

Hamilton Central Business Association (HCBA) SIX MONTHLY UPDATE JANUARY – JUNE 2022



Hamilton Central
Business Association

1.0 INTRODUCTION

We saw an unfortunate start to the new year when New Zealand went into the red traffic light system at 11.59pm Sunday 23rd January 2022. This had an enormous impact across all business sectors, in particular, hospitality, retail, events and tourism sectors operating with a number of restrictions and enforced spacing requirements around office workplaces.

The knock-on effect saw vibrancy in the central city significantly reduced with an immediate downturn in pedestrian counts. Businesses were quick to react, organising staff into bubbles allowing some footfall to come into the city and supporting sectors that were reliant on pedestrian traffic.

Some excellent initiatives implemented to support local business included:

- In-house business meetings being catered by local hospitality venues
- Staff vouchers being provided to spend at local businesses
- Business people coming into town to host meetings at hospitality venues
- Hospitality treats being delivered to staff at home
- Sharing and shout outs, business to business on Instagram and Facebook
- Outdoor CBD walking meetings by utilising the 2km and 5km CBD walking maps created by HCBA.

Although the first quarter of the year was blighted by the 'red light' setting, it was heartening to see overall CBD spend in the first quarter remained on par with the first quarter of 2021. The ongoing restrictions of the traffic light framework, Covid-19, staffing shortages and disrupted supply chain have continued to impact business in the first six months of 2022, which looks set to continue for some time. The move to orange setting in mid-April marked a significant come back for the central city, with pedestrian counts rising to 90% of 2021 figures, night life opening back up and major events returning.

2.0 ADVOCACY

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

2.1 General

HCBA have provided ongoing updates to the business community, ensuring regular communications during lockdown periods, communicating alert level changes, framework requirements and availability of Government support. HCBA has continued to be available to businesses to assist with information, promotion and advocacy opportunities.

HCBA sent 11 newsletter updates to 1154 subscribers between January and June 2022.

2.2 Submissions

- HCBA have continued to work with the Restaurant Association, Hospitality Association of NZ, Heart of City and Council supporting the extended dining proposal submitted to the Ministry of Justice. HCBA has also worked with the local media to provide commentary on how this would benefit the hospitality sector. In addition, HCBA has worked alongside hospitality providers looking to increase their outdoor dining space under the current process to better understand the necessary steps, timeframes and costs associated with an application.
- HCBA advocated for a 50% reduction in Verification Fees for the hospitality sector for April, May & June that was successfully implemented by Council.
- HCBA has resubmitted a proposal to the Transportation Team for consideration

around the creation of a public ‘end of destination’ bike facility to be located within the central city.

- HCBA provided a submission to Council on the Parks & Gardens survey.
- HCBA submitted to Council on the proposed GFA modification for developers. HCBA was not in support of including awnings as part of the GFA for DC’s to be charged.
- HCBA attended an Our Hamilton virtual event showcasing the ongoing development of the city.
- HCBA provided a submission on the useability of Councils website.
- HCBA attended a presentation on public space furniture.
- HCBA lobbied for the removal of the palms at the Victoria Street end of Garden Place, which were removed during May. HCBA has proposed some further seating options to be explored for the area.

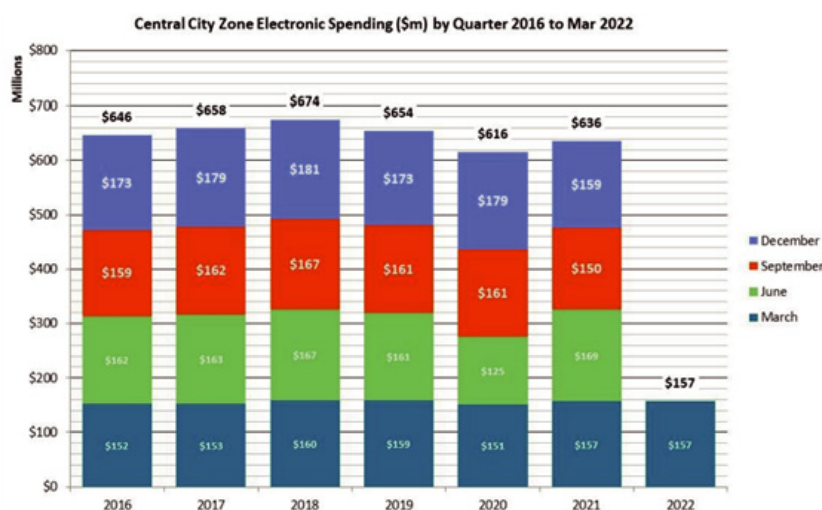
2.3 CBD trends

The first quarter of 2022 showed CBD spend on par with the first quarter of 2021, however the full impact of reduced spending during the red light setting in quarter one is expected to be realised in quarter two’s CBD spend results.

Although CBD electronic transactions in the first quarter of 2022 are less than 2021, the overall spending per transaction has increased.

Pedestrian counts have been slowly increasing since the beginning of the year, peaking in May during school holidays where numbers reached, were to within 95% of the 2021 comparative period. Pedestrian numbers are sitting around 85-90% of 2021 numbers and expected to remain at this level as flexible working arrangements continue.

Chart 3 – Value of Hamilton CBD Electronic Spending by Quarter 2016 to Mar 2022



2.4 Commercial and Residential Development

Retail vacancy rates remain low at 5.6% which is positive for the central city. However, there is an increasing trend toward some retail and hospitality venues seeking month by month and shorter term leases, which will likely see the vacancy rates rise in the mid-year survey.

The number of businesses operating in the central city remains high, with very few COVID-19 related closures at this stage and ongoing high commercial demand for business premises. There is strong development underway in the CBD and commercial enquiry has continued to be encouraging, particularly with professional services. There

is increasing demand for smaller spaces to accommodate single person office space, which is particularly encouraging for shared spaces and buildings with multiple tenancies. 31 new businesses have opened in the central city from January to June 2022 (appendix 1).

There continues to be a significant amount of development and redevelopment underway in the central city and while construction projects have been able to continue in the CBD throughout the red light restrictions, there has been an increasing issue with limitations on building supplies and rising material costs. HCBA continues to work with the development sector to showcase and support new builds and renovations in the CBD.

The significant construction projects occurring continue to take shape and will add positively to the ongoing vibrancy and quality of the CBD. These include the Waikato Regional Theatre, Tainui's ACC Build, Union Square, NZ Blood Centre, the redevelopment of 820 Victoria Street, earthquake strengthening and redevelopment of 341 Victoria Street and the internal refurbishment of the ANZ building on the corner of Victoria and Bryce Streets.

3.0 COLLABORATION

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

3.1 Economic development initiatives

HCBA has assisted new businesses coming into the central city through networking and promotional opportunities. This has included strong support from local media, highlighting business entry in different sectors, including hospitality, retail and professional services.

3.2 Central City Safety and Wellbeing

HCBA continues to hold monthly meetings with the Police and report feedback from the business community. There have been ongoing incidences of 'smash & grab' activity and the ongoing issue of ram raids. HCBA have worked alongside the Police to provide audits of business premises and recommendations for methods to secure business premises.

HCBA attended the first Safety Working Group meeting with the Mayor, Police and local organisation representatives to create and action a safety vision for Hamilton.

3.3 Buying Local

HCBA with Hamilton Waikato Tourism and Neat Places, implemented a Hamilton specific campaign in early February on their social media channels, highlighting things to do and places to see in the central city. This had positive nationwide traction and HCBA re-ran the campaign during February and March ensuring local coverage. In addition, HCBA partnered with Hamilton Waikato Tourism on a 'buy local' billboard campaign, which ran during February and March based on the 'buy local' 2020 campaign.

3.4 BIDs

HCBA has been attending ongoing zoom meetings with the Auckland BIDs to support one another during the changing alert levels, lockdowns and traffic light framework. This has provided a beneficial forum for the generation and sharing of ideas throughout the challenge of conducting business at this time. In addition, HCBA attends ongoing zoom meetings with wider North Island town centres and business associations. HCBA will be hosting a BID Conference in August 2022 for North Island Mainstreets, Business Associations and Town Centres.

4.0 PROMOTION

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

4.1 Social Media Engagement

Social media engagement has gone from strength to strength over the past year, with numerous promotions of new businesses and CBD activity being profiled. The HCBA Facebook & Instagram audiences continue to grow, reaching nearly 50,000, with more and more businesses utilising HCBA to promote their activities.

4.2 Marketing & Promotion

HCBA launched a 6 weeks of Specials in the CBD campaign, with a number of businesses running new specials and promotions specifically for this campaign. This has had fantastic engagement from the public and included meal & drink deals, hair & dental offers, health programs, escape room discounts, electric bikes, eyewear, photography, art and more! It was gratifying to see a number of organisations getting behind supporting CBD activity with the sharing of these promotions via the Waikato Chamber of Commerce, Waikato Property Council, Soda Inc, Panama and Hamilton City Council.

HCBA in collaboration with HCC launched the Love the Centre, a joint campaign between Hamilton City Council and HCBA. The campaign commenced mid-April (school holidays), running until the end of July and is focused on encouraging audiences to reconnect with the city centre and showing it some love. Key audiences targeted include businesses, workers, students and locals. It has been wonderful to see the brand gaining traction around the town on Glo Box billboards, the back of buses and throughout the media. The Love the Centre campaign included branding, advertising, promotions and incentives to remind people of what there is to love about our central city!

4.3 Advantage Club

The CBD advantage club newsletter is a fortnightly update that includes events, CBD news, special deals and the latest business openings. We also have a monthly draw where two lucky subscribers each win a \$50 voucher from central city businesses.

- February 2022 winners received \$50 vouchers for Kushi Japanese Restaurant on Alma Street and Bull & Bear Restaurant on Victoria Street.
- March 2022 winners received \$50 vouchers for Mediterranean Kitchen and Daikoku Japanese Restaurant on the Bryce Street Dining Lane.
- April 2022 winners received \$50 vouchers for the Mercury Room and Craft on Hood Street.
- May 2022 winners received \$50 vouchers Journey + Co and Pro Style Hair on Princes Street.
- June 2022 winners received \$50 vouchers Confinement and Game Centre in Garden Place.

4.4 CBD Celebration awards

The CBD Celebration Awards, like so many other events in 2021, were unable to proceed due to COVID-19 restrictions, however after postponing the event three times, HCBA decided to proceed with a modified event, with the maximum 100 person gathering limit as per the restriction of the red traffic light framework. In addition, HCBA put together a media campaign to recognise the CBD Award winners for 2021. It is always inspiring to see the high calibre of businesses who enter the awards and an honour to be able to recognise and celebrate them. It was disappointing not to be able to hold our CBD Awards night as in previous years, however we were grateful to be able to raise a glass in acknowledgement of our place getters at Ernest Lounge Bar and to have the support of our major sponsors, Spark Business and Mediaworks.

The evening was a significant departure from previous award evenings, however HCBA

received numerous emails of appreciation from businesses after the event and award winners were well profiled by local media. The CBD awards received the highest amount of pre and post publicity from the media, providing significant value to sponsors Spark and Mediaworks.

4.5 CBD Profile Raising Activities

HCBA has continued to be well supported by the media with the central city attracting a significant amount of publicity over the past six months. This has included:

- HCBA interviewed by Free FM for monthly CBD catch-up.
- HCBA interviewed on 'outdoor dining' for Stuff.
- HCBA interviewed by NZ Herald on businesses coping with Omicron
- HCBA interviewed by Stuff on businesses coping with Omicron
- HCBA interviewed by Free FM for monthly CBD catch-up.
- HCBA profiled in attending the Unveiling of Riff Raff at the Waikato Museum
- HCBA interview by Stuff on 'the plight of hospitality' and attended a photoshoot
- HCBA interviewed by the Waikato Herald on 'Ongoing Red Restrictions'
- HCBA completed article on CBD Awards for NZ Management & Business
- HCBA interview with Waikato Business News on CBD Awards
- HCBA interviewed by Stuff on CBD Awards
- HCBA interviewed by Waikato Herald on CBD Awards
- HCBA interviewed by The Breeze on CBD Awards
- HCBA interviewed by Stuff on the Te Awa River-ride being branded a "Great Ride"
- HCBA interviewed by Stuff on 'Return of Rugby Crowds to Waikato Stadium'
- HCBA interviewed by Stuff on 'Relaxing of red Restrictions'
- HCBA has continued to enjoy support from Stuff through the Love the Centre campaign, with further articles throughout April, May and June.
- HCBA has enjoyed support from the Waikato Herald with articles supporting the Love the Centre campaign.
- HCBA is working with Stuff to profile businesses that have recently moved into the CBD. This has become an ongoing series.

4.6 Public space activation

Activations and events continued to operate in a highly restrictive environment for the first four months of the year. This has resulted in event cancellations, postponements and modifications to the original event calendar. Event activity has included:

- After the change to orange setting in April, HCBA was able to recommence activation of the city centre with an Easter celebration. This included an children's Easter hunt walk in collaboration with Hamilton Library and Centre Place, story telling and free movie's in Garden Place with Disney characters.
- HCBA worked with the hospitality sector to provide discounted menu options for cricket teams visiting Hamilton during the 2022 Cricket World Cup and collaborated with H3 to promote these venues in the team packs.
- HCBA was a distribution centre for cricket branded bunting to businesses around the CBD to promote the World Cup.
- HCBA agreed a collaboration with Waikato Food Inc (now with Nourish Magazine) to partner on hospitality promotions, including food trails, the CBD progressive dinner and city centre promotional articles.
- HCBA finished the summer series of Music in Garden Place and Stories in the Garden, with fabulous audience attendances.
- HCBA partnered with Atticus Treats in Garden Place to put on movies in Garden Place, including Enchanted Disney characters and local food vendors. It was fantastic to see over 300 people each time, sitting on the grass in the evening with their families enjoying a free movie and entertainment.

- HCBA collaborated with Hamilton Live Music Trust to support a Super Saturday of events in May in Garden Place and Victoria on the River. Three of the Super Saturday events including music, markets and murals in the Mesoverse space and Victoria on the River. This was successfully attended throughout the Saturday by the public.
- In celebration of Music Month, the Hamilton Live Music trust organised Downtown Sounds to Garden Place with Looking for Alaska, Amber Hayward, Smoked Paprika & Surf Rosa.
- HCBA met with a representative looking to hold a Dance Battle in Garden Place. HCBA has agreed to support the activity for Summer 2022/23.
- The Waikato Food Inc HCBA Progressive Dinner was held at the beginning of May for a sell out crowd of 60, who were able to enjoy some amazing central city hospitality and entertainment. Hospitality businesses involved included Keystone, Diesel, Ernest, Shallow Bakery, Mr Pickles, The River Kitchen and The Last Place.
- HCBA is attending ongoing FIFA meetings focused on two areas of activation support: one focused on FIFA stadium activity and one focused on FIFA Fan Festival activity. Both FIFA Groups will continue to meet monthly until the start of the tournament in July 2023.
- HCBA partnered with Matariki ki Waikato on a programme of activity in the central city and the production of the Matariki programme for the public. HCBA have spent a considerable amount of time working on Matariki activity including the creation of a Star Walk in collaboration with Hamilton Library, SkyCity, Centre Place, Mr Pickles, The Meteor and the Waikato Museum, a hāngi in Garden Place with SkyCity and promotion of Matariki events.
- HCBA supported the Boon After Dark team with two lighting installations going into Garden Place and Victoria on the River for June and July, and attended the launch event with the official lighting up of the artworks in Garden Place.

5.0 GOING FORWARD

HCBA continues to recognise, celebrate, support and promote the businesses based in Hamilton's central city. HCBA is excited to see the ongoing commercial interest from businesses to set-up in the CBD, strong development underway and a cautiously optimistic view on the future from the business community.

Dwight Egelhof - Craigs Investment Partners
Chair HCBA
30 June 2022

Appendix 1 – New Businesses January – June 2022

1. 106 London Street has been leased by a national Health provider
2. Level 4, 586 Victoria Street – a building which has undergone a complete redevelopment – has been leased by an engineering and planning consultancy firm
3. Creative Waikato have leased the ground floor at 24 Garden Place
4. Earth Diverse Trust has leased level 1, 401 Anglesea Street
5. A community organisation has leased the ground floor of 150 Grantham Street
6. Robotics and machine design business has leased a tenancy in the Federated Farmers building at 169 London Street
7. A professional consultancy firm has leased office space in 341 Victoria Street – this prominent building on the corner of Garden Place and Victoria Street has recently undergone an extensive redevelopment and refurbishment program, including earthquake strengthening
8. Hanrad Bespoke Rugs
9. Legacy Barbershop – Ward Street
10. Mument baby shop has opened at 441 Victoria Street
11. Oral Hygiene Health – Alexandra Street
12. Speed Shoppe Media Agency – Victoria Street
13. Magic Tea – Alexandra Street
14. The Mercury Room – Hood Street
15. New business at Hazel Hayes
16. Plus More Krystal – Riverbank Lane
17. Magic Tea – Alexandra Street
18. Speede Shoppe – Victoria Street
19. Again + Again – Alexandra Street
20. Smart Fire – Alexandra Street
21. Enriched Media – Victoria Street
22. Shake Shack – Barton Street
23. La Brioche French Bakery – Ward Street
24. Nua Thai Restaurant
25. Studio Launch NZ – Collingwood Street
26. 17 Liverpool Street has been leased by a national support organisation
27. 109a Ward Street has been leased by a Gallery & Gift shop
28. A Church entity has leased 610 Victoria Street
29. Pizza bar & restaurant has leased 27 Collingwood Street
30. Vegan Buffett have opened at 645 Victoria Street