



DEVELOPMENT RESPONSE APPROACH

Midtown Business Support Approach

www.progressAKL.co.nz/midtown

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AUCKLAND'S FUTURE IN PROGRESS



INTRODUCTION

A development response approach

The adverse impacts of council-driven change on those most affected are considered by some as **unavoidable** in pursuit of a greater public good. In addition to the social and economic impacts, this can also result in anger, frustration, resentment, and low trust in council, especially among those who bear the **disproportionate burden** of change.

By taking a development response approach which **supports people through change**, we'll demonstrate that **we understand** the effects we're having on people and take **meaningful actions** which ease the burden on those impacted, so that communities embrace change or disruption because they understand why we do what we do, trust that the benefits will be worth it, and that we're working in ways that have their interests in mind.

Supporting businesses through change in midtown

Building on the experiences of earlier projects, the Midtown Programme has identified the most impactful ways to support businesses¹ through the additional disruption associated with the council group's work to prepare the area for the new Te Waihorotiu (Aotea) station. The key insight from business feedback on earlier projects is the importance of effective communication and project decision-making considering the impacts on businesses and their customers. In the hierarchy of business needs around construction disruption, these essential factors play the largest part in determining their experience. Initiatives such as marketing, events, activation and artwork are the cherry on top.

¹ This focus on businesses is just one part of the wider development response approach for the programme. Refer to the full Midtown Development Response Action Plan for more information.

Key findings

1. **Getting the basics right.** Business support is not a stand-alone tool and must be done as part of a full development response approach. The priority is ensuring the business can still trade and that the physical works are not disproportionately impacting the business.
2. **Forewarned is forearmed.** Prior to construction starting, businesses must be fully informed of what to expect and how the programme of works will impact them. Throughout the programme and as things change, businesses must be kept informed.
3. **Business knows what is best for business.** Investment supporting business is better spent responding to individual needs as determined by the impacted businesses, rather than providing catchall support to issues that may or may not exist.
4. **Any package should support business to thrive.** The success of a development response approach should be measured upon businesses thriving, not just surviving.

CONSTRUCTION METHODOLOGY, STAGING AND ONSITE EXPERIENCE

Key challenges

- The nature of the midtown works will result in significant disruption to local business, impacting business access, loading and servicing, as well as reduced foot traffic, being less attractive to customers, and irritants such as noise, vibration and dust.
- City centre retail and hospitality continues to be challenged by the ongoing impacts of COVID-19 and the cumulative impacts of major construction projects. A persistent reduction in the number of workers, students and visitors in the city centre contributes to decreased consumer spending. Midtown business have experienced these more acutely than the rest of the city centre, straining their resilience and leaving many vulnerable to external challenges.
- Construction disruption and reduced foot traffic has also been linked to increases in antisocial behaviour including graffiti, and reduced perceptions of safety for both workers and customers.

“You can throw all sorts of events, offer courses and mentors, but if you don’t have the basics right – a tidy site, good pedestrian access etc - it is all a waste”

**DR delivery
team member**

“I don’t need a mentor, help with marketing or a lesson in social media... I need them to stop digging up the road in front of my business!”

Business owner

Principles

- Connect with property managers and business operators to understand their requirements and concerns, in order to plan work in ways that reduce impacts
- Coordinate with other projects and private development to coordinate work and minimise cumulative disruption
- Employ all practical measures to mitigate disruption, and schedule works to minimise disruption at key periods
- Ensure access, loading and servicing, and effective traffic management and waste management at all times
- Ensure clear responsibilities and standards for contractors and sub-contractors to meet

Supporting Businesses - Midtown

Recommendations

- Undertake comprehensive mapping and community profiling to ensure that there is a **good understanding of the challenges** that business community will face because of the midtown programme. This will support the project delivery team to better understand and build empathy for the business and resident communities, and inform scheduling and construction methodology with community interests in mind.
- Develop minimum impact/**customer-focused place-based project phasing and methodology**. Programme and project managers must ensure project interfaces and cumulative impacts are fully understood, and that community impacts are considered in procurement and programming decision-making.
- Develop council family-wide **customer experience standards and commitments** to support consistency between projects. Use these to support contractors to better understand expectations on them to maintain an agreed level of customer experience. Share these standards publicly to encourage accountability.
- Ensure **disruption mitigation** requirements are included as the minimum standard in all midtown project construction contracts, including codes of conduct, construction methods, site experience standards, wayfinding, accessibility, communications, and audit requirements.
 - Develop a precinct-wide, consistent approach and **guidelines for site appearance** including fencing /hoarding styles, signage and temporary wayfinding management, to maximise sightlines to businesses and facilities, improve perceptions of safety and vibrancy, and help people get around easily.
 - Include a **comprehensive midtown audit programme**, ensuring sites are well managed, business access and visibility is maintained with audits daily, weekly and monthly. Specialist audits to include regular Crime Prevention Through Environmental Design (CPTED) reviews and universal access inspections.
 - Implement the **midtown loading and servicing plan** and ensure that it supports effective operation of individual businesses and the wider network

“When some businesses had construction right up to their front door, a pneumatic drill, and their front door impeded, there is no point talking to them about anything else”

Business association

COMMUNICATIONS, ENGAGEMENT, AND ON-STREET RELATIONSHIPS

Key challenges

- Engaging with a business community who are already under pressure (have minimal bandwidth) and are experiencing both construction and consultation fatigue.
- Multiple projects working contemporaneously in a small geographical area, risks a lack of clarity about who is responsible for each part and who to contact.
- A complex programme with evolving plans and interdependencies means that we're not able to provide certainty about what businesses should plan for in coming years.
- Adverse media coverage and declining public support for ongoing disruption in the city centre.

Principles

- Support the business community to understand why we're doing what we're doing and why it needs to happen now, and trust that the benefits of the works impacting them will be worth it.
- Demonstrate that we understand the effects we're having on people and take meaningful actions which ease the burden - that we're working in ways that have their interests in mind.
- Ensure that the voice of the business community is genuinely heard at a project level and where appropriate can influence change.
- Communicate enough so that there are no surprises, but don't expect people to take on too much information - ensure it's available if they want it, and make it easy for them to access when they're ready.

"I attended a very good session hosted by the business association, they had someone from Melbourne talking to their light rail experience.

It scared me, I immediately signed up for all the support I could and squirreled away money just in case.

I wouldn't have survived if I hadn't attended that session."

Business manager

"Project teams have a habit of sugar-coating things in the initial stages... it's not helpful"

Business association

Supporting Businesses - Midtown

Recommendations

- Take a joined-up place-based approach to communications and engagement- ‘one story, one voice’.
- Provide enough information on the scale and impact of potential disruption for businesses to make informed choices prior to and throughout the construction process. Adopt a ‘no surprises’ approach to engagement and communication approach with frequent, timely updates.
- Build a genuine, empathetic relationship between the project and local impacted business, support local business to have a voice at a project operations level. Implement a midtown programme **on-street liaison team**, tasked with building trusted relationships with businesses in the midtown area. Responsible for project communication and engagement, their role is to visit impacted businesses and properties on a daily basis and act as customer advocate to provide advice to project teams and ensure customer needs are met. They will anticipate and clearly articulate customer perspectives to inform project and programme decision-making.
- Provide multiple opportunities for the business community to engage with and understand the project; including but not limited to the development of a midtown newsletter and midtown website with frequent and timely updates and host quarterly in-person community engagement/drop-in sessions.
 - Maintain an engagement and interactions register and proactively ensure that **all impacted business are aware** of opportunities to engage with the project, whether it be via the on-street liaison, responding to emails, turning up to engagement drop ins or simply where to find information online.
 - Be sure to **ask businesses** what their needs and concerns are; don’t make assumptions.
 - Ensure that wider audiences know that midtown remains ‘**open for business**’ and encourage them to keep supporting local businesses.
 - **Promote the benefits** of the programme and excite people about what the new spaces will mean for them.
 - Have clear and effective **wayfinding and signage** to ensure people can still find the local businesses.

“We had good take up of business support on offer prior to starting, but I don’t think the businesses knew what they were preparing for.”

DR delivery team member

“Initially I attended everything, contributed as much as I could. But after a while it was obvious most of the meetings were just rubber stamp meetings, and we were not being listened to. My business was struggling and I needed to prioritise my time.”

Business owner

BUSINESS SUPPORT PACKAGES

Key challenges

- The impacts of COVID-19 have had a disproportionately high impact on businesses in the city centre, with the ongoing reduction in workers, students and visitors on which the city centre economy previously relied. In addition, the midtown area has experienced significant construction disruption for a number of years, particularly since CRL work began near Victoria Street in 2016.
- After three or more years of disruption, many businesses are struggling, and lack the financial and emotional resilience that may have existed previously. Their tolerance level and financial security may be finely balanced, and disruption that may have been perceived as relatively minor in the past, may have greater consequence now.
- Many midtown business rely on local foot traffic and visitors to the area to remain viable, and reduced visibility and access, traffic disruption and other construction associated disruption such as noise, dust and vibrations are likely to reduce attractiveness and perceptions of safety.

Principles

- Prioritise support to those most impacted by the cumulative impacts of disruption in the area.
- Business operators are busy so support needs to be meaningful and tailored to their specific needs.
- Ensure that support is quick and easy to access for all that qualify.
- Provide specialist, independent support from experts who have relevant experience of small businesses and working through disruption.
- For simplicity, ensure the nature and level of support is consistent with others on offer e.g. CRL.
- Focus not just on the period of disruption, but also on how businesses can take advantage of opportunities created by the improvements to the area.

“Initial feedback from business was that if we wanted to make a difference, we needed to allow business to identify their own needs...

We also recognised that we are not equipped to provide analysis or to offer business advice ourselves – they need a specialist.”

**DR delivery
team member**

Supporting Businesses - Midtown

Recommendations

- **Align the business support programme** to the support provided by CRL², with the priority being those businesses most impacted by the cumulative impacts of construction.
- Provide **tailored business support** to impacted small and medium businesses - include provisions for one-on-one engagement from an experienced business support team.
- **Provide grants** of up to \$3,000 per business/per round to qualifying business – these grants will enable business to adapt, innovate and grow their businesses, in ways such as digital marketing, business adaption and innovations, activation or signage.
- Upskill the onstreet liaison team to effectively **make referrals** to the specialist business support resource and the wide range of other support programmes available to businesses, such as Activate Tamaki Makauru's First Steps wellbeing and mental health programmes, MSD's business recruitment support etc.

“(Our business advisor) was incredible, he took the time to understand our business and the issues we were facing.

He helped us identify what was available and useful for us, and dealt with lots of the admin that would normally have put me off.”

Business manager

“Businesses want to be heard and acknowledged for the pain they are encountering. They also appreciate being able to speak to someone independent about their frustrations, anger and grief, and need guidance to find solutions that are tangible and practical to help address the issues they are encountering.”

Business advisor

- Make it easy to find out about business supports available, such as a **“business hub”** page on ProgressAKL, a one-stop-shop for resources, links and grant applications.
- Implement **monitoring and evaluation** of impact of construction works on local business community, foot traffic numbers and regularly talk to businesses in the area to see how they are coping. Review the business support programme on an annual basis to ensure it's working.
- When businesses are ready, support them to **identify and take opportunities** which leverage the impacts of the completed spaces e.g. outdoor dining/street trading.
- Consider the implications of the CRL Targeted Hardship Fund scheme for the wider midtown area.

² City Rail Link have been running the Link Alliance Small business support programme for 2 years for eligible business. This programme has received positive community feedback and results and aligning midtown wide support programme to this will ensure that businesses are seen to be treated equally

ACTIVATION AND PROMOTION

Key challenges

- While foot traffic to the wider city centre is improving, disruption remains a key reason why people are choosing not to visit areas with active construction. Businesses which rely on foot traffic and impulse visitors to remain viable face are finding it particularly challenging.
- Construction is associated with reduced visibility and access, traffic disruption and other construction associated disruption such as noise, dust and vibrations are also deter foot fall and/or reduce dwell times.
- Construction disruption can also create an environment which supports an increase in antisocial behaviour which can lead to reduced perception of safety, and midtown already has multiple antisocial behaviour hotspots on Victoria, Elliot and Wellesley streets.
- In September 2022, there were already 75 vacant stores/empty tenancies across midtown (22% of ground/first floor sites).
- Midtown businesses also face strong competition from other precincts, including the waterfront, downtown and Karangahape Road which have recently had streetscape and other enhancements and offer vibrant easy-to-access and attractive alternatives to midtown.

Principles

- Accentuate the positives by promoting the features which remain attractive during the disruption period.
- Work in partnership with businesses and property owners to design initiatives which complement, rather than distract or compete.
- Use Crime Prevention Through Environmental Design principles to ensure places feel safe and inviting.
- When they're ready, support businesses to prepare to take advantage of the benefits that the area will offer in the future.

“Activation is important, but you need to be careful it’s being done at the right time (when basics are already sorted) and that it’s strategic....

If you get that wrong, activations can cause big problems... business owners think ‘why are they just wasting this money?’

We found the ones that worked best were those where we worked directly with the businesses, they were smaller, more meaningful and cost less.”

**DR delivery
team member**

Supporting Businesses - Midtown

Recommendations

Coordinate with the Link Alliance and Heart of the City to:

- Complete a comprehensive **place-based audit of midtown** that clearly identifies CPTED issues, street health, place assets, vacant stores, potential activation and placemaking possibilities, retail partnership opportunities, retail agglomerations and storytelling opportunities.
- Address **street health and safety issues** raised in the place audit, whether or not they relate to construction projects.
- Address **antisocial behaviour** through assertive outreach which offers practical supports, and placemaking activities which deter problematic behaviour.
- Develop a **destination marketing** approach to support continued visitation to the area including the development of a programme of wayfinding and signage that promotes local businesses.
- Develop a **midtown-specific activation plan** to add vibrancy, drive foot traffic in the midtown area and increase perceptions of safety.
- Work with Heart of the City and local building owners to **activate vacant stores** through art, social enterprise etc.
- Ensure that areas of midtown not directly experiencing construction continue to thrive e.g. **Elliot Street**, by promoting and enhancing what is on offer.
- Encourage residents, project teams, council staff and other nearby offices to **support local**.
- **Leverage project milestones** to attract attention and visitation to the area, including significant opening celebrations.

“Our staff have enjoyed the music but also it felt a bit more comfortable coming to and from work.

We feel the previous months of undesirable behaviour and gatherings has gone.”

Business manager

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