

Environment Court Hearing

1. I have been asked to look at the benefits with a commercial lens with particular focus on what the development would do for the vibrancy of the city centre.
2. I am experienced in this market. As an organisation we have delivered a number of projects for major property owners, we have advised retailers and worked for Dunedin City Council across a number of property related projects.
3. I have spoken extensively on Dunedin's challenges and opportunities. The most recent was at the launch of CBD guardianship group, Heart of Dunedin.

We have also been quoted in the media and trade press on Dunedin's CBD.

4. Interestingly we have two central city commercial strategy projects underway currently – one for Auckland Council, the other for Invercargill City Council. In both, hotels form a key part of area rejuvenation.
5. Dunedin's opportunity is different still. This is an iconic structure, 5 star in quality and with the added benefit of apartments – which is an important aspect for the city's vision for wider regeneration.
6. Through our work here and across the region our visits are frequent and always have connection with the CBD. We have seen this at varying times of the year – both in the heights of summer and depths of winter.
7. Winters are extreme and the city has adapted accordingly both in the way it provisions for consumers – and the way consumers behave.

During the coldest part of the year, the pedestrian count through the inner corridor connecting the three city centre malls equals that of Dunedin's Golden Mile – George Street. This is unique and demonstrates consumer's adversity to the weather – and how the city has adapted.

8. The City is unique in terms of its consumer dynamic with such a strong reliance on the University. This creates significant challenges around seasonality.
9. Fragility around some of Dunedin's major inner city employers presents a high risk for the CBD and those with investments there.
10. The City has seen recent redundancies announced and future changes could compromise major CBD employment centres.
11. The CBD lacks inner city living which other major NZ cities have embraced and benefited from
12. The Octagon area sees a disproportionate amount of serious crime, which is similarly the case for areas without a more active day and night economy and population
13. The city is seeing 19% growth in spending attrition online – demonstrating it's offer no longer meets its consumer's needs.

14. It is becoming harder to lease sites – represented recently when a CBD landlord lost opportunity for a major European retailer that would have been a game-changer for the CBD
15. Dunedin needs a major project in its heart to restore relevance, connection and engagement with the CBD. The proposed hotel would deliver energy, vibrancy and confidence to the community and business sector and those considering investing in the city – particularly the retail, hospitality and tourism sector.
16. Shading affecting the Octagon and businesses there is limited to a very short period during height of winter. Only the very hardy would be sitting outside during that late afternoon period.
17. Google visitation data demonstrates this is when most venues are at their quietest, with some closing at that time. For cafes, their rush is well and truly over by 2pm, anyway – however the times we are looking at is later than this.
18. Marketview data demonstrates the hospitality sector is seeing spending gains, demonstrating relative robustness.
19. Retail is flat, demonstrating a need to improve the city's offer and re-engage consumers.
20. A new hotel is a catalyst for both improving the city's offer and driving new relevance for the CBD.
21. The scale and quality will have downstream influence on the way the retail and hospitality offer develops around it, likely heightening the quality, occupancy and vibrancy of the area. It will also help in improving the safety and security of the area.
22. In summary, this is a unique and much needed opportunity for Dunedin with benefits outweighing negatives. We believe the commercial community will welcome the project and those with a passion for Dunedin's future success as a destination to live, work and visit.