

Economic Development

Overview

The Economic Development activity concerns city promotion, including the visitor industry, and business liaison services. These activities are administered by the Business Services Division.

The division actively works with the business sector to identify and support initiatives to foster economic growth and to promote the city, its events and attractions.

Key Council Contributions to Community Outcomes

WELLBEING	OUTCOME	COUNCIL ROLE
CULTURE	1 People Choose Upper Hutt	PROMOTE Upper Hutt
ECONOMY ENVIRONMENT	2 Vibrant City Heart	CHAMPION a lively and co-ordinated response to achieve a vibrant city centre PROVIDE a Visitor Information Centre PROMOTE city centre activities
ECONOMY	3 Robust Innovative & Growing Economy	PROVIDE a business liaison and information service FOSTER opportunities for economic development FACILITATE a common approach to marketing the city
SOCIAL	5 Safe, Healthy & Strong Community	LIAISE with the community sector to gain maximum leverage from community activities
CULTURE ECONOMY	6 Outstanding Leisure	LIAISE with the leisure sector to gain maximum leverage from leisure activities
SOCIAL ECONOMY ENVIRONMENT	7 Connected with the World	ADVOCATE for excellent transport and telecommunication links

Key Issues and Responses by Council

1. A Strong Regional Economy

The continuing strength of the Wellington regional economy is considered to be vital to Upper Hutt's economy. Many residents work beyond Upper Hutt and many businesses have staff that live elsewhere.

A number of issues face the regional and local economies, including:

- The overall strength of the New Zealand economy, and associated matters such as the strength of the New Zealand dollar, the level of business investment and migration
- Regional issues such as market size and proximity, availability of new technologies, transport, an aging workforce, lack of skilled workforce and managing the transition to an economy less dependent on a large corporate sector.
- Local issues such as attracting more investment into the city, growing emerging businesses, identifying local opportunities and linkages, addressing needs such as training and communication technology, and sustaining existing businesses.

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Council proposes to take the following actions:

- **Funding Regional Marketing and Promotion**
Council contracts Positively Wellington Business [Wellington Region Economic Development Trust] to stimulate business and employment growth in Upper Hutt, both directly and indirectly, and to provide specific services to meet local needs.
- **Economic Strategy**
Council will prepare an Economic Strategy, or 'way forward', for the future economic direction of Upper Hutt. The strategy will investigate, identify and implement techniques that will lead to a vibrant and attractive city to live, work and operate business in.
- **Business Liaison and Information**
Council will continue the business liaison and information function that it currently performs. This includes meeting regularly with local businesses, investigating opportunities for business and training and participating in regional and national economic forums.
- **Business Incentives**
Council is committed to operating in a 'business friendly' way. Currently, rates relief is potentially available for those businesses making significant new or additional capital investments. There is now a new, discretionary time limit on rates relief. Council will consider further extending the range of incentives available to those investing further over the next few years
- **Business Partnerships**
Council will take a flexible and innovative approach in working with business partners to fund and/or support initiatives which benefit the wider community. For example:
 - **Smartlinx³**
Council, in association with Hutt and Porirua City Councils, have established Smartlinx³, which is now operational, offering an open access broadband network that hasn't been available at competitive rates to local businesses in the past. This is a public/private partnership with Council holding a 10% shareholding in the entity. The establishment of this company and its related vision is directly in line with that of the Government's digital strategy, which aims to ensure that true high speed connections are available to a wide area of people within our country.
 - **Rimutaka Incline Railway Heritage Trust** – Council supports the work of the Trust in creating this tourist heritage railway attraction.
- **Advocacy**
Council is committed to achieving a sustainable local and regional economy. Where necessary, it will advocate on behalf of the interests of local businesses, workers and residents to achieve the best outcomes for Upper Hutt.

2. Revitalising the Central City

Upper Hutt people want their city centre to come alive, with better shopping, more activities throughout the day and into the evening, a better shopping environment and continuing easy access and parking. This is one feature of the city where people want significant improvements to be made.

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As a consequence, Council is now taking a more active role in initiating change in the city centre with the following response:

- **Co-ordination of 'Main Street Vision'**

Council is continuing to implement its 'Main Street Vision' which is intended to revitalise the city centre through strategic investments and co-ordination of development.

Already, significant new commercial investment is visible, achieved in part because of the commitment of all parties, including Council, to the city centre.

- **Experience Upper Hutt**

Council has facilitated the establishment of a Main Street organisation, Experience Upper Hutt, to assist in regenerating the city centre by addressing four points:

- The physical environment
- Economic restructuring
- Marketing and promotion
- Organisation and management

Council will continue to work closely with Experience Upper Hutt in developing and implementing a Main Street programme for the city.

- **Central City Infrastructure Improvements**

The emphasis here is on improving the public areas of the central city, to make the overall shopping environment more attractive. Some of the planned initiatives here include:

- Revitalisation of the city centre, including significant landscaping, planting, lighting and furniture upgrades
- Significant improvements to define Gibbons Street as the main entrance to the city from State Highway 2.
- Street Banners, adding year-round colour and interest
- Street Decorations, adding a festive flourish
- Street Sculptures, adding a range of new outdoor art works in association with local community funders.

3. Promoting Upper Hutt

City promotion is intended to increase economic activity by drawing more people into the city to live, to work or to visit. Without promotion, there is a risk that people will not come to Upper Hutt as they have no idea of what is happening here, or if they do visit, they will not experience as much of what is on offer.

Council will promote Upper Hutt in the following ways:

- **Visitor Information Centre**

The Visitor Information Centre has been operated by Council for a number of years. It is part of the nationwide **i-site** branded Visitor Information Network and specialises in information on local events, activities and services. A land/sea travel booking service is available for long distance travel within New Zealand.

- **Activities and Events**

Council's role in city promotions includes providing advice on event management - such as marketing, growing the event by linking with others and gaining sponsorship. A small fund is available to help develop these events.

Council also manages road closures where necessary, such as for street festivals or rallies.

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- **Developing Networks**

Council facilitates a number of networking opportunities. For example, those businesses with an interest in tourism meet regularly to network and discuss matters of common concern.

- **Promoting A Strong City Image**

Council is committed to extending its role in city promotion over the next ten years. Now that progress has been made with the establishment of a Main Street programme, Council will develop and implement a new city promotions campaign. Central to this campaign will be the identification of a clear, strong image for Upper Hutt around which the campaign will focus. Council will work closely with relevant shareholders to ensure ownership and buy in.

Significant Negative Effects

This activity does not have any significant negative effects on the social, economic, environmental or cultural wellbeing of the local Community.

Level of Service Objectives and Performance Measures

Indicator	Performance Measure	Target 2006/07	Targets for Future Years
Objective	Council will provide support to local businesses by:		
	<ul style="list-style-type: none"> • Establishing strong working relationships with local & regional businesses. • Identifying and addressing business needs & opportunities. • Funding regional marketing initiatives. 		
1 ROLE	Community satisfaction with the focus of Council in supporting economic development.	80% of respondents are satisfied or very satisfied ¹	80% of respondents are satisfied or very satisfied ¹
2 BUSINESS LIAISON	Business satisfaction with liaison between Council and the sector.	85% of businesses are satisfied or very satisfied ¹	85% of businesses are satisfied or very satisfied ¹
Objective:	Council will actively promote Upper Hutt as a great place to live.		
3 PROMOTION			
3a Visitor Information Centre	Community satisfaction with services provided by the Visitor Information centre.	90% of respondents are satisfied or very satisfied ¹	90% of respondents are satisfied or very satisfied ¹
3b Promotion of City	Community satisfaction with Council's promotion of Upper Hutt	85% of respondents are satisfied or very satisfied ¹	85% of respondents are satisfied or very satisfied ¹
Objective:	Council will stimulate revitalisation of the city centre.		
4 MAIN STREET PROGRAMME	Identify a set of indicators of success for the Main Street Programme	Indicators to be identified once Main Street Co-ordinator is in place	Indicators to be identified once Main Street Co-ordinator is in place

¹ Annual Community Survey

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Works Programme	Forecast LTCCP Year 1 2006/07 (\$ 000)	Forecast LTCCP Year 2 2007/08 (\$ 000)	Forecast LTCCP Year 3 2008/09 (\$ 000)	Forecast LTCCP Years 4-10 years (\$ 000)	SOURCE OF FUNDING 2006/2007
PROJECTS					
New Promotion Campaign	0	0	32	906	Rates
CBD project	50	52	53	0	Special Funds (Property Sales)
Main Street Programme	60	52	43	68	Rates
Total	110	104	128		

Cost of Service Statement	Forecast Annual Plan Year 0 2005/06 (\$ 000)	Forecast LTCCP Year 1 2006/07 (\$ 000)	Forecast LTCCP Year 2 2007/08 (\$ 000)	Forecast LTCCP Year 3 2008/09 (\$ 000)
Operating Costs	819	803	820	869
Interest	0	0	0	0
Depreciation	2	1	1	1
Operating Income	(25)	(27)	(27)	(28)
NET OPERATING COST	796	777	794	842
Capital Expenditure	8	0	0	0
Loan Repayments	0	0	0	0
Transfers to Funds	0	0	0	0
Less				
Depreciation and Other Unfunded Items	(5)	(4)	(4)	(4)
TOTAL FUNDING REQUIRED	799	773	790	838
Funded by :				
General Rates	749	723	738	785
Loans Raised	0	0	0	0
Transfers from Funds	50	50	52	53
TOTAL FUNDING	799	773	790	838

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10 Year Financial Forecast

