



CITY OF HOBART

AGENDA

Special Economic Development & Communications Committee Meeting

Open Portion

Monday, 5 February 2018

at 4:40 pm

Lady Osborne Room, Town Hall

THE MISSION

Our mission is to ensure good governance of our capital City.

THE VALUES

The Council is:

about people	We value people – our community, our customers and colleagues.
professional	We take pride in our work.
enterprising	We look for ways to create value.
responsive	We're accessible and focused on service.
inclusive	We respect diversity in people and ideas.
making a difference	We recognise that everything we do shapes Hobart's future.

ORDER OF BUSINESS

Business listed on the agenda is to be conducted in the order in which it is set out, unless the committee by simple majority determines otherwise.

APOLOGIES AND LEAVE OF ABSENCE

- 1. CO-OPTION OF A COMMITTEE MEMBER IN THE EVENT OF A VACANCY 4**
- 2. INDICATIONS OF PECUNIARY AND CONFLICTS OF INTEREST 4**
- 3. TRANSFER OF AGENDA ITEMS..... 4**
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 - 4.1 Goodwill Agreement - North Melbourne Football Club 5**

Special Economic Development & Communications Committee Meeting (Open Portion) held Monday, 5 February 2018 at 4:40 pm in the Lady Osborne Room, Town Hall.

COMMITTEE MEMBERS

Cocker (Chairman)
Zucco
Ruzicka
Thomas
Denison

APOLOGIES: Nil.

LEAVE OF ABSENCE: Nil.

ALDERMEN

Lord Mayor Hickey
Deputy Lord Mayor Christie
Briscoe
Sexton
Burnet
Reynolds
Harvey

1. CO-OPTION OF A COMMITTEE MEMBER IN THE EVENT OF A VACANCY

2. INDICATIONS OF PECUNIARY AND CONFLICTS OF INTEREST

Ref: Part 2, Regulation 8(7) of the *Local Government (Meeting Procedures) Regulations 2015*.

Aldermen are requested to indicate where they may have any pecuniary or conflict of interest in respect to any matter appearing on the agenda, or any supplementary item to the agenda, which the committee has resolved to deal with.

3. TRANSFER OF AGENDA ITEMS

Regulation 15 of the *Local Government (Meeting Procedures) Regulations 2015*.

A committee may close a part of a meeting to the public where a matter to be discussed falls within 15(2) of the above regulations.

In the event that the committee transfer an item to the closed portion, the reasons for doing so should be stated.

Are there any items which should be transferred from this agenda to the closed portion of the agenda, or from the closed to the open portion of the agenda?

4 REPORTS

4.1 Goodwill Agreement - North Melbourne Football Club File Ref: F18/702; 17/18

Report of the Manager Community and Cultural Programs and the Associate Director Community Development of 31 January 2018 and attachment.

Delegation: Council

REPORT TITLE: GOODWILL AGREEMENT - NORTH MELBOURNE FOOTBALL CLUB**REPORT PROVIDED BY:** Manager Community and Cultural Programs
Associate Director Community Development**1. Report Purpose and Community Benefit**

- 1.1. This report proposes a formal 'goodwill' agreement between the City of Hobart and the North Melbourne Football Club (NMFC) for a two year period for the 2018 and 2019 seasons that would deliver brand, marketing, community participation and social inclusion outcomes through a number of the City's programs.
- 1.2. It is considered that the proposed agreement would provide value and community benefit for the City in the form of community activation, marketing and participation opportunities.

2. Report Summary

- 2.1. The City of Hobart has received a proposal to enter into a formal 'goodwill' agreement with the NMFC.
- 2.2. This would be a goodwill agreement separate from the City's current existing three year community partnership agreement that supports the NMFC Annual Community Camp, Next Generation in Schools program and the e-Huddle program.
- 2.3. This agreement would provide NMFC with additional access to the civic banner program in return for match day ticketing, NMFC merchandise for community members and promotional support for the City of Hobart.
 - 2.3.1. The additional banners would include the City of Hobart logo and increase the presence of NMFC and the Council's support of the club throughout the city.
- 2.4. It is noted that although there was a resolution from the Council meeting held on 23 January 2017 that the Council develop a policy and criteria to enable consistency around the consideration of future requests, this work has not been completed.

3. **Recommendation**

That:

1. ***The City of Hobart enter into a 'goodwill' agreement for the 2018 and 2019 seasons with the North Melbourne Football Club, as detailed in Attachment A to this report, with an outcome report to be provided at the conclusion of the first year.***
2. ***The 'goodwill' agreement between the Council and the North Melbourne Football Club be formalised through an exchange of letters.***
3. ***The General Manager be delegated the authority to negotiate the terms of the agreement.***
4. ***The detail of this relationship be included in the relevant City of Hobart Annual Report in accordance with the Council's policy in respect to grants and benefits disclosure.***

4. **Background**

4.1. On 23 January 2017 the Council resolved the following:

- "That:
1. The Council become a community engagement partner with the North Melbourne Football Club with a value of \$50,000 cash and \$5,000 per annum in-kind support being provided for a period of three years.
 2. The General Manager be delegated the authority to negotiate and agree to the terms of the resulting Partnership Agreement with the North Melbourne Football Club, and to execute the Agreement on the Council's behalf, noting that the Partnership Agreement is a three year grant, subject to appropriate performance criteria and annual review requirements to the satisfaction of the General Manager.
 - (i) The General Manager be authorised to negotiate a reduced family membership for each year of the Partnership Agreement.
 3. An allocation of \$55,000 be made from general reserves in the current financial year with a further allocation of \$55,000 per annum being included in the draft budget for the 2017/2018 and 2018/2019 financial years.
 4. The funding provided by the City of Hobart be recorded in the relevant Annual Reports in accordance with the Council's policy in relation to the disclosure of grants and benefits.
 5. The Council develop a policy and criteria to enable consistency around the consideration of future requests."

- 4.2. The three year engagement partnership proposes benefits to the community through a range of NMFC programs, including Community Camp, the Next Generation in Schools program and the e-Huddle program.
- 4.3. The Club has indicated its commitment to building strong relationships with the community using the appeal of sport, with a particular target audience of primary and secondary schools, sporting clubs, youth, businesses and charity organisations.
- 4.4. As part of this existing three year community engagement partnership the City provides NMFC with:
 - match day parking at the Regatta Grounds
 - installation and removal of banners at the Railway Roundabout
 - use of the North Hobart Oval and sports pavilion for super clinics at selected times of the year.
- 4.5. At the time of the development of the Community Engagement Partnership in January 2017, NMFC did not realise that the proposed partnership only included the provision of banners at the Railway Roundabout. This banner presence was much reduced from what had previously been provided through the formal sponsorship agreements.
- 4.6. The City of Hobart has now recently received an additional proposal to enter into a formal relationship with the NMFC to provide a greater presence through the City, marked as Attachment A to this report.
- 4.7. The proposed further alliance with the NMFC would ideally provide reciprocal promotional exposure, as well as value to the community in terms of community participation and social inclusion outcomes.
- 4.8. NMFC has requested additional promotional exposure through the City of Hobart civic banner program. NMFC would provide the banners and are seeking the Council's support for the installation.
 - 4.8.1. NMFC would like to extend its existing civic banner bookings during February, April, May and July each year to also include Elizabeth Mall, Liverpool Street, North Hobart and a half set of Arterial banners.
 - 4.8.2. These times coincide with the NMFC Community Camp and the three Hobart games.
- 4.9. In return for the installation of the banners, the City of Hobart would receive the following benefits:
 - appropriate acknowledgment and recognition commensurate with the value of the partnership
 - 250 tickets, split over the three matches, to use as part of the City of Hobart community ticketing program
 - 250 NMFC caps and scarves to be distributed to ticket recipients
 - three City of Hobart television advertisements to be aired on the big screen during each home game match.

- 4.10. The 250 tickets with NMFC scarves and caps would be provided to the City of Hobart for distribution to community members who may not usually have the opportunity to attend an AFL football game.
- 4.11. As part of the previous three year sponsorship deal with NMFC, a number of match day tickets were provided to community groups and organisations to distribute to community members.
 - 4.11.1. As expected, these tickets were very highly valued and disappointment from several groups when they were advised that tickets were not available for the 2017 season.
 - 4.11.2. The tickets were all distributed through community services groups who provide support to people experiencing disadvantage such as Colony 47 or through charities that support seriously ill people undergoing treatment in hospital.
- 4.12. The proposed 'goodwill' relationship with the NMFC is not contingent upon a cash investment, although there would be actual costs to the Council of \$9,982 associated with banner installation.

5. Proposal and Implementation

- 5.1. It is proposed that a formal 'goodwill' relationship between the City of Hobart and the NMFC for 2018 and 2019 be approved that would provide opportunities for a number of the City's programs in terms of marketing outcomes, advancing positive health and community participation opportunities.
 - 5.1.1. The two year term would align this goodwill agreement with that of the existing community agreement with the NMFC for 2018 and 2019 seasons.
- 5.2. A procedure would be developed to ensure that the tickets were distributed equitably through community service organisations and charities.
- 5.3. It is proposed that the General Manager be authorised to negotiate the terms of the agreement.

6. Strategic Planning and Policy Considerations

- 6.1. This initiative also aligns with Goal 5 - Governance, in the *City of Hobart Strategic Plan 2015-2025*, specifically strategic objectives:
 - “5.4.2 Promote and integrate the Council brand;
 - 5.4.3 Further enhance engagement activities with the community;
and
 - 5.4.4 Engage with the community through a variety of communication methods and marketing promotions.”

- 6.2. This initiative also aligns strongly with the Social Inclusion Strategy 2014-2019 through the provision of participation opportunities for community members experiencing disadvantage.

7. Financial Implications

7.1. Funding Source and Impact on Current Year Operating Result

7.1.1. Activities undertaken in collaboration with the NMFC arising from the 'goodwill' relationship will be met with the existing City Marketing program budget allocation.

7.1.2. The quantum of the cost of the proposed goodwill agreement would be \$9,982 in the 2017-18 financial year, associated with the installation of the requested City banners.

7.1.2.1. It is noted that the NMFC would be providing the City with ticketing and promotional opportunities with a value of \$30,500.

7.2. Impact on Future Years' Financial Result

7.2.1. It is anticipated that there would be similar costs attributed to the goodwill agreement that would be included in the budget allocation for the 2018-19 financial year.

7.3. Asset Related Implications

7.3.1. Nil identified.

8. Social and Customer Considerations

8.1. There was very positive feedback received from the community members and organisations that were involved previously in the allocation of the charity tickets.

8.1.1. These tickets provided an opportunity for members of the community who are experiencing illness or disadvantage to attend and experience an AFL football game.

8.2. There would be potential for other community programs involving community members with a disability, older people or people from multicultural communities to also participate in activities.

9. Marketing and Media

9.1. The proposal from NMFC includes three City of Hobart television advertisements to be aired on the big screen during each home game match.

- 9.2. This would provide a good opportunity to promote Council activities including Salamanca Market and the Doone Kennedy Hobart Aquatic Centre.
- 9.3. The increase in the number of banners throughout the City would also create the additional benefit in recognising the support that the City provides to NMFC through the presence of the City of Hobart branding in the banners.

10. Delegation

- 10.1. This matter is delegated to the Council for consideration.

As signatory to this report, I certify that, pursuant to Section 55(1) of the Local Government Act 1993, I hold no interest, as referred to in Section 49 of the Local Government Act 1993, in matters contained in this report.



Kimbra Parker
**MANAGER COMMUNITY AND
CULTURAL PROGRAMS**



Philip Holliday
**ASSOCIATE DIRECTOR COMMUNITY
DEVELOPMENT**

Date: 31 January 2018
File Reference: F18/702; 17/18

Attachment A: NMFC civic banner request ↓

Brief

Subject: City of Hobart – Civic Banner Contra Agreement with North Melbourne Football Club

Date: 22 December 2017

Author: Michael Moschogianis – Manager, Tasmania – North Melbourne FC

Purpose

To formally request a contra arrangement between Hobart City Council and the North Melbourne Football Club, for the provision of additional access to the Civic Banner program, in return for match day ticketing and promotional support.

Background

On 23 January 2017, Hobart City Council approved \$50,000 in funding plus \$5,000 in-kind per annum from 2017-2019 in support of a partnership with the North Melbourne Football Club (NMFC). A summary of the partnership details are as follows:

- Undertake the annual Community Camp in Hobart, including civic reception and player/coach engagement with schools, community groups and organisations, amongst other initiatives;
- Deliver the Next Generation in Schools program;
- Scope and facilitate partnerships to support the planning of e-Huddle;
- Marketing and promotions to support Community Camp and match day, specifically:
 - Provide access to the Regatta Grounds for match day parking for three games each year;
 - Provision and installation of Civic banners at the Railway Fountain (7 in total), trees in Elizabeth Street Mall and Kennedy Lane leading up to and during Community Camp and match days;
 - Use of North Hobart Oval and sports Pavilion facilities for ‘super clinics’ at selected times during the year.

During 2017 it became apparent that the civic banner presence as per above, significantly impacted on the branding and football fever within the Hobart CBD during community camp and match days. Under previous City of Hobart agreements, NMFC has access to a great deal more civic banners across the CBD at any given time.

Given North Melbourne Football Club’s, TT-Line’s and State Government’s significant investment in bringing games to Hobart (including AFLW in 2019), we would like to request access to additional Civic Banners. These banners will help to create atmosphere and bring color and excitement to the City helping to drive economic outcomes through tourism and trade.

Proposal

Term: 2 years (2018 and 2019) - in line with the remaining term of existing community partnership agreement between the Hobart City Council and NMFC.

City of Hobart:

City of Hobart will provide the following locations in 2018 and will cover the install and removal costs as outlined. The 2019 fixtures are likely to be conducted at similar times of year, but once released in October 2018, both parties will liaise on availability and costs for 2019.

February – community camp is 25-27 & match on 24 February	Install & Removal Costs	
Mall – 13 Feb to 27 Feb	\$ 890	
Liverpool St – 1 Feb to 27 Feb	\$ 500	
North Hobart – 1 Feb to 24 Feb	\$ 700	
Arterial (half set) – 13 Feb to 27 Feb (excludes cost for railway roundabout)	\$ 774	\$ 2,864
April - match on 14 April		
Mall – 24 Mar to 14 Apr	\$ 890	
Liverpool St – 1 April to 30 Apr	\$ 500	
North Hobart – 14 Mar to 30 Apr	\$ 700	
Arterial (half set) – 1 April to 14 April (excludes cost for railway roundabout)	\$ 774	\$ 2,864
April - match on 19 May		
Mall – 27 Apr to 20 May	\$ 890	
Liverpool St – 1 Apr to 20 May	\$ 500	
Arterial (Railway Roundabout only) – 1 May to 20 May	\$ -	\$ 1,390
July - match on 29 July		
Mall – 10 Jul to 29 Jul	\$ 890	
Liverpool St – 25 Jun to 29 Jul	\$ 500	
North Hobart – 25 Jun to 29 Jul	\$ 700	
Arterial (half set) – 10 Jul to 29 Jul (excludes cost for railway roundabout)	\$ 774	\$ 2,864
TOTAL VALUE OF INSTALL AND REMOVAL COSTS:		\$ 9,982

Note: NMFC will be responsible for all banner production costs.

North Melbourne Football Club:

As per discussions with City of Hobart officers from Marketing and Community Development units, access to a match day community ticketing program was highly sought after and valued by the community groups that have had access to tickets in previous years.

In return for the provision of the above Civic Banners, NMFC will provide 250 tickets (split over the 3 matches) for use at match days as part of the City of Hobart Community Bay Ticketing Program. All tickets will be allocated into one bay in the David Boon Stand at Blundstone Arena, allowing for easy access and promotion of the program. Further, all recipients of tickets will also receive a NMFC cap and scarf.

Hobart City Council will also have access to 3 match day TVC's at each match, allowing promotion of community programs, Salamanca Market and the like. HCC is responsible for the production of all TVC's.

Community Bay Tickets			
Rnd 4 vs Carlton	50	\$ 45	\$ 2,250
Rnd 9 vs GWS	100	\$ 35	\$ 3,500
Rnd 19 vs WC	100	\$ 40	\$ 4,000
Total Ticketing Value			\$ 9,750

Member Caps & Scarves			
Caps	250	\$ 5	\$ 1,250
Scarf	250	\$ 5	\$ 1,250
Total Merchandise Value			\$ 2,500
Match Day TVC (3 at each match)	3	\$ 2,000	\$ 6,000
TOTAL RETAIL VALUE:			\$ 30,500

Conclusion:

This contra agreement represents extremely good value for money and return on investment, and is a logical extension of our existing community partnership.

Further we trust you and your council see the importance of this request, as it plays a significant role in our event promotion and driving the economic benefits that the City of Hobart receive from our matches in Hobart.

For ease of reference, please see below approved artwork for the Civic Banners that were recently produced and displayed at the Railway Roundabout during 2017. Note, City of Hobart is prominently featured.

