perth's role in supporting key industry sectors	Yes
provide competitive / comparative advantage by linking sector / industry stakeholders to achieve clusters or cooperative programs within the City of Perth Local Government Area	Yes
facilitate linkages and knowledge exchange between key sectors and stakeholders	Yes
support ongoing development programs that provide training and skill development opportunities for businesses within the City of Perth including business incubators and or accelerators	Yes
raise the profile and reputation of the City of Perth as a premier Capital City to do business within the relevant sector	Yes
Increase economic participation outcomes within the City of Perth	Yes

* while the breakfast event series will be held in the suburbs, the masterclass workshops will be held within the Perth CBD.

Report to the Marketing, Sponsorship and International Engagement Committee

Agenda Item 8.5	Industry / Sector Development Sponsorship - Western Australian Indigenous Tourism Operators Council
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Recommendation:

That the Marketing, Sponsorship and International Engagement Committee:

- 1. approves cash sponsorship of \$15,000 (excluding GST) to Western Australian Indigenous Tourism Council's (WAITOC) Perth Aboriginal Tourism Development Pilot Program;***
- 2. notes that WAITOC will provide the following sponsorship benefits to the City:***
 - 2.1 WAITOC will liaise with the City of Perth on the set up of the Pilot Program;***
 - 2.2 the City of Perth crest to be displayed on WAITOC's website;***
 - 2.3 the City of Perth crest to be displayed on all marketing collateral for the Pilot Program (where appropriate);***
 - 2.4 any associated promotion of the Pilot Program's participating businesses on social media will note the City of Perth's sponsorship;***
 - 2.5 verbal acknowledgement of the City of Perth as a sponsor at any events mentioning the Pilot Program;***
 - 2.6 familiarisation tours of the participating Aboriginal businesses at the conclusion of the Pilot Program;***
 - 2.7 WAITOC to collaborate with the City of Perth on marketing activities to promote the participating businesses;***
 - 2.8 opportunity for a representative from the City of Perth to be on the assessment panel;***
 - 2.9 the City of Perth may seek advice from the WAITOC Board Members regarding cultural, heritage and nature-based tourism matters; and***
- 3. a detailed acquittal report, including all media coverage obtained, to be submitted to the City of Perth by October 2017.***

FILE REFERENCE: P1033034
 REPORTING UNIT: Economic Development Unit
 RESPONSIBLE DIRECTORATE: Economic Development & Activation
 DATE: 19 December 2016
 ATTACHMENT/S: Attachment 8.5A – Officer Assessment and Details

Legislation / Strategic Plan / Policy:

Legislation *City of Perth Act 2016*

Integrated Planning and Reporting Framework Implications **Strategic Community Plan**
 Council Four Year Priorities: Perth as a Capital City
 S6 Maintain a strong profile and reputation for Perth as a city that is attractive for investment

Policy
 Policy No and Name: 18.13 – Sponsorships

Financial Implications:

ACCOUNT NO: 9397 3000 7901
 BUDGET ITEM: Economic Development Program – Donations and Sponsorships
 BUDGETED AMOUNT: \$65,000
 AMOUNT SPENT TO DATE: \$50,000
 PROPOSED COST: \$15,000
 BALANCE REMAINING: \$0
 ANNUAL MAINTENANCE: N/A
 ESTIMATED WHOLE OF LIFE COST: N/A

All figures quoted in this report are exclusive of GST.

Purpose and Background:

Established in 2002, the Western Australian Indigenous Tourism Operators Council (WAITOC) is the peak not-for-profit association representing Aboriginal tourism operators in Western Australia. The WAITOC comprises membership from all regions within Western Australia, representing over 145 Aboriginal tourism operators ranging from accommodation, traditional dance and dreamtime stories to contemporary history, art, safari and bush tours.

This report discusses the WAITOC's proposed partnership with the City of Perth in a Pilot Program initiative.

Details:

The Officer assessment of this industry / sector development sponsorship application is detailed in Attachment 8.5A.

As the WAITOC is a first time applicant for this type of sponsorship, there is no previous acquittal.

Aboriginal tourism is an important element of the Western Australian visitor offering, however, independent research conducted in 2014/15 found that only a fifth of visitors to Western Australia (21.5%) participate in an Aboriginal experience. In comparison, two-thirds (65.6%) were interested in participating in an Aboriginal experience while on holiday in Western Australia if it were readily available.

The WAITOC would like to partner with the City of Perth (the City) in a Pilot Program which is a metropolitan version of the State Government funded Aboriginal Tourism Development Program (ATDP) business development initiative; which is a four year Royalties for Regions program which began in 2015 with an investment of \$4.6 million. The ATDP is a business development program with the aim to provide business support to Aboriginal businesses. The program is commissioned by Tourism WA and run by WAITOC.

The Pilot Program would take place in the remainder of the 2016/17 financial year with the view to continuing, if successful. Funds will be used as payment for a Business Development Officer that will work on the initiative.

Comments:

It is recommended that the Marketing, Sponsorship and International Engagement Committee approves sponsorship of \$15,000 (excluding GST) to support the WAITOC's Perth Aboriginal Tourism Development Pilot Program.

Aboriginal tourism is an important element of the Western Australian visitor offering and business coaching will help grow the potential of Perth-based Aboriginal tourism businesses.

By aligning strategic objectives with the WAITOC, the City of Perth will enhance its image by being able to actively demonstrate its corporate commitment to the tourism industry. A sound relationship has been built between the City and WAITOC and this industry / sector development sponsorship will support a continued and mutually beneficial relationship.

Marketing, Sponsorship & International Engagement Committee

ATTACHMENT 8.5A – OFFICER ASSESSMENT AND DETAILS

Agenda Item:	Industry / Sector Development Sponsorship – Western Australian Indigenous Tourism Operators Council (WAITOC)
Sponsorship Type:	Industry/Sector Development Sponsorship
Project Name:	Perth Aboriginal Tourism Development Pilot Program
Location of Project:	Perth
Applicant (including business type):	Western Australian Indigenous Tourism Operators Council (WAITOC)
Cash Amount Requested (excl GST):	\$15,000
In-Kind Amount Requested (excl GST):	Nil
Total Amount Recommended (excl GST):	\$15,000
Total Budget of Event/Project:	\$55,000
Date of Event/Project Commencement:	February/March 2017
Date of Event/Project Completion:	June 2017
Previous Acquittal TRIM reference:	N/A
REMPPLAN Direct Benefit:	N/A

Applicant Background

Established in 2002, the Western Australian Indigenous Tourism Operators Council (WAITOC) is the peak not-for-profit association representing Aboriginal tourism operators in Western Australia. The WAITOC comprises membership from all regions within Western Australia, representing over 145 Aboriginal tourism operators ranging from accommodation, traditional dance and dreamtime stories to contemporary history, art, safari and bush tours. The WAITOC is governed by a board that are elected by members. The association is autonomous and provides advice and information to relevant agencies and stakeholders within the tourism industry sector.

The organisation's purpose is to promote Aboriginal tourism globally and advocate for the needs of the industry. They provide a network for Aboriginal tourism operators within Western Australia, market Aboriginal products and assist in the development of Aboriginal businesses.

Project/Event Details

One reason that visitors are finding it difficult to access Aboriginal tourism experiences is that they are predominantly found in remote or regional Western Australia, whereas most leisure visitors to Western Australia spend most of their time in Perth (Source: Tourism Western Australia). A small number of Aboriginal owned businesses do presently operate within the City of Perth including Go Cultural Tours, Kuditj Kitchen and various art galleries.

There are a large number of challenges that a developing tourism business face such as compliance, online and traditional marketing, training, business planning, financial management and risk management. A fully operational business will pay for such expenses out of operational funds, but in the developmental stage of any new business, it is often a challenge to prioritise these activities and costs. To assist with such challenges, the Aboriginal Tourism Development Program has been implemented.

The WAITOC would like to partner with the City in a Pilot Program which is a replication of the State Government funded Aboriginal Tourism Development Program (ATDP) business development initiative; a four year Royalties for Regions program which began in 2015 with an investment of \$4.6 million. ATDP is a business development program with the aim to provide business support to Aboriginal businesses; the program is commissioned by Tourism WA and run by the WAITOC.

Pilot Program – Aboriginal Tourism Development Program

Royalties for Regions underpins the State Government’s commitment to developing Western Australia’s regional areas and the above allocated funds are constrained to regional areas only, that is, not greater Perth. As such, there are geographical gaps in the program of which the Perth city location is one. The WAITOC would like to therefore run a replication of the business development initiative in Perth so Aboriginal businesses in the area can access the program.

Perth Program

Following the format of ATDP, WAITOC would call for expressions of interest from established Aboriginal tourism businesses in the Perth metropolitan area. A City of Perth technical officer and Tourism WA are invited to participate on the assessment panel.

The successful businesses, of which approximately five would be chosen, would work with the appointed Business Development Officer and identify areas of focus for coaching activity. Each business would be allocated approximately 80 hours of assistance (for example, web design, accounting, ticketing, accreditation), equalling around \$11,000 worth of support with the objective to grow their business and enhance the visitor experience.

While a five month program provides insufficient time to demonstrate significant up-lift to a business’ viability, a measure of success will be the level to which the participant’s demonstrate to working diligently with their assigned coach to develop and implement a working plan. It is anticipated each participant will be able to demonstrate some tangible progress towards export-ready criteria including but not limited to progress towards

accreditation, being integrated into an existing broader tours with larger operators within the sector and improving digital marketing platforms and/or an enhanced product delivery.

Aboriginal tourism is an important element of the Western Australian visitor offering. Business coaching may give the boost that is required to help grow the potential of Perth-based Aboriginal tourism businesses which, in turn, may assist with Perth having an iconic visitor experience.

Sponsorship will provide an opportunity to recognise the important role that businesses and organisations, such as the WAITOC, play in the development of a strong tourism industry in Western Australia.

Building on tourism experiences has been shown to be a major catalyst in the development of economic investment in a city. Creating a city that has plenty to attract visitors also creates a place that is liveable and attractive for inward investment. Furthermore, supporting the development of a strong tourism sector can assist in creating a city that attracts new residents and new business opportunities.

The City will benefit from being able to actively demonstrate its corporate commitment to the Aboriginal tourism industry and the tourism industry as a whole, by way of promotion of its support and involvement with this peak body.

REMPPLAN Analysis

IMPACT SUMMARY	DIRECT EFFECT	TOTAL EFFECT
Output (\$M)	N/A	N/A
Long Term Employment (Jobs)	N/A	N/A

REMPPLAN analysis is not appropriate for this project and was therefore not utilised for the purposes of this report.

Previous Support (last 5 years)

This is a first time applicant.

Assessment of Application against Guidelines

Criterion for Industry/Sector Development Sponsorship	Met (Yes/No)
legally constituted organisation	Yes
be located within the Perth local government area	Yes
promote industry development initiatives and similar professional development opportunities in key economic sectors	Yes
build long term relationships that provide business and community members with the opportunity to share best practice with visiting industry thought leaders	Yes

Criterion for Industry/Sector Development Sponsorship	Met (Yes/No)
enhance opportunities for business development and investment with key sector markets or stakeholders including new and emerging opportunities and export markets	Yes
provide an economic benefit to businesses within the City of Perth	Yes
promote the City of Perth's role in supporting key industry sectors	Yes
provide competitive / comparative advantage by linking sector / industry stakeholders to achieve clusters or cooperative programs within the City of Perth Local Government Area	Yes
facilitate linkages and knowledge exchange between key sectors and stakeholders	No
support ongoing development programs that provide training and skill development opportunities for businesses within the City of Perth including business incubators and or accelerators	Yes
raise the profile and reputation of the City of Perth as a premier Capital City to do business within the relevant sector	Yes
increase economic participation outcomes within the City of Perth	Yes

Report to the Marketing Sponsorship and International Engagement Committee**Agenda Industry / Sector Development Sponsorship – Studio Startup**
Item 8.6

Recommendation:***That Council:***

- 1. approves cash sponsorship of \$25,000 to be distributed annually over three years for a total of \$75,000, to Innovation Cluster to assist with the establishment of Studio StartUp incubator space located at 143 Barrack Street, Perth;***
- 2. notes that Studio StartUp will provide the following sponsorship benefits to the City of Perth:***
 - 2.1 naming rights on the sponsorship initiative;***
 - 2.2 the City of Perth to be acknowledged on the Studio StartUp website and on relevant promotional and advertising material (physical and electronic);***
 - 2.3 the City of Perth to be acknowledged at any event or activity held at Studio StartUp;***
 - 2.4 City of Perth signage to be displayed in the studio for the length of the sponsorship;***
 - 2.5 the provision of quarterly reports, data and associated information on success stories and industry growth to the City of Perth as a result of Studio Startup programs and startup businesses;***
 - 2.6 an opportunity for the Lord Mayor, or a City of Perth representative, to present at the Studio Startup official launch event;***
 - 2.7 the opportunity to distribute City of Perth collateral at any event or activity held at Studio Startup;***
 - 2.8 access to the 60sqm basement event space within the studio to hold one City of Perth event, meeting or engagement opportunity per quarter;***
- 3. notes that a detailed acquittal report, including all media coverage obtained, will be submitted to the City of Perth annually, prior to each funding instalment being paid.***

FILE REFERENCE: P1033034
 REPORTING UNIT: Economic Development Unit
 RESPONSIBLE DIRECTORATE: Economic Development and Activation
 DATE: 6 January 2017
 ATTACHMENT/S: Attachment 8.6A – Officer Assessment & Details

Legislation / Strategic Plan / Policy:

Legislation N/A

Integrated Planning and Reporting Framework Implications **Corporate Business Plan / Strategic Community Plan**
 Council Four Year Priorities: Perth as a Capital City
 S6 Maintain a strong profile and reputation for Perth as a city that is attractive for investment

Policy

Policy No and Name: 18.13 - Sponsorship

Financial Implications:

ACCOUNT NO: 9379 3000 7901
 BUDGET ITEM: BSS Innovation and Technology
 BUDGETED AMOUNT: \$198,000
 AMOUNT SPENT TO DATE: \$ 79,576
 PROPOSED COST: \$ 25,000 annually for three years
 BALANCE REMAINING: \$ 93,424
 ANNUAL MAINTENANCE: N/A
 ESTIMATED WHOLE OF LIFE COST: \$ 75,000

All figures quoted in this report are exclusive of GST.

Purpose and Background:

A request for cash sponsorship of \$40,000, to be distributed annually over three years for a total of \$120,000, has been received by the City of Perth (the City) from Innovation Cluster, the trading name of Adaptive Trust, to assist in the establishment of a new creative industries incubator and co-working space, Studio StartUp, in the Perth CBD.

Studio StartUp will be managed by the same executive team who currently run Atomic Sky Pty Ltd (Atomic Sky), a Northbridge based firm established for the purpose of providing early stage startups with structure, guidance and mentoring programs, to assist in progressing startup ideas and businesses to commercialisation, thereby creating greater local employment and addressing high vacancy rates within the central business district.

Atomic Sky is led by a team of successful entrepreneurs and business mentors with expertise in areas such as technology, innovation, creative sector industries, business start-ups, marketing and analytics. Their background and experience provides the City with confidence that the proposed Studio StartUp will successfully integrate into the creative economy in Perth.

Company founders have built numerous sustainable and successful incubators and are the operators of TechHub, a successful co-working space located in Money Street, Northbridge (City of Vincent), which focuses on Financial Technology (FinTech) based companies and emerging data driven businesses.

Details:

Officer assessment of this industry / sector development sponsorship application is detailed in Attachment 8.6A.

Studio StartUp is a studio incubator operated by Innovation Cluster, with a primary focus on social impact and education based startups, creative sector ventures and youth entrepreneurs. The incubator is located on the upper floor levels at 143 Barrack Street, Perth. There is currently no comparable startup incubator within Perth with these industries as its core focus.

The studio has capacity for up to 30 individual desks available to tenants on a part-time or full time basis, providing early stage businesses with access to affordable CBD office facilities. The basement of the property offers space for up to 20 people in a seminar / learning arrangement and can be utilised for events, presentations, engagement programs and other startup sector activities.

Desks will be available for lease at an affordable price point, with desks starting at \$115 per week or approximately \$450 per month. This is competitively priced against other co-working spaces within the city, which range from \$500 to \$660 per month.

Studio Startup provides access to the Innovation Cluster's team of experts in entrepreneurship, startup, innovation, scaling creative sector endeavours, building social ventures and general business coaching.

Innovation Cluster have developed a range of workshops, growth accelerator and business building programs that are specifically tailored to high growth but currently underserved sectors within the Perth CBD. These programs will provide valuable support and mentoring services to young entrepreneurs who are looking to enter or are currently operating within the local startup ecosystem.

The Innovation Cluster team have delivered a number of successful business events including their Innovation Leadership Breakfast series, research commercialisation and education programs and will utilise the basement space to expand on their current events program and startup sector activities, providing additional networking opportunities to Studio StartUp members, local entrepreneurs and investors.

Funds requested from the City will be utilised to expand the reach of the incubator in attracting target groups into the studio and to facilitate startup sector activities in the areas of social venture, creative entrepreneurship and research commercialisation in conjunction with local businesses and universities.

Several startup companies have already commenced using the studio including StartItUp WA award winner – Kindom, which is currently in the process of building a tech-enabled social venture to help families of children with learning disabilities. Refer to Attachment 8.6A for further success stories related to Innovation Cluster's approach to building business startups.

Comments:

With a primary focus on social impact startups, creative sector ventures and youth entrepreneurs, the establishment of Studio Startup fills a gap in the early stage innovation ecosystem in Perth CBD. The initiative compliments other incubator and startup accelerators, enabling a healthy cluster/precinct of entrepreneurship in the CBD, ultimately improving the City's comparative advantage in these industry sectors.

The lower price point of this co-working space provides for an attractive option within the CBD for those in this early stage creative space. With the potential to attract 25 to 30 additional workers to the northern Barrack Street precinct, the studio will increase activation and foot traffic in the area, providing trade to surrounding businesses and exposure for the developing Grand Lane, which has seen considerable investment by the City of Perth through the Barrack Street Improvement Program and multiple matched funding grants. Business events and startup sector activities held within the studio will encourage further activation of the locality outside of normal business hours.

The 2016 Economic Profile undertaken as part of the Perth City Snapshot project notes that health care and social assistance is an area where the city is close to having a comparative advantage in employment share compared to Greater Perth as a whole (Refer to graph in Attachment 8.6A).

Stimulation of this startup cluster will lead to new business activity in the city and, as the startups graduate from incubator phase, their operations will expand to also help to address office vacancy rates within the city. Refer to Attachment 8.6A for success stories where this has occurred.

Atomic Sky already mentors some of the most successful startups in Smart City Solutions, Internet of Things, Data and Analytics, Higher Education / Research Commercialisation and Social Ventures in Perth. Having a presence in the CBD will allow these mentors and networks to be utilised across a broader range of startups and early stage businesses creating strong alignment and economic benefit to existing City strategies and comparative advantage for the City related to startup sector development.

Marketing, Sponsorship & International Engagement Committee

ATTACHMENT 8.6A – OFFICER ASSESSMENT AND DETAILS

Agenda Item:	Industry / Sector Development Sponsorship – Studio Startup
Sponsorship Type:	Industry / Sector Development Sponsorship
Project Name:	Studio Startup
Location of Event/Project:	143 Barrack Street, Perth
Applicant (including business type):	Business Name: Innovation Cluster (Adaptive Trust) ABN: 96672798638
Cash Amount Requested (excl GST):	\$40,000 annually for 3 years Total = \$120,000
Cash Amount Recommended (excl GST):	\$25,000 annually for 3 years Total = \$75,000
Total Budget of Project:	Annual expenses = \$205,000
REMPPLAN Direct Benefit:	NA

Applicant Background

Studio StartUp is a studio incubator operated by Innovation Cluster, with a primary focus on social impact and education based startups, creative sector ventures and youth entrepreneurs. The incubator is located on the upper floor levels at 143 Barrack Street, Perth. There is currently no comparable startup incubator within Perth with these industries as its core focus.

Company founders have built numerous sustainable and successful incubators and are the operators of TechHub, a successful co-working space located in Money Street, Northbridge (City of Vincent), which focuses on Financial Technology (FinTech) and emerging data driven businesses. Tech Hub was also used to launch the state governments Innovation Hub portal. It is anticipated that such media coverage will be shared between Tech Hub and Studio Startup for future events.

This incubator space, Startup Studio, will provide networking opportunities via its startup sector activities in the areas of creative entrepreneurship, social ventures and research commercialisation areas.

The space has also been home to the popular business productivity software Atlassian user group meetings, was the launch location for Unearthed and has been used for Perth Fashion Festival events and Training of iPrep PhD students from the five WA Universities. iPrep is a service to university bodies to provide support for PhD's and corporate problem solving to

further enhance the pathway of students beyond university. It is envisaged that this incubator will expand to further support all university education within the CBD.

Innovation Cluster has also demonstrated their ability to attract entrepreneurial activities and talent to the City of Perth via their Innovation Leadership Breakfast Series of events. Speakers at the breakfast events have included the Finland's Australian Ambassador, MD of Finnair Australia and VC of Murdoch University on the topic of Finland's 100th Anniversary of Independence; international speaker Sam Curtin from global startup Crowdcity; and Woodside's Vice President of Innovation. As the studio operations expand, this style of event will be held to support the needs of the target creative and youth entrepreneurs.

Innovation Cluster have also successfully delivered programs aimed at commercialising University research via an accelerator event program called Start Something which has been run at several Universities including UWA and Murdoch across various research streams.

Studio Startup will serve as a home base for the startup community, a free event space for education, demo days and opportunities to convene. Studio Startup collate ongoing yearly information based on the residents and the space and also the success rate of these startups and most importantly, where they move to once they "graduate" from the incubator. This information will be provided to the City to assist with tracking of the local startup and technology ecosystem.

Startup Studio and Atomic Sky will also run one Smart City Innovation meeting in the space as soon as possible.

Project Details

The studio has capacity for up to 30 individual desks available for tenants within the space. It is anticipated that occupancy rates will be 80% at any point in time providing early stage businesses with access to affordable CBD office facilities. The 60sqm basement of the property offers space for up to 20 people in a seminar / learning arrangement and can be utilised for events and other startup sector activities.

Members and businesses at Studio Startup have access to the Innovation Cluster's team of experts in entrepreneurship, startup, innovation, scaling creative sector endeavours, building social ventures and general business coaching and incubation assistance such as pitching for investment and business planning.

Innovation Cluster have developed a range of workshops, growth accelerator and business building programs that are specifically tailored to high growth but currently underserved sectors within the Perth CBD. These programs will provide valuable support and mentoring services to young entrepreneurs who are looking to enter or are currently operating within the local startup ecosystem.

The focus of the incubator is to support social and education based startups to compliment other existing spaces with in the CBD and fringe areas. Helping 15 to 25 startup or early SME

businesses to operate in the CBD at a more economical price than currently available will further support and attract more early stage businesses into the city.

The price point is situated so that early stage businesses will be able to have access to affordable co-working desk space in the CBD. Currently the largest co-working spaces charge \$500 and \$660 per desk per month. This is beyond the means of many early stage businesses and is inhibiting the startup prospects of social ventures in particular.

This project will also bring the Tech Hub collaboration model from City of Vincent (Northbridge) into the Perth CBD as well as allow startups to be exposed to potential avenues to expand their investment and sales channels and grow healthy businesses based from Perth. SME's and companies from within and outside of the city will be encouraged to interact with this community. Universities will similarly be encouraged and activities to facilitate students engaging with the space.

Funds requested from the City will be utilised to expand the reach of the incubator in attracting target groups into the studio and to facilitate startup sector activities in the areas of social venture, creative entrepreneurship and research commercialisation in conjunction with local businesses and universities.

REMPPLAN and Economic Benefit Analysis

As this is an industry development program and not an event, REMPLAN economic analysis is not appropriate for this project, however The Perth City Snapshot 2016 – Economic Profile highlighted that each additional office worker in the City spending on average \$11,000 per annum at retail, food and beverage outlets over the course of a year.

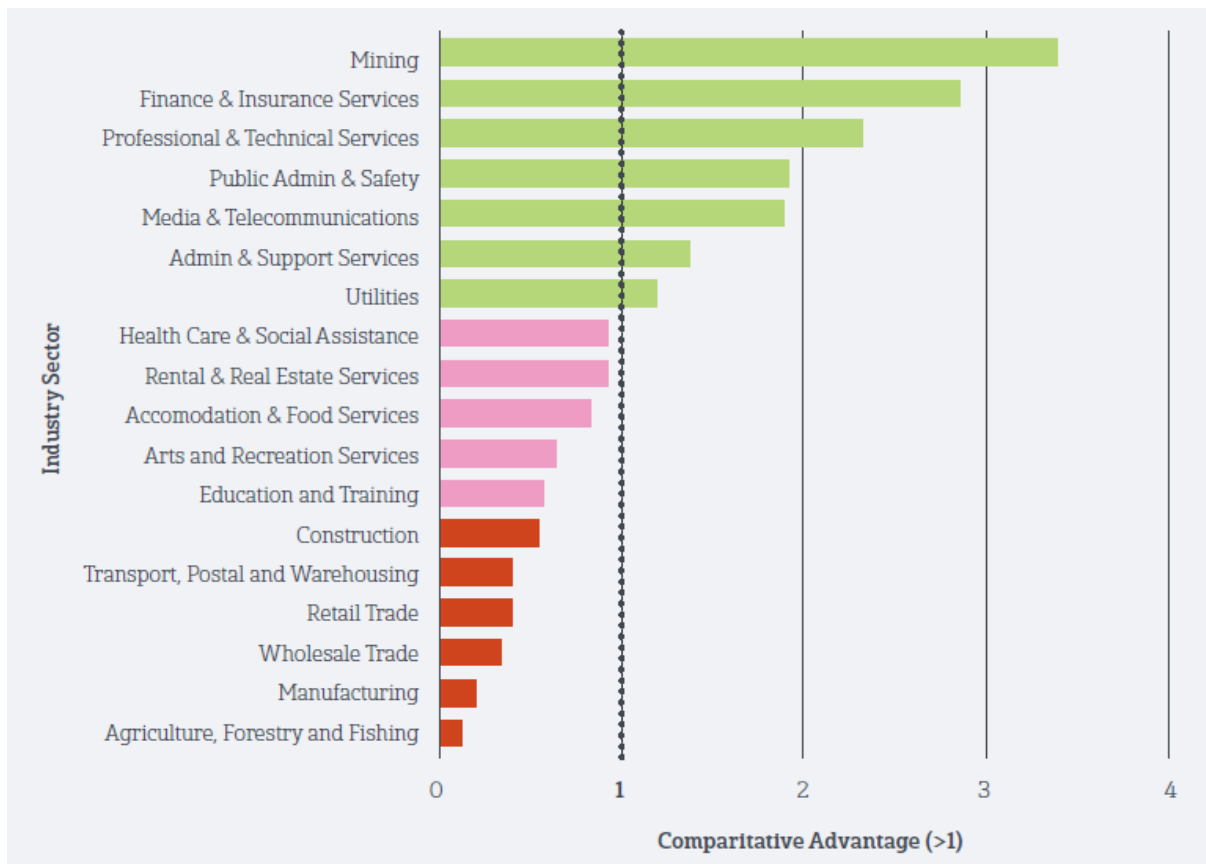
From this perspective this initiative which will deliver up to 30 new workers to the area is considered to be highly aligned to existing investment by the City in the Grand Lane area through matched funding grants and laneway activation activities. It also provides further support to the successful Barrack Street Improvement model and will greatly assist the local economy of the adjacent Murray and Hay Street Malls.

As a by-product benefit, according to StartUp America, the creation of one job in high-tech sectors creates 4.3 additional jobs in the local goods and services economy in the same region in the long run. Local startup successes such as WA Innovator of the Year, TrackEm, have proven the ability of strong startup incubators to grow companies from origination to international export. These companies build network of service providers around where they begin their business's and very often stay in the same district.

The 2016 Economic Profile undertaken as part of the Perth City Snapshot project notes that health care and social assistance (and also below this Education) are areas where the city is close to having a comparative advantage in employment share compared to Greater Perth as a whole – see the graph below which demonstrates initiatives such as this will assist the City in developing a comparable advantage in employment share within this sector.

Perth City Snapshot – Employment Shares Comparison Perth City (pre-July 2016) and Greater Perth, 2011

This graph highlights prominent industry sectors in Perth City (pre-July 2016) where a value greater than 1 implies a higher representation of workers in Perth City and comparative advantage in the particular industry compared to Greater Perth as a whole, and vice versa.



The Startup WA report 2016 commissioned by the City of Perth and Department of Commerce also detailed that 30% of all startups in WA are clustered within the City of Perth LGA. With a primary focus on social impact startups, creative sector ventures and youth entrepreneurs, the establishment of Studio Startup fills a gap in the early stage innovation ecosystem in Perth CBD, complements other incubator and startup accelerators and enables a healthy cluster/precinct of entrepreneurship. This will ultimately improve the City's comparative advantage and knowledge economy clustering and local competitive advantage.

Success Stories

Several startups have already commenced using the studio including StartItUp WA award winner – Kindom, which is currently in the process of building a tech-enabled social venture to help families of children with learning disabilities.

Other successful startups that benefited from programs and support offered by the Innovation Cluster team at the TechHub location include Fire Tech Camp and Rhino Hide.

Fire Tech Camp (FTC) started running their initial kids training courses in mid-2016 at Tech Hub, with the founders of FTC moved in to Tech Hub late in 2016 full time. Initially with one desk this quickly grew to two and then a small office. The company successfully raised funds through introductions provided by Atomic Sky/Tech Hub and then grew to seven staff. FTC recently moved out to Vic Park into their own office. A partnership with ECU has also enabled FTC to grow the range of children's courses they offer.

Another related success story not in the technology space is Rhino Hide. Rhino Hide moved into Tech Hub early 2016 and in the last year has been on a national growth path. From one founder to now four employees, again Rhino Hide has recently moved to their own office in North Perth. Rhino Hide raised Angel funding and then Shark Tank support from three 'Sharks' in the last series of the popular business startup TV show. Shark Tank have since filmed a follow-up story on Marc Berryman and the Rhino Hide story for the upcoming season which was was filmed at Tech Hub.

Previous Support (last 5 years)

The City has not previously supported Innovation Cluster.

Sponsorship Contribution

The \$25,000 sponsorship is 12% of the project's annual budget comparing favourably with other sponsorships of this nature. 100% of the annual budget is estimated to be spent in the City of Perth.

Additional funding

Innovation Cluster is also seeking funding of \$25,000 from the Incubator Support Program offered as part of the Federal Government's National Innovation and Science Agenda. If successful, Innovation Cluster intends to use the funding to contract an additional experienced expert advisor to personally coach startups at Studio StartUp. This funding is yet to be confirmed or secured.

Other sponsorship and corporate alliances are also being sought to scale the reach of the studio to provide additional activities around startup culture and skillsets.

Assessment of Application against Guidelines

Criterion for Industry/Sector Development Sponsorship	Met (Yes/No)
legally constituted organisation	Yes
be located within the Perth local government area	Yes
promote industry development initiatives and similar professional development opportunities in key economic sectors	Yes
build long term relationships that provide business and community members with the opportunity to share best practice with visiting industry thought leaders	Yes
enhance opportunities for business development and investment with	Yes

Criterion for Industry/Sector Development Sponsorship	Met (Yes/No)
key sector markets or stakeholders including new and emerging opportunities and export markets	
provide an economic benefit to businesses within the City of Perth	Yes
promote the City of Perth's role in supporting key industry sectors	Yes
provide competitive / comparative advantage by linking sector / industry stakeholders to achieve clusters or cooperative programs within the City of Perth Local Government Area	Yes
facilitate linkages and knowledge exchange between key sectors and stakeholders	Yes
support ongoing development programs that provide training and skill development opportunities for businesses within the City of Perth including business incubators and or accelerators	Yes
raise the profile and reputation of the City of Perth as a premier Capital City to do business within the relevant sector	Yes
Increase economic participation outcomes within the City of Perth	Yes