



Deloitte

High Places



HEART
OF THE CITY™
AUCKLAND

YEAR IN HIGHLIGHTS
JUL 2020 / JUN 2021

EXECUTIVE SUMMARY

The city centre was hit by a perfect storm last year with the loss of virtually all our customer sources at once due to COVID-19 – international tourists, students, events, and people working from home.

Our work through periods of lockdown was a mixture of liaising with government agencies, communicating what support was available for businesses, monitoring data and planning for recovery – working through different scenarios in anticipation of what might lie ahead.

We developed a recovery plan, which focused on bringing domestic customers back by promoting our unique offering across events, hospitality, retail, attractions, and new public spaces like Te Komititanga, Downtown and Te Wānanga. The plan also progressed our role in the ongoing transformation of the city centre and advocating for a safe, welcoming, and clean place.

Events were a good attractor as we came out of lockdowns and our Restaurant Month event launched in August 2020 to a great response – with ticketed events sold out within days. It was in full flight mid-way through the month when another lockdown was announced. We resumed the event at Level 2 in September.

While America's Cup was not the big international event we hoped for, it was a successful domestic event and fortunately this was followed by other popular events that helped to keep spending at a reasonable level until the end of our financial year in June.

It was a year like no other and Heart of the City had to be flexible as we moved through various alert levels. We continued to meet our governance responsibilities and had an unqualified audit for the financial year.

We would like to acknowledge our board, staff, partners and most of all, city centre businesses who have bravely fought their way through multiple lockdowns, followed safety instructions, and continued to shine for their customers. We take our hats off to you and will keep working hard to support you as our city centre starts to rebuild.

Martin Snedden
Independent Chair

Viv Beck
Chief Executive





STRATEGIC AND ANNUAL PRIORITIES

Strategic Priorities 2018 – 2021

- A unique 24/7 experience
- A physically distinct Auckland city centre
- Easy and affordable to get in, out and around
- A strong community that is welcoming, safe and clean

These priorities have overlaid our work during the last three years. Given the severity of the economic situation, our key goals in the 2020/2021 year were to increase revenue in the city centre, retain and attract business and investment, and maintain vibrancy. We worked on these goals whilst supporting businesses amidst shifting COVID-19 alert levels and recovery periods.

Our recovery plan was framed around three workstreams:

Recovery and Rebuild

Opening up the market, getting our core customers back and driving visitation, as well as supporting impacted sectors and ensuring a vibrant environment that supports recovery and rebuild.

Transformation

Playing a key role in the ongoing development of the city centre, ensuring that the transformation meets the needs of business and creates a unique place for visitors, workers, residents and students.

Foundations

Having a well-functioning, clean and safe city centre to underpin the return of our customers and provide effective support for our members.

This annual highlights summary showcases some of the ways in which we've delivered results over the reporting period.*

*July 2020-June 2021. [Previous annual highlights reported an October to September year.]

RECOVERY AND REBUILD

FOSTERING A VIBRANT CITY THAT PEOPLE WANT TO VISIT AND SPEND TIME IN

We looked to increase visitors through a mixture of established and new events, destination marketing and creative activations. Iconic Heart of the City sponsored and delivered campaigns such as Restaurant Month, Artweek and Christmas were joined by the inaugural Matariki Taimoana 2021 event. This was delivered in partnership with Britomart, Commercial Bay, Ngāti Whātua Ōrākei, Auckland Council, Eke Panuku and Viaduct Harbour. The results demonstrated the value of collaboration.

We encouraged people to explore the heart of the city in new and creative ways. Our Winter Lighting added colour and vibrancy to the cityscape. With funding from the City Centre Targeted Rate, a number of tenancies were transformed with window installations to support an attractive retail environment in the face of COVID-19 related vacancies. During the PRADA Cup and America's Cup, we produced guides to promote events and attractions in the city centre with an objective of getting people to stay and spend.

Increasing hospitality industry custom during Restaurant Month 2020

78.5% OF PARTICIPANTS SAID THEIR BOOKINGS WERE GOOD/STRONG DURING RESTAURANT MONTH

665k PAGE VIEWS OF RESTAURANT MONTH CONTENT ON HEARTOFTHECITY.CO.NZ
+44% on 2019

Facilitating a creative, vibrant city centre and encouraging visitation with Artweek and Matariki Taimoana

“ARTWEEK IS ONE OF MY FAVOURITE EVENTS OF THE YEAR!! THANK YOU”
– GUIDED ART WALK PARTICIPANT

20+ EVENTS AND ACTIVATIONS ALONG THE CITY CENTRE WATERFRONT FOR MATARIKI TAIMOANA

Supporting community connections and a successful shopping environment for Christmas 2020

29 ENTRIES FOR OUR INAUGURAL CHRISTMAS WINDOW COMPETITION

545k VIEWS OF THE CHRISTMAS 2020 VIDEO CAMPAIGN

RECOVERY AND REBUILD

CONNECTING WITH AND INSPIRING AUCKLANDERS

New campaigns were launched throughout the year with positive results. Minibreaks, What's On and Cheap & Cheerful Eats (delivered in partnership with Auckland Unlimited and New Zealand International Comedy Festival) aimed to inspire Aucklanders to visit.

These campaigns were supported by our always-on social media channels, including weekly emails to 40k subscribers. This regular content played a key role in actively reminding people that the city centre is a varied, vibrant and exciting destination to visit – even when people weren't physically able to do so.

Highlights include:

993K VIEWS OF THE
MINIBREAKS
VIDEO CAMPAIGN

6.5M PAGE VIEWS ON
HEARTOFTHECITY.CO.NZ

36M PEOPLE REACHED ON
FACEBOOK

What's On Digital Campaign
April-June 2021

27M
IMPRESSIONS

40+
EVENTS
PROFILED

Supporting business recovery

This year was extremely challenging for impacted sectors. We undertook significant advocacy to central and local government to seek support for businesses impacted by COVID-19 and City Rail Link construction. We engaged extensively across a range of sectors and collaborated with industry representatives, speaking out publicly throughout the year to highlight issues, opportunities and solutions.

In response to COVID-19, a Business Connect programme was established in partnership with the Karangahape Road Business Association. A number of businesses received one-to-one needs assessments resulting in securing advice to help support and grow their business through the Regional Business Partner Network.



TRANSFORMATION

The significant public sector transformation programme became more challenging throughout the COVID-19 environment, with heightened impact and delay. Whilst the completion of new public spaces from Wynyard Quarter through to Downtown have been highlights, we have continued to seek coordinated planning, cost efficiency, effective sequencing, and greater recognition and respect for business needs.

We highlighted the need to maintain vital business operations, including loading and servicing, and strongly advocated for a much-needed strategic approach to this. Collaboration with other industry and interest groups has been important to bring issues to the fore, including with the National Road Carriers Association in relation to servicing and loading, particularly in and around Queen Street, and the EMA, AA, Greater Auckland and others in relation to the Auckland Light Rail project.

We have raised the importance of having an equitable and accessible city centre through our advocacy and submissions. This has been a critical element in our representation on Congestion Charging for Auckland, and public space projects such as Queen Street. Other areas of concern with Queen Street included the quality of the design and planning, and safety for all users.

A major focus has remained on having best practice development response in place for public projects.

Advocating for project outcomes and mitigation that work for business

We continued our efforts to secure financial relief for businesses severely impacted by the City Rail Link, guided by the principle that large scale projects should have financial support mechanisms in place before the project starts. Whilst outside of the reporting timeframe for this report, after significant lobbying activity, in September 2021 the Government announced that a C3 Targeted Hardship Fund would be put in place for impacted businesses. The Minister of Transport also signalled an expectation that in future, major urban projects will have hardship support schemes created in advance, something we have advocated for, including through our petition to Parliament in 2019.

Highlights include:

Submissions on: The Congestion Question, Auckland Light Rail, Long Term Plan, Regional Land Transport Plan, Wellesley Street bus infrastructure changes, Queen Street consultations.

Establishment of City Rail Link Hardship Fund, although at the time of writing there are still outstanding issues to resolve for impacted businesses.

Recognition of the importance of loading and servicing, and changes to the approach to Queen Street, acknowledging the importance of access including for mobility users.

FOUNDATIONS

A well-functioning, clean and safe city centre is vital to ensure an appealing place that encourages the return of our customers and provides a good environment for business.

Safety

In the wake of COVID-19, we responded to growing concerns about safety from businesses and stakeholders with increased investment and action. This included increased safety patrols and undertaking an extensive door to door business outreach programme to provide safety information and gain insights to assist with our work in this area. We also collaborated with other city centre fringe business associations to raise these concerns and proposed solutions with local and central government.

Highlights include:

Increased CityWatch patrols to help improve perceptions of safety and awareness of issues

Night-time safety patrols to monitor anti-social behaviour and escalate issues for action

180+ businesses in the StoreWatch network

Understanding city centre performance metrics

This has been key to supporting our focus and priorities. Our pedestrian count system consistently proved its value throughout the year by helping us track the impact of COVID-19 on visitation numbers. Along with other economic and trend information, including regular spending and perceptions data, these metrics allowed us to gain rich insights and see the shifts in how the city centre is being used by different audiences. This meant we could set priorities and take action to ensure that businesses were supported in a meaningful way.





FOUNDATIONS

Our Street Guardians programme

Developed as a positive alternative to begging, Street Guardians was expanded to become a two-day-a-week programme late in 2020 with support from the Ministry of Social Development. This resulted in increased opportunities for those on the street, and increased engagement between participants and community organisations involved in the programme.

Highlights include:

100% INCREASE IN THE
IMPACT OF THE STREET
GUARDIANS PROGRAMME

“LEARNING HOW TO WORK IN THE COMMUNITY AGAIN, BEING WITH THE WHĀNAU, AND OUR COMMUNITY. IT’S AWESOME DOING THE MAHI AND GARDENING IS MASSIVE FOR THE BODY.”

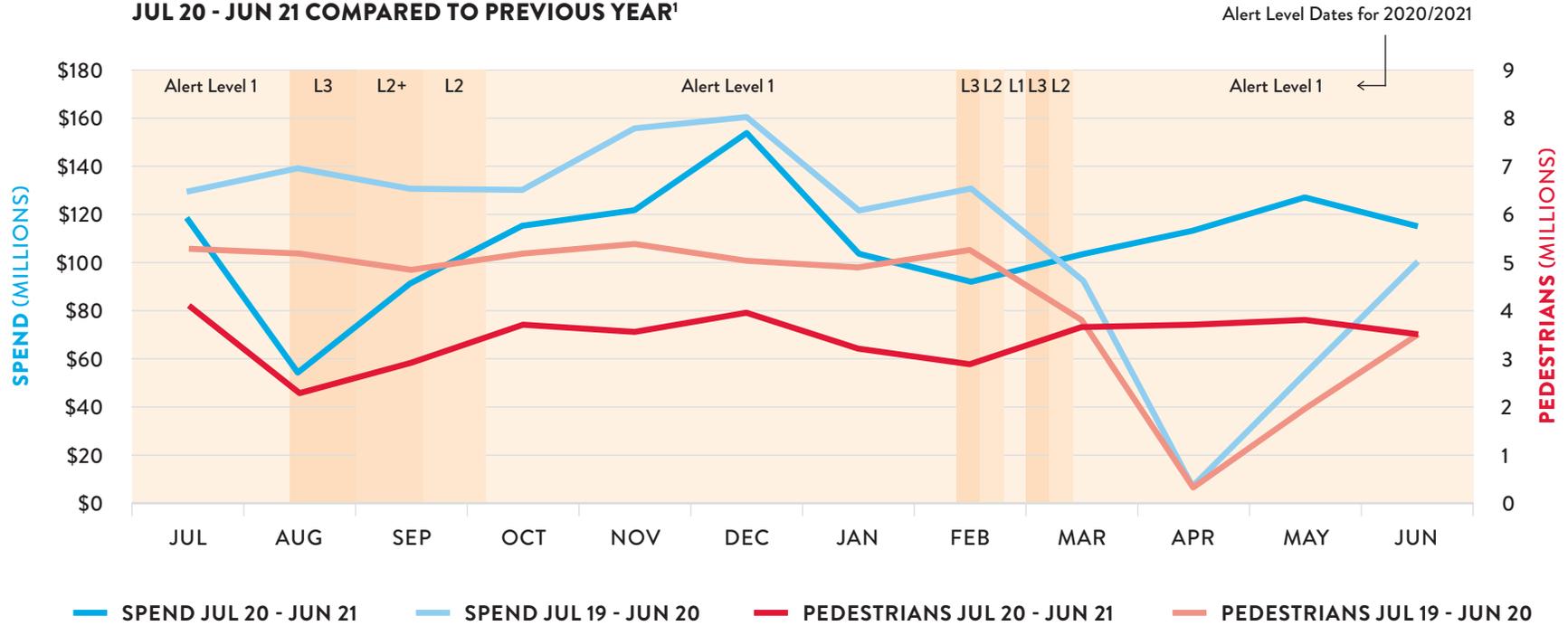
– RICHARD, STREET GUARDIANS PARTICIPANT

“THEY GRAVITATE INTO A STYLE OF WORKING TOGETHER AND EVERYBODY GETS IT. YOU HEAR THEM SAYING, ‘COME AND GET STUCK IN – EARN YOUR PAY!’ THEY TAKE REAL PRIDE.”

- COMMUNITY PARTNER

THE CITY CENTRE IN NUMBERS

SPEND AND PEDESTRIANS IN AUCKLAND'S CITY CENTRE FROM JUL 20 - JUN 21 COMPARED TO PREVIOUS YEAR¹



VACANCY RATE

9.7%

CBD STRIP RETAIL²

VACANCY RATE

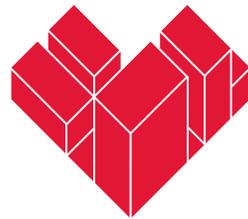
7.5%

PRIME OFFICE³

¹Marketview spend results July 2020-June 2021 and Heart of the City pedestrian count data July 2020-June 2021. 2020/2021 Alert Levels.

²Auckland Retail, Colliers Essentials, H1 2021. Data accessed September 2021.

³ Auckland CBD Office, Colliers Essentials, H1 2021. Data accessed September 2021.



HEART
OF THE CITY™
AUCKLAND

hotcity.co.nz