

Hamilton Central Business Association (HCBA) SIX MONTHLY GM REPORT JULY – DECEMBER 2022



The last six months of 2022 saw the majority of the business community able to resume relatively normal operations without Covid-19 restrictions. This was a welcome relief for those sectors who have close customer contact, in particular hospitality, retail, health & beauty and events.

Challenges however, continued to exist, as businesses found a level of unpredictability in visitor numbers from the general public in their shopping and dining habits, to many employees continuing to work from home. In addition, there have been a number of increased costs to doing business; from minimum wage increases to higher sickness allowances from increased public holidays to disrupted supply chains, combined with enormous staffing challenges and the ongoing threat of criminal activity. This has significantly affected the health and wealth of the business community. It is expected the impact of the past three years of business interruption and challenges will come to fruition in 2023, which will likely see the closure of some new and established businesses.

On a positive note, the central city has continued to benefit from significant development, including the Waikato Regional Theatre, NZ Blood Donor Centre, the ACC build and the next stage of Union Square development, along with some smaller building refurbishment and refits. This obvious investment has provided a high point for the city and continues to give confidence to new business setting up in Hamilton's CBD, with approximately 50 businesses opening over the past year.

As the development momentum continues in 2023, Hamilton City Council investment in central city improvements to infrastructure and streetscape, including footpaths, lighting, signage and amenity, will ensure the city centre remains a destination for shopping, dining, entertainment and business.

EFFECTIVE OUTCOME 1 - ADVOCACY

To represent the central city business voice on issues and projects of strategic importance to the central city.

1. Submissions:

- HCBA submitted to the Creative Communities Fund in support of the Hamilton Arts Festival.
- HCBA submitted on the Hamilton Urban Growth Strategy for central city, transport corridors and greenfield residential.
- HCBA have provided feedback on the process for opening a hospitality venue in the CBD and the development of an online system.
- HCBA completed the Te Waka business sentiment survey.
- HCBA interviewed for feedback on the proposed Local Alcohol Policy.
- HCBA submitted to the Creative Communities Fund and Manatū Taonga Cultural Sector Regeneration Fund in support of the Boon Street Art Festival.
- HCBA submitted to the Aged and Accessibility Policy for Council to support central city development.
- HCBA provided feedback to the draft Hamilton Parking Policy.
- HCBA provided a transportation submission for Waikato Regional Council.

2. Central city

- HCBA lobbied for additional seating to be added to the gravel area in Garden Place. These were repurposed from the Innovating Streets furniture and installed in July.
- HCBA has supported the installation of a hangi pit in Garden Place, to be able to be utilised by business and community groups after successful usage during Matariki Ki Waikato.

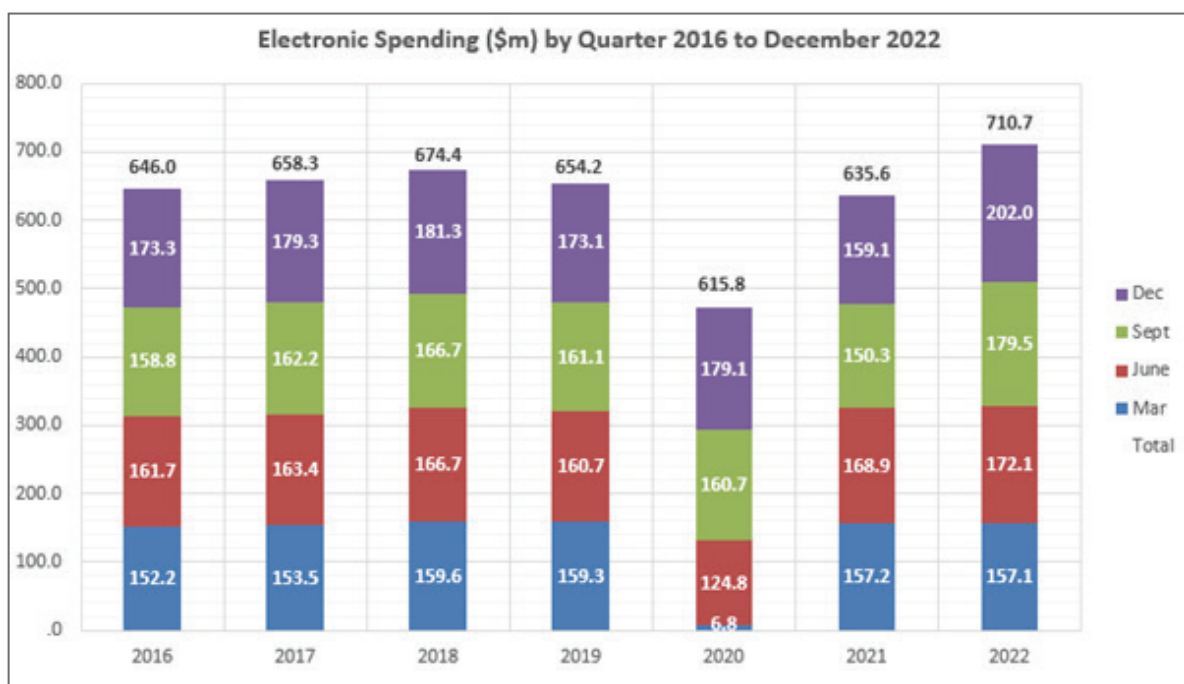
- HCBA provided feedback to the development of the central city design guidelines.
- HCBA attended the Council's Growing Our City Developers Forum at Hamilton Lake.

3. Commercial and residential development

- HCBA held two 'sold out' development tours in conjunction with NAI Harcourts which included visits to the Tower Building above Centre Place, the converted Ward Lane luxury apartment, Designwell, Novotel & Ibis Tainui, Edwards White Architects and Bettle Advertising. This was extremely well received with incredible feedback from participants.
- After the success of these two commercial 'behind the scenes' tours, HCBA is working with NAI Harcourts on a tour of North end town developments to launch in March.

4. CBD trends

CBD spend data

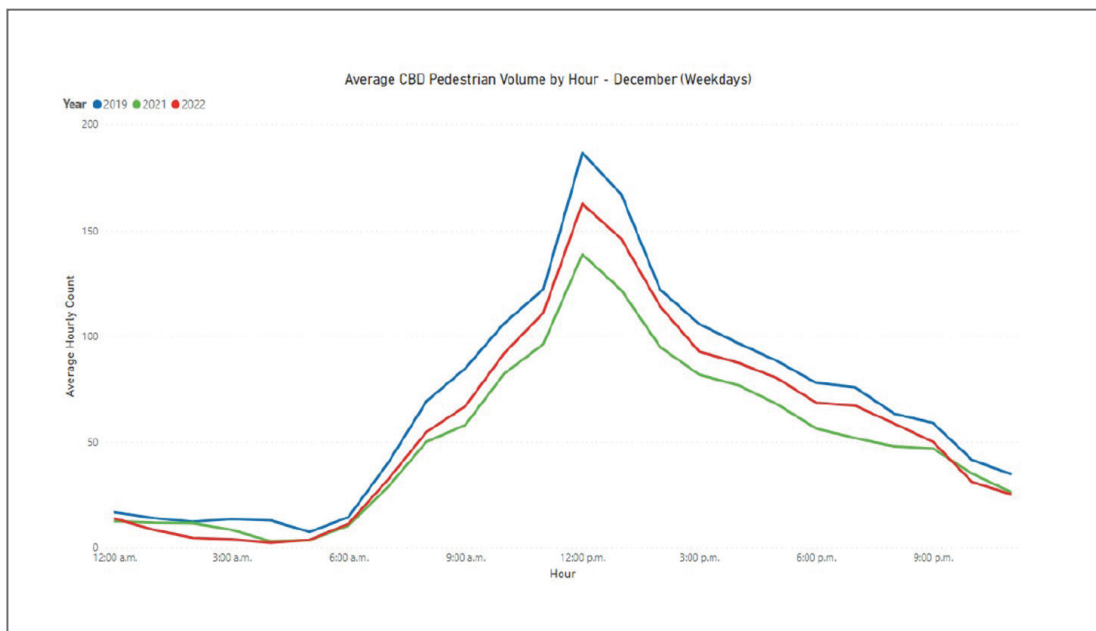


- Spending in the Central City Zone reached record nominal levels for the December Quarter, up 27.0% from December 2021 and the highest annual spend on record.
- This was, similarly to the rest of Hamilton, led by a rebounding Accommodation and Hospitality sector, which was up 87.9% from the same quarter last year.
- Note that the 2022 Accommodation and Hospitality spending was only \$0.2 million up from 2020, hence this should be viewed as a rebound and not growth in this sector.
- In alignment with the Hamilton region, the leading sector in terms of year-on-year growth was the Fuel and Automotive sector, up 51.4% from December 2021.
- It should be noted that inflation will be a factor in this increased spend, with average transaction spend increased by \$3, with spending in the Fuel and Automotive sector rising by \$9 per transaction.
- In terms of the distribution of those who spend in the CBD, Local Hamiltonians made up 60% of the total spend, those from the rest of the Waikato region made up 27%, and those from outside the Waikato region accounted for the final 13%

- The number of Accommodation and Hospitality vendors decreased by 11 to 181, the lowest number on record, additionally, Apparel and Personal reduced by 2 vendors and Grocery and Liquor by 3 vendors.
- Although this is a positive end to 2022, it should be noted that recession impacts are expected to be prevalent in 2023, which will likely see spending shift towards necessary goods and services and away from luxury goods and services.

CBD pedestrian data year ending December 2022

- Pedestrian counts across most locations have increased in 2022 compared to 2021 (up 9.6%).
- Overall, the number of people moving around the CBD is still down on 2019 (pre Covid) numbers. However some locations are doing better, weekdays most noticeably Alexandra Street and South Victoria Street (Union Square & Waikato Regional Theatre development areas) and on weekends it is the shopping areas Barton St, Ward St, Worley Pl, south Victoria St, Collingwood St and Alexandra St.
- Weekends are almost the same as pre-covid levels - it's just the weekdays where we have less foot traffic, particularly in the midday and afternoon peak times.



CBD retail occupancy survey (CBRE Research & NAI Harcourts)

The retail vacancy rate decreased marginally from 5.6% in December 2022 to 5.5% at the end of June 2022. Figures to end of December have not yet been released, however it is anticipated the vacancy figure will rise in response to current market conditions.

CBD office occupancy (CBRE & NAI Harcourts)

Office vacancy increased from 7% to 8.5% to the end of June 2022. Stable in grade A stock at 3.1% with the majority impact in secondary stock mainly in grade B and D. It is again anticipated that the vacancy figure will rise when the December 2022 data is released.

5. Central city safety and wellbeing

HCBA are working with the Crime Unit of Waikato University on a research project

“Preventing Ram Raids” to be completed over Summer 2022/23. HCBA has provided an assessment of 220 retailers as high, medium or low risk and will work with the team to approach high risk businesses to participate.

6. Buying local

HCBA has continued to run the Love the Centre brand with giveaways, promotions and city centre branding throughout 2022. Lovethecentre.co.nz will continue to be utilised for event promotion for the central city.

EFFECTIVE OUTCOME 2 - COLLABORATION

To contribute and collaborate on projects that support the CBD business economy.

1. Economic development initiatives:

Marketing Association

HCBA attended a small business evening, providing marketing initiatives and ideas at the ASB Backing Small Business event held at Panama Square.

Soda

HCBA provided pitch feedback to Rise-up Entrepreneurial shortlisted entrants. HCBA then attended the Rise-Up event held by Soda, a fantastic evening of female entrepreneurs recognised with the winner, Finery, receiving a \$10,000 cheque for international expansion.

BIDs

HCBA successfully hosted 40 BIDs (Business Associations, Town Centres and Town Managers) from around the North Island for a one-day conference in Hamilton. The agenda was heavily dominated with the sharing of successful ideas and projects, guest speaker Jason Dawson presenting on Air NZ and an evening showcasing Hamilton's CBDs. An incredibly beneficial event that will continue and be moved to another location in 2023.

HCBA is working with HCC to consider proposed BID changes including a revenue increase of existing members via an acceleration amount, a BID expansion area to include all business in the HCC CBD boundary and an additional BID for businesses in Hamilton East. All considerations would need to be ratified via the HCBA AGM in August 2023 to be submitted to Council by the December deadline for the annual plan 2024.

NIB Insurance Partners

HCBA has been working with Vahry Insurance around an insurance offering for businesses in the CBD who have between 5-15 employees. This opportunity would provide businesses with an additional recruitment and retention incentive by providing a Group Scheme Cover offer to employees (and families) paid by the organisation. HCBA will benefit from a referral fee for any businesses that sign up. HCBA and Vahry will present this to the business network on 10 March in Panama House, where businesses will be invited to come down for a 'Business Warrant of Fitness' check. Day contributors will include NIB, Vahry Insurance, Maisey Harris & Co and Craigs Investment Partners.

CBD Award Winners

HCBA worked with Moving Media on the creation of a three-minute promotional video of the central city featuring the CBD Award winners from 2022. This has been provided to economic development agencies, Hamilton Waikato Tourism, the media

and HCBA to showcase the CBD business community.

Neat Places

The 6th edition of Neat Places has been completed, featuring Found Store on the cover, with an additional 32 businesses profiled. Neat Places has been distributed throughout the central city business community, including hospitality venues, accommodation providers, tourism providers and supplied to major events & conference attendees. In addition, Neat Places and HCBA have showcased profiled businesses on social media channels.

New Businesses

HCBA facilitated, with assistance from NAI Harcourts, an Auckland spice wholesaler to move operations to the CBD. This has been set up as a sublease to the existing Hazel Hayes site on Victoria Street, not currently operating as a retail sale base, but hoping to upscale over the next 6-12 months.

HCBA has welcomed and promoted 23 new businesses into the CBD over the past six months (July – December 2022). Full list of businesses in appendix 1.

Matariki

HCBA created a Matariki star guide activation for Matariki Ki Waikato in 2022, including storytelling, graphics, a tour map and collaboration with seven local business. HCBA has added to this resource with the production of an audio tour to enhance the experience.

HCBA has called out to businesses for expressions of interest in creating a Matariki event for the Matariki Ki Waikato programme 2023. HCBA discussed the idea around creating an event showcasing the ‘Rising Stars’ of the CBD, focusing on talented young people in fashion, jewellery, hospitality, hairdressing and art, where an invited guestlist could come along to a collaborative evening featuring people and products. Planning will continue in 2023.

CRM Database

HCBA is working with Cloudland on the development of a CRM to include all existing databases, communications and promotional opportunities via a centralised dashboard. This commenced in December 22 and is expected to be completed in early/mid 2023 for CBD businesses and property owners.

2. Partnership and networking opportunities

- HCBA soft launched the Waikato Berry Festival to the central city hospitality sector in November 2022. A limited number of venues profiled ‘berry’ specific dishes.
- HCBA, H3 and HWT co-hosted a FIFA event for the business and tourism operators in advance of the FIFA tournaments to be held in Hamilton in 2023.
- HCBA hosted the CBD Progressive Dinner highlighting six hospitality venues in the central city, which was a ‘sold out’ event. Due to the ongoing success of this event, it will now be held bi-annually in March and November.
- HCBA attended the Property Council awards at the Atrium.
- Social Business conducted from June to December in table below:

DATE	VENUE
30 June	Red Bricks – Momentum Share the Stage – COMPLETE
20 July	Union Square Collab with Property Council – COMPLETE

DATE	VENUE
21 July	Development Tour - COMPLETE
29 July	Development Tour - COMPLETE
15 August	Sustainability Event - Hamilton Waikato Tourism and HCC - COMPLETE
31 August	BIDs Conference - Panama Square - COMPLETE
21 September	AGM - Craigs Investment Partners COMPLETE
12 October	HCBA Awards COMPLETE
17 November	Police Crime Prevention Seminar, Genesis Building - COMPLETE
22 November	FIFA MEMA Event with H3 and Hamilton Waikato Tourism - COMPLETE
14 December	HCBA Christmas Function - Patrons Bar Hood Street COMPLETE

3. CBD safety initiatives

- HCBA meets monthly with Senior Sergeant Scott Miller regarding police action and initiatives within the CBD.
- HCBA facilitated the Police to be at the Hamilton City Council Neighbourhood Day.
- HCBA attended the Retail NZ & Police crime prevention webinar - HCBA provided a summary of material to central city retailers.
- HCBA met with Community Safety Patrols of NZ to discuss safety plans for the city.
- With the ongoing issues of ram raids and burglary affecting the retail sector, the hospitality sector and beyond, HCBA provided an evening for businesses to attend with the Police at the City Safe offices (in the Genesis building) and the opportunity to see the central city camera network in operation. Although a small turnout, the evening provided some key information for businesses and the opportunity to ask questions directly to the Police. As a direct result of this event, a retail Viber group has been initiated for retailers providing a safe space to share information and images.

4. CBD accessibility initiatives

HCBA provided feedback on the Age Friendly Action Plan for implementation in 2023.

5. Ambassador Programme

Resuming in 2023, Hamilton Waikato Tourism will again be facilitating the course, having been funded by NZ Tourism to provide free for a limited time to attendees. HCBA has met with HWT to work through the course outline. HCBA encourages all elected members to participate in the programme.

6. Executive Committee

The AGM was held in September and the following Executive Committee was voted on:

- Dwight Egelhof - Craigs Investment (Chair)
- Mike Neale - NAI Harcourts (Treasurer)
- Connie Chittick - Waikato Regional Council
- Julie Ashby - Wintec
- Alicia Platje - Precious Metals Hamilton
- Abby Camp - Novotel Tainui

- Fabian Pathirana – Spark Business
- Craig Loveday – Ernest
- Chelsea Fleetwood – Body Fit Training Hamilton CBD
- James McIlvar – Tainui Group Holdings
- Rory McKenzie – Maisey Harris & Co

7. Governance roles and responsibilities

HCBA Governance:

- People's Project
- Safe Zone
- Embassy Park Working Group

Contributor to:

- Aged/Accessibility Friendly City Group
- Waikato Film Office, Boon Street Art Festival and Nourish Magazine
- Council plans for safety, transportation and central city
- NZ Mentor – mentoring a clinical nutritionist from January – December 2022
- Soda Inc panel member until December 2022

EFFECTIVE OUTCOME 3 – PROMOTION

To promote the CBD as a bustling, active, innovative, vibrant place that offers exceptional businesses and experiences.

1. Social media engagement

HCBA is considering a Tik Tok proposal for 2023 to highlight businesses and offerings in the CBD. This will be branded under the Love the Centre brand.

Facebook Page Followers: 44,642 - Instagram Page Followers: 3,069 - New Followers: 892

A snapshot below of Social Media Posts that include promotion of special deals, events, giveaways, new businesses, product offers.

New Businesses

- Family Garden Centre – reach 43.6K | comments 771| shares 33
- Up In Smoke – reach 23.4K | link clicks 356
- El Mexicana Restaurant – reach 35.2K | comments 567 | link clicks 705
- Razzle Dazzle Cakes – reach 17.5K

Giveaways

- \$100 Bank Bar & Brasserie voucher – reach 12.K | 398 entries
- School Holiday Activities in the city \$100 voucher giveaway - reach 11.6K | link clicks 3.6K

Events

- All Black Fan Zone event in Garden Place – reach 15K
- Halloween in the City - reach 31.4K | link clicks 162 | shares 109
- CBD Award Winners - reach 9.8K / post clicks 2.5K
- Festive Fun in Garden Place – reach 19K
- Garden Place Movies – reach 29.5K

Business Profiles

- Stuff article - Hart Jewellers Lynley & Clive Hart retiring – reach 16K

- Trek n Travel celebrating 25 years - reach 16.8K | post clicks 225
- Business Showcase Reel - Hanrad Bespoke Rugs - reel 4655
- Flex on Demand (Book it for a buck) - reach 24.7K | link clicks 356 | shares 58
- Kushi Korean Restaurant buffet announcement - reach 50.3K | comments 1.1k | 33 shares
- New Menu at Mexico - reach 29.4K
- Trade Aid 30% off baskets - reach 16.8K | post clicks 1.1K

2. Sector specific initiatives

Sustainability

- HCBA in partnership with Again & Again clothing consignment retailer, have signed off a design for a living footpath sign. This is expected to arrive in early 2023 and is hoped to inspire other businesses to look at similar sustainable signage opportunities.

Tech

- HCBA is looking at the technology potential for maximisation of private inner-city carparks with key developers. This could include better utilisation of day and night parks to cater to different sectors of the business community.

Retail

- HCBA attended the NZ Property Council Retail Conference in Auckland in November, which provided useful insight into retail trends now and in the future. The emphasis on retail is creating more than a shop offering, by looking at opportunities to provide meaningful experiences. The ongoing issue of retail crime was also a key discussion point.

Hospitality

- HCBA is continuing work with Hamilton Waikato Tourism on the development of a Berry Festival for the region. With a view to keeping it small this year, a number of CBD businesses provided a 'berry offering' that was promoted in November. It is intended to further develop the Festival opportunity in 2023.
- HCBA is working with Hamilton Waikato Tourism on a 'Mark of Excellence' brand of the hospitality sector. This is currently under development.

Arts

- The Women's Rugby World Cup hoarding was installed on Victoria Street as a promotional tool for the rugby event.
- HCBA has worked with the Boon Street Art team to provide tours of artworks - two tours are in place for October.
- HCBA attended the launch of the Hamilton Arts Festival and Boon Festival.

3. Profile raising activities

- HCBA interviewed by Stuff, NZ Herald, Waikato Business News and Free FM about the CBD Awards.
- HCBA interviewed by Stuff on ramraids.
- HCBA met with Stuff to discuss potential business stories, including businesses in the central city that have existed over 50 years.
- HCBA had Hood Street Bistro (formerly Momento) profiled on Stuff.
- HCBA interviewed by News Hub and Stuff on Waikato Economic Recovery.
- HCBA interviewed by Stuff for opinion on Hamilton to Kirikiriroa name change, with the article also featuring in Economic Development NZ newsletter.
- Interviewed by Stuff for article on new businesses opening in the CBD.

- HCBA judged round one of the TVNZ Marketing Awards held in Auckland.
- HCBA interviewed on Free FM.
- HCBA attended the University of Waikato Distinguished Alumni event.
- HCBA interviewed by NZ Management + Marketing Magazine on the CBD Awards.
- HCBA interviewed by The Breeze morning radio on the CBD Awards.
- HCBA interviewed by Waikato Business News on the CBD Awards.
- HCBA interviewed by Hamilton Press on the CBD Awards.
- HCBA interviewed by Denise Irvine for Stuff column supporting Trek n Travel's 25 years in business.
- HCBA competed a series of questions for Jack Tame Q & A to Hamilton West candidates.
- HCBA interviewed for Stuff on retail crime.
- HCBA was interviewed by Free FM for a 30 minute programme on all things CBD.
- HCBA interviewed by Stuff on Christmas shopping.
- HCBA interviewed by Stuff on crime in the city.
- HCBA interviewed on Free FM every month to discuss happenings in the CBD.

4. Public space activation

HCBA has had the funding signed off for the next three years to undertake activation in public spaces in the CBD. A number of events over the six months July - December 2022, were impacted by the weather resulting in postponements and cancellations.

OCTOBER

Neighbourhood Day, Garden Place, 1-4pm, 8 October

HCBA supported with Electrify e-bike rides, live music on the stage and Enchanted Disney characters.

Movies in the Park, Garden Place, 6-9pm, September & October

HCBA supported Atticus American Treats to put on outdoor movies in Garden Place with Enchanted Disney characters.

NOVEMBER

Gumboot Friday

HCBA developed a 5km central city walk event in gumboots and completed this with staff from Craigs Investment Partners on 4 November 2022.

DELAYED EVENT Halloween Movies, Garden Place, 12-10pm, 5 November

HCBA arranged outdoor movies, bands on the stage, Boon Street Art tours and a Lime Scooter Scavenger Hunt.

Round the Bridges, Garden Place, 8-12pm, 13 November

HCBA sponsored the 6km event and presented the prizes at the prize giving ceremony following the race. This was a sell-out event.

Glow Ride & Rave, Garden Place, 12-9pm, 19 November - Postponed to February the Hamilton Arts Festival due to weather.

HCBA supported the postponed dance battle in Civic Square, Pops Games and Enchanted Disney characters (originally scheduled for Neighbourhood event date of 1 October).

Boon Street Art Festival, 25-27 November, central city & Dinsdale, November

HCBA sponsors and supporters of the event.

Christmas Tree Lighting, Garden Place, 26 November – Cancelled due to weather.
HCBA tree and activity sponsors.

DECEMBER

First Credit Union Christmas Parade, Anglesea Street, 4 December
HCBA sponsors and parade contributors.

Market Day, Casabella Lane – 10-4pm, 10 December – this may move to the library and Garden Place, as a wet weather contingency
HCBA sponsors and organisers.

Christmas in CBD 19-23 December
HCBA have organised facepainting, Disney characters and Christmas activations supporting CBD Christmas activity.

JANUARY/FEBRUARY 2023

HCBA are working with the Rugby 7s, Chinese Lantern Festival, Hamilton Arts Festival and FIFA Pre-tournament events for 2023.

5. Advantage Club

HCBA produce a fortnightly update to Advantage Club subscribers which includes CBD events, news, special deals and the latest business openings with two lucky subscribers each month winning a \$50 voucher from a central city business.

- December 2022 winners received \$50 vouchers for Nice Studio Ward Street and Penang Street Food voucher on Victoria Street.
- November 2022 winners received \$50 vouchers for Again & Again and Wild Flower on Alexandra Street.
- October 2022 winners received \$50 vouchers for Up In Smoke (Centre Place Dining Lane) and Patrons Brewing on Hood Street.
- September 2022 winners received \$50 vouchers for Family Garden Centre and El Mexicana voucher on Victoria Street.
- August 2022 winners received \$50 vouchers for Escapist on Bryce Street and Alba Beauty on Collingwood Street.
- July 2022 winners received \$50 vouchers for the Escape HQ on Liverpool Street and Heidi Christian Hair in Casabella Lane.

6. CBD Celebration awards

The CBD Awards provided a fabulous opportunity for businesses to be recognised and celebrated with their peers.

At the beginning of the evening, with the weather holding to an ambient temperature, guests were treated to a live jazz band in the Ferrybank Park, while enjoying a Good George cocktail. The development highlight was the Ferrybank Park expansion with the demolition of the Municipal Pools.

The main CBD Awards were held at The Meteor theatre across the road, sponsored by Spark Business and supported by Mediaworks. This was definitely a highlight awards evening, with the Meteor transformed into a formal space and a range of attendees from the business community, through to key stakeholders. With a record-breaking number of entries, it was incredible to see business engagement across such a broad range of sectors and Kelvyn Eglinton was superb as MC. The evening was a great success and certainly reinforced the need to continue with a CBD annual award offering.

There was a significant amount of press coverage pre awards with articles in Stuff, the Herald, NZ Business + Management Magazine and Waikato Business News. Post awards media activity continued with coverage in Stuff, Waikato Herald, NZ Business + Management Magazine, Waikato Business News, Glo-Box and Mediaworks radio stations.

Dwight Egelhof - Craigs Investment Partners
Chair HCBA
December 2022

APPENDIX ONE

NEW BUSINESSES JULY 2022 – DECEMBER 2022

Retail – 6 | Health & Beauty – 4 | Professional – 2 | Hospitality – 11

Total – 23

The Crust Pizza Bar – 27 Collingwood Street

Swallow in the City – 109 Ward Street

Hood Street Bistro – Corner Victoria and Hood Street (Refurbishment)

Hello Rosie – 9a Casabella Lane

El Mexicano Zapata Mexican Cuisine – 211 Victoria Street

Natures Spa – Casabella Lane

Legacy Funerals – 513 Anglesea Street

Patrons Brewing Co. – 29a Hood Street

Nice Studio – 1 Ward Street

Jacz Gastro Pub – 391 Victoria Street

Up in Smoke – 45 Bryce Street

Golden State Coffee – 4 Thackeray Street

Wild River & Co Floral Studio – 130 Alexandra Street

Little Split P – Preloved Kids Stuff – Cnr Victoria & Liverpool Street

Penang Street Food – 941A Victoria Street

The Crate Flexible Office Space – 526 Victoria Street

Rabbit Tea – 103 Alexandra Street

SS Hair Design – 36 Ward Street

Maple & Co Hair Salon – 125 Ward Street

Lois Ryan – 4/384 Victoria Street

Rebecca O – 313 Barton Street

Razzle Dazzle Cakes – 148 Ward Street

Mindwell – Life Change Consultant – 24 Garden Place