



**HEART
OF THE CITY
AUCKLAND**

**YEAR IN HIGHLIGHTS
OCT 2019 / SEP 2020**



MARTIN SNEDDEN
INDEPENDENT CHAIR

A MESSAGE FROM OUR CHAIR

It has been a very challenging year for the city centre and for businesses located here, with the effects of COVID-19 being felt early in 2020 and the impacts from major construction continuing. Whilst we anticipate positive outcomes from soon to be completed major infrastructure projects in the Downtown area and the America's Cup - even as a largely domestic event - the trading environment will likely continue to be tough for many. Heart of the City's work is integral to support the recovery and success of the city centre. Representing the needs of business through this challenging period are our Chief Executive and staff, who have worked with determination to deliver quality work and results, despite the upheaval and need to change direction quickly.

This year, the Executive Committee has overseen Heart of the City's governance obligations, strategic direction and financial management, with another unqualified audit result a testament to the standards applied. I would like to thank our directors and staff for their work over the past year.

Martin Snedden

Chair





VIV BECK
CHIEF EXECUTIVE

EXECUTIVE SUMMARY

This has been a year like no other. We started out with a clear focus on our scheduled work programme. We were looking forward to capitalising on an exciting line-up of major events and the completion of significant developments like Commercial Bay.

The emergence of COVID-19 meant that we had to quickly review our priorities. We highlighted issues relating to the perfect storm that was hitting the city centre – loss of international tourists, students, events and people working from home – on top of long-term construction. We advocated for action to support businesses – such as a fair solution on rent relief and the safe return of office workers – and continued our efforts to ensure a well structured hardship fund for businesses impacted by City Rail Link construction.

Through months of uncertainty and disruption, our team focused on connecting businesses with advice and information. We have given people reasons to visit when alert levels have allowed, reshaping and extending events such as Restaurant Month and developing a domestic marketing campaign to support businesses desperately needing customers. We have continued investment into our Street Guardian programme and developed initiatives to create vibrancy.

COVID-19 has exacerbated already challenged perceptions of the city centre, following years of construction, and we have asked Auckland Council to ensure the city centre is as attractive and accessible as possible to support economic recovery.

With all of that said, we are optimistic about the future for the heart of New Zealand's largest city. With a new waterfront space soon to be completed and a packed events calendar, we're looking forward to bringing positive attention to the city centre over the coming months. However, there is significant work to be done to ensure it remains successful and appealing and that will be our focus for the coming year. Our team is passionate about our work and I thank them for their ongoing commitment. I'd also like to thank others we work with to collectively support the city centre and businesses located here.

Viv Beck

Chief Executive





HEART OF THE CITY STRATEGIC PRIORITIES

The unusual events of 2020 have required an urgent response to immediate business needs, quickly followed by a focus on recovery and rebuild.

The four pillars of our three-year strategic plan continue to guide our work and we have been moving towards our 2020 - 2021 plan for recovery since March 2020. This annual plan will carry us through until the end of the financial year in June 2021 as we head into a new strategic planning cycle.

Strategic Priorities 2018 – 2021

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

Annual Plan workstreams 2020 – 2021

Recovery and rebuild

This is about opening up the market through effective border controls; getting our core customers back and driving visitation, as well as supporting impacted sectors and ensuring an environment that supports recovery and rebuild.

Transformation

This will still be a time of development, but as many of our businesses are severely impacted by COVID-19, we need to make sure that ongoing development of the city centre isn't a further risk to their success.

Foundations

This workstream is how we set the enabling conditions for success in the other two workstreams. It is about having a well-functioning, clean and safe city centre to underpin the return of our customers and effective operational support for our members.

MARKETING, EVENTS AND FOSTERING A VIBRANT CITY CENTRE

ATTRACTING PEOPLE TO A VIBRANT CITY CENTRE WITH EVENTS AND ACTIVATION

Events and activation are a core activity to drive visitation and spending in the city centre and now they are more critical than ever.

Through Heart of the City delivered and sponsored events like Christmas, Restaurant Month, Artweek and New Zealand Fashion Week, we highlight the city centre's diversity of experiences and showcase reasons to visit.

Using spending as a performance measure has been complicated this year due to the impact of COVID-19 and lockdowns. We are pleased to report increased engagement in our promotions and positive feedback from participants.

We brought some colour and vibrancy to the streets with neon squiggle lighting installed in trees from July to the end of September, put in place as people emerged from the first lockdown.

Driving hospitality industry custom with Restaurant Month 2020 - extended for an extra month and with more eateries and restaurants than ever before.

175+

PARTICIPANTS

564K

COMPLETED
VIDEO VIEWS
New for 2020

665K

WEBSITE
PAGE VIEWS
+44% year on year

“THE GLASS GOOSE HAS BEEN BUSTLING THROUGHOUT RESTAURANT MONTH, THE EXTENSION REALLY HELPED GET PEOPLE IN THE DOOR AFTER LOCKDOWN!”
– THE GLASS GOOSE

Supporting community connections and a successful shopping environment for Christmas 2019 with decorations, footpath decals and Late Night Christmas

1960 – 2019

WE FAREWELLED GIANT SANTA WITH POSITIVE
MEDIA COVERAGE AFTER 6 DECADES OF SERVICE

163

RETAILERS OPEN LATE FOR
LATE NIGHT CHRISTMAS

Building creative vitality and encouraging visitation with Artweek and Late Night Art, October 2019

25+

“THE CITY WAS ALIVE WITH PEDESTRIANS, EVENTS AND INSTALLATIONS.” – LATE NIGHT ART ATTENDEE

ART INSTALLATIONS IN STREETS AND PUBLIC SPACES

MARKETING, EVENTS AND FOSTERING A VIBRANT CITY CENTRE

BUILDING AWARENESS, PERCEPTIONS AND INSPIRING VISITATION THROUGH MARKETING AND SOCIAL MEDIA

Bringing people back into the city is paramount for recovery. Through June and July 2020, we reminded Aucklanders of the great experiences on offer across the city centre's precincts and encouraged hotel staycations through an offers campaign.

765_K

VIEWS OF VIDEOS SHOWCASING
CITY CENTRE EXPERIENCES

**“BUSINESS HAS INCREASED DUE TO THIS
PACKAGE AND THE EXPOSURE YOU HAVE
GIVEN US.” – CITY CENTRE HOTEL**

We've seen some great results from our always-on digital marketing and social media. Even in months when people weren't able to physically come to the city centre, we kept awareness high as the results below show.

2.54_M

SESSIONS

+7.3% year on year
excluding Alert Level 3 & 4,
when digital activity was reduced

FOR HEARTOFTHECITY.CO.NZ

5_M

PAGE VIEWS

+1% year on year

1_{MIN}22

AVG TIME ON SITE

+7% year on year

234_K

SOCIAL MEDIA
FOLLOWERS ACROSS
FACEBOOK, INSTAGRAM,
TWITTER, LINKEDIN

+4% year on year

20.25_M

REACH AND
1.19 MILLION ENGAGEMENTS
ON FACEBOOK

Amidst months of event cancellations and restrictions on hospitality trading, it was heartening to hear that 88% of Auckland respondents surveyed by Buzz Channel Research in September 2020 agree “the city centre is aspirational, cultured and vibrant.”

As we go to print, a substantial campaign has launched, promoting city centre mini-breaks.



SUPPORTING A DISTINCTIVE AND SUCCESSFUL CITY CENTRE FOR BUSINESS

ADVOCATING FOR POSITIVE CITY CENTRE TRANSFORMATION AND HOLISTIC, INTEGRATED CITY CENTRE PLANNING

While the transformation of the city centre is positive overall, it has been very difficult for impacted businesses, and it has taken a toll on customer spending and perceptions about accessibility. Further, COVID-19 has impacted severely on the city centre, compounding the ongoing challenges of concurrent construction projects.

With a range of projects underway such as the Downtown Programme, new public spaces in Wynyard Quarter, the City Rail Link, a pilot for High Street and the Victoria Street cycleway, an ongoing priority for us is ensuring that this investment delivers good outcomes, and the needs of business are considered.

Over the course of the year, we have been front and centre representing the interests of businesses. Following is a snapshot of activity undertaken this year.

Co-design a way to create and test successful spaces

The High Street pilot project created more space with extended temporary footpaths. Changes had the support of local businesses and have been positive for the area. The project has showcased the importance of engagement and partnership to achieve a good result.

Changes for Queen Street

Whilst we support the creation of a great environment for people in the city centre, we do not agree with the retention of emergency works in Queen Street and, following overwhelming feedback from businesses, asked for them to be removed. Operational, safety and aesthetic issues remain at the time of printing and we are still seeking a resolution on this matter.

Auckland City Centre Advisory Board (ACCAB)

As a member and chair of this Board, we are focusing our efforts on ensuring there is an integrated approach to planning and delivery of significant programmes of work for the city centre and ensuring that the city centre targeted rate, generating \$20M of annual funding, is spent with respect for the needs of those who pay it. The Board had a strong first half year with clear priorities for the city centre. COVID-19 has brought new challenges and priorities are being reassessed.

INFLUENCING A MORE ACCESSIBLE CITY CENTRE

We continue to see growth in public transport patronage over time, and once complete, the City Rail Link will bring greater accessibility to the city centre. However, we recognise it is particularly difficult for commercial vehicles given the myriad of construction projects. Making it easier for commercial traffic to support business – including through innovation in loading and servicing, improving the overall perception and experience of access including a focus on more sustainable choices - continues to be a priority for us.

Improving access is integrated across our work. A snapshot of this is outlined below.

- Integrating access messaging through our consumer channels to demonstrate the range of affordable options available for customers.
- We supported accelerating the procurement of electric buses through our submission to Auckland Council's annual budget and Auckland's Climate Action Framework; and sought clarity for the use of micro mobility devices such as e-scooters, including enabling their use in cycle lanes through our submission to Waka Kotahi's (NZ Transport Agency) Accessible Streets process.
- We collaborated with other advocacy groups, AA, Bike Auckland, Generation Zero, the EMA and Greater Auckland on the need for greater transparency for the Light Rail project for Auckland, collectively raising significant concerns to government about the process to date. This remains a project of significant interest for the city centre.



FOSTERING A STRONG COMMUNITY THAT IS WELCOMING, SAFE AND CLEAN

This year we continued to support safety, cleaning and efficient city operations. Some key activity in this area has been:

Reducing the impact of waste

A new shared waste bin in the High Street area is a way to deal with everyday waste collections to improve the amenity of the city centre. Part of the High Street pilot in collaboration with Auckland Council, it is proving effective for businesses who can't always put out waste at the collection times, like cafes that close earlier.

A focus on safety

170+

STOREWATCH MEMBERS

Safety programmes CityWatch and StoreWatch and a positive relationship with NZ Police have continued to play a valuable role this year. We've facilitated training sessions between businesses and NZ Police on crime prevention. The CityWatch team was valuable during COVID-19 as eyes and ears on the street whilst there were fewer people in the city centre.

Street Guardians

280

PARTICIPANTS

Our Street Guardians programme, delivered in partnership with the Auckland City Mission, has continued to provide a positive alternative for people begging in the city centre. Since the one-day-a-week programme was put in place, more than 280 people have participated with overwhelmingly positive feedback from participants and community organisations.

“WHAT WORKED – HAVING AN ENTHUSIASTIC BUNCH OF PEOPLE DOING THE MAHI. I WAS PARTICULARLY IMPRESSED WITH A COUPLE OF THE HARD-WORKING WOMEN AND SOME OF THE PEOPLE WILLING TO DO A VARIETY OF TASKS INCLUDING WEEDING. THEY HAVE MOVED MOUNTAINS OF MULCH AND WE REALLY APPRECIATE IT.”

– PAMELA GILL, TWIN STREAMS



SUPPORTING BUSINESSES THROUGH THE IMPACTS OF COVID-19 AND DISRUPTION

This year we have sought support for businesses seriously impacted by the City Rail Link construction and the effects of COVID-19.

After a significant lobbying effort, City Rail Link Limited (CRL) established a Business Hardship Programme in December 2019 to support businesses impacted by delays from the CRL. Whilst the hardship fund was limited in scope, a Parliamentary Select Committee responded positively when we took a petition to parliament. We will continue our efforts to get a fair outcome for businesses seriously impacted by this long-term, large-scale construction project.

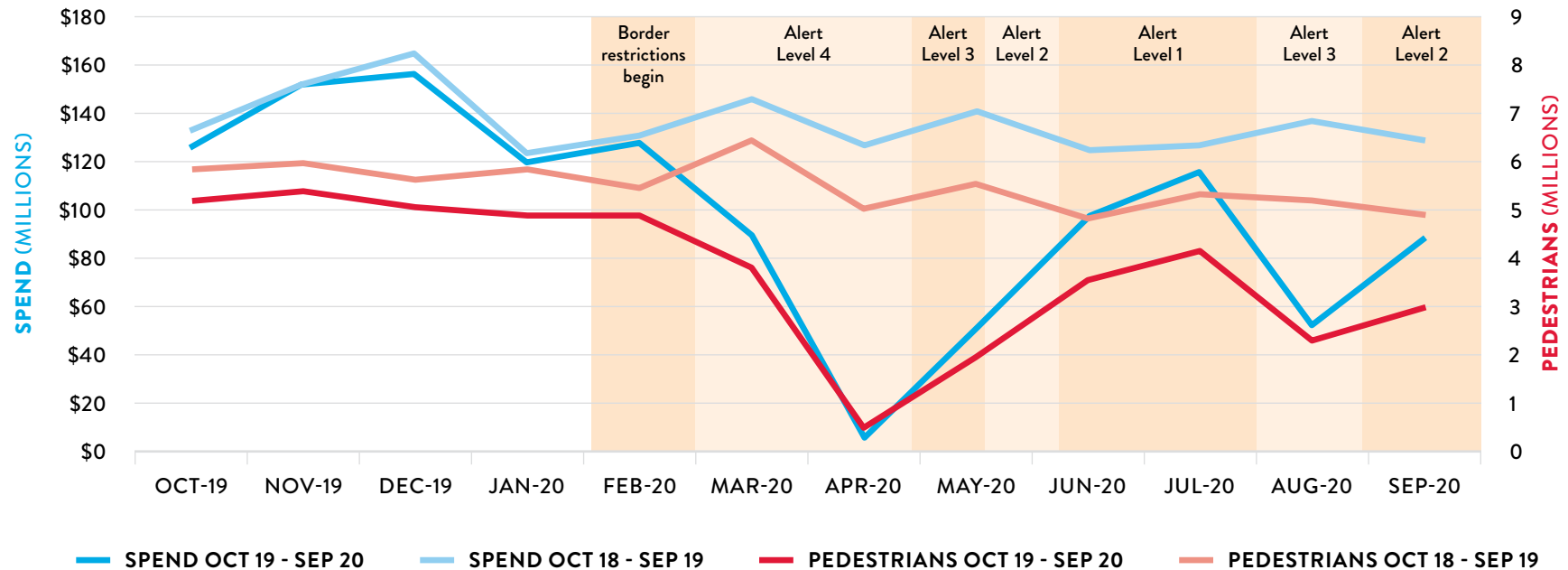
Throughout the COVID-19 period, we have had regular engagement with government agencies and other industry groups to highlight the issues that city centre businesses are experiencing, in an effort to influence policy decisions.

We have liaised with media extensively, to further amplify the specific needs of the city centre and the importance of investment and collaboration for recovery.

In response to COVID-19, we have also piloted a programme to connect city centre businesses to government funded business support and advice through direct personal engagement.

THE CITY CENTRE IN NUMBERS

**SPEND AND PEDESTRIANS IN AUCKLAND'S CITY CENTRE YEAR
FROM OCT 19 - SEP 20 COMPARED TO PREVIOUS YEAR¹**



VACANCY RATE

2.2%

CBD STRIP RETAIL²
+1.3pts year on year

38,450

RESIDENTS⁴

42,355m²

**OF OFFICE SPACE CURRENTLY
UNDER CONSTRUCTION IN
THE CITY CENTRE³**
-20,645m² year on year

3.5%

PRIME OFFICE³
+0.7pts year on year

138,708

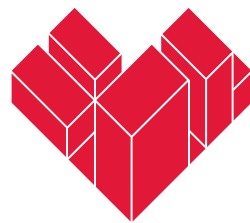
WORKERS⁴

¹ Marketview spend results October 2018 – September 2020 and Heart of the City pedestrian count data October 2018 – September 2020.

² Colliers Essentials – Auckland CBD Retail report for 2H 2020. Data based on June 2020.

³ Colliers Essentials – Auckland CBD Office report for 2H 2020. Data based on June 2020.

⁴ Infometrics Auckland CBD Economic Profile.



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