
REPORT 3
(1215/52/IM)

WELLINGTON MARKET PROPOSAL

1. Purpose of Report

The purpose of this paper is to seek committee approval for further work on the feasibility of an arts and crafts market for Wellington.

2. Executive Summary

Work on the Council's Retail Policy¹ in 2004 identified the absence of an ongoing weekend or street market for arts and crafts as a potential gap in the retail mix of the city.

Critical success factors for such markets are that they should:

- Provide an enhanced retail offer – a strong local flavour, appropriate timing and frequency
- Have a good location – that is available, visible, accessible, and all weather
- Offer a high quality experience – the quality is managed, they are vibrant and stimulating
- Contain a critical mass of stall holders
- Have a driving force – i.e. a committed, well connected instigator
- Receive adequate promotion and management.

The Council's role in development of a market is likely to include:

- Permitting an operator to use a suitable area of public space
- Provision of seed funding or setup funding
- Assistance with marketing, promotion, and linkage to other events
- Logistical and other support

Since the earlier scoping of markets as an element of the retail mix, officers have been working with potential providers to advance the market concept. A number of possible sites have been identified, but it has not been possible to finalise a concrete proposal. There have been two applications to the then Strategic Grants Pool for a proposed market on the waterfront, and extensive discussions have been held with the applicant to develop this concept. However this application has now been withdrawn.

¹ This policy was formerly known as the Retail Strategy, but this terminology is now reserved for the Council's seven major strategies for Urban Development, Transport, Economic Development, Environment, Social and Recreation, Cultural Wellbeing, and Governance.

Further work is needed to develop a viable market. The critical success factors above are still considered valid, but more investigation is needed of the economics of a market and the feasibility of some sites. Depending on the outcome of this work, it may be appropriate to publicly advertise for expressions of interest for a private sector provider to work with the Council on a specific proposal. It is envisaged that such a proposal could apply to the Strategic Grants Funding Pool, but that the further work would be reported back to this Committee first.

3. Recommendations

It is recommended that the Committee:

1. *Receive the information.*
2. *Note the previous work on a Retail Policy that identified the potential for an arts and crafts market in Wellington.*
3. *Note the development of a Trading in Public Places Policy which recognises the use of public space for this type of activity.*
4. *Agree that officers do further work on the feasibility of a markets or markets, including:*
 - a. *possible locations;*
 - b. *financial requirements;*
 - c. *any resource consent requirements;*
 - d. *requesting, if appropriate, expressions of interest from potential providers;*
 - e. *and to report back to this Committee on the findings of this work.*

4. Background

Work on the Council's Retail Policy in 2004 analysed the retail sector and how it functioned in Wellington City, particularly in the CBD. The absence of an ongoing weekend or street market for arts and crafts was identified as a potential gap in this retail mix. This was supported by submitters on the Retail Policy, many of whom were clearly aware of examples of this type of market in other cities.

A number of critical success factors were identified for such a market, including that they:

- Enhance the city's retail offer by reflecting local endeavour and showing a strong local flavour, and operating at times and at a frequency that complements current activity. Restricted operating hours will bring energy and freshness to a market.
- Are located at sites that work well with the rest of the city, are highly visible, easily accessible (with good parking) and offer shelter to shoppers

and stall holders. People need to know that a market can take place whatever the weather.

- Offer a high quality experience by ensuring there is both consistency and change in what is offered, entertainment for shoppers, good service and high quality products. These elements need to be actively managed.
- Operate with a critical mass of stall holders that brings sufficient activity, energy and variety. A minimum number of stalls has been estimated at 80 for a CBD market.
- Need a driving force to help them get established. This is an individual or group that has the drive, commitment and connections to bring all the critical elements and key players together.
- Are promoted well, particularly early on in their operation, and are managed effectively.

A market of this type was seen as something that could add significantly to the retail offering in Wellington, and at the same time add to the vibrancy and “street energy” of the city. Intelligent use of public space for this purpose is consistent with the draft Trading in Public Spaces Policy, which is currently out for public consultation and due for finalisation in late October.

The key roles for the Council in this situation are likely to be:

- Permitting an operator to use a suitable area of public space for this purpose. Since this would result in a commercial benefit, a rental charge may be appropriate but could be waived over an initial period.
- Provision of seed funding or setup funding to enable the concept to establish itself. The Council’s Economic Development Grants Pool could be a source of this type of funding, since the criteria for applications include the economic benefit resulting from new activities.
- Assistance with marketing, promotion, and linkage to other events happening in the city (for example inclusion of the market in promotional leaflets).
- Logistical and other support such as working with a provider on street closures, resource consent applications, etc.

Direct Council involvement in such an activity is not planned since it is a commercial activity and not an area of Council expertise.

5. Discussion

Since the earlier scoping of markets as an element of the retail mix, officers have been working with potential providers to advance the market concept. The focus has been on existing sites within the CBD and on the waterfront, although the possibility of linkage to the new Arts Centre and to Waitangi Park were explored.

Some of the early sites considered for the Arts Centre had potential to incorporate retail sales for artists working on the premises. The ability to meet and talk to the actual artist who has produced the item you are purchasing remains a desirable outcome. However the site chosen for the Arts Centre, and the final concept for the centre, was not as suitable as some of the early options.

Plans for Waitangi Park include the possibility of market-type activity, although this may need to be realised in the next stage of development which could provide all weather backup. The sale of fresh produce and food which occurs there at the moment is not necessarily compatible with an arts and craft market, although these are combined in some examples elsewhere and this remains a possibility.

A number of possible sites have been identified, but there are relatively few which meet the location criterion above, i.e. with high foot traffic and shelter from the elements (or with a backup location nearby). The concept of a market is based on a low-cost space, i.e. one that can be utilised for this activity for a short time at the weekend when not needed for other activities.

There have been two applications to the then Strategic Grants Pool for a proposed market on the waterfront, and extensive discussions have been held with the applicant to develop this concept. The preferred location for this was at Queen's Wharf, with a Sunday market for approximately 40 stallholders. The most recent application to Grants Subcommittee was referred to officers for further work and presentation to the wider Strategy and Policy Committee. However this application has now been withdrawn.

Further work is needed to develop a viable market. The critical success factors above are still considered valid, but more investigation is needed of the economics of a market and the feasibility of some sites. Examples of the issues that have been raised for some sites are power connections, storage facilities for stalls and coverings, anchor points for stalls on the surface or on neighbouring building, (temporary) removal of carparks, road closure, and impact on nearby businesses.

Depending on the outcome of this work, it may be appropriate to publicly advertise for expressions of interest for a private sector provider to work with the Council on a specific proposal. It is envisaged that such a proposal could apply to the Economic Development Grants Funding Pool, but that the further work would be reported back to this Committee first.

6. Conclusion

The absence of an ongoing arts and crafts market in Wellington is seen as a gap in the retail offering of the city. To address this, the paper proposes a way forward to develop this concept to the point of a more specific proposal.

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Supporting Information

1) Strategic Fit / Strategic Outcome

This report is consistent with the outcomes and priorities of the LTCCP, particularly

Urban Development Strategy - Outcome 2: Stronger Sense of Place -

*Wellington will be a memorable, beautiful city, celebrating and building on its sense-of-place, capital city status, distinctive landform and landmarks, defining features, heritage and high quality buildings and spaces. **Outcome 9: Safer** – Wellington will be a safe place to be. Buildings, spaces and connections between them need to be well designed to make places lively and safe and facilitate contact among people.*

Economic Development Strategy - Outcome 3: More compact - Wellington central city will be the premier and most rapidly growing speciality retail, entertainment, service and knowledge centre for the region, and Wellington's thriving suburban and rural areas will offer enhanced services and lifestyle choices.

Social Strategy - Outcome 9: Safer – Wellington will offer a safe living environment. In addition to initiatives designed to promote safety in the city, safety will also be enhanced through initiatives and programmes that act to support a vibrant city with increased levels of pedestrian activity and participation in the public environment. Active building edges and spaces provide the opportunity for more people to be coming and going at all times of the day, thereby adding to the vitality and safety of the city.

2) LTCCP/Annual Plan reference and long term financial impact

This report has no immediate financial implications. It is anticipated that seed funding for a market proposal would be sought from the Economic Development Grants Pool

3) Treaty of Waitangi considerations

This report has no Treaty implications.

4) Decision-Making

This report does not require a significant decision to be made.

5) Consultation

a) General Consultation

This report does not require consultation.

b) Consultation with Maori

This report does not require consultation.

6) Legal Implications

There are no legal implications.

7) Consistency with existing policy

This report is consistent with existing policy. The Trading in Public Spaces Policy may have some impact on this area when finalised.

