

Resolution of Council

16 November 2020

Item 12.7

Tourism Accommodation Sector Support

Moved by Councillor Forster, seconded by Councillor Scully –

It is resolved that:

(A) Council note:

- (i) the tourism accommodation sector has been one of the hardest hit sectors throughout 2020, initially as a result of the catastrophic 2019/20 bushfire season and followed by the ongoing global Covid-19 pandemic;
- (ii) even prior to 2020, it was reported that Sydney hotels were suffering their worst occupancy rates in a decade, with the rate falling below 80 per cent in September 2019;
- (iii) the Accommodation Association of Australia's September 2020 Sydney Market Performance report highlighted a dramatic decline in the sector within the Sydney CBD, with the average daily room rate (ADR) down 35.8 per cent, revenue per available room (RevPAR) down 74 per cent and occupancy down 59.5 per cent to 33.9 per cent;
- (iv) on 30 March 2020, the City proposed an amended grants program at an Extraordinary Council Meeting in response to the Covid-19 pandemic;
- (v) the new grant rounds opened for applications in early April and closed on 27 April 2020 with each category heavily oversubscribed: for instance, the Small Business Grant Program had a budget of \$2 million and approximately \$28 million was requested by applicants;
- (vi) the tourism accommodation sector was largely overlooked during the City's Covid-19 grant support process, with the vast majority of tourism accommodation businesses unsuccessful with their applications;

- (vii) there are approximately 10 midscale or boutique hotels located in the Potts Point vicinity of the Council-owned Kings Cross parking station, none of which received City of Sydney Covid-19 grant relief funding and all of which are struggling to stay open and/or in business during these difficult times;
 - (viii) there are a number of midscale or boutique hotels located in the vicinity of the Council-owned Goulburn Street car park in the CBD; and
 - (ix) there are a number of measures the City of Sydney could undertake to support these businesses; and
- (B) the Chief Executive Officer be requested to:
- (i) investigate the waiver or at least a significant reduction in fees being charged by the Council-owned car parks for customers of local tourism accommodation operators in the surrounding areas; and
 - (ii) liaise with these operators to discuss other forms of support that the City of Sydney can provide during the ongoing global pandemic.

Carried unanimously.

S129260