



City Rail Link Ltd

Applicant Guide to the Business Hardship Programme

A white wooden sign with black text is suspended by three ropes from a tree in a lush green forest. The sign reads "LOCAL BUSINESSES OPEN AS USUAL". A bird is flying to the right of the sign.

**LOCAL BUSINESSES  
OPEN AS USUAL**

# Applicant Guide to the Business Hardship Programme

## Introduction

The City Rail Link Business Hardship Programme (**Programme**), provided by City Rail Link Limited (**CRL Ltd**), offers rent assistance to small retail businesses in the **Albert Street Impact Zone** that have been affected by delays to the construction activities carried out by CRL Ltd's contractors in that area (the **CRL Project Works**) as part of the C2 Contract.

The **Albert Street Impact Zone** is:

- Albert Street between Customs Street and Victoria Street West
- Mills Lane
- Swanson Street (between Mills Lane and Federal Street)
- Wyndham Street West (to St Patrick's Square only)
- Kingston Street (between Albert and Federal Streets).

CRL Ltd may also consider applications from small retail businesses operating immediately outside the Albert Street Impact Zone (at its discretion).

CRL Ltd understands that some small retail businesses have experienced financial hardship because construction works have taken longer than originally planned. That's why it is taking action to assist those retail businesses.

The Programme is designed to provide an ex-gratia or goodwill payment to impacted retail businesses. The Programme's primary purpose is to provide assistance to small business owners with their rent. It is not intended for land owners who will benefit from significant property value uplift when the City Rail Link project is complete.

To receive assistance, an applicant must satisfy the Programme's eligibility criteria.

## What is rent assistance?

If available, 'rent assistance' is a financial payment covering the difference between the net rent the applicant is paying for its leased premises and the market rent payable for those premises (as assessed by the valuer).

Rent assistance would be an initial upfront payment backdated to 1 September 2019 and regular payments matching the lease rental payment dates, up until the date of completion of the CRL Project Works.

## How is the rent assistance assessed?

An independent valuer will assess the difference between:

1. The net rent currently payable under the relevant lease agreement (taking into account any incentives and concessions available to the business under the lease) for the premises; and
2. The market rent for the premises (taking into account the impact of the delayed completion of the construction works undertaken by CRL Ltd's contractors within the Albert Street Impact Zone).

This assessment will determine whether the rent that the applicant is currently paying is more than the valuer considers as being the market rent for premises (taking into account the impact of the delay to construction works). It is possible that the valuer may determine that the delays to CRL Project Works have not resulted in any rent difference.

Other than in exceptional circumstances, CRL Ltd intends to provide the rent assistance directly to the qualifying retail business as the tenant. Payment of rent under the lease remains a contractual obligation directly between the landlord and the tenant.

## How much financial assistance will be provided under the programme?

The Programme will provide assistance of up to a maximum of \$100,000 (plus GST) to a qualifying applicant that the valuer determines is paying in excess of market rent rates under the circumstances.

## Who can apply for assistance?

The Programme targets small retail business owners - at street level - who are lease-holders of premises in the Albert Street Impact Zone, and whose casual foot traffic custom may have been reduced due to the impact of construction delays.

The Programme is not available for property owners or owner/occupiers, or other non-retail tenants.

### General eligibility criteria

To qualify for assistance, a small retail business will need to meet the following criteria:

- It occupies and holds a lease for premises located within the Albert Street Impact Zone
- It employs fewer than 20 full-time equivalent employees at the leased premises
- It has been owned by the same entity/person since 1 September 2019
- It has been operating at this location since 1 September 2019
- It has a valid and existing lease for the leased premises which was entered into prior to 1 September 2019
- It must have been financially viable as at 1 September 2019
- It has been and is still operating, at the leased premises, with all required statutory and regulatory approvals under the relevant laws, including planning, licensing and building approvals.

## What is a retail business?

The scheme has been set up in response to concerns about the hardship impact on retailers in the immediate vicinity of the works whose casual foot traffic custom may have been reduced due to the construction disturbance. As such it is targeted at:

- Food and beverage outlets including bars, taverns, restaurants and cafes
- Dairies
- Liquor outlets
- Supermarkets
- Department stores
- Clothes stores and boutiques
- Salons including beauty, nail and hair
- Gift shops
- Lotto outlets
- Jewellers

It is not targeted at (and as such excludes):

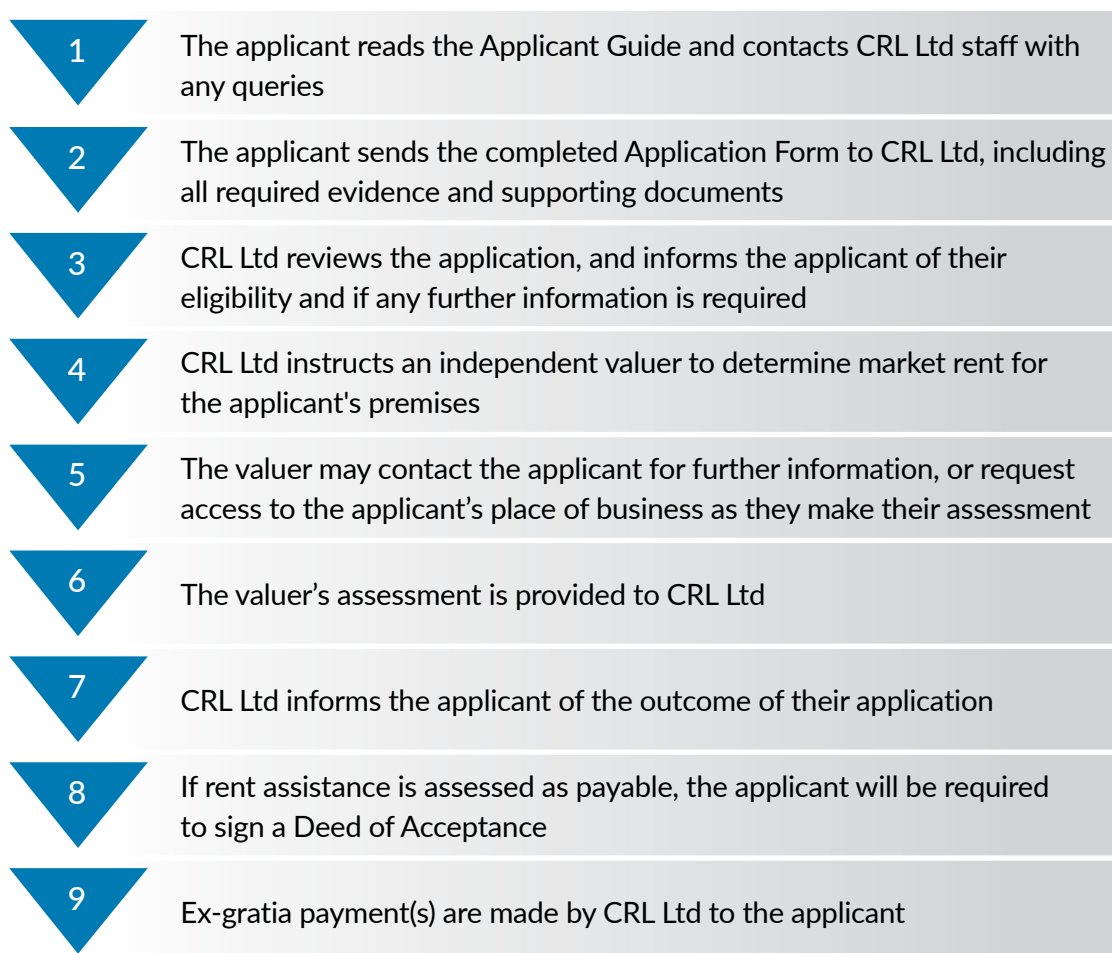
- Commercial businesses such as property managers, business advisors, professional firms/consultants
- Gyms, fitness centres and PT clinics
- Medical and dental practices
- Residential premises
- Hotels, motels, serviced apartments and hostels

## The Programme is not available except at CRL Ltd's discretion to:

- Any business located outside the Albert Street Impact Zone
- Any business owner who acquired a business located within the Albert Street Impact Zone after 1 September 2019
- Any previous owner of a business located within Albert Street Impact Zone who sold, transferred or otherwise disposed of such business after 1 September 2019
- Any business owner who has entered into an agreement to sell their business located within the Albert Street Impact Zone
- Property owners or owner/occupiers in the Albert Street Impact Zone
- Non-retail commercial tenants.

## Application process

Applicants can apply anytime from now until CRL Project Works are substantially complete.



## Submitting an application

To file an application, the applicant will need to:

- Complete the Application Form
- Sign a Confidentiality Agreement
- Provide supporting evidence

These documents are to be sent to CRL Ltd.

## Review of application

CRL Ltd must be satisfied that the business meets the eligibility criteria and has provided all required evidence to support their application. If CRL Ltd is not satisfied that a business meets the eligibility criteria, they will advise the business, in writing, to that effect. CRL Ltd's decision, in respect of any determination regarding eligibility, is final.

## Dealings with Third Parties

By lodging an application under the Programme, the applicant will authorise CRL Ltd to make such enquiries that it considers appropriate to verify information provided. This may include contacting the Inland Revenue Department and/or the applicant's landlord(s).

Any recipient of payments from the Programme will be required to repay all money received if any information provided by the applicant contains any misrepresentation or is false or misleading.

## Notification of decision

Once CRL Ltd receives the independent valuer's assessment of market rent for the applicant's premises, the applicant will be notified of the outcome of that assessment by email.

## Successful applicants

If financial assistance has been approved, the applicant will need to sign a Deed of Acceptance and Confidentiality Agreement. Both documents will need to be signed and returned to CRL Ltd before a financial assistance payment can be made.

## What supporting documents are required with my application?

It is important that the eligibility of a retail business is supported by verifiable and auditable evidence. CRL Ltd requires the following documents:

- A completed application form (incomplete applications will not be accepted)
- A copy of the current lease (including any variations or other applicable documents such as rent reviews) with a commencement date earlier than 1 September 2019
- Evidence of uninterrupted occupation of the premises by the business owner (under the lease) since 1 September 2019
- Evidence of rent paid to the landlord over the previous 12 months (or such other period as determined by CRL Ltd)
- List of employees or other documentation (e.g. payroll tax returns) to demonstrate employee numbers
- Other financial information required by CRL Ltd, including verifiable financial information such as an annual profit and loss statements for the period from 1 July 2018 to 30 June 2019
- Confidentiality Agreement

## What's involved in the rent valuation?

It is estimated that the valuation process will take up to four weeks once all information has been provided. The valuer's determination of rent assistance (if any) is final with no right of review.

Once CRL Ltd has received the valuation report, it will notify the applicant of any rent assistance available. The notification will set out the terms of the rent assistance payments, including frequency of payment and whether there will be any payment made in arrears (backdated to 1 September 2019).

## Will subsequent rent reviews be taken into account?

Where a rent review occurs under the lease during the period when rent assistance payments are being made, consideration may be given to the rent review by the valuer as part of the assessment process.

## Can professional advisor fees to assist with the application be claimed?

The Programme does not provide for any legal, accounting or other expenses associated with completing an application or advising on accessing assistance under the Programme.

However, this does not prohibit CRL Ltd from exercising its discretion to provide an allowance for professional expenses.

## How do I submit my application?

Applications must be submitted to City Rail Link Limited either:

**By email** [HardshipProgramme@CityRailLink.govt.nz](mailto:HardshipProgramme@CityRailLink.govt.nz)

**Post** PO Box 9681, Newmarket, Auckland 1149

**Delivery** Level 2, 25 Teed Street, Newmarket, Auckland

## Contact us

Contact the CRL Ltd team on **0800 CRL TALK** or via email [HardshipProgramme@CityRailLink.govt.nz](mailto:HardshipProgramme@CityRailLink.govt.nz)





New Zealand Government



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