

ANNUAL PLAN

HEART OF THE CITY 2025/2026



EXECUTIVE SUMMARY

Heart of the City's 2023-2026 Strategic Plan has a vision for the city centre to be a vibrant, 24/7 international city by the time the City Rail Link opens in 2026. Four outcomes are sought over that timeframe – A Place that is Loved; Safe, Clean and Accessible; with More People; and Vibrant Places.

After eight years of major construction impacts, covid and the cost of living affecting discretionary spending, the years 2024 to 2026 are important steps towards achieving the vision. The negative perceptions about poor access and safety that have become ingrained must be addressed, and the things that people love capitalised on (such as dining, waterfront, events) in order to build positive feelings towards the city centre and support our drive to bring more people here.

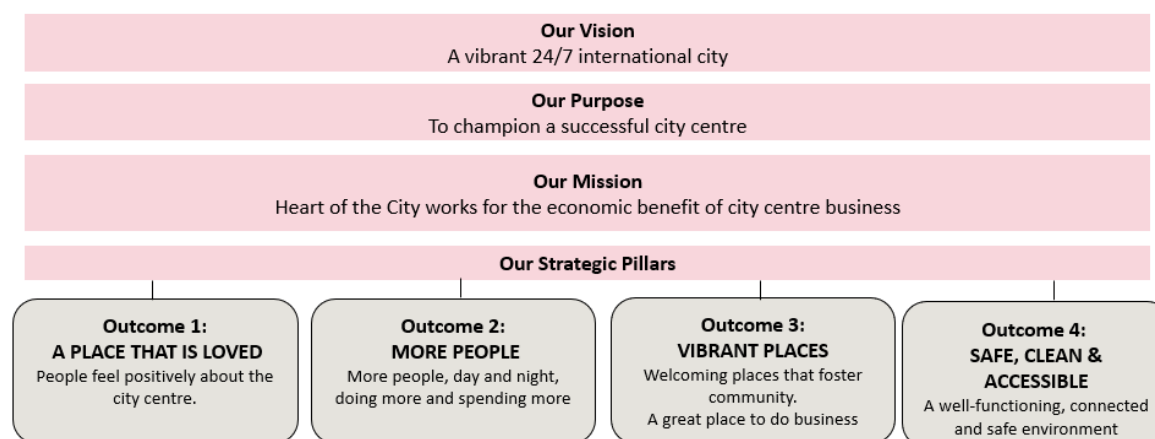
All four strategic pillars outlined below have underpinned our work programme during this Strategic Plan period and we will continue to focus on the priorities that we can deliver and/or influence most effectively. This plan is subject to change as deemed appropriate from time to time by the Executive Committee depending on circumstances.

In 2025/26, our work programme will be focused on two key goals:

1. **Facilitate Growth: attract more people & investment to the city centre; and**
2. **Create a Vibrant Place: to do business, invest, live, work, study and visit.**

During this time, we will prepare for entering a new era for the city centre, with the CRL operational from 2026. This, along with the completion of a number of major projects in the mid-town area, will significantly enhance the appeal and accessibility of the city centre. We have assumed that safety has significantly improved by that time – thus reducing the issues that have been a significant barrier to visitation in recent years. People will only start to love our city centre when it is regarded as a great place that is safe, clean and accessible, and our businesses will only recover from the effects of recent years when there are more people working, visiting, studying and living here.

STRATEGIC PLAN



SUMMARY OF DATA & STAKEHOLDER RESEARCH

To inform our plan for 2025/26, we utilized data and findings from our annual perceptions data. We will utilize the latest available data when our Annual Plan is finalized in early 2025.

Pedestrian Counts

Pedestrian counts remain stubbornly down at around 70% of pre-covid levels, which reaffirms that there are significantly fewer people coming into the city centre.

Total People Movements

Auckland Transport data shows a significant drop in people coming to the city centre in the week day morning peak. Whilst covid and working from home have played a significant part in this, the Total People Movement from the pre-covid reduction in cars, was not fully balanced with increased public transport and active modes. This split has widened in more recent years, although since 2023 the percentage of public transport and active modes has once again reached just over 50% (a development heralded when it first occurred in 2017). However, the net effect is that the total number of people coming here in the morning peak has reduced by more than 30% since 2015.

Return to Work

Our latest perceptions research indicates that around 75% of workers are back in the office 3+ days per week. The Government has recently made a call to bring more public servants back to the office and a recent KPMG survey indicated that 83% of Chief Executives believe that, while some flexibility will survive, people will return to the office within the next three years.

Spend

Spend is faring better than pedestrian counts, with total spend in the year ending June 2024 sitting at just under 90% of 2019 annual spend.

Perceptions

Our latest perceptions research shows that the core appeal of the city centre continues to be:

- Dining and cafes
- Waterfront
- Events, entertainment, and activities
- Specific attractions (e.g. Art Gallery, Library, Sky City etc.)
- Galleries, culture and art
- Visiting specific areas (such as Commercial Bay, Federal Street)

Not all city centre users are looking for the same things:

- Visitors are looking for events, entertainment and activities including specific attractions and culture
- Residents are more interested in shopping, parks and public spaces, and the “atmosphere” of the city including how easy it is to move around
- Students are looking for shopping and nightlife.

HOTC has a role in promoting the city centre for the benefit of local businesses. HOTC is the dominant source of information for people on the HOTC subscriber list (with 85% citing it) and the second most cited source after Google for Aucklanders in general, who also rely on other sources such as Facebook, Eventfinda.co.nz and Auckland Live.

Main dislikes are:

- The price of parking
- Construction and roadworks
- Congestion
- Anti-social behaviour
- Safety concerns

The cost of parking is the most disliked aspect of the city centre for engaged Aucklanders. Despite this, access by car is still seen to be affordable by an increasing proportion of this segment. More people are asking for improvements to parking this year, particularly Workers (easier parking), Owners (affordable parking) and Students (affordable parking).

Summary of ideas for making the city more appealing:

Mostly just fix the perceived problems already identified:

Affordability of parking

Construction and roadworks

Safety and Anti-social behaviour

The construction and development work in the city centre is a double-edged sword. Most people anticipate benefits from the developments will make the city a better place to spend time but in the interim, the disruption is still a deterrent. However, there have been improvements in perceptions of the city centre around congestion and construction works.

This data highlights the importance of the work undertaken to improve access and safety, as well as providing and promoting reasons to visit as the city continues to transform. Overall, the city centre needs more people here, spending more.

Future Potential

Significant public and private sector investment is underway and planned, particularly in the Midtown, Albert Street and Wynyard Quarter areas. Vacancy rates continue to trend down, with high demand for luxury retail space in the lower Queen Street area, with predictions that Midtown will become more desirable closer to the opening of the CRL. In terms of commercial office leasing, prime and A grade remains in high demand (at 1.6% vacancy), with a greater divergence from secondary office stock which is currently at 14%. It is anticipated that CRL will also be a catalyst for further improvements particularly in the Midtown area.

ANNUAL PLAN 2025/26

Our Annual Plan for 2025/26 will be finalised early in 2025, based on assessing the latest data and progress with our two key goals for 2024/25 (Improve perceptions to bring More People to the city centre; and Reduce Barriers to visitation). Our work programme and targets for 2025/26 will be set at that time. Overall, our work is geared towards achieving the four outcomes of our Strategic Plan. Within this, we have two key goals for 2024/25.

Goals 2025/26:

Facilitate Growth: attract more people & investment to the city centre

Create a Vibrant Place: to do business, invest, live, work, study and visit.

The following indicative programmes work collectively to achieve these goals. They are underpinned by research and data to determine strategy and assess results; and effective stakeholder engagement and communications.

MORE PEOPLE	A VIBRANT PLACE	SAFE, CLEAN & ACCESSIBLE
CAMPAIGNS/COMMUNICATIONS <ul style="list-style-type: none">• Repositioning campaign• Targeted marketing & communications• Events & 3rd party promotion• Always On digital programme• Promote safety & transport options BUSINESS/INVESTMENT <ul style="list-style-type: none">• Champion city centre through PR & comms• Promulgate city centre data• Stakeholder engagement• ACCAP & TM business network	EVENTS & PLACEMAKING <ul style="list-style-type: none">• HOTC owned• 3rd party• Activation• Collaborative placemaking programmes	SAFETY <ul style="list-style-type: none">• Safety Team & coordination• Advocacy on gaps (e.g. more police; legislative change & compliance) ACCESS, PLANNING <ul style="list-style-type: none">• Advocate on key projects• City centre planning to address business & customer needs OPERATIONS <ul style="list-style-type: none">• Monitor, advocate & resolve issues

KEY MEASURES

Spend & foot traffic

Marketing/Communication/Event metrics, Ad Impact

Research, Participant & Business feedback

Business/Investment growth & vacancy rates

Advocacy outcomes

Crime rates

2025/26

2025/26 is the final year of our 3-year Strategic Plan, which means there is urgency and a burning platform to see growth in the number of people here and ongoing investment.

By 2026, we want the city centre to become a place that people want to spend time in. This will be done by rebuilding value, reputation and demand for the place and offer through a marketing, publicity and communications programme with content that is inspiring and distinct to the heart of the city. We will encourage private sector investment, as well as influencing council led programmes that will support this goal – such as the Night-Time Economy.

It will also be reliant on a significant improvement in safety, access and cleaning/maintenance by all the various groups working together to achieve this.

CAMPAIGNS

Repositioning

2025/26 will see the roll-out of a repositioning campaign for the city centre to counter the negative sentiment amongst Aucklanders, which will be developed in the latter part of 2024/25. We will collaborate with Council group on the effective use of City Centre Targeted Rate to support visitor attraction.

Event Campaigns

Heart of the City develops significant campaigns for three longstanding owned events – Restaurant Month, Late Night Art/ArtWeek and Christmas. Planning for Restaurant Month will take place during the latter part of 2024/25 and launch in July 2025. Other programmes will be confirmed when our Annual Plan and budget is finalised.

We will continue to amplify storytelling of Auckland's diverse cultures and ethnicities – particularly around festivals such as Lunar New Year, Matariki and Diwali - and partner with, amplify and support events delivered by Auckland Council and the private sector.

Always On Digital Programme

Our Always On digital marketing programme supports and delivers the day-to-day ever-changing offering of the city centre, keeping visibility on new news and leveraging the evolving offer available here, especially events, dining, arts and culture, night life and entertainment. This will also support the sharing of content on programmes such as safety and access to help grow our consumer audiences' knowledge of what's in place to positively support the city centre.

Our consumer website, social media, and edm enable us to promote our own and others' activity across the year and this is becoming more targeted through the implementation of Hubspot.

These platforms provide an opportunity to regularly engage with businesses, private partners (SkyCity, Commercial Bay, Viaduct, Britomart and others), council stakeholders and event providers, through to owner operators, to deliver their content.

This engagement and content plays a vital role in maintaining strong interest and engagement to inspire our audiences and ensure the city centre remains top of mind.

BUSINESS/INVESTMENT

Encourage Private Sector Investment

Identify opportunities to influence the offer, with a particular focus on the Queen Street/Midtown Area. Regular contact with Real Estate companies (and others) to support leasing enquiries and influence outcomes, publication and distribution of Research insights.

Member Communications, Business & Stakeholder Engagement

Demonstrate confidence in the future of the city centre and champion it as a great place to invest and do business. Engagement with our stakeholders will be achieved through relationships, business networks (including the City Centre Advisory Panel and the Tāmaki Makaurau Business Network), surveying as well as face to face engagement, seeking participation in HOTC activities, and identifying opportunities for partnering to deliver elements of our annual plan.

Public Relations

Proactive/reactive media to support HOTC events and other initiatives/opportunities; linkages with the repositioning campaign.

EVENTS, ACTIVATION & PLACEMAKING

Vibrant, activated spaces and events attract people, encourage community involvement, and deliver economic benefit. We will continue to deliver and promote key events of our own and support others that bring people and vibrancy to the city centre.

Partnerships will be key to successful delivery, including with Auckland Council and the private sector (including property owners and involvement from businesses). This includes liaison with Council on CCTR-funded activation and placemaking and the empty tenancy programme.

HOTC Events

Heart of the City has three longstanding owned events – Restaurant Month, Late Night Art/ArtWeek and Christmas. Planning for Restaurant Month 2025 will take place during the latter part of 2024/25 for the August 2025 event. Other programmes will be confirmed when our Annual Plan and budget is finalised.

Restaurant Month

Dining is the strongest driver of visitation for the city centre and events like Restaurant Month (and Christmas) contribute to making the city centre an appealing, vibrant and exciting place to be.

Restaurant Month is one of our most successful initiatives on the events calendar. It has successfully provided a competitive advantage and platform to showcase the breadth and depth of the city centre's diverse dining scene for 13 years. Critically it also provides a valued mechanism to engage with our dining and hospitality businesses, delivering measurable return on investment for those who participate.

Christmas

In 2024/25 we are replacing Santa, a long-term icon for the city centre at Christmas, with an impactful new installation. Along with activation in Aotea Square, this will book-end our Queen Street Christmas offering and help to secure the city centre as the “home” of Christmas for the region for many years to come.

3rd Party Events

As well as our own events, we will continue to support the many others that bring people to the city centre. This includes sponsorship of targeted events.

Activation

Additional CCTR funding for Activation and Placemaking has been supported by the City Centre Advisory Panel for 2025/26 and we will liaise with Council on how this is best allocated and to whom.

Collaborative placemaking programmes

HOTC expects to participate in an initiative with the city centre universities to support a unique social and cultural experience for students.

Night-time Economy

A collaborative approach to implement practical solutions that grow the night-time economy will be in place, with HOTC's role likely to include promotion, participation in agreed actions and liaison with businesses in addition to our safety programme.

SAFETY

HOTC Safety Team

Following our “game changer” year in 2024/25, we will continue with services in the core Queen Street valley to Mayoral Drive, which will be set at a level that reflects improved service from Police and CCAP's support to fund Council wardens in the city centre until 2027. We will continue to advocate to central government for our fair share of resources to complement local safety initiatives, including more police before the CRL opens and a permanent downtown station.

The cross-agency approach we have advocated for is now in place and we expect results to continue to improve. We want to see people who need help get it.

We will continue to liaise with Auckland Council and keep focus on council warden's achieving compliance with the Public Safety and Nuisance Bylaw. Collaboration will also continue with Community Patrols NZ, and private and public sector organisations working in the security and safety realm, ensuring a streamlined approach, and that the overall ‘place’ of the city is managed holistically.

ACCESS

AT data and our perceptions research highlights the importance of ensuring the city centre is functional and accessible for all users and modes, and that people have good information about transport options, including parking.

Our work to improve access and functionality is primarily through advocacy and participation in relevant working groups at both a strategic and operational level. Targeted communication and marketing also has a role to play.

PLANNING & DEVELOPMENT

From planning through to implementation, we will seek action to ensure that business needs are factored into public projects and planning, and ensure there is support for businesses impacted by construction.

OPERATIONS

This includes data and performance monitoring, city operations and business continuity.

BUDGET 2025/26

INCOME	Budget \$ 2025/26
Core Funding	5,122,180
CCTR Funding	600,000
Pedestrian Count Contribution (CCTR)	62,962
Interest	25,000
Total Income	5,810,142
EXPENDITURE	
More People <i>(includes repositioning campaign, HOTC event campaigns, Always On digital programme)</i>	2,152,091
Vibrant Place <i>(includes HOTC events, activation & sponsorship)</i>	885,610
Safety	620,000
Operating Costs & cross pillar resources, website/staff/rent/financial/legal/office/operations	2,072,623
Non-cash items	79,818
Total Expenditure	5,810,142
Net Deficit/Surplus	0
Capex	70,000