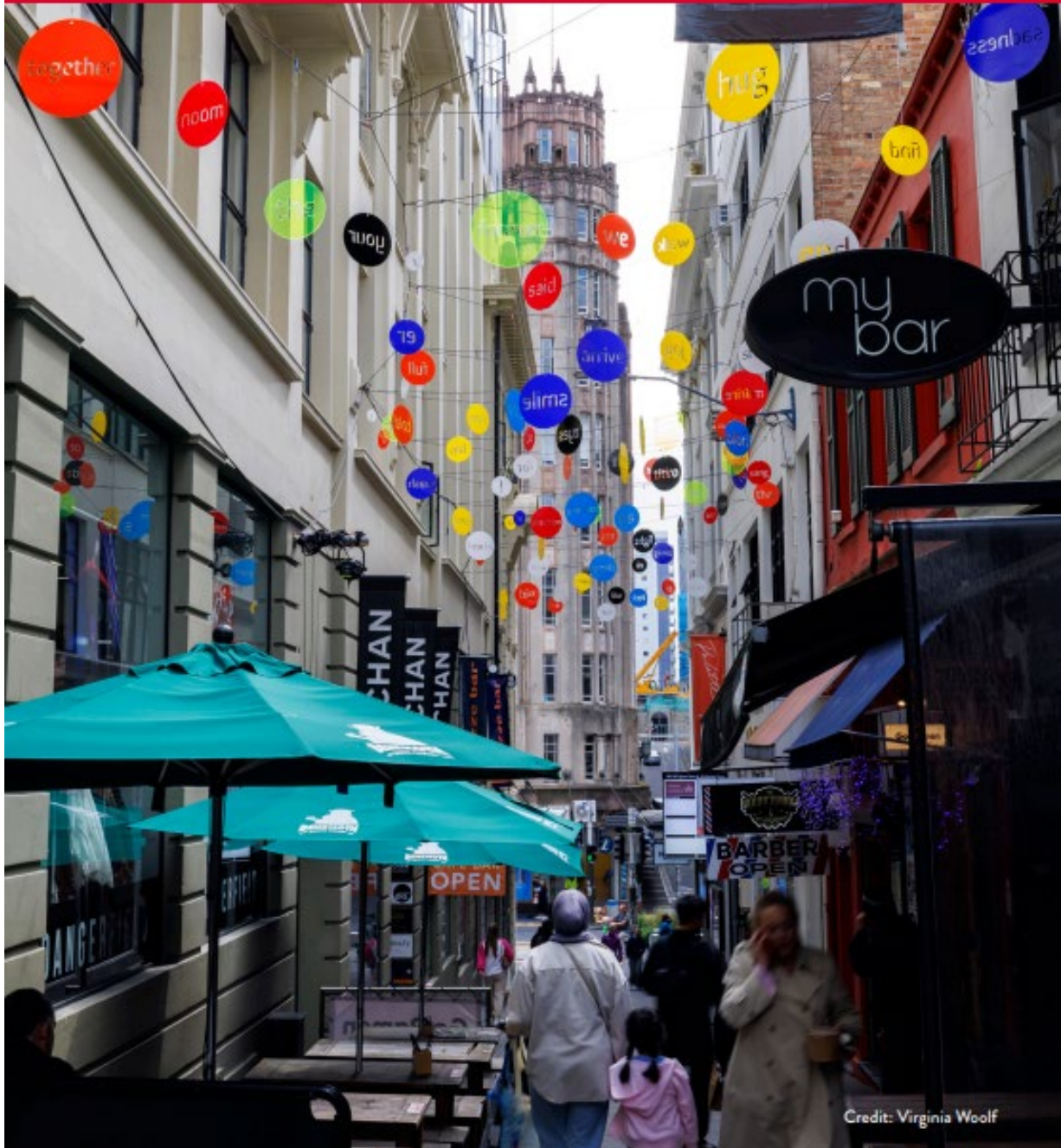


# DRAFT ANNUAL PLAN

HEART OF THE CITY 2026/2027



Credit: Virginia Woolf

## EXECUTIVE SUMMARY

2026 will be a milestone year for Auckland's city centre. After ten years of major disruption, the NZ International Convention Centre (NZICC) and City Rail Link (CRL) will finally open.

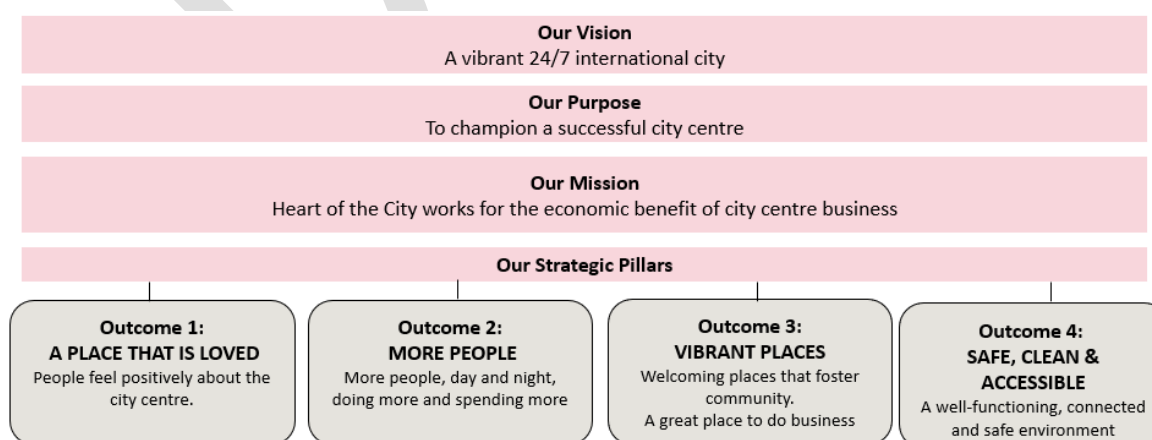
At the time of writing this Annual Plan for the year starting 1 July 2026, there is a burning platform to grow the number of people and spend in the city centre, along with more investment - particularly in the midtown area. Heart of the City has been focused on programmes and advocacy to grow visitation and spending, which has seen a significant boost with government funding announced for major events and tourism, vital to help pave the way for a positive start to this planning period.

Looking ahead, the 2025 State of the City report highlights opportunities for the city centre. As well as agglomeration advantages, many of the attributes highlighted as necessary for the city centre to thrive as a place to live, work and visit are under development. However, the execution of the vision has been poor, support has been lacking, and the impacts have been severe - particularly on street trading businesses and the customer experience. Urgent action is needed to address fundamental issues, so the city centre is regarded as a vibrant, safe and accessible place to do business.

For the purposes of this Annual Plan, we have assumed that significant progress has been made before the CRL opens so the foundations are stronger for city centre businesses to thrive. This Plan outlines work we will do directly to achieve ongoing growth. In addition, our advocacy remains essential to address issues that affect our businesses and for which we do not have direct decision-making responsibility. We will focus on two key goals for 2026/27, with the plan subject to change from time to time in liaison with the Executive Committee, depending on the market environment:

- 1. Facilitate Growth: attract people & investment to the city centre; and**
- 2. Create a Vibrant Place: to do business and invest.**

## STRATEGIC PLAN



## SUMMARY OF DATA & STAKEHOLDER RESEARCH

To inform our plan for 2025/26, we utilized data and findings from our annual perceptions data.

### Spend

City centre spending continues to track behind national spending and the rest of the region, with total spend in the year ending December 2024 ~85% of 2019 annual spend.

### Pedestrian Counts

Pedestrian counts remain stubbornly down at around 75% of pre-covid levels.

### GDP

Despite the severe impacts on consumer-facing industries, GDP in the city centre in 2024 was nearly 25% greater than it was in 2019, driven by a strong concentration of high-value service industries. However, growth has significantly slowed.

### Total People Movements

Auckland Transport' data shows a significant drop in people coming to the city centre in the week-day morning peak. While the percentage of public transport and active modes has once again reached just over 50%, the net effect is that the total number of people coming here in the morning peak has reduced by more than 30% since 2015 (this equates to ~30K fewer people on average each weekday). Furthermore, the confirmed capacity when the City Rail Link opens is significantly lower than originally indicated, and yet still a stretch from current PT patronage.

### Return to Work

Available data indicates that around 75-80% of workers are back in the office 3+ days per week. The Government has made a call to bring more public servants back to the office and a 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.

### Visiting the City Centre

The proportion of both Aucklanders and HOTC subscribers visiting the city centre more than once a month has increased significantly over the last 12 months (Aucklanders: up from 54% to 65%; HOTC subscribers: up from 60% to 67%).

### City centre appeal

**Dining or having good restaurants is the most frequently mentioned reason for liking Auckland's city centre** for both Aucklanders and HOTC subscribers. Both groups also mentioned **opportunities for socialising** as a key appeal of the city centre. HOTC subscribers were significantly more likely than Aucklanders to mention the waterfront, events, and special attractions.

When asked unprompted, both Aucklanders and HOTC subscribers **commonly mentioned the homeless and feeling unsafe as key reasons for disliking the city centre. Difficulty accessing the city centre** was also frequently cited.

**Expensive parking, construction/roadworks, and antisocial behaviour were the most common prompted detractors from the city centre.** Both Aucklanders and HOTC subscribers believe that a greater police and security presence could help create a safer city centre.

## Future Potential

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 strong demand for luxury retail space in the lower Queen Street area, but predictions that midtown will become more desirable closer to the opening of the CRL as yet unmet.

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%.

There is high anticipation that the CRL will be the catalyst for regeneration, particularly in the midtown area. However, while the confirmed 19K people/hour 'at peak' capacity is about 60% more than current capacity, the reality is that this, along with all other modes, may not deliver more people than were coming to the city centre before construction began in 2016. It will take years to get to the long-promised 54K people/hour peak capacity, with patronage unknown at this stage.

The resident population is forecast to grow, along with major events, tourism and international students, but it will take time to close the current gap, with significantly fewer people coming to the city centre.

The NZ International Convention Centre is set to open formally in February 2026. One of the larger events booked so far is the International Coral Reef symposium in July 2026 (est. 2500 attendees) although larger events (up to 4500) are not expected to be hosted in 2026.

Given this environment, **all feasible avenues for immediate stimulus and growth must be progressed in the short-medium term.** Longer term, the prognosis for the city centre is positive, with a significant boost expected in the number of people visiting, working, studying and living in the city centre.

## ANNUAL PLAN 2026/27

The mission is to promote and deliver vibrant and engaging city centre experiences that drive repeat visitation, growth and investment. This will be achieved through inspiring, well-targeted marketing and communications, innovative events, partnerships, effective advocacy, and meaningful connection and engagement with members and stakeholders.

### GOALS 2026/27:

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

**Create a Vibrant Place: to do business and invest**

The following programmes work collectively to achieve these goals. They are underpinned by research and data to guide strategy and assess results.

FACILITATE GROWTH	CREATE A VIBRANT PLACE
<b>CAMPAIGNS/COMMUNICATIONS</b> <ul style="list-style-type: none"><li>• Visitor attraction campaign</li><li>• Targeted marketing &amp; communications</li><li>• Events &amp; 3<sup>rd</sup> party promotion</li><li>• Always On digital programme</li><li>• Promote safety &amp; transport options</li></ul> <b>BUSINESS/INVESTMENT</b> <ul style="list-style-type: none"><li>• Champion city centre through PR &amp; comms</li><li>• Promulgate city centre data</li><li>• Stakeholder engagement &amp; partnering</li><li>• Advocacy – central &amp; local government</li><li>• Leverage networks, including BIDS, CCAP &amp; TM business network</li></ul>	<b>EVENTS &amp; ACTIVATION</b> <ul style="list-style-type: none"><li>• HOTC owned</li><li>• 3<sup>rd</sup> party</li><li>• Collaborative activation programmes</li></ul> <b>SAFETY</b> <ul style="list-style-type: none"><li>• Safety Team &amp; coordination</li><li>• Advocacy on gaps (e.g. more police; legislative change &amp; compliance)</li></ul> <b>ACCESS, PLANNING</b> <ul style="list-style-type: none"><li>• Advocate on key projects</li><li>• City centre planning to address business &amp; customer needs</li></ul> <b>OPERATIONS</b> <ul style="list-style-type: none"><li>• Monitor, advocate &amp; resolve issues</li></ul>

### KEY MEASURES

Spend, foot traffic, repeat visitation, perceptions metrics

Marketing/Communication/Event metrics, Ad Impact

Research, Participant & Business/Member feedback

Business/Investment growth & vacancy rates

Advocacy outcomes

Crime rates



## **CAMPAIGNS, EVENTS & ACTIVATION**

Marketing campaigns, events and vibrant, activated spaces attract people and deliver economic benefit. We will continue to deliver and promote key campaigns and events of our own and others that support our businesses and 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 our members and businesses).

### ***Visitor Attraction***

HOTC will deliver a Visitor Attraction campaign to get people back into the habit of coming to the city centre, with the visits leading to spending at our businesses – retail, hospitality, arts and culture, events. We will also collaborate with Council group on the use of City Centre Targeted Rate for this purpose.

### ***HOTC Events***

#### ***Restaurant Month***

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 15 years. Importantly it also provides a valued mechanism to engage with our dining and hospitality businesses, delivering measurable return for those who participate.

We will develop a significant campaign for Restaurant Month 2026, launching in July. Dining is currently the strongest driver of visitation for the city centre and events like Restaurant Month support our hospitality businesses and contribute to making the city centre an appealing, vibrant place to be.

### ***Christmas***

Christmas 2026 will again be a significant and collaborative effort to enhance the city centre's position as the "home" of Christmas for the Auckland Region and as an attraction for visitors. From a marketing perspective, this is the biggest retail month of the year, and we will leverage this fully to promote the city centre's extensive offer, along with hospitality for Christmas celebrations.

The giant Christmas Tree Te Manaaki was successfully launched in 2024. Along with activation in Aotea Square, this bookends our Queen Street Christmas offering and helps to secure the city centre as the "home" of Christmas for the region for many years to come.

Our work in 2026 will leverage the Tree, SkyCity and other Christmas activation; as well as lifting the quality of street decorations in Queen Street.

### **3<sup>rd</sup> 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.

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.

### **Activation**

Additional CCTR funding for Activation has been supported by the City Centre Advisory Panel for 2026/27 and we will liaise with council on how this is best allocated. This will include liaison on the empty tenancy programme.

We will also participate in an initiative with the city centre universities to support a unique social and cultural experience for students, with flow-on benefits for city centre businesses.

### **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.

### **Always On Digital Programme**

Our Always On digital marketing programme promotes 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, retail, arts and culture, nightlife 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.

Growing our reach with Aucklanders and businesses/members will also be important and we plan to implement a singular website covering both our consumer and member channels – streamlining our digital presence and enhancing our CRM processes. Our website, social media, and EDM's enable us to promote our own and others' activity across the year in a targeted way.

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 share their content. This engagement and content will play a vital role in maintaining strong interest - to inspire our audiences and ensure the city centre remains top of mind. It will also be an important means of showcasing our work to our businesses and members.

## **BUSINESS/INVESTMENT**

### ***Encourage Private Sector Investment***

We will identify opportunities to influence the offer, with a particular focus on the Queen Street/Midtown area. Regular contact with council's economic development unit, real estate companies (and others) will be important to support leasing and influence outcomes, publication and distribution of research insights.

### ***Member Communications, Business & Stakeholder Engagement***

We will demonstrate confidence in the future of the city centre and champion it as a place to invest and do business. Engagement with our stakeholders will be achieved through relationships, technology, networks, 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***

We will undertake both proactive and reactive media to support HOTC events and other initiatives/opportunities, including visitor attraction and advocacy positions. We will continue to advocate for business-friendly policies and economic growth, and showcase member success stories and impact.

## **SAFETY**

HOTC Safety Team patrol services will continue 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. After years of lobbying, a permanent Police station has now opened, which will also help keep up the momentum on reducing crime. Advocacy to central government for our fair share of resources to complement local safety initiatives, including more police before the CRL opens, will continue.

We are optimistic that our advocacy for move on orders will be fruitful and we will keep focus on council wardens' achieving compliance with the Public Safety and Nuisance Bylaw. Collaboration will continue with Community Patrols NZ, and private and public sector organisations working in the security and safety realm, ensuring a streamlined approach, with the overall safety of the city managed holistically. We will explore technology options to further improve and streamline how security is managed.



## **ACCESS**

AT data, perceptions research and ongoing feedback 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. We will advocate with private parking operators to develop an offering that will meet the need for affordable parking options when the downtown carpark is demolished. 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 appropriate support for businesses impacted by construction. We will work with council, transport agencies, and developers to secure transparent consultation processes, smart design and scheduling that minimizes disruption, and insist upon mitigation measures and support for businesses impacted by construction.

## **OPERATIONS**

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

## DRAFT BUDGET: July 2026 – June 2027

<b>INCOME</b>	<b>Budget \$ 2026/27</b>
<i>Core Targeted Rate BID Funding (2025/26)</i>	5,122,180
<i>Proposed 2% increase for marketing initiatives</i>	102,443
<b>Proposed TOTAL BID Funding 2026/27</b>	<b>5,224,623</b>
CCTR Funding ( <i>Visitor Attraction &amp; Pedestrian Count contribution</i> ) TBC	462,962
Local Crime Fund	150,649
Interest	25,000
<b>Total Income</b>	<b>5,863,234</b>
<b>EXPENDITURE</b>	
Facilitate Growth ( <i>includes Visitor Attraction campaign, HOTC event campaigns, Always On digital programme</i> )	2,112,000
Create a Vibrant Place ( <i>includes HOTC events, activation &amp; sponsorship, safety</i> )	1,500,000
Operating Costs & cross pillar resources, website/staff/rent/financial/legal/office/operations	2,171,234
Non-cash items	80,000
<b>Total Expenditure</b>	<b>5,863,234</b>
<b>Net Deficit/Surplus</b>	<b>0</b>