




Hamilton

CITY OF HAMILTON

**PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
Downtown and Community Renewal Division**

TO: Chair and Members General Issues Committee	WARD(S) AFFECTED: WARDS 2, 3, and 9
COMMITTEE DATE: May 9, 2011	
SUBJECT/REPORT NO: Commercial Market Assessment Updates for the Downtown Hamilton, International Village, Stoney Creek and Barton Village Business Improvement Areas (PED11091) (Wards 2, 3 and 9)	
SUBMITTED BY: Tim McCabe General Manager Planning and Economic Development Department	PREPARED BY: Eileen Maloney 905-546-2632
SIGNATURE: 	

RECOMMENDATION:

That Report PED11091 and Appendix 'A' to Report PED11091 containing the Executive Summaries of the Commercial Market Assessment Updates for the Downtown Hamilton, International Village, Stoney Creek and Barton Village Business Improvement Areas be received for information.

EXECUTIVE SUMMARY

The Downtown and Community Renewal Division, in consultation with the Downtown Hamilton, International Village, Stoney Creek and Barton Village Business Improvement Areas (B.I.A.s), retained Urban Marketing Collaborative to undertake a review of the original Commercial Market Assessments of the above referenced B.I.A.s that were completed in 2005. The purpose of the review was to update and revise, as necessary, the recommendations and associated Action Plans.

SUBJECT: Commercial Market Assessment Updates for the Downtown Hamilton, International Village, Stoney Creek and Barton Village Business Improvement Areas (PED11091) (Wards 2, 3 and 9) - Page 2 of 4

The Executive Summaries for each of the four (4) Commercial Market Assessment Updates are provided in Appendix 'A' to Report PED11091. Some key findings, overall, include a decrease in vacancy rates as measured in square footage in the Downtown Hamilton and International Village B.I.A.s. and that the Stoney Creek B.I.A. vacancy has remained at a low rate. Although there has been an increase to the vacancy rate in the Barton Village B.I.A., the consultant has noted that, overall, there are positive indications that conditions are better.

The following outlines some key findings specific to each B.I.A. It was noted that Barton Village is cleaner and safer with a well-staffed B.I.A. and a hard working board of management. The improvements to Woodlands Park, the introduction of new festivals and events, good news articles in the Bay Observer, and the website are all making an impact. Within Downtown Hamilton, the redevelopment of Gore Park and the removal of buses from the south side of King Street East will help to enliven the south leg of King Street East as a food service destination that is lively and entertaining. International Village has seen significant re-development projects, most notably the Terraces on King. Public art within Downtown Hamilton, as identified within the King William Streetscape Masterplan, is being implemented through the Artwalk on King William Street. The Police Action Team has made significant progress towards improving security and safety in the Downtown and has been very effective in working with the International Village B.I.A. and local businesses to actively discourage panhandling and loitering. Within the Stoney Creek B.I.A. there are less concerns regarding truck traffic and fast-paced vehicular traffic, noting a definite difference since completion of the Red Hill Parkway. A new parkette is being designed in the Stoney Creek B.I.A. and improvements to Battlefield Park are underway.

The consultant also found that the City's Commercial Property Improvement Grant Program has been very effective towards improving properties and that there has been good use of the program throughout the B.I.A.s.

"Alternatives for Consideration – Not Applicable"

FINANCIAL / STAFFING / LEGAL IMPLICATIONS (for Recommendation(s) only)

The updated reports may identify some municipal measures such as streetscape improvements. If there are staffing or financial implications related to the implementation, they will be identified through future work programs and budget submissions. There are no immediate financial, staffing or legal implications as a result of the recommendation contained within Report PED11091.

SUBJECT: Commercial Market Assessment Updates for the Downtown Hamilton, International Village, Stoney Creek and Barton Village Business Improvement Areas (PED11091) (Wards 2, 3 and 9) - Page 3 of 4

HISTORICAL BACKGROUND (Chronology of events)

Commercial Market Assessments were completed in 2003 for five (5) of the City's B.I.A.s (Concession Street, Downtown Dundas, Ottawa Street, Waterdown and Westdale Village). Additional Commercial Market Assessments were completed in 2005 for five (5) additional B.I.A.s (Barton Village, Downtown Hamilton, International Village, Main West Esplanade and Stoney Creek), in 2008 for the Locke Street B.I.A and in 2010 for the Ancaster B.I.A. The King Street West B.I.A. chose not to participate.

The consulting firm of Urban Marketing Collaborative, a division of J. C. Williams Group, was selected by the City of Hamilton to undertake the original assessments. In 2009 they were retained by the City of Hamilton to review and update the studies that had been completed in 2003 to reflect changes in market conditions and priorities that have occurred since they were prepared. In 2010, the studies completed in 2005 were reviewed and updated and are now the subject of Report PED11091. The Main West Esplanade B.I.A. has not been included due to its dormant status.

POLICY IMPLICATIONS

Not applicable.

RELEVANT CONSULTATION

The Downtown Hamilton, International Village, Stoney Creek and Barton Village B.I.A.s were involved in the preparation of the terms of reference for the undertaking and worked closely with the consultant during the review.

The consultant organized several stakeholder meetings with B.I.A. representatives and extensive consultation and feedback took place throughout the process to ensure that relevant issues were canvassed. The four (4) B.I.A.s reviewed their respective reports and provided comments relative to the material presented within their Commercial Market Assessment Updates. The consultant also met with relevant staff of the Planning and Economic Development, Public Works and Community Services departments.

ANALYSIS / RATIONALE FOR RECOMMENDATION

(include Performance Measurement/Benchmarking Data, if applicable)

Report PED11091 is for information purposes.

Appendix 'A' to Report PED11091 contains the Executive Summaries for the four (4) Commercial Market Assessment Updates.

ALTERNATIVES FOR CONSIDERATION:

(include Financial, Staffing, Legal and Policy Implications and pros and cons for each alternative)

Not applicable.

CORPORATE STRATEGIC PLAN (Linkage to Desired End Results)

Focus Areas: 1. Skilled, Innovative and Respectful Organization, 2. Financial Sustainability, 3. Intergovernmental Relationships, 4. Growing Our Economy, 5. Social Development, 6. Environmental Stewardship, 7. Healthy Community

Growing Our Economy

- ◆ B.I.A. initiatives help retain and attract businesses

Healthy Community

- ◆ B.I.A. members are involved in developing and implementing local solutions

APPENDICES / SCHEDULES

Appendix 'A' to Report PED11091 – Executive Summaries from the Commercial Market Assessment Updates for the Downtown Hamilton, International Village, Stoney Creek and Barton Village Business Improvement Areas

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Commercial Market Analysis for Barton Village BIA



April 2011

Commercial Market Analysis for Barton Village BIA

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Executive Summary

Urban Marketing Collaborative (UMC) was retained by the City of Hamilton in 2005 to undertake a commercial market study of five business districts in the City: Barton Village BIA, International Village BIA, Downtown Hamilton BIA, Stoney Creek BIA, and Main Street West Esplanade BIA. As a benchmarking exercise and to provide future direction to four BIAs, the City of Hamilton has invited UMC to return to update the commercial market studies (note that Main Street West Esplanade BIA is not an active BIA). This report addresses issues specific to Barton Village BIA.

The following recommendations in the report are guidance measures for the BIA and the City and not direct policy documents.

Key Evaluation Metrics

The following are key evaluation metrics used to assess the changes for Barton Village BIA. They include both quantitative and qualitative measures.

Measure	2005	2010
Retail Mix		
Retail Merchandise	25%	22%
Convenience Goods	13%	14%
Food Service	25%	17%
Services	9%	20%
Other	11%	5%
Vacancy	16%	22%

There are 150 retail commercial businesses in the audit and approximately 240,000 sq. ft. of retail commercial type space.

There have been shifts and new developments along Barton Village BIA but vacancy is still an issue. Retail merchandise is the most dominant retail category including business-to-consumer and business-to-business establishments. These businesses also include discount and value-oriented format stores. Eating and drinking is still a strong category but it occupies less square footage than in 2005. Many of the drinking places have closed along with older format restaurants. These businesses have been replaced with smaller restaurants and cafés that cater to the local residents and local employees.

Services has more than doubled with more beauty-related services and professional services. Convenience retailers such as grocery and pharmacy have remained relatively constant and account for a good proportion of the total square footage.

Measure	Time Period	
Value of building permits - commercial	2005-2010	\$911,655
CPIG - façade improvement - total investment	2002-2009	\$448,592
Number of participating buildings CPIG	2002-2009	22
Parking Meter Revenue Increase	2005-2009	10.3%

Twenty-two different buildings have made use of the City's Commercial Property Improvement Grant - CPIG (façade improvement program) and have invested nearly \$450,000. Barton Village businesses have continued to make use of the incentives in 2010 with further applications.

Despite this investment, the long nature of the street means that there is still more work to be done. There have been improvements but also there are abandoned buildings and those that continue to be converted from commercial to residential. There is a need for a block-by-block and building-by-building review to determine innovative methods of creating an enhanced neighbourhood retail street.

Vision

A meeting with the Board in November 2010 confirmed the commitment of the board to continue towards enhancing the village and neighbourhood aspects of the area. There are changes and movements to enhance the arts, cultural, and destination draw but these are beyond the immediate scope of the services that the BIA can provide directly. The destination businesses should develop their unique positioning and may work together to develop common marketing programs with the assistance of the BIA. However, as stated, the largest amount of resources and work for the BIA should be aligned with the neighbourhood including:

- Continuing to improve and enhance the clean and safe programs including their staff person, reporting protocols on property standards, police liaison work, among other initiatives
- Enhancing the businesses and services that cater to the local residential population
- Creating a pedestrian-friendly atmosphere and places for local residents to recreate including Woodlands Park (e.g., the addition of a skating rink)

Services that the BIA can provide to destination businesses include keeping the area clean and safe, promoting and developing neighbourhood-oriented goods and services, and limited joint marketing programs.

Organization

The organizational structure of the Barton Village BIA is a much different organization than in 2005. Since 2005, there have been several executive director and board changes. The current executive director and board have been able to accomplish more recently and should be acknowledged for their support and commitment.

Previous recommendations for Barton Village BIA with respect to organizational resources and the 2010 status include the following:

2005 Action Step	2010 Status	Responsibility
Set up a committee based on cleanliness and safety with all community partners involved	Barton Village BIA works to improve overall cleanliness and safety issues. Note that the Clean City Liaison Committee is a city-wide initiative that may be of interest to the BIA.	Barton Village BIA
Continue to communicate openly with merchants and property owners regarding successes, plans, and where assistance is required. This could be in the form of newsletters, BIA meetings, informal peer meetings, and potentially a website. Find out more information on merchants and property owners to update database (e.g., emails, phone numbers, fax numbers, etc.).	The BIA has become a much more open organization that actively works to communicate with members. The recent AGM was standing room only. There is interest amongst members related to BIA programs and the members actively communicate with the executive director.	Barton Village BIA
Increase partnership opportunities with community partners, especially ethnic groups and Hamilton General Hospital	<ul style="list-style-type: none"> • While partnerships with any hospital are difficult for the BIAs in Hamilton, the success of Barton Village BIA has been to work with other local organizations. • The BIA has a very good relationship with the local Ward 3 Councillor’s staff. • The BIA has established improved relations with new apartment building owners. 	Barton Village BIA

2005 Action Step	2010 Status	Responsibility
Develop a “who does what” sheet in conjunction with the City of Hamilton. This should be available to all merchants and property owners telling them who is responsible for different services and who to call for assistance (e.g., graffiti hotline, road repair, break-ins, etc.).	The City should update this contact sheet.	City of Hamilton

Further recommendations include:

- Continue to be a voice for Barton Village with the City of Hamilton to ensure that parking, property standards, parks and recreation, HABIA, special events, etc. assist in the revitalization efforts of this neighbourhood street. The City should work cooperatively with the Barton Village BIA as they have shown themselves to be a leading edge organization that can gain the trust and support of local businesses and property owners.
- The budget should not be increased except through increased assessments that arise through redevelopment and new development of commercial properties.

Economic Development

Businesses that enhance the neighbourhood village atmosphere should be encouraged. Destination businesses that cater to arts, culture, business-to-business, furniture, etc. create additional exposure and draw but are very difficult to determine who should be recruited. The good value with respect to building prices and rents drive entrepreneurs to Barton Village to establish their retail vision ideas. Barton Village should be marketed to businesses as both local neighbourhood serving and as an entrepreneurial location for new start-ups.

Previous recommendations and the 2010 status include:

2005 Action Step	2010 Status Update	Responsibility
Commit to a program of increasing the learning for merchants and property owners through education, seminars, sharing demographic information, and increased networking	This is a work in progress and is being accomplished. The merchants and property owners are extremely busy running their businesses and do not have additional time to commit to learning. Innovative and short programs aimed at trying to improve retail selling needs to be attempted. Short videos and visual updates may be more beneficial rather than lengthy reports. It appears as though businesses respect the one-on-one advice offered by the executive director however this is very time consuming especially for such a large business district. A business mentorship program may be beneficial for volunteer assistance with new business ventures.	Barton Village BIA

2005 Action Step	2010 Status Update	Responsibility
<p>Hold regular meetings with stakeholders (at least two times a year) on the status of the commercial environment and upcoming changes (e.g., legislation, bylaws, new commercial developments, other changes), with learning as a key component</p>	<p>This is a work in progress and is being accomplished. However as stated, these programs run into the difficulty of time management for very busy businesses. Once again, creativity in the delivery of these programs needs to be worked on with the City of Hamilton’s Small Business Enterprise Centre to make it quick and easy for the businesses to understand.</p>	<p>Barton Village BIA</p>
<p>Institutionalize the welcoming committee for new businesses and develop a “How to start a business” brochure</p>	<p>This would be a good program for the BIA to begin. It may be part of a mentoring program to help new businesses (e.g., who to phone for police assistance, how to get a new sign, who would you recommend for financial accounting advice, how to use the Small Business Enterprise Centre, etc.)</p>	<p>Barton Village BIA</p>
<p>Use the existing database as a starting point to profile each business. Develop a one-page and multi-page retail recruitment package on why a business should locate on Barton Street</p>	<p>The database on the businesses is complete and the BIA is adding further information on each property as it becomes known.</p> <p>The BIA has developed an excellent program on “Invest in Barton Village, I Did” that showcases the local entrepreneurial talent. This is an excellent recruitment program.</p>	<p>Barton Village BIA</p>

Additional recommendations include:

- On a block-by-block basis, work with the BIA, property owners, Planning and Economic Development (including Property Standards) to determine the following:
 - The ownership, zoning, and current use of each building
 - The deficiencies of each building to bring them up to code
 - Should buildings be converted to residential and should incentives be applied that would aid in that conversion so that buildings are redeveloped as per code and with design sensibilities that contribute to an attractive street front.

The extensive nature of the project means that it should be tackled on a block-by-block basis. Otherwise, the enormity of the project will become overwhelming and lead to inactivity. Rather the parties should commit to a plan of assessing each block, how to resolve the issues, and then to move on to the next block once they are confident that they are making headway on the other blocks.

Physical Improvement and Other Programs for Enjoyable Shopping

Recommendations for physical improvement type programs and the 2010 status updates include the following:

2005 Action Step	2010 Status Update	Responsibility
Develop a committee to work with the City of Hamilton on developing guidelines for design and physical improvements to the area including parking and safety	Recommendations for this type of joint effort between the property owners, the BIA, and the City is required to assess each building on a block-by-block basis	Barton Village BIA, City of Hamilton
Promote the façade improvement program and other benefits from the City of Hamilton. As new financial incentives are made available from the Provincial and Federal governments, such as historic tax credits, these need to be communicated to property owners and potential property owners	<ul style="list-style-type: none"> • Businesses and property owners have made good use of the incentive programs and continue to do so. The BIA wants to continue to work effectively with businesses to access these programs. • Increased effort by the City on how these programs work, their effectiveness, case studies from other users and the economic impact are all valid endeavours. 	Barton Village BIA
Develop a Clean and Safe Protocol and hire clean-up staff	This has been accomplished and is part of the BIA’s commitment moving forward to continue to improve the street.	Barton Village BIA
Develop more artist live/work spaces (e.g., old Siemens Westinghouse building is ideal for recording artists, visual artists, photographers, fabric and textile designers, independent clothing manufacturers, sculpture artists, arts and crafts artists, etc.)	The City has invested into developing more artist places in the City and Downtown including the Imperial Cotton Centre for the Arts and the movement to develop a Creative Catalyst Centre in Downtown Hamilton.	City of Hamilton as lead, but other agencies may be involved

Further recommendations include:

- Continued enhancements of Woodlands Park including the addition of an outdoor skating rink. Other activity centres that focus on helping the neighbourhood evolve should be encouraged including the local public library, outdoor play equipment, good sidewalks for pedestrians, strollers, wheelchairs, and the elderly, lighting (note a lighting study has been completed), and
- Use light creatively on the sides of buildings to create an enhanced and low cost art-type project (note that the City completed a lighting study for the BIAs).

Marketing

The initial 2005 report made the following observations and recommendations with respect to the idea of marketing and branding the street based on the international offerings (note 2005 recommendations are italicized).

“The international themed clusters can work in the future but there are numerous obstacles:

- *The street is too long for continuous commercial activities: people will not walk the whole street.*
- *The current level of commercial activity is too small and sporadic, so the needed critical mass of commercial businesses is lacking in a number of locations.*

Once the area is cleaner, safer, and new businesses have started to infill vacant space, more marketing activities can occur. In the long-term, a special event related to internationally themed festivals would be a worthwhile endeavour.

The BIA’s primary responsibility will be to organize promotional programs and act as a liaison in order to attract new investment, retailers, shoppers, and outside visitors. This is accomplished through the following initiatives.

- *Help build positive images. Marketing should have a broad mandate to build positive programs and images and to counteract negative perceptions. This will include safety, cleanliness, easy access, convenience, enjoyable shopping, well-managed stores, variety of stores, etc. While marketing should have a broad mandate, marketing communications must be highly focused on specific target markets (e.g., local residents, ethnic residents, hospital staff, local employers, etc.). Restaurant menus from local restaurants and cafés can be collected and sent to local employers as a dining directory.*
- *The business directory could highlight businesses and services marketed on their ethnicity rather than their usage. For example, all Portuguese businesses and services could be listed together and then all the Italian businesses and services. This is one method of making Barton Village BIA stand out from the other business districts in the City of Hamilton.*

- *Begin with umbrella communications in the local media (e.g., selling the benefits of Barton Street that is friendly and personable – images of people and families having fun should be used to help convey the vision) as well as targeted facts to select groups (e.g., eating guide for the hospital and manufacturing businesses nearby) and advertising in ethnic newspapers in the city.*
- *Public relations are extremely important. Launch and continue “good news” articles to the press regarding news, success stories, new developments, new retailers, etc. that are happening on the street. Make sure the releases are newsworthy and consider writing your own articles. Search out reporters who cover positive stories on Barton Street and send them information.”*

Barton Village BIA is cleaner and safer and with a well-staffed BIA and hard working board of management, they feel capable of tackling greater marketing initiatives. The improvements to Woodlands Park, the introduction of new festivals and events (Spring Fling), and good news articles in the Bay Observer, and the website, are all making an impact.

The goal is the following:

- Continue with umbrella-type marketing that illustrates positive and neighbourhood-focused images of Barton Village
- Develop more neighbourhood-oriented festivals and events that draw the locals
- Should some of the destination-oriented businesses wish to create an event (e.g., arts oriented) the BIA may assist but should not run the event
- Continue to market in local mediums such as The Bay Observer
- Extend marketing reach to local employers, including Hamilton General Hospital, to communicate to employees about the goods and services that are available
- Work with the City’s Planning and Economic Development Department, including the Marketing Coordinator, on ways to improve the public’s perception of Barton Village to the region including positive articles in regional media (print, online, TV) such as The Spectator, Dundas Star, Burlington Times News.

Commercial Market Analysis for Downtown Hamilton BIA

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Executive Summary

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The following recommendations in the report are guidance measures for the BIA and the City and not direct policy documents.

Key Evaluation Metrics

The following are key evaluation metrics used to assess the changes for Downtown Hamilton BIA. They include both quantitative and qualitative measures.

Measure	2005	2010
Retail Mix		
Retail Merchandise	13%	10%
Convenience Goods	5%	5%
Food Service	40%	36%
Services	16%	23%
Other	6%	10%
Vacancy	20%	16%

There are 196 retail commercial businesses in the audit and approximately 370,000 sq. ft. of retail commercial-type space. The BIA has expanded since 2005 primarily to the south but also to the west and north.

The vacancy rate has dropped in Downtown Hamilton to 16%. The most dominant category is food services. At 36% of the total square footage, food services accounts for the single most marketable retail strength. While the total square footage has decreased the actual number has increased from 53 to 56. There are fewer larger clubs and drinking places and more smaller cafés, bistros, and restaurants.

There is a concern related to the fall in retail merchandise and the relatively low amount of convenience-type retail.

Measure	Time Period	
Value of building permits - commercial	2005-2010	\$27,377,952
CPIG - façade improvement - total Investment	2002-2009	\$597,980
Number of participating buildings CPIG	2002-2009	14
Parking Meter Revenue Increase	2005-2009	9.6%

Fourteen different buildings have made use of the City's Commercial Property Improvement Grant - CPIG (façade improvement program) however, despite the low number of buildings, the investment is quite high at almost \$600,000.

Total building permits including retail and commercial is over \$26 million. There has been a significant reinvestment by the property owners in the office buildings in Downtown Hamilton, improving their marketability to quality tenants.

Total grants invested by the City of Hamilton into Downtown Hamilton BIA area are \$2.6 million from 2006 to 2010.

Vision

The vision for Downtown Hamilton should focus on three key goals:

1. Hospitality
2. Neighbourhood
3. Unique Retail

Each of these three visions require a slightly different approach and brand to achieve its potential.

Organization

Organizationally, Downtown Hamilton BIA has been successful at developing a more streamlined, results-oriented board structure. The challenge moving forward as the BIA expands will be:

- To have the requisite staffing resources to achieve the vision.
- To ensure that all the smaller districts that make up the BIA (including the proposed BIA expansion on James Street North) have their issues addressed appropriately.
- To continue to work cooperatively with the City of Hamilton departments and other organizations (e.g., HECFI, Jackson Square, International Village BIA, etc.)

Consideration should be given to hiring a marketing coordinator to oversee the increased communication programs with both consumers and potentially investors (recruitment). This person would work in coordination with the Marketing Coordinator, Planning and Economic Development.

Recommendations – Organization

2005 Action Step	2010 Status Update	Responsibility
Develop roles, responsibilities, and organizational needs of supporting and partnership groups for the implementation of the plan. Sell the vision to appropriate stakeholders	This has been accomplished but is a continual work in progress as new organizations emerge or staffing changes (e.g., special events committee, James North Art Crawl)	Downtown Hamilton BIA
Develop and support new partnerships with Downtown, City, other BIAs, and area organizations (arts organizations and universities) to sell vision and achieve buy-in	The BIA has been working hard to develop partnerships. One of their successes is the Hospitality Committee. In addition the BIA has been instrumental partners in the Cleanliness and Security Taskforce. There is a very good working relationship between the BIA and Jackson Square. There is a very good relationship between the BIA and International Village BIA.	Downtown Hamilton BIA

2005 Action Step	2010 Status Update	Responsibility
Work to decrease the size of the BIA Board through amendments	This has been accomplished. The board is more streamlined and results oriented.	Downtown Hamilton BIA
Continue to market programs and services to assist businesses, investors, and the BIA	<p>This is an ongoing work in progress. The issue is made more difficult through absentee landlords.</p> <p>The City has developed a new brochure for the incentive programs and is actively marketing them to property owners.</p>	City of Hamilton and Downtown Hamilton BIA
Develop methods for increasing private/public sector investment including corporations, foundations, public sectors, and other private sector bodies	This is an ongoing work in progress. The City has taken a lead on creating development opportunities in the Greater Downtown Hamilton area. As much as possible the BIA can assist the City in this initiative in terms of increased communication, liaison work, marketing material information, as well as continue to work towards and enhance clean and safe goals.	Downtown Hamilton BIA, City, and other interested stakeholders
Expand boundaries of BIA to include more of Downtown Hamilton's office market	An expansion to the south was successful. A further expansion to the north and potentially west and south may be considered. At present they do not consider an expansion into Jackson Square or Hamilton City Centre to be a priority.	Downtown Hamilton BIA
Continue to grow BIA budget	The budget has been growing with increased assessment and expansion.	Downtown Hamilton BIA
Hire additional marketing staff as required	Marketing staff should be hired.	Downtown Hamilton BIA

Economic Development

Districts were the basis for the previous commercial market assessment and should be further enhanced.

King Street (North Side)

Role:

King Street on the north side is a difficult section of the street to redevelop for the following reasons:

- Essentially one-sided retail
- Very high pedestrian volumes almost limit the ability for retailers to market to consumers except through retailers geared to very quick and efficient goods and services (Note that with the opening of the McNab Bus Terminal, the pedestrian volumes are reduced at James Street and King Street as it has shifted west – this may alleviate some of the non-retail traffic pedestrian congestion allowing retailers better access to shopper traffic)

Action:

- King Street will appeal to retailers that need a very strong visual presence on the street and high exposure to a very wide range of pedestrian traffic. Retailers have attempted to lure customers with very large signage that takes up several stories on the side of a building. There should be a design review to illustrate how to create a strong visual presence that is clean and well planned.
- A review of signage allowances along King Street may be reviewed to ensure they are aesthetically pleasing (through both incentives and rules/regulations).
- The continued effort to relocate/remove some businesses (e.g., adult entertainment, bingo parlours) will assist with improved perceptions and overall retail recruitment efforts in Downtown.

Main Street

Role:

Main Street is the vehicular spine of Downtown Hamilton providing high visibility and exposure to retailers. It is dominated by large civic uses, office buildings, and residential buildings.

Future Development:

Any future development along Main Street that includes mixed-use development should aim for medium-to-larger format uses for the retail commercial component. These developments could include medium sized grocery stores, drug stores, electronics stores, or home furnishings.

South of Main Street

Role:

There is a mix of office buildings, residential, transit, and specialty food service operations. The food service operations are either very large or small and intimate. Patios are often located at the back of the space.

John Street South has the highest concentration of food service operators.

Action:

Encourage more food service businesses and more neighbourhood-focused retail (urban grocers, small pharmacies, wine store, dry cleaners, travel agents, small home furnishings, specialty food retailers (such as bakeries, cake places, cheese shop, meat shop, gelato/ice cream, etc.)

Note that John Street North and South has the potential to be a more cohesive food service street.

King William Street

Role:

This is an arts street; however the street still lacks any critical mass of uses that will draw visitors. With the vacancy at the north side of The Right House and the bingo hall, King William Street is effectively a single-loaded street. The future completion of the Lister Block will add renewed focus to the street. The new condo units, the Theatre Aquarius and other nearby developments such as the Downtown Arts Council at 28 Rebecca means that this street still holds the potential for a greater arts and cultural function. The potential to include the Creative Catalyst project in Jackson Square/Hamilton City Centre should be pursued and potentially situated so that the view termini of King William Street includes an artist piece. Nighttime light displays can draw focus to the area.

Action:

Continue to implement the King William Streetscape Master Plan with the emphasis on public art, streetscape design, and design standards for new mixed-use buildings. Consider development on the parking lots along King William Street for mixed-use with parking garage structures.

Other Districts

International Village, James Street North, King Street West, and James Street South/Augusta present additional retail opportunities that complement Downtown Hamilton. These are both destination areas and neighbourhood serving streets (the split changing with each district).

These streets help to provide smaller independent retail activities including convenience goods and services, smaller food service operations, and independent and unique retail merchandise stores. Hess Village is a young-adult-oriented entertainment district and Jackson Square is an office-serving indoor mall.

The BIA needs to take a concerted effort towards building contacts and committing resources to finding retailers that match the vision they want to achieve. This means keeping property information up to date.

While there has been work towards implementing these recommendations, the following action steps from 2005 regarding recruitment planning are still valid.

Recommendations – Economic Development

2005 Action Step	2010 Status Update	Responsibility
Convene meetings with property owners and real estate professionals and start feedback process on vision	<p>This has been accomplished but a recruitment council may be required to move the recruitment initiatives forward.</p> <p>The BIA developed a program centred around “Find Your Place” for marketing properties in Downtown. This has been successful and it will be relaunched with the re-opening of the Hamilton Farmers’ Market.</p>	Downtown Hamilton BIA
Target specific parcels with high catalytic potential for appropriate development (as per areas of emphasis)	The City has taken this initiative on more directly.	City of Hamilton with input from Downtown Hamilton BIA
Liaise with the City and champion Downtown Hamilton to help expedite the action plan and its implementation	This is a continual work in progress.	Downtown Hamilton BIA
Develop a list of businesses and vacant buildings in Downtown Hamilton with key leasing information (e.g., owner, size, contact information)	There appears to be some missing information on the building and business inventory.	Downtown Hamilton BIA
Package leasing information for development opportunity sites and target business	<p>The City has a recruitment package highlighting the favourable facts of Downtown.</p> <p>The BIA should use this information and customize the beginning to suit their specific needs and address their function and resources.</p>	Downtown Hamilton BIA with information from City of Hamilton
Develop a coordinated package of regulatory reforms and other incentives to facilitate appropriate private development (e.g., incentives, code changes, exclusionary operations on King Street East, etc.). Look at ways of modifying existing building codes and policies that better suit Downtown Hamilton’s aims and objectives	There is an excellent roster of programs by the City of Hamilton. These are being refined and marketed better to allow for greater usage throughout the year and direct marketing to property owners.	City of Hamilton, Downtown Hamilton BIA

2005 Action Step	2010 Status Update	Responsibility
Continue to encourage middle to upper income housing in Downtown	This is a continual work in progress and significant changes have occurred.	City of Hamilton
Support college, university, and artistic programs that can provide incubator businesses in Downtown Hamilton (e.g., Hamilton Conservatory of Arts)	This is an interesting opportunity. The Cossart Exchange has an interesting program that provides assistance to artists to get the necessary knowledge and expertise to start a cultural business. The BIA has made contact with this organization.	Downtown Hamilton BIA with other institutions
Research City policies that support the action plan and its implementation	This is a continual work in progress and significant changes have occurred.	Downtown Hamilton BIA
Work towards developing infill property, especially along King William Street, the side streets, and Main Street East	This is a continual work in progress and new developments such as the Lister Block, Gore Building, and other developments have been made. The most significant potential redevelopment project is the Connaught Hotel.	Property owners and developers, City of Hamilton

Programs for Enjoyable Shopping

The following represents the 2005 action items and their corresponding 2010 status.

Recommendations – Programs for Enjoyable Shopping

2005 Action Step	2010 Status Update	Responsibility
Maintaining clean and safe areas should become top priority (police liaison, coordinate cleaning, etc.) both proactive and reactive measures	The Cleanliness and Security Taskforce has been instrumental in increasing safety and security in Downtown Hamilton. Continued commitment and funding for the Action Team is required.	Downtown Hamilton BIA, Cleanliness and Security Taskforce, City, Police
Develop promotional programs such as brochure	<p>The City of Hamilton has developed promotional materials to increase the perceptions of Downtown. The slogan “Everyone Needs a Little Downtime” has been played on the radio.</p> <p>The BIA has actively worked to increase marketing of the image of Downtown Hamilton. The BIA’s recruitment marketing pitch of “Find Your Place” has been well received and will be used again.</p> <p>Continued work by the BIA and the City with PR firms and collecting / disseminating articles written from outside of Hamilton, and other positive news stories need to be conducted.</p>	Downtown Hamilton BIA, City
Develop programs to help disadvantaged Downtown residents but also actively discourage panhandling and loitering	This is a work in progress.	City, Downtown Hamilton BIA
Coordinate for the placement of more public art throughout Downtown Hamilton	The King William Streetscape Master Plan includes a significant public art component and some pieces are in place. The Gore Park Master Plan similarly includes new public art features.	City, Downtown Hamilton BIA
Support conversion of King Street East to two-way, providing greater exposure for the hotels	More study related to the economic impact on businesses is required related to the vehicular and LRT routes.	City, Downtown Hamilton BIA

2005 Action Step	2010 Status Update	Responsibility
Develop case studies and brochures to help streamline incentive programs	The City has worked to enhance the program including allowing businesses to submit at any time. Continual refinement of this incentive program is a must and is happening (residential, office, façade, heritage, etc.)	City
Remove buses from King Street East (South Side)	This had been accomplished by January 2011 with the opening of the MacNab bus terminal.	City
Support business efforts to fill seats for performances and special events	This is part of the Hospitality Committee work along with work to market and promote local restaurants along with arts, culture, sporting, convention, and entertainment activities (e.g., Localicious).	Downtown Hamilton BIA and partners
Develop other residential assistance programs to upgrade existing homes in Downtown Hamilton	There are several programs including the Commercial Corridor Housing Loan and Grant Program, the Hamilton Downtown Multi-Residential, Property Investment Program, and other programs that may be linked into residential or mixed-use development. This is an ongoing process of refinement of the programs.	City

Further action items:

The bulk of the efforts of the City and the BIA will be on two initiatives:

- The test study of the Gore Park Master Plan
- LRT on King Street East

Marketing

The Hospitality Committee has developed excellent programs. This should be continued.

The BIA should move towards increased focus on the local neighbourhood population. When there is success in finding businesses that can cater to the local residents' convenience goods and services needs, there should be marketing programs that help reinforce shopping locally.

When a new business opens, that business should send regular reminders in the first month or two to help drive awareness. The BIA may help with that initiative. Reminders should be sent out to local residents on the variety of local goods and services available.

The BIA should profile local business owners to the local residents as a way of creating a relationship between the residents and their local shopping neighbourhoods.

Overall, the bulk of the marketing should be on:

- Regional visitors who are Downtown for a special purpose, such as arts, culture, sporting event, entertainment event, overnight stay in a hotel and will want to include an eating and drinking experience or unique shopping experience
- Office workers who primarily need lunch-time and after work food service operations as well as some apparel, gift/home furnishings type items
- Local residents who need quality convenience-oriented goods and services as well as some unique shopping goods.

Recommendations – Marketing

Action Step	Time Frame	Responsibility
Establish an identity program for Downtown Hamilton to create distinctive identities for each area of emphasis within the context of Downtown Hamilton (e.g., Gore District)	This is accomplished, a new logo, slogan and image has been created.	Downtown Hamilton BIA
Improve website, promotional materials, banners, and logo to keep it fresh	Changes to the look, logo, slogan, colours, website etc. have been made and needs to be continued, refreshed and updated.	Downtown Hamilton BIA

Action Step	Time Frame	Responsibility
Develop linkages and partnerships with local arts organizations, businesses, and sporting events that appeal to same target market	Excellent partnership programs have begun and needs to be continued.	Downtown Hamilton BIA
Improve inter-organization communications and coordination to build positive images internally	This is accomplished.	Downtown Hamilton BIA
Implement cross-promotional activities such as restaurant, performance, and hotel packages, coordinated hours of activity, worker dining incentives, etc.	The Hospitality Committee has worked on these programs and have accomplished significant success. The Localicious program is very successful.	Downtown Hamilton BIA partners
Develop a monthly flyer or newspaper insert to advertise Downtown Hamilton events, performances, and businesses	This is a work in progress.	Downtown Hamilton BIA

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Appendix 'A' to Report PED11091

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Commercial Market Analysis for International Village BIA



April 2011

Commercial Market Analysis for International Village BIA

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Executive Summary

Urban Marketing Collaborative (UMC) was retained by the City of Hamilton in 2005 to undertake a commercial market study of five business districts in the City: International Village BIA, Downtown Hamilton BIA, Barton Street Village BIA, Downtown Stoney Creek BIA, and Main West Esplanade BIA. As a benchmarking exercise and to provide future direction to four BIAs, the City of Hamilton has invited UMC to return to update the commercial market studies (note that Main West Esplanade BIA is not an active BIA). This report addresses issues specific to International Village BIA.

The following recommendations in the report are guidance measures for the BIA and the City and not direct policy documents.

Key Evaluation Metrics

The following are key evaluation metrics used to assess the changes for International Village BIA. They include both quantitative and qualitative measures.

Measure	2005	2010
Retail Mix		
Retail Merchandise	25%	16%
Convenience Goods	5%	9%
Food Service	18%	21%
Services	16%	24%
Other	17%	18%
Vacancy	19%	12%

There are 125 retail commercial businesses in the audit and approximately 260,000 sq. ft. of retail commercial type space.

The vacancy rate has dropped in International Village. The previous rate in 2005 included both rentable as well as properties that were unrentable (primarily due to the uninhabitable nature of these buildings). There have been several redevelopment projects the most notable of which is the Terraces on King.

Food services is the strongest marketable retail category. The total amount of square footage in this category has increased to approximately one-quarter. Personal and ground floor professional services have increased substantially in the past five years. The loss of retailers such as Amity affected the drop in retail merchandise however, it is

noted that it has been difficult to retain some of the leisure oriented businesses. However, at 16% of 260,000 sq. ft, it is still a sizeable retail category. The addition of Shoppers Home Health affected the convenience retail category helping it grow to 9%. There should be continued effort to see the convenience retail category, which includes urban grocers, specialty food retailers, and health and beauty supplies, continue to increase their presence.

Measure	Time Period	
Value of building permits - commercial	2005-2010	\$8.5 million
CPIG - façade improvement - total investment	2002-2010	\$775,150
Number of participating buildings CPIG	2002-2010	61 buildings
Parking meter revenue increase	2005-2010	14.2%

Sixty-one applications (some for the same building) have made use of the City's Commercial Property Improvement Grant - CPIG (façade improvement program) and invested over \$775,000. However total commercial investment in the area is \$8.5 million including the Days Inn and Shoppers Home Health. Note that it does not include Terraces on King as this is primarily a residential development.

Continued façade improvements and infill development along King Street East and Main Street East should be encouraged. King Street should continue to maintain its historic, more intimate street front character whereas Main Street can accommodate medium-to-larger mixed-use developments (including retailers).

This is consistent with the Prime Retail Street land-use designation and zoning applied to King Street and the mixed-use land-use designation and zoning applied to Main Street.

Vision

The vision for International Village is to enhance its appeal as an urban eclectic village complete with destination food retailers and food services as well as businesses that appeal to the growing local residential population nearby. Infill specialty retail businesses that complete an urban village atmosphere should also be a strong component.

Action Items

The change in executive directors for International Village BIA presents an opportunity to review and re-affirm the vision and set the course for a new business plan. A significant focus for the BIA will be on marketing and renewed branding of International Village.

Organizational Recommendations

2005 Action Step	2010 Status Update	Responsibility
<p>Develop roles, responsibilities, and organizational needs of supporting and partnership groups for the implementation of the plan</p>	<p>Continue to develop partnerships with local and regional organizations including Arts Hamilton, Volunteer Hamilton, and Downtown Hamilton BIA. The BIA is assessing each partnership opportunity based on the benefits that may accrue to International Village. This is both a push and pull strategy.</p> <p>International Village needs to work with the Marketing Coordinator, Planning and Economic Development to create better synergy.</p> <p>International Village BIA should increase its presence on committees and groups such as Tourism SEAT, Downtown Hospitality Committee</p>	<p>International Village BIA and supporting organizations, businesses, and the City</p>
<p>Develop and support new partnerships with Downtown, City, and area organizations (arts organizations and universities) to sell vision and achieve buy-in</p>	<p>See above. Other partnerships with on-line sources such as Raise the Hammer, Directory of Hamilton, MenusOnly should be researched. Other potential partners include McMaster University (SOC), Imperial Cotton Centre for the Arts, Creative Catalyst, etc.</p>	<p>International Village BIA</p>
<p>Continue to market programs and services to assist businesses, investors, and the BIA</p>	<p>The BIA has functioned as a liaison service for would-be investors. This will continue.</p>	<p>International Village BIA working cooperatively with businesses, investors, and the City of Hamilton</p>
<p>Develop methods for increasing private/public sector investment including corporations, foundations, public sectors, and other private sector bodies</p>	<p>This is a continual work in progress. Hamilton Realty Capital Incorporated is working towards redevelopment opportunities that will enhance a range of residential, arts, and commercial sectors.</p>	<p>International Village BIA, City, and other interested stakeholders</p>

Additional action plan priorities include:

- Continue to market to the membership updates, programs, and City incentives. As an example, do a seminar on the City’s incentive programs and how to apply for them. Remind members of the programs and how easy it is to use them. Collect peer reviews from those who have used the programs and use them in the BIA’s marketing to existing and proposed investors. Create a brochure illustrating different pro formas that arise from redeveloping an imaginary site using different incentive programs.
- Continue to sit on City committees that are relevant to International Village including Downtown Cleanliness and Security Task Force, LRT, HABIA, among others.
- Where possible increase the BIA budget when assessed values increase through (re)development. Hold the levy on all existing businesses at least at the same level.
- Consider expansion of the BIA to the north and south (from Wilson Street to Hunter Street East).
- Ensure committees are working on strategic planning. Consider developing an LRT sub-committee.

Economic Development

Previous action items, their status, and further updates on provided below.

Economic Development Recommendations

2005 Action Step	2010 Status Update	Responsibility
Convene meetings with property owners and start feedback process on vision	A property owners and brokers roundtable that meets two times a year is warranted given the redevelopment opportunities and potential. The roundtable will discuss programs to increase residential developments and mixed-use developments (where appropriate in commercial areas). Hotels, office, and other developments are also considered important developments. Single story commercial buildings should not be allowed as per the Secondary Plan and Zoning ByLaw. There should be more updates provided by the City’s Economic Development Department and the Hamilton Realty Capital Incorporated	International Village BIA, City of Hamilton Economic Development
Initiate meetings with real estate professionals and leasing agents	See above	International Village BIA

2005 Action Step	2010 Status Update	Responsibility
Target specific parcels with high catalytic potential for appropriate development (as per areas of emphasis)	Certain parcels along King Street East have been targeted. The goal should be for a fairly seamless building frontage along all of King Street East and developments along Main Street East. Some parking lots may be deemed very important and should stay (or be redeveloped as parking structures) but others should be redeveloped. Torn down buildings should be redeveloped. A review of the costs with potential available incentives should be reviewed to ensure they are being used to effectively develop new buildings that have leasable retail commercial space (e.g., what is the bridge financing, if any, to make development viable?).	City of Hamilton, International Village BIA
Liaise with the City and champion International Village to help expedite the action plan and its implementation	This has been consistently achieved in the past. The direction for the BIA in the future is a slight re-alignment towards more emphasis on marketing the BIA. However, it is still important that the BIA work cooperatively with the City on safety, tourism, economic development, and marketing programs.	International Village BIA
Package leasing information for development opportunity sites and target business	This still needs to be accomplished. Use the material in this report to help put together a benefits package of locating in International Village.	International Village BIA
Continue to develop a coordinated package of regulatory reforms and other incentives to facilitate appropriate private development (e.g., incentives, code changes, etc.). Continue to look at ways of modifying existing codes and policies that better suit International Village's aims and objectives.	This is consistently a work in progress. The recent Hamilton Downtown Office Tenancy Assistance Program is currently being tested. While it is admirable that the incentive only applies for businesses brought in from outside the City or for existing offices to expand their space. Other programs such as Commercial Corridor Housing Loan and Grant Program and the Hamilton Downtown Multi-Residential Property Investment Program are important and integral parts to the success of Downtown overall.	City of Hamilton, International Village BIA
Support college and university programs that can provide incubator businesses in International Village	This is a goal that should be pursued. Potential entrepreneurs at the colleges and universities could be given projects to develop a unique business suited to International Village.	International Village BIA

2005 Action Step	2010 Status Update	Responsibility
Develop artist resource centre, artist co-op	Arts Hamilton is now located in International Village.	Non-profit artist organization
Research City policies that support the action plan and its implementation	This is constantly being updated and researched.	International Village BIA
Work towards developing infill property, especially along King William Street, the side streets, and Main Street East	This is a work in progress. New buildings such as Terraces on King are an excellent example of redevelopment of an unusable space for mixed-use. The BIA worked collaboratively with the developer to ensure the residential supports the community and the retail works with the street. Today the retail is still vacant. Lessons learned may include the fact that the retail spaces are too small for business needs.	Property owners and developers, City of Hamilton

Retail mix opportunities include:

Retail Category	Examples	Size Ranges
Food services	See appendix for further examples of creating a culturally rich food service experience	
Specialty food – note that Denningers exists	Butcher, bread, cheese, gelato/ice cream, wine, bakery, cake shop, chocolates, tea, urban grocer (preference for quality and buy local)	400 to 1,200 sq. ft. for specialty stores and 8,000 to 15,000 for an urban grocer
Pharmacy and health – note that Shoppers Home Health exists	Drug store, specialty health, cosmetics	500 to 15,000 sq. ft.
Personal services	Dry cleaner, travel agent, banking, hair and beauty salon, spa, barber, medical, dental	500 to 4,000 sq. ft.
Small professional services	Finance, insurance, real estate, lawyer	4,000 sq. ft. typically on upper levels, side streets or Main/King William Streets

Retail Category	Examples	Size Ranges
Recreation	Fitness studio, dance studio, martial arts, sports training, yoga	5,000 to 20,000 sq. ft. often on upper level, side street, or Main/King William Street
Leisure retail including home furnishings	<p>Bookstore – book store/ café, new and used bookstore with café (note that with the rise of e-readers the future of bookstore growth opportunities is limited).</p> <p>Sporting goods – athletic wear (similar to Lululemon), Running Room, bicycle store. Note that stores such as bicycle retailers are a good fit in places that need to gain additional sales due to low potential walk-in traffic. This is because they make sales selling the bikes and then they are able to gain additional sales when they bring the bikes back for their annual servicing.</p> <p>Antique stores – a full range of antique stores from traditional to very eclectic and modern</p> <p>Pet store – Similar to Bark & Fitz but small independent stores geared to dog grooming and food supplies</p> <p>Hobby – knitting café, music and musical instrument store (already exists), artist supplies</p> <p>Optical with optician</p> <p>Kitchen supply store</p>	2,000 to 5,000 sq. ft.

Retail Category	Examples	Size Ranges
Apparel and accessories	Mix of eclectic and traditional apparel and shoes shopping. Brands may include a range of styles from fun and funky to weekend to work. There should be an aim for at least eight apparel/footwear retailers to create the critical mass that this is an apparel shopping destination. Alternatively, if this cannot be achieved they should each market themselves as a destination. This will require focus and expert brand selection as these stores will need to have a narrow and deep retail merchandising mix (fewer brand names but extensive collections within each particular brand). May include custom jewellery, accessories (e.g., Claire’s), lingerie, etc.	2,000 sq. ft.
Furniture, furnishings, electronics, and appliances	Small urban home furnishings such as Urban Barn, EQ3, Saturday Afternoons	5,000 sq. ft.
General merchandise, building supply, and other retail (many dollar stores and convenience stores exist)	Florist, antique stores offering full range from traditional to modern, emporium store that sells apparel , gift, and small home furnishing items	500 to 5,000 sq. ft.

Some sites, particularly on Main Street East and others, are more conducive to larger format retailers in a mixed-use setting. Other places still need to preserve and enhance the smaller retailer format. Mixed-use buildings should be developed in International Village.

Programs for Enjoyable Shopping

Programs for creating an enjoyable shopping environment are critical to the success of International Village. One of the key issues was the lack of quality pedestrian traffic along King Street East to support the local businesses. Of additional interest is the proposed LRT along King Street East.

Recommendation - Programs for Enjoyable Shopping

Action Step	Time Frame	Responsibility
Maintaining clean and safe areas should become top priority (police liaison, coordinate cleaning, etc.)	Clean and safety has been a priority for International Village BIA and the City. The Action Team grew out of the Downtown Cleanliness and Security Task Force recommendations. It is important that this funding becomes a permanent part of Downtown Hamilton. The BIA does coordinate additional cleaning and has staff that assist.	International Village BIA, Clean and Safe Task Force, City, Police
Review parking and length of time for on-street parking Develop promotional programs such as brochure and/or tokens	One hour parking on-street has been extended to two hours. Parking will be a key issue for the LRT process review.	International Village BIA, City
Develop programs to help disadvantaged Downtown residents but also actively discourage panhandling and loitering	International Village BIA works with businesses and organizations to help out disadvantaged residents. The Action Team has been very effective in working with the BIA and local businesses to actively discourage panhandling and loitering.	City, International Village BIA
Coordinate for the placement of more public art throughout International Village	The King William Street art project is being implemented with new art being installed.	City, International Village BIA
Support conversion of King Street East to two-way providing greater exposure for businesses and services	The conversion has not happened to date. As part of the LRT analysis the road direction is being assessed but has not been finalized.	City, International Village BIA

Action Step	Time Frame	Responsibility
Develop case studies and brochures to help streamline incentive programs	<p>This is a priority for the BIA and the City. The City has developed a new incentive brochure.</p> <p>Peer reviews with respect to using the City programs will help sell the incentive program to other property owners and prospective investors.</p>	City of Hamilton assisted by International Village BIA
Support business efforts to fill seats for performances, Ferguson Station events and special events such as Mustard Festival and Rib Row	<p>International Village BIA has supported Theatre Aquarius and the Downtown Hamilton BIA Localicious program and the Hospitality Committee.</p> <p>The Hospitality Committee has been very effective at coordinating various stakeholders to create a better Downtown Hamilton experience.</p>	International Village BIA

Additional action plan priorities include:

- LRT – a more thorough economic impact assessment of the construction and post construction on small businesses in International Village and other commercial areas affected by the LRT is required, including information on the possible timing of the accrued benefits of increased property values and increased density along the LRT route versus the costs to businesses during and post construction. In addition, a better understanding of the potential retail business model that could do well in this environment versus the current model is required. There is a need for better communication with:
 - Proposed wiring sources
 - Future of existing landscaping and trees
 - Future of on-street parking
- Review design guidelines and signage requirements to ensure they reflect the image of International Village BIA on all three major routes (Main Street East, King Street East, and King William Street).

Marketing**Recommendations – Marketing**

2005 Action Step	2010 Status Update	Responsibility
Establish an identity program for International Village to create a distinct identity within the context of Downtown Hamilton	This is being worked on as a renewed project of the BIA. The BIA is preserving the globe imagery but updating colours and fonts to give it a more contemporary, eclectic feel.	International Village BIA
Improve Website, promotional materials, banners, logo to keep it fresh (retain globe image)	This has happened and is a continual work in progress and a priority for the BIA. In the short span of six months, during this study a new website has been launched, new logo developed, new brochures have been printed and sent out, and new banners are going up in the Spring.	International Village BIA
Develop linkages and partnerships with local arts organizations, businesses, sporting events, that appeal to same target market	This has happened and is a continuing work in progress.	International Village BIA
Improve inter-organization communications and coordination to build positive images internally	This is happening and is a continuing work in progress.	International Village BIA
Implement cross-promotional activities such as restaurant, performance, and hotel packages; coordinated hours of activity; worker dining incentives; etc.	Localicious is a successful venture with Downtown Hamilton BIA.	International Village BIA partners
Develop a monthly flyer or newspaper insert to advertise International Village events, performances, and businesses	Email blasts are accomplishing this task	International Village BIA

Other suggestions include:

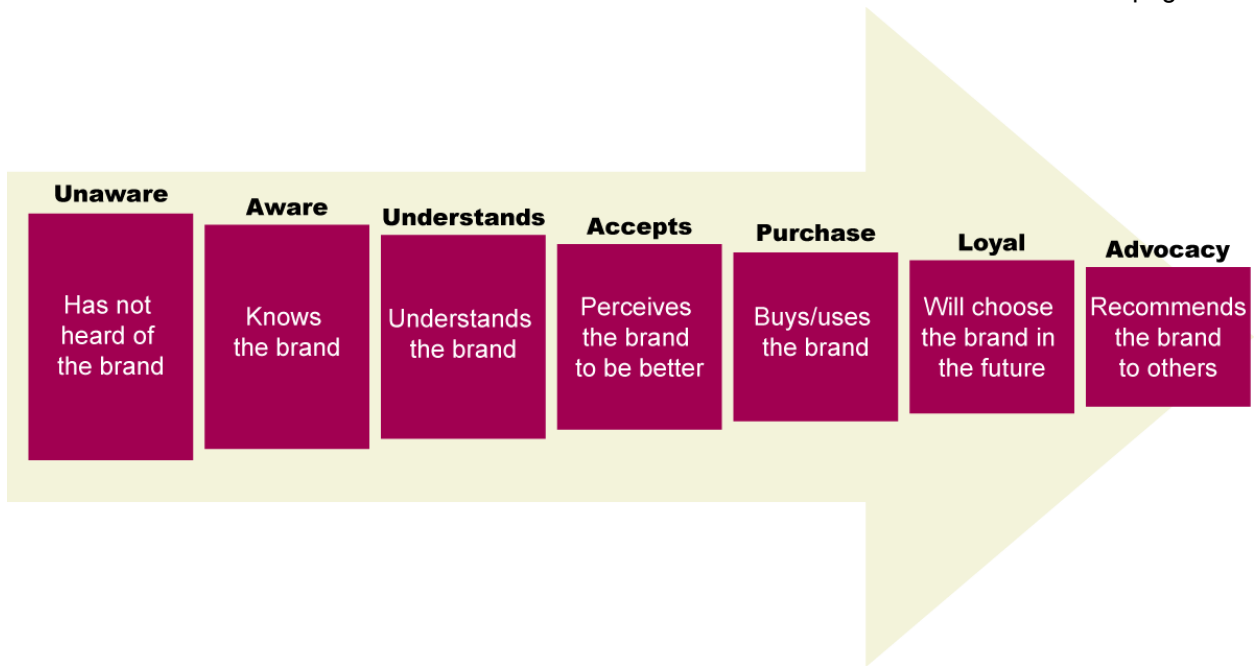
- Use Facebook and Twitter accounts to begin increased direct marketing to loyal International Village followers
- Improve linkages with Theatre Aquarius and other arts and cultural amenities
- Improve parking information on website. Include GPS coordinates to long-term parking lots

- Post on Twitter and Facebook when there are special deals on parking (free parking on Saturday or holidays, etc.)
- Encourage all businesses to include International Village in their addresses in their communications, business cards, web addresses, etc.
- When a new store opens encourage them to send frequent marketing materials to the local neighbourhood and office workers in Downtown Hamilton that a new store has arrived (weekly or twice weekly postcards/flyers for one month). The BIA may assist in sending out flyers or postcards announcing the new business.
- Develop ideas for events at Ferguson Station including working with BizClips on using multi-media presentations and shows, encourage bands to use the space for free (no busking and no amplifiers), art and craft shows (have been done in the past but should be attempted again), allow different restaurants to use it as patio space, weddings, wedding photography, etc.
- Develop a charity event with a food focus such as the Savour Sudbury food festival whereby the local restaurants all prepare different courses for the attendees who have bought tickets to the charity event. Everyone enjoys dining outside with hundreds of others.

Other charity related ideas include charity events where the purchaser receives a ticket that entitles him/her to discounts at International Village businesses for a weekend or week during the event (e.g., Living Rock Soupfest).

Develop a list of marketing initiatives that work towards building loyalty using the following template. There should be tactics that increase awareness but more should be done to increase understanding and to build loyalty.

In terms of marketing, the overall goal is to move beyond simple awareness that a product, store, or business district exists so that the customer eventually chooses it, prefers it, and demands it. As illustrated on page 14, the evolution of marketing programming starts at the left side and works towards achieving loyal customers that are advocates, cheerleaders, and the best direct endorsement that money cannot buy. Satisfied customers will tell others. New forms of communication, networking, and peer reviews are emerging (Facebook, Twitter, LinkedIn). The BIA must stay abreast of changes and adapt accordingly. It is now not just about asking what people want but how they want that message delivered to them.



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Commercial Market Analysis for Downtown Stoney Creek BIA

April 2011

Commercial Market Analysis for Downtown Stoney Creek BIA

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Executive Summary

The consulting firm Urban Marketing Collaborative (UMC) was retained by the City of Hamilton in 2005 to undertake a commercial market study of five business districts in the City: Downtown Stoney Creek BIA, Downtown Hamilton BIA, International Village BIA, Barton Street Village BIA, and Main Street Esplanade BIA. As a benchmarking exercise and to provide future direction to four of the five BIAs (note that Main Street Esplanade is not an active BIA), the City of Hamilton has invited UMC to return to update these commercial market studies. This report addresses issues specific to Downtown Stoney Creek BIA.

The following recommendations in the report are guidance measures for the BIA and the City and not direct policy documents.

Key Evaluation Metrics

The following are key evaluation metrics used to assess the changes for Downtown Stoney Creek BIA. They include both quantitative and qualitative measures.

Measure	2005	2010
Retail Mix		
Retail Merchandise	15%	5%
Convenience Goods	13%	14%
Food Service	17%	18%
Services	40%	45%
Other	11%	14%
Vacancy	4%	4%

Note that the boundaries for Downtown Stoney Creek have been expanded since 2005. There are 71 businesses in the audit and 123,100 sq. ft. of retail commercial type space.

The largest category is services including both personal (e.g., hair salons, dry cleaners) and professional services (e.g., medical services, lawyers). Since 2005, the proportion of services has increased to 45%. The convenience goods category and the food services categories have maintained their relatively strong position. Vacancy remains the same. The most noted shift is the decrease in retail merchandise. At 5% of the total square footage of a small BIA, there is very little retail merchandise space.

Despite the low vacancy rate, many retailers commented on the declining sales resulting in many businesses being marginally successful.

Measure	Time Period	
Value of building permits - commercial	2005-2010	\$482,150
CPIG - façade improvement - total Investment	2002-2010	\$185,400
Number of participating buildings CPIG	2002-2010	10 buildings

Note: as parking meters were just recently installed in July 2010, there is no data on parking revenue.

Downtown Stoney Creek BIA members have made good use of the City's Commercial Property Improvement Grant - CPIG (façade improvement program). A review of the commercial building permits for Downtown Stoney Creek BIA reveal that property owners have continued to invest in their properties. For a relatively small BIA, 10 buildings have used the program and invested \$185,400. The before and after images of the buildings reveal that property owners see value in updating their properties. There is need for continued use of the program and communication of the benefits. Some properties may be ready for redevelopment.

The recent changes including paid parking and economic challenges in the community have galvanized the BIA together to work positively towards creating better marketing and development solutions for the BIA. The positive momentum should be carried forward to overcome parking challenges, marketing the BIA better, preparing for the 1812 celebrations, and for possible property redevelopment.

Vision

The vision for Downtown Stoney Creek is focused on its historic setting – the overall appeal is to enhance the historic, small town, main street village atmosphere. Downtown Stoney Creek will be a walkable, pedestrian village main street focused on the local population for their goods and service needs and expanded appeal for food services, personal and professional services, and specialty retail.

There will be an emphasis on natural beauty, attractive streetscaping, and handsome buildings that complement this vision.

The implications for Downtown Stoney Creek's vision on organizational resources, economic development potential, physical improvements, and marketing/events are as follows.

Action Items

The BIA and the City have accomplished many of the action items from 2005 report. Further action items and priorities include:

- Continue to enhance the website
- Increase email blasts to members on issues and new programs to continue the communication commitment with members
- Expand the BIA, if possible, however the BIA indicated that while it would like to expand further, there was opposition from some in the proposed expanded area. Out of courtesy, the BIA did not include those businesses on the fringe of the BIA that did not want to join. It was pointed out that the BIA may not want to expand too far to include too many stand-alone or vehicular dependent businesses that would detract from their core concern of the Downtown environment.
- Increase budget as increased assessments and expansion happens
- Participate with City programs including revenue sharing, heritage and facade improvement program, upper level residential incentives, review of HABIA, etc. that are of benefit to Downtown Stoney Creek.
- There may be opportunities to use additional volunteer staff through interns at colleges and universities. For increased maintenance, the BIA may partner with another Hamilton BIA to share a staff person through grant/incentive programs (student work programs) whereby the staff person is available for Downtown Stoney Creek one day/week.
- Determine who the convenience-based anchors are in Downtown Stoney Creek. This includes Shoppers Drug Mart, TD Canada Trust, RBC, the post office, and Elm Grocery and Deli. The City and the BIA should have private meetings with the retailers to determine their intentions for staying in Downtown. Questions related to what is required to ensure they stay in Downtown Stoney Creek are required to be asked and answered. The BIA will need to follow up with the retailers on those things that can be accomplished.
- Develop an ideal retail mix and work with the property owners and brokers to ensure that they are leasing towards this plan. Ideas include the following:

Additional Retailers:

- Shoes – quality shoes geared to older people, health, and education workers who are on their feet a significant portion of the day (e.g., Ingeborg Shoes at Cherryhill Village Mall in London ON)
- Family and women’s clothing (mid-market)
- Children’s clothing and toys
- Pet store to complement the pet grooming
- Jewellery store – custom made and traditional
- Home health equipment – Shoppers Home Health
- Optical store and optician
- Small urban home furnishings store

Convenience Retailers:

- Speciality food stores – bakery, cheese, meat, health food
- Urban grocery – 8,000 sq. ft.
- Retain pharmacies

Services:

- Medispa
- Barber shop

Food Services:

- Restaurants – Italian, ethnic (King of Pigs in London, Pollo Loco on Ottawa Street – Hispanic/Latino; Thai, Indian)
- Café - Coffee Culture

Other action items include:

- The City of Hamilton could assist Downtown Stoney Creek understand the need for increased residential in the general area as well as more mixed-use buildings in the BIA. This could be through redevelopment assistance or through facilitated meetings with property owners.
- A farmers’ market has been attempted but should be pursued again. There should be a space in Downtown Stoney Creek that can accommodate up to 15 vendors near accessible parking. A Saturday morning or Thursday afternoon market should be developed. It will be important to pick a day that will not interfere with other local markets so that those vendors can sell in Downtown Stoney Creek.
- City and the BIA can work cooperatively to find a suitable location for a farmers’ market and other events on the street.

- Parking strategy – whether or not paid parking is to remain on King Street East, there need to be signs on the street indicating free long-term parking in the parking lot. Use technology as much as possible for parking including:
 - Promoting the location of the municipal parking lot on the website including the GPS coordinates that can be easily downloaded
 - Marketing to the local resident population and local workers that free parking exists in Downtown Stoney Creek in the municipal parking lot. Put an article in the paper over several weeks, send a post card in the mail, email, or send to members of a potential Facebook page
- Continue the streetscaping elements near Battlefield Park east into Downtown Stoney Creek to provide continuity for the visitor and to link the two areas.
- Review design standards for buildings, signage, and heritage rules to ensure that overall Downtown Stoney Creek’s look and feel is consistent with the heritage image. However, ensure that the standards are not too aggressive as to make redevelopment very difficult and costly.
- Downtown Stoney Creek should own several URLs that contain “stoneycreek” and have them all link back to this site, e.g.,
 - Oldtownstoneycreek.com or ca
 - Oldestoneycreek.com or ca
 - Downtownstoneycreek.com or ca
 - Stoneycreek.com or ca
 - Stoneycreekbia.com or ca
- Other Website improvements include:
 - Invest in optimization services to ensure Stoney Creek comes out on top of Google searches and referrals
 - Link with other local activity centres such as Battlefield Park, Erland Lee House, Niagara Region, and Hamilton Region places to visit. Link with food and buy local programs and activities in the Niagara and Hamilton region.
 - Videos should be added to the website that show Downtown Stoney Creek as these are easily marketed and redistributed via social media links.
 - Condense the merchant directory by at least one-third.
 - Fill out missing information on merchant directory, include picture of the business and include update website linkages.
 - Always update images with more professional pictures as much as possible. Include images of people shopping, dining, and enjoying themselves.
 - Members Services on the BIA website should have access to all the City programs, grants, updates on programs, etc.

- As stated, add Facebook and Twitter accounts. Have a volunteer monitor them at least once per week. Allow merchants to post specials (e.g., Shoppers Drug Mart). Remove any negative postings or postings from businesses outside of the BIA.
- Offer suggestions for itineraries of things to do when visiting the area. For example:
 - Devil's Punch Bowl hike and lunch in Downtown, then visit Battlefield Park
 - Lunch in Battlefield Park provided by a local Downtown Stoney Creek restaurant or delicatessen
 - Visit Downtown after visiting the art and craft fair at Erland Lee House
 - Start Niagara Wine Trail (or finish) in Downtown Stoney Creek (develop a map on the website that shows that visitors can start at the Red Hill Parkway and continuing along King Street East towards Winona, Grimsby, etc.)

Other marketing recommendations include the following:

- Market to the local neighbourhood with programs that repeat over key buying periods.
- Start with a post card mail drop in the local neighbourhood and repeat every two weeks starting in Spring. Repeat again in late August to Thanksgiving and the week before the Santa Claus parade to Christmas.
- The first year, the overall appeal should be good and positive images of Downtown Stoney Creek that include many images of families, children, grandparents with grandchildren, seniors, etc. all shopping and enjoying themselves on the street and in the stores.
- Subsequent years should continue with positive imagery and overall good atmosphere that can happen in Downtown Stoney Creek as well as highlighting ideas for people to do (collection of images of and thoughts about food shopping, including personal service). Highlight the owners and business managers of the businesses as a way of getting to know the local community. This will be a differentiator for Downtown Stoney Creek from the suburban big box stores and malls.
- Any stories or good news articles should be saved and included on the website as a form of positive peer reviews as well as distributed via social media.

- Downtown Stoney Creek BIA should support events, especially those that potentially support retail sales activity but these should be coordinated by other organizations. The BIA should focus on improving existing festivals and activities that they run or coordinate (Santa Claus Parade or Flag Day). Arrange to have character actors Downtown for special events such as sponsoring free photos with an early 19th century attired Santa for local children. Have parents fill out an information card and send them the picture. Then use this database of loyal visitors to market directly to them about specials and events that are happening in Downtown Stoney Creek.
- Have discounts and promotions for local businesses when they shop at other local businesses. This could be rolled out to local residents as a loyalty-type card.
- Businesses should be encouraged to use the words “Downtown Stoney Creek” in all their location marketing and addresses to help re-affirm the branded identity of the area.
- There should be an overall heritage look and feel to the images chosen to market Downtown Stoney Creek however, they must include images of active people on street, on patios, eating, shopping, talking, walking, etc.