

Hamilton Central Business Association (HCBA) SIX MONTHLY UPDATE JULY – DECEMBER 2021



1.0 INTRODUCTION

The impact of lockdown through most of the third and fourth quarters of 2021 were significantly felt in the close customer contact sectors of retail, hospitality and health & wellness. With the fourth quarter of the year usually offering the highest potential for sales for these sectors, being restricted to Level 3 trading conditions until the 16th November saw the earning capacity severely reduced during this time. However, from reopening under level 2, in time for Black Friday on 25th November, businesses were well supported by the local community with some businesses in these sectors recording record days of trading on Black Friday and into the lead up to Christmas and again on Boxing Day.

The CBD spend figures are not yet available for this quarter, however based on anecdotal feedback the expectation is that these will show favourably for the CBD in the last six weeks of the year. Overall however, according to Marketview, Q4 electronic card spending in the CBD was down 12.5% on same time last year, and down 9.7% when compared to the same quarter in 2019.

There continues to be concern about the ongoing threat of alert level changes within the new framework and inconsistencies with some businesses around the vaccine pass requirements. With the potential disruption of the Omicron variant, this will continue for the foreseeable future. In the first week of the 'Red' framework in January, high customer contact businesses anecdotally reported a significant drop in customers, particularly in day-time hospitality, with many larger businesses immediately implementing 'Work from Home' strategies and limited in-office staff numbers.

At this stage there have not been significant business closures due to lockdown, although January is traditionally a lean month for the CBD, with many businesses closed or operating at limited capacity during this period. There have been some general discussions with businesses who are considering future changes to commercial space requirements, with some businesses choosing to revert to month by month leases.

It is worth noting that for the next six months the Omicron variant of Covid-19 is expected to be rampant throughout NZ. This will have significant impact on the business community at both strategic and operational levels, with major concern around staffing levels, supply chain and continuity of business operations, particularly for smaller businesses. In addition, it has been highlighted the toll that Covid disruptions have caused and increasingly continue to cause to the mental health of both business owners and their staff.

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, particularly during the two lockdown periods, communicating alert level changes, framework requirements and availability of Government support. HCBA has continued to be available to businesses to help with information, promotion and advocacy opportunities.

HCBA sent 23 newsletter updates to 1141 CBD business subscribers between July and December 2021.

2.2 Submissions

Innovating Streets

HCBA attended two public forum meetings to support the Ward Street businesses during the Innovating Streets project.

Waikato Regional Theatre

HCBA hosted a Waikato Regional Theatre drop-in session with South End of town businesses and attended the formal sod turning event.

Public Furniture

HCBA proposed an increase in public space street furniture to support the hospitality sector and the Government advice on socialising outdoors. HCBA pitched to Central City Advisory Group to relocate some unused planter boxes from the Ward Street trial. Eight seats were revamped and installed in Garden Place at the end of November. These have been well received and used extensively by the public.

Outdoor Dining

HCBA proposed to Council to extend outdoor dining areas into public spaces to include support for a change in the Sale & Supply of Alcohol Act, allowing this extension to include licensed premises. A full proposal was put forward to the Ministry of Justice by the Restaurant Association of NZ, Hospitality NZ and Heart of the City Auckland with endorsement from Auckland City Council. HCBA endorsed this proposal in writing to the Ministry of Justice and worked with Hamilton City Council to support the proposal. Although the Ministry of Justice considered the proposal, unfortunately the required amendment to the Sale and Supply of Alcohol Act was not implemented by Government. HCBA is continuing to work with the proposal contributors and Hamilton City Council to lobby for the required change to support the ongoing challenges faced by the hospitality sector.

HCBA worked with Hamilton City Council on the proposal to implement outdoor dining extensions for hospitality businesses, free of charge for a year. This has been of benefit to non-licensed hospitality businesses and positive feedback has been received from cafes on how easy it was to work through the process with Hamilton City Council.

2.3 CBD trends

CBD trends immediately prior to the August lockdown were showing extremely favourably in terms of CBD spend. The first six months results (January – June 2021) showed high levels of spend, with the second quarter the highest on record compared over the past 10 years.

The third quarter CBD spend was significantly impacted by the August snap lockdown. This quarter saw a drop in CBD spend when comparing quarters from \$171m in 2020 to \$158 in 2021. The impact of the lockdown in October and November 2021 is expected to be far more significant. The quarter October to December is the usually the highest trading quarter with both Black Friday in November and Christmas contributing to high spend rates.

The ongoing lockdown will severely impact these statistics and the effects will likely be far reaching, with many not being able to be open enough to recoup what they would need to see them clear for January, traditionally the quietest spend month. Unfortunately, there will most likely be businesses who are unable to sustain the losses and may be forced to close.

CBD pedestrian trends have been slowly coming back over the past few months, not quite to pre COVID-19 levels, but certainly indicating a significant upward spike in Saturdays pedestrian numbers in the CBD, outside of lockdown periods. It is expected that weekday pedestrian numbers will be permanently impacted with the more significant implementation of the 'Work From Home' model.

2.4 Commercial and Residential Development

In July NAI Harcourts released the retail vacancy rates for the CBD which saw a significant drop from 8.3% to 5.8% contributing to the positive development landscape of the central city.

Hamilton's CBD has continued to benefit from new businesses opening in the second half of the year with commercial enquiry continuing to be strong particularly with professional services. There is a demand for smaller office spaces to accommodate individuals or smaller teams, which is particularly encouraging for shared space commercial leases and buildings with multiple tenancies. Hospitality and retail enquiry is still relatively high and makes up a large portion of the new businesses that have recently opened (New Businesses appendix 1).

There continues to be a significant amount of development and redevelopment underway in the CBD:

- The Waikato Regional Theatre development has commenced with hoardings erected, demolition completed and the Riff Raff statue moved to outside the Museum.
- Union Square has welcomed Rabobank, AA Insurance and Sentinel Outpost and construction is well underway on the next two buildings, including the car park building.
- The former LINZ building on the corner of Victoria & Rostrevor Streets has been demolished and development underway for the new Government tenant.
- The ACC development by Tainui Group Holdings is well underway on the corner of Collingwood & Tristram Streets.
- The Blood Donor Centre by Stark Property on the corner of London & Anglesea Streets is also under construction.
- While construction projects have been able to continue in the CBD throughout the two lockdowns, there has been increasing talk of limitations on building supplies. This is likely to become an increasingly significant issue.
- HCBA continues to work with the development sector to showcase and support new builds and renovations in the CBD.

3.0 COLLABORATION

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

3.1 Economic development initiatives

Kitchen Incubator Project

HCBA have confirmed a partnership with Soda to create an entrepreneurial Kitchen Hub project in 2022. It envisaged individuals looking to open a business in the hospitality sector will be able to attend a 20-week course, guiding them through how to start-up a business and how to sustain being in business. HCBA, Soda and Council will be surveying the community in early 2022 to establish demand for the project. In the interim funding opportunities and business partner collaborations are being explored.

Collingwood Street Cultural Hub

HCBA has put forward a proposal to turn Collingwood Street into a cultural hub, in a similar style to Chinatown but with an overarching brand encompassing all cultures currently represented by businesses on the street. HCBA presented to the Collingwood Street businesses and property owners a potential brand design proposed by Designwell and the response has been enormously positive. HCBA is now working with Council on the next steps to progress this project.

General

- HCBA spoke at the Grow Waikato event on commercial developments and construction in the CBD along with key city developers Rob Dol (Greenstone Group), Leonard Gardiner (Fosters), Tainui Group Holdings and Waipa Deputy Mayor.
- HCBA is working with the Design Factory on the proposal 'How to make the CBD a desirable place for under 30 working professionals'.
- HCBA supported Angelsea Pharmacy to reach out to vulnerable communities with the Covid vaccination via the Peoples Project, Men's Shelter and Women's Shelter.
- HCBA worked with Rabobank through media introductions and promotions around the head office moving into Hamilton's CBD.
- HCBA provided feedback to the Councils Growth and Analytics Team around supportive information for the CBD.
- HCBA spoke at the Central City and Fairfield Rotary Clubs on CBD businesses.
- HCBA has joined the Food Tourism Advisory Group hosted by Hamilton Waikato Tourism.
- HCBA is continuing to hold discussions with potential collaborators around the creation of an interactive CBD.

3.2 Central City Safety and Wellbeing

HCBA has continued to meet with the local police each month and provided retailers with practical tips to reduce incidences of shop lifting, particularly in the lead up to Christmas. HCBA worked with the police to provide a retail awareness piece that was distributed to the retail sector about keeping business as safe as possible.

HCBA collaborated with the Police, City Safe and the Chamber of Commerce to put together an evening for businesses in response to ongoing ram raids in the CBD and the greater Waikato area. Unfortunately, this evening was put on hold due to lockdown, however it is envisaged this will be held when gathering restrictions are eased.

HCBA continued to stay in touch with the City Safety unit during lockdowns.

HCBA conducted the annual City Safety Centre survey to CBD businesses in July.

3.3 Buying Local

HCBA in partnership with Hamilton Waikato Tourism ran a successful promotion to 'Win a Kirikiriroa Hamilton getaway for two', to highlight shopping, eating and experiencing local. This received enormous traction with the public, particularly in the Auckland and Wellington regions. The campaign was put together with Neat Places and consisted of an over-arching campaign that promoted Hamilton and its businesses. In addition further promotions have been put together including 'Dine Around the World in Hamilton' and 'A Guide to Shopping and Arts in Hamilton'.

The fifth edition of the Neat Places Guide was released in November and significantly promoted via social media. Distribution of the guide was via contributing businesses, i-Sites, Hamilton Waikato Tourism, CBD hotels, H3 and HCBA.

3.4 Soda Panel

HCBA has continued to be an active member of the Soda Panel, working with entrepreneurs on business pitches. HCBA attended the Soda Rise-up Entrepreneurial event.

3.5 BIDs

HCBA has been attending weekly meetings with the Auckland BID's to support one another during the changing alert levels and lockdowns. This has provided a great forum for idea generation and sharing through the challenges of conducting business at this time.

HCBA has supported Palmerston North as they set up a BID in their region. The Palmerston North Chamber of Commerce will be running the BID during its establishment period.

3.6 Ambassador Programme

A course designed for people engaging with visitors who come to Hamilton and the wider Waikato. The purpose is to help provide storytellers and ambassadors who can connect with people and authentically engage with what all New Zealanders understand as 'manaakitanga' and 'kaitiakitanga'. Courses have continued throughout the year, although lockdowns and alert levels have impacted on overall delivery. HCBA will work with Hamilton Waikato Tourism on the provision of these courses in 2022.

3.7 AGM & HCBA Executive Committee & HCBA Governance

The HCBA AGM was successfully held on 29 September at Gothenburg Function Space. The 2021 Executive Committee were confirmed as:

- Dwight Egelhof (Chair) – Craigs Investment Partners
- Mike Neale (Treasurer) – NAI Harcourts
- Connie Chittick – Waikato Regional Council
- Julie Ashby – Wintec
- Pat Chaimontree – Banh Mi Caphe
- Hailey Max – Hamilton i-SITE Visitor Information Centre
- Lucy Bird – ASB
- Abby Camp – Novotel
- Alicia Platje – Precious Metals

HCBA Governance:

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

Contributor to:

- Governor of People's Project, Safe Zone, Embassy Park Group
- Contributor to Waikato Film Office, Boon Street Festival and Waikato Food Inc
- Contributor to Council plans for safety, transportation and CCTP revitalisation.
- NZ Mentor
- Soda Inc panel member

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

47,000 people follow HCBA Facebook and Instagram to provide ongoing promotion of businesses, specials and events in the CBD. HCBA's social channels were well utilised during lockdowns to promote the business community and run voucher prize draws for CBD businesses.

4.2 Marketing Initiatives

- The Breeze Radio Station ran a Christmas promotion for participating businesses, including promotional trailers, live draws and social media posts during December.
- HCBA facilitated a photoshoot for Rebel Sport held at Victoria on the River.
- HCBA ran a number of promotional voucher campaigns to support the local business community during the lockdowns.

- HCBA collaborated with Hamilton Waikato Tourism on a Mighty Local campaign.

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. There is a monthly draw where two lucky subscribers each win a \$50 voucher from a central city businesses.

Businesses included:

- Ernest
- Pompaddomz
- Gails Florist
- Madam Woo
- Hello Sunshine Coffee & Eatery
- Marklye's Cafe
- On A Roll
- Mystic Den
- The Pottery Studio
- The Breeze Indian Restaurant

4.4 HCBA Brand Refresh

HCBA worked with Designwell on refreshing the HCBA brand and corporate identity. The new look brand has been implemented across all brand material.

4.4 CBD Celebration awards

The 2021 CBD Awards have been postponed from 3 November 2021 to 2 March 2022. The judging for the awards was able to happen in November with a series of recorded interviews that applicants provided to the judges. Contingency plans are underway in the event that the CBD Awards event is unable to happen in March 2022.

4.3 CBD Profile Raising Activities

HCBA garnered a large amount of positive publicity for the CBD businesses in the lead up to Christmas. TVNZ, TV3, Radio Live, Talkback, Stuff, Free FM, Radio NZ and the NZ Herald have all been involved in profiling business activity. These included:

- HCBA promoted the opening of three hospitality venues on 4 weeks which was picked up by Stuff.
- HCBA spoke with Stuff on the August and September lockdowns and the devastating impact on businesses.
- HCBA was interviewed live on TVNZ News, TV3 News, Radio NZ, Radio Talkback, The Breeze during lockdowns to talk about the impact to the CBD.
- HCBA provide an opinion piece to Stuff on shopping local.
- HCBA interviewed by Waikato Business News on the CBD Awards.
- HCBA participated in a number of articles for the media during lockdown, specifically looking at businesses operating in level 3 & 4.
- HCBA interviewed on crime statistics in Hamilton and ram raids.
- HCBA has been profiled in the NZ Business + Management Magazine for the CBD Awards.
- HCBA interviewed monthly on Free FM for a CBD update.
- HCBA interviewed by Waikato Business News on developments in the CBD.
- HCBA holds regular meetings with Stuff reporters to discuss CBD happenings.

4.4 Public space activation

Due to the two lockdowns in the second half of 2021, there are a number of activations that have been unable to proceed or significantly modified between July and December 2021, these include:

- Christmas Parade (cancelled)

- Christmas Tree Lighting (cancelled)
- Weave Cultural Markets (cancelled)
- Pasko So Nayan Filipino Christmas Celebration (cancelled)
- Columbian Dia de las Velitas Night of Candles (cancelled)
- VOTR Christmas Carols (relocated)
- Christmas Movies at VOTR (cancelled)
- Boon Street Art Festival (went online)
- Round the Bridges (postponed)
- Embassy Park Finale (postponed)
- Gumboot Friday (went online)
- Closing Boon After Dark Activation (cancelled)
- Pecha Kucha on CBD Cities (cancelled)
- Heart for Heart Charity Fashion Show (cancelled)
- Film Festival (postponed)

Activations

- HCBA ran a successful CBD photo competition in collaboration with Snapshot resulting in three beautiful images from the first, second and third prize winners.
- Boon After Dark (September/October 2021) had three installations put into Garden Place and Victoria on the River. Full Spectrum by Anthony van Dorsten and Octopedia by the artists known as Amigo & Amigo both in Garden Place; while the third sculpture, Deep Thought by the artist known as Hybycozo, was positioned in the stage area at Victoria on the River. Three very different – but equally intriguing – interactive, illuminated sculptures which turned central Hamilton into an environment of mystery and wonderment after dark and was incredibly well received by the public, including teenagers for the selfie backdrop.
- HCBA supported the Boon Festival to take their street art painting live online, including videos, podcasts and artist promotion.
- HCBA was able to have Santa in the CBD via a golf cart donated by Waikato University decorated as Santa's sleigh. Santa was driven around the CBD throughout December by an Elf and received fantastic promotion from local media and the general public. Santa and his sleigh also visited the Curious Cubs early learning centre on Tristram Street.
- HCBA continues to work with the Hamilton Garden Arts Festival to support a programme of activity in the CBD in February 2022.
- HCBA is working with Waikato Food Inc on Programme of activity during for 2022.
- HCBA is continuing to work with H3 on the 2022 Cricket World Cup and 2023 FIFA World Cup. There have been a number of amendments to plans due to COVID-19 restrictions, however HCBA will continue to provide support to these major events.
- HCBA met with Tainui Waka Tourism to look at opportunities for the Waka Festival to incorporate the CBD into their programming.
- HCBA in collaboration with The Breeze radio station and the Good Day Matrix held Gumboot Friday as an online event raising over \$1,000 for the charity supporting mental health. It has provided a great framework for hosting the event in the future.

Activation Fund Request

In light of the ongoing COVID-19 response, cancellation and postponement of events is set to continue for the next six months. HCBA is continuing to work with event organisers on potential activations over the coming year, however it is expected that disruption of events will continue to happen for some time yet.

As this will potentially impact the ability for HCBA to spend the allocated \$100,000 for the 2021-2022 year, HCBA would like to request to be able to use surplus funds to invest in Garden Place street furniture, namely upgrading the additional three planter boxes on the Victoria Street side, to replicate the same look as the repurposed planter box which HCBA completed earlier in the year.

Appendix 1 – New Businesses July – December 2021

1.	Cameron Realty – 408 Anglesea St	Professional Services
2.	K Square Tech – 27 Collingwood St	Professional Services
3.	Amari Fashions – 1a Collingwood St	Retail
4.	L'Floral – 1 Ward St	Retail
5.	Hair Right Now – 641 Victoria St	Health & Beauty
6.	Kushi – 20 Alma St	Hospitality
7.	Hanrad Bespoke Rugs – Alexandra St	Retail
8.	Tui Fashion– 260 Victoria St	Retail
9.	Fit Stop – 116a London St	Trade Services
10.	Lawson Conveni & Café – 9 Worley Pl	Hospitality
11.	Blush n Blondes – Casabella Ln	Health & Beauty
12.	Heidi Christian Hair – Casabella Ln	Health & Beauty
13.	Unlimited Air Soft Shop – 657 Victoria St	Retail
14.	Doon Tandoor – 39 Ward St	Hospitality
15.	Rako Science – 941 Victoria St	Professional Services
16.	Red Cross – 31 Harwood St	Charity (office)
17.	Soccer Football Supplies – 137 Alexandra St	Retail
18.	Last Place Bar – 54 Collingwood St	Hospitality
19.	Bull & Bear – 127 Victoria St	Hospitality
20.	Vapo – Centre Pl	Retail
21.	Ernest – 30 Alexandra St	Hospitality
22.	Sketchers – Centre Pl	Retail
23.	Cotton on Kids – Centre Place	Retail
24.	Rabo Bank – Cnr Hood & Anglesea St	Professional Services
25.	AA Insurance – Cnr Hood & Anglesea St	Professional Services