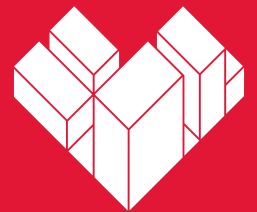




ANNUAL HIGHLIGHTS

JULY 2022 TO JUNE 2023



HEART
OF THE CITY™
AUCKLAND

EXECUTIVE SUMMARY

Over the past year, the city centre has been tracking up following the fully reopened borders and the return of international tourism and students, and a noticeable increase in workers returning to the office.

Data for prime commercial and luxury retail leasing indicates good desire for a presence here and the scale of public and private sector investment signals long term confidence.

The CPI adjusted year-end spend result was 89% of spend in the year ending June 2019. Trading and visitation were still lumpy however - not helped by challenges including extreme weather events, economic headwinds, as well as more localised barriers to visitation such as ongoing construction and safety concerns.

Across our work, collaboration plays a pivotal role in delivering initiatives to attract visitors, support business and to overcome the barriers.

We held successful events - including Restaurant Month, Art in the City and Christmas to draw people to the city centre. Our 'Go for the Unexpected' digital campaign encouraged audiences to explore the city centre in new ways and had strong appeal. Media coverage has also been valuable to draw attention to the city centre, both for attraction and to reinforce our advocacy work.

Safety has continued to be a key focus. In the past year, we significantly increased our investment in security, and continued to advocate to central government for more police and a stronger presence on our streets; a cross agency approach, with better management of housing and specialist mental health and addiction services. The impact of construction continues to pose serious challenges for some city centre businesses and we have continued to provide support.

Looking ahead, we have a new strategic plan 2023-2026. Our vision for this period, which will see both the City Rail Link and the New Zealand International Convention Centre open, is for Auckland's city centre to be a vibrant, safe 24/7 international city that is loved by locals and visitors alike.



VIV BECK
CHIEF EXECUTIVE,
HEART OF THE CITY

REPORT FROM THE CHAIR

On behalf of the Executive Committee, I am pleased with the work the organisation has delivered during the period of this report, which has added value and benefit to those we represent.

This year the Executive Committee has overseen Heart of the City's governance obligations, strategic direction, and financial management, with another unqualified audit for the financial year.

I'd like to thank our Executive Committee members, Chief Executive and staff for their ongoing passion and commitment over the past year. I'd also like to recognise Steve Armitage, who stepped in as Interim Chief Executive for four months during this period.

We would like to acknowledge our partners, and most of all our city centre businesses, whose continued resilience and strength in challenging times has been inspiring.



MARTIN SNEDDEN
CHAIR, HEART OF THE CITY
EXECUTIVE COMMITTEE

STRATEGIC AND ANNUAL PRIORITIES

STRATEGIC PRIORITIES

- 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.

Our key goals for the city centre have been to maximise revenue; retain and attract business, investment and customers; and maintain vibrancy and safety.

Our annual priorities were framed around three work streams:

Recovery and Rebuild

Growing visitation and spend across our workforce, locals and visitors; developing and promoting appealing experiences; and supporting business recovery through activation, advocacy and engagement.

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 people.

Foundations

Ensuring a well-functioning, clean and safe city centre to underpin the return of people, using robust data and insights to inform our work.

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

RECOVERY AND REBUILD

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

Using a mixture of established and new events, destination marketing and creative activations, we have looked to increase visitor numbers throughout the year, to aid business recovery.

Heart of the City events were well-attended. Over 100 restaurants presented special menus to enjoy at the first uninterrupted Restaurant Month in three years, as well as a number of exclusive dining events, many of which sold out quickly. Along with increased visitation at Christmas, there was a 19% increase in pedestrian counts for Late Night Art (part of Art in the City 2022) compared with the same day the previous week.

Our 'Go for the Unexpected' digital campaign encouraged people to get outside their comfort zone by exploring new experiences unique to the city centre. It generated 4.9 million combined video plays, and two thirds of Auckland respondents in our post campaign survey said the campaign motivated them to visit the city centre.

We also worked alongside Auckland Council, Ngāti Whātua Ōrākei and others to deliver Matariki ki te Manawa. It was the third year that we celebrated Matariki, with 20 activations across the city centre.

We were proud to sponsor events throughout the year, and to collaborate with businesses and other stakeholders to garner some positive attendance results. Streetside Britomart – part of the Auckland

Writers Festival – had more than 1600 people attend this one-off event.

In addition to key campaigns, our Always-On social media channels performed well throughout the year and we had strong engagement across all of our communication channels.

The street level environment was supported with more than 15 vacant sites activated with window installations, an initiative made possible with support from Auckland Council and funding from the city centre targeted rate.

SOME KEY RESULTS

Increased hospitality industry custom during Restaurant Month:

+3.5% IN SPEND BY AUCKLAND CARD HOLDERS AT PARTICIPATING RESTAURANTS (compared with 2019)

"We got something like 1000 covers on the Restaurant Month menu, can't wait for next year!"
- participating business.

Facilitated a creative, vibrant city and encouraged visitation with Art in the City and Arcadia (A pop-up gallery in multiple vacant spaces):

5.2 MILLION DIGITAL CAMPAIGN IMPRESSIONS FOR ART IN THE CITY

"Arcadia is something to activate the space, it creates interest that gets people back..."
- participating property manager.

Strong channel performance:

6.7 MILLION PEOPLE REACHED ACROSS FACEBOOK

6.4 MILLION PAGE VIEWS OF OUR CONSUMER-FACING WEBSITE

3 MILLION VIDEO VIEWS ACROSS INSTAGRAM & TIKTOK

+21% IN FOLLOWERS ON LINKEDIN



TRANSFORMATION

ENCOURAGING OPPORTUNITIES WHILE SUPPORTING THE NEEDS OF BUSINESS

Advocating to ensure the significant public sector transformation programme is good for the city centre was a priority. In the past year, our work had a particular focus on improving city centre operations, such as loading and servicing. Throughout the year, we represented business and city centre needs - through our role on the Auckland City Centre Advisory Board (ACCAB), direct representation and formal submissions.

Our aim was to ensure that both policy and projects (at all stages, including design and implementation) reflected the needs of business and improved the city centre. Achieving change on improving loading and servicing has proven a challenge and we continue to try and achieve positive outcomes.

We have continued to support businesses impacted by City Rail Link construction and participated in a review of the Targeted Hardship Fund that was implemented in 2021. While some concessions have been made, we

remain very disappointed that there hasn't been a fairer outcome, with less than half of the funds set aside for the first two years not spent and businesses still struggling after years of impacts from this project.

The Midtown programme began in early 2023. Our ongoing advocacy to ensure that impacted businesses were supported through major construction projects resulted in a Council funded business support programme being put in place.

A key focus was to showcase the future confidence in the city centre, as shown by ongoing investment from the public and private sector. This was achieved by securing positive publicity and sharing stories throughout the year.

2023 also saw our persistent advocacy to support the restoration of the St James Theatre bear fruit, with central government agreeing to match funding already committed by Auckland Council. This will make a significant difference to the Aotea Arts Quarter.



FOUNDATIONS

THE FUNDAMENTALS THAT KEEP THE CITY CENTRE SAFE AND CLEAN AND A GOOD ENVIRONMENT FOR EVERYONE

A well-functioning, clean and safe city is vital to encourage the return of workers and customers and provide a positive environment for business.

We acted on concerns about safety with increased security investment and our flexible security to support hotspots was appreciated by businesses. CityWatch, StoreWatch and night-time security patrols helped to monitor anti-social behaviour, de-escalate issues and escalate to Police when needed.

We initiated a pop-up Safety Hub on Queen's Wharf, in association with Community Patrols NZ. This opened just after the end of the financial year to coincide with the FIFA Women's World Cup tournament.

We also facilitated improved coordination across precincts to build intelligence and advocated strongly for an increase in front-line police, more visible police on the streets, and the return of a Downtown police station.

This advocacy is ongoing.

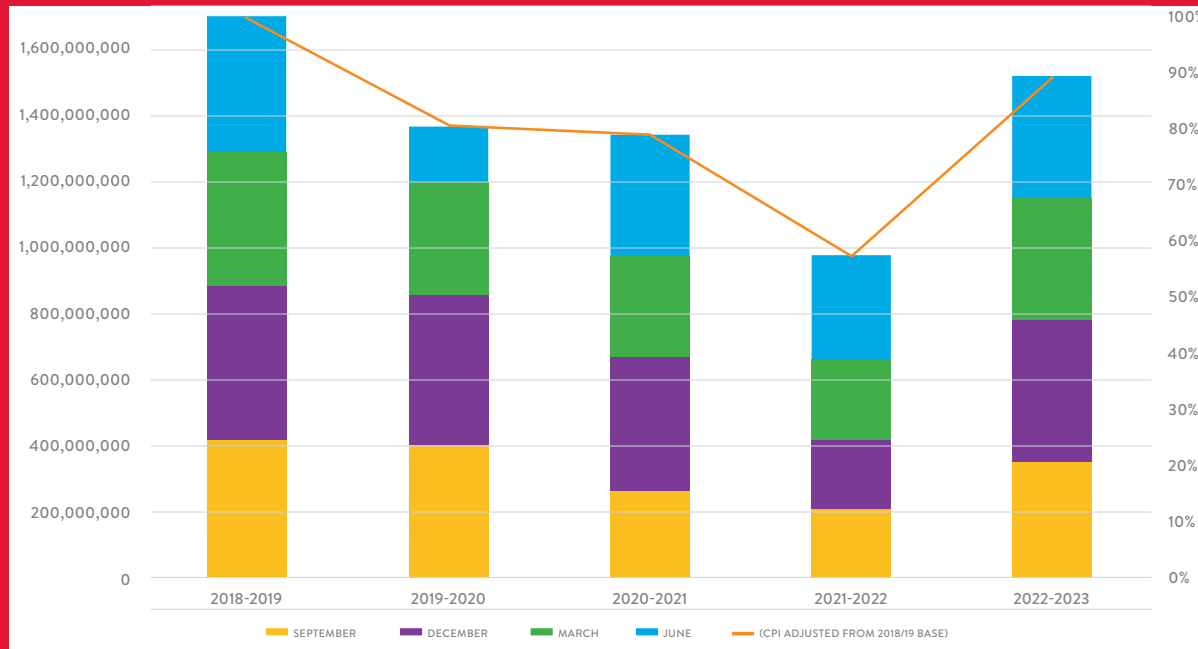
UNDERSTANDING HOW THE CITY CENTRE IS CHANGING

PERFORMANCE METRICS WERE KEY TO SUPPORTING OUR FOCUS AND PRIORITIES AND UNDERSTANDING THE CHANGING LANDSCAPE

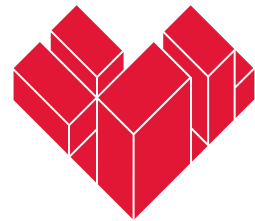
The combination of spend data, our in-house pedestrian data and accommodation forecasting has enabled us to see both the benefit of campaigns and events, and the impact of issues.

We have continued to grow the value of this data by sharing quarterly insights with our members and stakeholders. This has been well-received, with good engagement through direct communications and LinkedIn.

ANNUAL FINANCIAL YEAR SPEND BY QUARTER



Source: Marketview



HEART
OF THE CITY™
AUCKLAND

hotcity.co.nz