



Enabling Priorities

To seek views of Council Members on planned actions in the draft AEDA 2023/24 Business Plan and Budget

Adelaide Economic Development Agency
Greg Ratsch

Draft AEDA 2023/24 Business Plan and Budget

Key Messages

- Clause 8(1) of Schedule 2 of the *Local Government Act 1999* (SA) states “A subsidiary must, in consultation with the council, prepare and adopt a business plan consistent with its charter.”
- The draft AEDA 2023/24 Business Plan and Budget (draft BP&B) has been prepared in accordance with Section 6.2 of the AEDA Charter which requires AEDA to produce an annual business plan and budget consistent with the Charter and to submit to Council for approval.
- The draft budget has been prepared to ensure efficient delivery of actions outlined in the draft BP&B.
- Noting that a review is being undertaken to examine AEDA's performance against its Charter and ensure the most appropriate governance and delivery model is in place to support and accelerate economic activity in the City of Adelaide, the outcomes of the review may have implications on the nature of the activities proposed to be delivered through the Business Plan.

Insert Workshop Title

Key Questions

KEY QUESTION

Do Council Members
have any feedback on
the planned actions in
the draft AEDA
2023/24 Business
Plan and Budget?

Draft AEDA 2023/24 Business Plan and Budget Implications



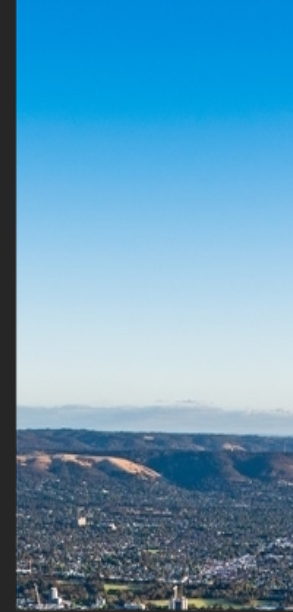
Implication	Comment
Policy	Not as a result of this workshop
Consultation	Not as a result of this workshop
Budget Considerations	Not as a result of this workshop
Risk / Legal / Legislative	Not as result of this workshop
Opportunities	Provide feedback on the draft planned actions to be delivered by AEDA in the 2023/24 financial year

Adelaide Economic Development Agency

Draft 2022 – 2023 Business Plan and Budget



Adelaide.
Designed
for Life.



AEDA Introduction

The Adelaide Economic Development Agency (AEDA) is an initiative within the City of Adelaide 2020-2024 Strategic Plan and is set up as a fully owned subsidiary of the City of Adelaide under Section 42 of the *Local Government Act 1999 (SA)*

AEDA commenced operating on 18 January 2021

AEDA supports city, residential, student, business and visitor growth; and promotes Rundle Mall

AEDA is governed by a Charter with a skills-based Board appointed by Council

The AEDA Charter can be accessed via this [link](#).



AEDA Overview

CoA 2020-2024 Strategic Plan - Vision

Adelaide. The most liveable city in the world.

AEDA Purpose

To accelerate growth in the city by attracting investment and supporting businesses, growing the visitor economy, supporting residential growth, growing an annual events calendar and marketing the city as a whole including Rundle Mall

Business Plan

This Business Plan outlines proposed actions within Focus Areas and measures for FY 2023/24

Budget

All actions have been budgeted for (unless noted)

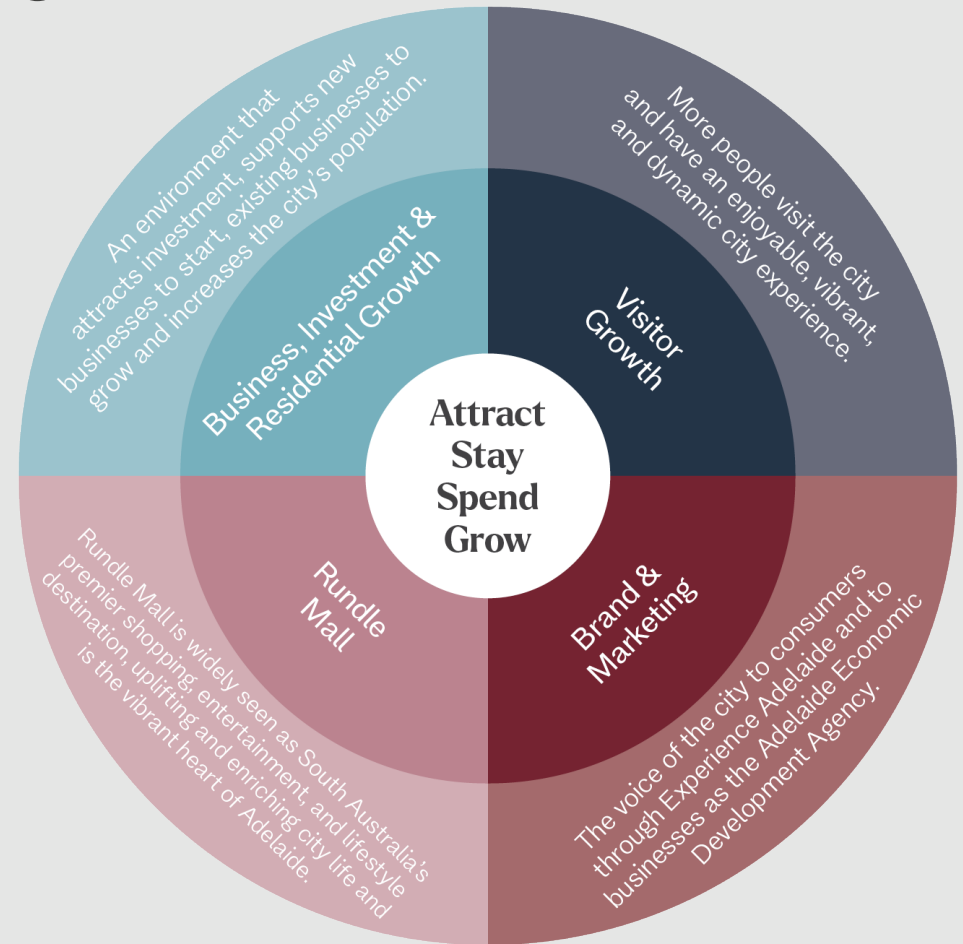


Draft Business Plan FY 2023/24

Objects & Purposes

The objects and purposes as outlined in the AEDA Charter are:

- To accelerate economic growth in the City of Adelaide by attracting investment and supporting businesses, festivals and events, as well as visitor, student and residential growth
- To promote the City of Adelaide as destination and 'magnet city' and increase its visitation and use by residents, workers, visitors and the community in general
- To position the Rundle Mall as the State's premier retail and commercial shopping precinct in order to sustain retail, business and economic viability; and
- To ensure that the Agency operates within the terms of the Charter and Council's Strategic Plan



Business, Investment & Residential Growth

An environment that attracts investment, supports new businesses to start, existing businesses to grow and increase the city's population.

Outcomes

- More people are working and living in the city including students
- New workers better integrate into the life of the city
- Existing businesses grow and new firms, including retailers, choose the city
- The city's innovation assets drive greater economic benefit for the city
- Enhanced partnerships with the state government, private investors and industry groups to stimulate residential and commercial development



Business, Investment & Residential Growth

2023/24 Planned Actions

- Increase investment and the number of workers in the city by:
 - Collaborating with state government on initiatives to attract inbound investment initiatives for sectors including space, defence, health, hi tech (VFX, Gaming, FinTech, AI, Climate-Tech)
 - Directly targeting firms in industries that are large occupiers of commercial office space that can either expand or relocate into the city (business / professional / financial services)
 - Working with city-based firms to support their growth
 - Proactively seeking new investment opportunities including purpose-built student accommodation, new events and retails brands
 - Investigating development of an interstate and overseas presence to be closer to where investors are and investment decisions are made
- Work with institutional investors and developers to increase the residential product mix in the city
- Identify and progress opportunities to improve the economic performance of King William Street, mainstreets and precincts
- Provide high quality, current information and data through research, thought leadership and online platforms
- Engage with the business community through activities such as AEDA Business Summit and Data4Lunch



Business, Investment & Residential Growth

2023/24 Planned Actions (cont.)

- Provide high quality, current information and data through research, thought leadership and online platforms
- Engage with the business community through activities such as AEDA Business Summit and Data4Lunch
- Engage with the business community through activities such as AEDA Business Summit and Data4Lunch
- Build on existing arrangements with organisations funded through the Strategic Partnerships Program to increase the number of students; increase, and capitalise on, business events; support a culture of entrepreneurship; activate vacant shopfronts and commercial spaces; and enhance Adelaide's festival sector
- Support the efforts of businesses to attract workers and engage new employees into the life of the city
- Progress partnership opportunities with entities including Lot Fourteen and Biomed City, the higher education sector and other organisations to enhance the city's capital city and central business district role
- Redesign the approach to supporting the growth and establishment of small businesses in the city
- Management of the Strategic Partnerships Program



Business, Investment & Residential Growth

Measurement

- 50 inward investment proposals / local expansions supported, with at least 10,000sqm of office space committed to
- 1,000 Welcome to Adelaide employee introduction packs distributed
- 30+ vacant shopfronts / premises activated
- Deliver AEDA Business Summit
- Deliver 3 industry briefing events

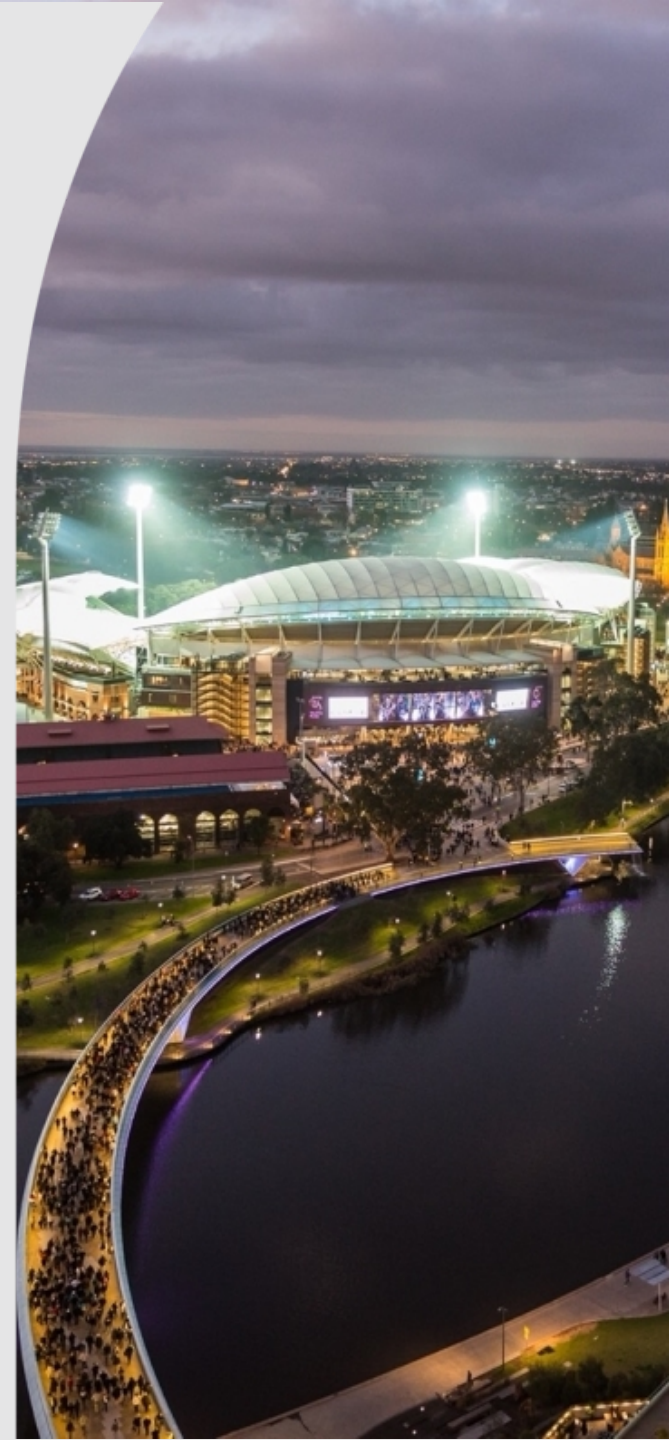


Visitor Growth

More people visit the city and they have an enjoyable, vibrant and dynamic city experience.

Outcomes

- Adelaide is a world class events city hosting a diverse range of festivals and events, including business events, spread across the city over the year
- More events, activations and experiences that bring people into the city
- Strengthened partnerships with the private and public sectors to increase awareness of the city, leading to increased bookings from regional, national and international visitors
- People are more easily able to find information about what to do in the city before they arrive and during their visit



Visitor Growth

2023/24 Planned Actions

- Complete and open an innovative, technology-driven Visitor Experience Centre and city-wide digital visitor experience to replace the existing visitor information service
- Operate the Visitor Information Centre in accordance with the accredited information centre requirements
- Minimise disruption to the customer experience during transition from the current Visitor Information Centre to the new centre
- Develop product knowledge of volunteers and staff to ensure excellent customer service and accurate information at the centre
- Broaden the city's calendar of events and work with the state government to maximise the benefits for the city of major, state-led events
- Continue partnership with the South Australian Tourism Commission to market, promote and provide services to increase the number of visitors to the city
- Deliver and administer the Events and Festivals Sponsorship Program
- Manage and improve the approach taken to funding Events and Festivals
- Support and build capability of city tourism businesses to develop new commissionable products and experiences
- Leverage consumer and business events to drive promotion and sales for city businesses
- Redesign and implement a Strategic Events Fund (pending Council's budget decisions)



Visitor Growth

Measurement

- Delivery of the new Experience Adelaide Visitor Centre
- Maintain accreditation of the Visitor Information Centre
- 8 training sessions with VIC volunteers and staff
- 2 destination marketing campaigns or initiatives with the state government to increase the number of people visiting the city
- 20 new bookable city tourism products / experiences
- City hotel occupancy above 70%



Rundle Mall

Rundle Mall is widely seen as South Australia's premier shopping, entertainment and lifestyle destination, uplifting and enriching city life and is the vibrant heart of Adelaide.

Outcomes

- Rundle Mall is attractive to prospective premium flagship retail and hospitality businesses
- A vibrant destination that leverages exclusive city-wide events and festivals and trials new and innovative retail concepts
- An uplifted visitor experience with the introduction of new capital investment into Rundle Mall and its laneways
- Rundle Mall is an unrivalled shopping and lifestyle experience that delivers bold activations and installations



Rundle Mall

2023/24 Planned Actions

- Commence implementation of key recommendations from the Rundle Mall place vision projects, focusing on key strategic opportunities that include:
 - New Rundle Mall sound system (pending Council's budget decisions)
 - Entertainment precinct development
 - Laneway vibrancy and activation projects
- Seek out new retail brands in key national markets, underpinned by development of a business-to-business attraction plan
- Work with retailers and property owners to identify and inform them of emerging strategic opportunities
- Target retail brand activations and on-Mall experiences that compliment the Rundle Mall vision
- Support Renew Adelaide to activate vacancies with retail and creative concepts that improve the tenancy mix in Rundle Mall centres, arcades, and laneways, with an emphasis on underutilised level 1 tenancies
- Deliver marketing activity that enhances the brand position of Rundle Mall and attracts more shoppers and stimulates spend, including:
 - Retail marketing highlighting precinct range, brands and products
 - Maintain engagement in digital channels
 - Progression of business-to-business strategy
 - Events & activations



Rundle Mall

Measurement

- 3 recommendations from Rundle Mall place vision workshop implemented
- 5 major brands committed to Rundle Mall
- Stakeholders agree that the volume and quality of communication and data / insights to stakeholders has improved over the previous 12 months
- Rundle Mall average strip vacancy rates below 8%
- 3 significant campaigns that are aligned with exclusive city events / festivals
- Uplift in foot traffic across 3 major events / festivals
- Uplift in market share across 3 major events / festivals
- MAT market share remains above 5%



Brand & Marketing

**The voice of the city to consumers through Experience Adelaide
and to businesses as the Adelaide Economic Development
Agency**

Outcomes

- Unified key messaging and branding of the city to an intrastate, interstate and international audience
- More workers, residents and visitors in the city
- Increased spend in the city
- AEDA is considered a valuable partner for businesses and other organisations with a mutual interest in enhancing the city's economy



Brand & Marketing

2023/24 Planned Actions

- Deliver and execute an AEDA marketing strategy that will assist in achieving the actions and outcomes of each key result area
- Provide opportunities for businesses to participate in, or leverage marketing investment (including state government led projects)
- Raise awareness of AEDA's purpose and how organisations can interact and benefit from programs in the city business community
- Develop Experience Adelaide to be a known destination digitally or physically (once the new visitor centre is built) and to plan and navigate a memorable visitor experience in the city
- Partner with state government on joint marketing initiatives designed to increase the city's profile as a place to invest, work, live and visit
- Collaborate with government departments and agencies to develop a consistent approach to capital city and state promotion (across tourism, trade and investment, Department of the Premier and Cabinet)
- Enhance and grow AEDA's communication channels, platforms and tools to communicate directly with consumers and businesses about what's happening in the city and opportunities
- Deliver activations and events such as ADL Fashion Week to increase awareness and support the growth of targeted industry sectors (pending Council's budget decisions)
- Work with eligible city retail businesses to establish e-commerce capability and provide business development support through marketing campaigns and initiatives promoting byADL.com.au (digital marketplace)
- Deliver campaigns that promote the city as a destination to invest, live and visit



Brand & Marketing

Measurement

- Generate \$2 million in advertising space rate with reference to City of Adelaide / AEDA
- Support participating businesses to achieve 2,000 sales through byADL
- Total city expenditure above \$4.45b



Draft Budget FY 2023/24

Budget

The AEDA Budget has been prepared to ensure efficient delivery of actions outlined in the Draft AEDA Business Plan and received AEDA Board approval on 7 March 2023 for submission to Council as a draft budget for consultation purposes.

- \$11.7m annual budget including Rundle Mall levy equating to 5% of the City of Adelaide's annual budget
- \$7.4m is CoA appropriation which is approximately 3.4% of City of Adelaide's total budget
- AEDA has 31.6 FTE including vacancies, equating to 4.3% of the City of Adelaide's total FTE count

Rundle Mall Levy

- Differential rate in the dollar frozen
- Levy income is based on average property valuations and a vacancy provision



Income Summary

AEDA Income Summary	AEDA Draft FY 2023/24 Budget
Contribution from City of Adelaide	\$7,460,798
Rundle Mall Levy	\$3,920,416
Forecasted Rundle Mall revenue programs	\$360,000
Total Income	\$11,741,214

AEDA Expenditure

AEDA Expenditure Summary	AEDA Draft FY 2023/24 Budget
Business, Investment & Residential Growth	\$2,577,950
Visitor Growth	\$3,013,542
Brand and Marketing	\$1,869,306
Rundle Mall Marketing and Activations Expenditure*	\$2,479,025
Rundle Mall Admin Operations*	\$1,801,391
Total Expenditure	\$11,741,214

* Further information over page

Rundle Mall

Rundle Mall Finance Summary	Draft FY 2023/24 Budget
Rundle Mall Levy Income	(\$3,920,416)
Rundle Mall Supplementary Revenue	(\$360,000)
Admin Operations Expenditure	\$1,801,391
Marketing Activations	\$2,479,025

Rundle Mall

Rundle Mall Admin Operations Expenditure	Draft FY 2023/24 Budget
Security Retainer	\$298,648
Employee Costs	\$1,231,298
Business & Investment Support	\$181,089
Utilities, Storage Rent, Licenses, Insurance	\$90,356
Total Admin Operations Expenditure	\$1,801,391

Rundle Mall

Rundle Mall Marketing Activations Expenditure	Draft FY 2023/24 Budget
Major Events & Activations (eg Christmas, Lunar New Year)	\$1,659,350
Marketing Services	\$326,115
Rundle Mall Assets Branding	\$133,120
Research & Insights	\$44,640
Placemaking & Vibrancy Opportunities	\$266,600
Other Expenditure	\$49,200
Total Marketing Activations Expenditure	\$2,479,025

Thank You

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