The ArtsCentre
of Christchurch

P.O. BOX 845, CHRISTCHURCH. PH: 366 0989. FAX: 379 7576

The Arts Centre of Christchurch wishes to make a submission to the Strategy and Resources Committee of the Christchurch City Council, regarding the provision of carparking in conjunction with the new Christchurch Art Gallery.

Our submission is that the provision of carparking is essential for the viability of Arts Centre business in particular, and for the cultural precinct in general. We make this submission for the following reasons:

1. All attractions in the "West on Worcester" area agree that insufficient provision of parking is a serious and ongoing problem.

2. The Arts Centre has attempted to alleviate the problem slightly Monday to Friday by opening the Market Square for parking. This option cannot be offered in the weekends, and may not always be available during the week in the future.

3. New carparking provisions such as the City Council / Hospital joint venture are of very little use to the cultural precinct, given the distaste that the general public has for walking more than 150m, and given the perceived barrier presented by the river.

4. Existing parking in the site of the proposed gallery is barely enough to meet the significant visitor demands in the current situation. Given the exciting nature of the proposed gallery, and the increase in visitor numbers anticipated as a result, meeting the demand for parking will become increasingly difficult. Any decrease in parking availability on the site will have some severe consequences for The Arts Centre and its neighbours.

5. The retail and entertainment-related tenants at The Arts Centre have been affected by increased competition from suburban shopping malls. Some of the features of malls (covered areas, easy access etc) are not within our capability, but we try to emphasize our points of differentiation in terms of products and ambience. The other variable feature - the availability of parking - is one which we must endeavour at all costs to retain, at the very least at present capacity.

On behalf of the cultural precinct, and the small-business tenants of The Arts Centre, I urge the committee to commit sufficient expenditure to provide parking capacity - at least at current levels, but preferably more.

Dr Paddy Austin (p.p.)
DIRECTOR

ARTS CENTRE OF CHRISTCHURCH TRUST

16-850-3411
12 March 1998   **TRAFFIC DESIGN GROUP**

Mr Stuart Woods
Senior Transport Planner
Environmental Policy and Planning Unit
Christchurch City Council
PO Box 237
CHRISTCHURCH   **COPY VIA FAX 0-3-371 1789**

Dear Sir

<u>**CITY ART GALLERY REDEVELOPMENT**</u>
<u>**Parking Assessment Study**</u>

We are pleased to provide the following final parking assessment report detailing the potential effects of parking changes associated with development of the former Sheraton Hotel site in Montreal Street as a new City Art Gallery. A series of detailed surveys of the current kerbside parking and Gallery visitor patterns has established a sound basis of technical data that together with the Council's own parking data and estimates of the new Gallery parking needs prepared by both ourselves and other advisers from within the Gallery development team, provide the framework from which this assessment has been advanced.
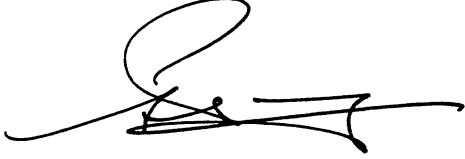
The study found that if no other new public parking facilities are to be established in the vicinity of the Art Gallery, then some 365 off-street parking spaces should be pursued within the site to meet the demands of the Gallery itself and to support the vibrant and successful range of activities in the surrounding area. Not replacing the existing parking on-site which caters for the needs of casual parking associated with the adjacent Cultural Precinct in particular, all-day parking for city workers and reserved parking, will lead to both reductions in the attractiveness of the Precinct as well as to increasing the spread of commuter parking into surrounding neighbourhoods.

The main conclusion drawn from this assessment is that with the new Farmers and Hospital carparks it would not be necessary for the Gallery to replace all the existing public carparking spaces on the site and that about 265 spaces would represent the practical total demand. There is a need to accommodate the parking with a cost effective construction and alternatives are probably represented by either one or two full levels of parking. Two full levels would provide some 400-450 spaces which would be an excessive provision bearing in mind the incremental cost of the second basement. Accordingly a single level with some 210 spaces is recommended.

If however the developers of the Postal Centre or other adjacent properties are able to provide a suitable number and type of casual or dedicated parking spaces, then it may be appropriate for the Gallery to provide fewer spaces. At this stage there are no such developments approved and therefore it is recommended that the Council should continue to plan for provision of at least one full level of parking within the Gallery site.

We look forward to your consideration of this report and would be happy to discuss any of the matters raised in the report with you.

Yours faithfully
TRAFFIC DESIGN GROUP LTD

A T Penny
DESIGN DIRECTOR

EXECUTIVE SUMMARY

This report was commissioned by the City Council's Environmental Policy and Planning Unit to assess the parking demand forecasts for the new City Art Gallery and to provide a recommendation as to the future provision of on-site parking within the new Gallery site. The Gallery is planned to provide a total of some 4000m² of public space on the former Sheraton hotel site in Montreal Street The existing site provides 190 casual parking spaces and 75 reserved long term parking spaces.

The assessment has been prepared using the results from a comprehensive survey of kerbside parking within the Central City undertaken by the Council in 1994, information on the parking occupancy levels and patterns at the Council's parking buildings and updated surveys of local parking patterns along kerbside areas close to the site undertaken in January 1998. Data and estimates of visitor and attendance patterns at the Gallery, the Canterbury Museum, Court Theatre and Arts Centre have been collated so as to assess the various visitor parking demands in the vicinity of the new Gallery.

The key findings of this assessment are:

- existing kerbside parking patterns within the vicinity of the Gallery site typically involve almost complete occupancy of both unrestricted all-day parking and the various time limited parking areas during most weekdays, many weekday evenings and weekends

- the busiest periods of parking activity correspond to both individual event-related parking as well as the overlapping of parking demands from the variety of events regularly held in the vicinity

- visitors who park within the kerbside areas in the vicinity of the proposed Gallery generally adopt locations where the walking distances between car and destination are minimised. Interviews of existing Gallery visitors show that walking distances of less than 250m are generally adopted for this site. For the purpose of investigating the future parking behaviour of visitors to the new Gallery this limit of a 250m convenient walking distance has been retained. It is noted that our own company's studies of retail centre walking distances have revealed a strong reluctance of shoppers to walk more than 150m to their destination.

- reference to other public exhibition and special event studies show that unless high quality and regular schedules of public transport services are available then utilisation of public transport by Gallery visitors is not expected to be significant

- the estimates of the new Gallery visitor pattern show that there will typically be weekly events attracting about 180 – 250 people which would generate parking demands of around 100 parking spaces. Other less regular events at monthly and two-monthly intervals are expected to attract between 300 and

as many as 800 to 1000 visitors to the Gallery and have peak parking demands of between 150 and 450 parking spaces.

- the peak weekly parking demand level of up to approximately 100 spaces has been adopted as a desirable demand level for functional design purposes.

- the existing 265 parking spaces within the proposed Gallery site are vital to the success and attraction of the Cultural Precinct and are a useful asset for other activities in the area.

- if there were no other parking proposals affecting the area, it would be essential to replace the existing parking and to provide additional parking for the Gallery (i.e. 365 spaces)

- the City Plan requires just 45 carparks spaces and 45 cycle spaces for developments of this scale in the Central City Western Fringe zone. In other zones, an Art Gallery of the size proposed would require provision of 133 visitor carparks, 13 staff carparks and 13 cycle spaces

- the development of the Farmers and Hospital parking buildings will not directly provide parking facilities for Gallery visitors because the walking distances would be in excess of 500m. These facilities will however provide a useful strategic benefit to the CBD parking supply and will contribute to a reduction in weekday parking demand within the vicinity of the Art Gallery site by allowing a flow-on effect, for example the Farmers facility will reduce demand at Noahs, which will then have spare capacity for some of the demand currently satisfied by the Sheraton site. This effect will be less evident during the weekends

- a possible future development of the Postal Centre building in Cashel Street may provide between 200 and 400 casual parking spaces within easy walking distance of the Gallery. While a potential developer has indicated the possibility of leasing a proportion of these spaces to the Council, the timing and practical arrangements of how these spaces could be managed can not be determined at this stage

- during construction of the new Gallery the temporary displacement of the on-site parking will generate additional pressures on available casual parking associated with the Cultural Precinct during the day and evening/weekends. However the temporary casual carpark proposed for the King Edward Barracks site will provide relief in this regard

Based on these findings it is recommended that:

- the Council pursue the incorporation of carparking spaces within the basement of the new Gallery to meet the typical weekly parking demands of the Gallery itself (100 spaces) plus the demands satisfied by the existing parking within the site that will not be accommodated elsewhere

- with the imminent completion of the Farmers carpark, it is considered that some 265 carparking spaces will be required. It is unlikely that two levels of parking (400-450 spaces) could be justified within the new Gallery, particularly bearing in mind the incremental cost of deeper construction. Accordingly, it is recommended that a single level covering the full site should be included in the design of the Gallery. This will provide some 210 parking spaces given the need for ramps and structural elements

- in parallel with the design process, negotiations should be undertaken with potential developers of the Postal Centre and any other local properties with a view to utilising such additional parking to either complement or reduce the need for the parking recommended for the Gallery

- in order to maintain and enhance the utility of the parking facilities the pricing structure should be designed so as to encourage short stay parking up to three hours duration and to discourage any heavy demand for all-day commuter parking

- arrangements be made during construction for the existing carparking on the site to be replaced within other parking areas such as the YMCA site in Cashel Street or the King Edward Barracks site in Cashel Street. To ensure an adequate parking supply to cater for the larger crowds associated with the various events within the Precinct, special temporary parking provision may be needed within North Hagley Park

Traffic Design Group
12 March 1998

Table 2 : Off-Street Parking Areas

LOCATION	TYPES AND NUMBER OF SPACES AVAILABLE
YHA Rolleston Avenue	
P180	53
Reserved	29
YMCA Cashel Street	
Reserved	78
Sheraton Site, Gloucester Street	
Casual	190
Reserved	75
Park Royal, Kilmore Street	
Casual	160*
Reserved	71
Noahs Oxford Terrace	
Casual	285
Reserved	35
Lichfield Street	
Casual	643
Reserved	197
TOTAL AVAILABLE	1816
Farmers Building (completion 1999)	420
Hospital Parking Building (completion 2000)	350
King Edward Barracks (Privately Owned) (interim parking supply up till 2002)	310
TOTAL PROPOSED	1080

*NOTE: During evening peak periods further parking for up to 12 vehicles is created by utilisation of Reserved spaces.

This data shows that there are a total of around some 1,800 off-street parking spaces available within close proximity of the study area. It is also noted that the soon-to-be-completed Farmers development, the proposed Hospital building and the King Edward Barracks site will progressively add up to 1000 further spaces into the pool of parking resource from about the

LOCAL GOVERNMENT COMMISSION

DETERMINATION OF AN APPEAL BY MR D E PEARSON RELATING TO THE CHRISTCHURCH CITY COUNCIL'S PROPOSALS FOR ITS MEMBERSHIP AND BASIS OF ELECTION AT THE TRIENNIAL LOCAL ELECTIONS TO BE HELD ON 11 OCTOBER 1998

Background

1   The Christchurch City Council (hereafter referred to as "the Council"), as required by section 101H of the Local Government Act 1974 (hereafter referred to as "the Act"), considered its membership and the basis of election of its members prior to the local authority elections to be held in 1998, and resolved to make no change, other than some small adjustments to the boundaries of the Riccarton, Spreydon, and Wigram Wards.

2   The division of the City into 12 wards, with the electors of each electing 2 members, was fixed by the Commission in 1989 when the City was established. These wards are;-

Wards	Members
Burwood	2
Fendalton	2
Ferrymead	2
Hagley	2
Heathcote	2
Papanui	2
Pegasus	2
Riccarton	2
Shirley	2
Spreydon	2
Waimairi	2
Wigram	2

Christchurch City Council Appeal (LGC104/81)

The only change since that date were some small amendments to ward boundaries prior to the 1995 local authority elections.

Council's Consideration

3   The process of consideration of wards and membership began in early 1997 when the Council resolved that the Strategy and Resources Committee consider the options, and that the views of community boards and of the general public be sought. The Council made available a public discussion document entitled "1998 Council Election Review". This document set out the timetable to be followed by the Council, the legal requirements, a description of the present situation, and attached a form which members of the public could fill in to give their views upon three main questions. Those questions were -

(1)   Should the Council be elected by an at large system; i.e. no wards, or should the Council be elected on a ward basis?

(2)   How many councillors should be elected to the Council?

(3)   If there is to be a ward system, how many wards should there be, and what should be the ward boundaries?

4   The Committee's efforts led to the receipt of submissions and comments from 43 members of the public and community organisations, and proposals from the City's community boards. The matters raised drew responses from total support for the existing electoral system to a completely at large system with varying numbers of members. There were also some suggestions from those who favour the retention of a ward system, that there be some alteration to ward boundaries.

5   By far the greatest majority of the submissions supported the present electoral structure, albeit in some cases with proposals for minor boundary alterations to wards.

6   Those submitters who wished to make further oral submissions were able to do this at a meeting of the Strategy and Resources Committee in July. The Committee then reported to the Council, which in August, made its first resolution to preserve the existing structure subject to alterations to the boundaries between the Riccarton, Spreydon, and Wigram Wards.

7   Four objections were received to the Council's proposals. The content of these objections may be as summarised as follows;-

Mr D E Pearson -

- the proposed number of wards and councillors is greater than is necessary to achieve effective representation of the various communities of interest within the City, and for the fair representation of electors;
- the ensuing political structure is excessively large;
- the structure gives too much opportunity for duplication of political effort;
- political accountability is minimised because each elector may vote for no more than 2 councillors; and
- there are an unnecessarily large number of persons to be elected as members of the Council or of community boards, or to be appointed by the Council as directors or members of committees.

The Spreydon/Heathcote Community Board sought further alterations to ward boundaries.

The Sydenham Business and Community Association sought a boundary change between the Hagley and Heathcote Wards on the grounds of community of interest.

The Shirley Residents Group Inc requested that boundaries of the Shirley Ward be amended.

8   The objections were considered at a meeting of the Strategy and Resources Committee in November and were rejected. Mr Pearson's objection was rejected on the grounds that the election of members at large would cause confusion to electors required to vote for up to 24 members out of a possible total 100 or more candidates. The Committee was of the view that it was unable to consent to either a reduction in the number of councillors or a reduction in the number of wards for the reason that such a reduction would result in an inferior level of representation for the various communities of interest within the City.

9   The objections of the Spreydon/Heathcote Community Board and Sydenham Business and Community Association were rejected on the grounds that these boundary alterations were not supported by the Hagley/Ferrymead Community Board.

10   The objection of the Shirley Residents Group was rejected on the grounds that it raised a local issue which was resolvable by agreement between local groups.

11   Mr Pearson appealed against the decision.

Subject of Appeal

12   Mr Pearson's appeal was on the grounds that the Council's decision not to change the number of wards or the number of councillors failed to overcome his objection either in whole or in part.

Preliminary Matter for Determination

13   The Commission received the appeal and resolved to meet the Council and Mr Pearson in Christchurch on Wednesday 21 January.

The Hearing

14   The Council was represented by Cr David Close, Chairperson of the Strategy Committee, and Cr Margaret Murray, together with Mr Mike Richardson, the Chief Executive Officer. Mr Pearson, the appellant was also present.

The Council : Cr Close made an oral submission. His remarks may be summarised as follows;-

- the Council conducted a thorough review on this occasion and sought as full a consultation as it could;
- the majority of submissions received indicated that a ward system, and in particular the present system, was appropriate;
- the "effective representation" required by the Act is seen as democratic representation of groups;
- with the present system, councillors are visible, accessible, and accountable;
- a contrary example was the old Christchurch Drainage Board whose members were elected at large and were not known to the public;
- the existence of wards encourages effective and accountable representation;

- one submission, in particular, during the process suggested there should be even more wards than those presently existing;

- the widespread support for the ward system included all residents' associations;

- he had no feeling there was a particular magic in the present number of 24 councillors;

- he would agree there was a general lack of knowledge by people about the personnel in the structures of local government, but did not think this would be justification for making change just for the sake of change;

- he expressed some sympathy with the view that a large council can take too long to make decisions. However, with smaller groups, there is a danger that they would tend to develop their own belief systems which may not relate to the views of the outside world; and

- he said that only Auckland, which is a larger city than Christchurch, has more residents for each elected member.

Mr Richardson spoke to a submission. The content and his comments may be summarised as follows;-

- the Council resolved, as a matter of deliberate policy, to take part in a pre review programme seeking public comment;

- notwithstanding its generally flat topography, Christchurch has not only a strong sense of identity at City level, but also at the level of neighbourhood or suburb, even though the boundaries between neighbourhoods may appear indistinct;

- the Council is committed to what he called the "subsidiarity principle", i.e. that decisions be taken at the lowest level possible and this has led to a wide range of delegation to community boards; a reduction in the number of wards would be contrary to this policy;

- he could only think of one instance where a councillor had acted in a parochial manner;

- if the Council were elected at large, this could require electors to consider picking, say, 18 names out of a listing of perhaps 50 to 100 candidates;

- referred to the proposal for an amalgamation of the City and the Banks Peninsula District; suggested that any change to the City's electoral structure should await certainty over the outcome of that proposal;

- the Council has 7 standing committees with each comprising 8 to 10 members;

- the Resource Management Act also generates a large volume of work at the present time, because there are two hearing panels sitting in parallel for three days a week;

- he counted 3,675 meetings attended by councillors during 1997, which did not include meetings involving the City's trading activities and;

- noted that from the second largest city in New Zealand, there has been only one appeal against the Council for the 1998 elections.

Cr Murray made an oral presentation. Her comments may be summarised as follows;-

- a council works best where councillors have a definite area of responsibility;

- requiring 2 councillors to have responsibility for around 25,000 people is probably as large as a ward should be;

- her experience has been that the more people involved in decision-making, the better the decisions;

- the Parliamentary system, with its very large electorates is becoming too remote;

- she has a healthy view of parochialism because it keeps the common touch; and

- it has taken almost 10 years to combine all the district plans of the uniting authorities, and this required the efforts of all the City councillors.

15   Responses to questions may be summarised as follows:

- there has been no perceived need to use any factors other than population in arriving at ward boundaries;

- each ward contains a number of distinct communities of interest, each having about 4-5,000 people;

- some communities are divided, but this has a lot to do with the inexactness of some boundaries;

- questioned whether perhaps the Commission had a fixation with exactness, and said the mere lack of clear boundaries does not justify an election at large;

- the City has some 50-60 separate identified communities of interest and it is not possible for each councillor to be responsible for each of these;

- the limitation of the physical area of a councillor's responsibility is an overriding criterion, even more than the number of wards per se;

- at the time of union, consideration was given to asymmetrical wards, but it was found that it was still impossible to eliminate all divisions;

- the Council has made, and will continue to make, minor adjustments to ward boundaries as the need arises;

- there is a need to build the feeling of community spirit within each ward, and this could not be achieved if the boundaries were continually being shuffled to balance numbers;

- the present system is working and should not be altered; and

- agreed that the nature of councillors' responsibility has changed since 1989, but said this has meant that, even with delegations to officers and boards, each councillor's workload has in fact gone up.

Mr Pearson spoke to his original objection and a submission. The major points may be summarised as follows;-

- the most effective form of representation would be to have all councillors elected at large, but did not believe that this was desirable or achievable at this time;

Christchurch City Council Appeal (LGC104/81)

- the present system of 12 wards does not provide effective representation for the various communities of interest within the separate wards;

- accountability is also affected, because the electors of each ward may elect only 2 members out of a total of 24;

- his original objection suggested alternatives of 3, 4, or 6 wards for the City; his preference was for 3 wards; 6 wards was the maximum which could provide effective representation;

- the political structure of the Council is very large as is evidenced by the number of people involved in it;

- he produced figures indicating that there were a total of 92 people involved in the administration of the City, including councillors and non-elected people appointed to committees or acting as directors of Council companies;

- he did not believe the members of the Committee which considered his objection, and before which he appeared, had a proper understanding of their responsibilities in carrying out a review of membership;

- it is not the ratio of councillors to population which is important, rather it is the number of councillors necessary to effectively carry out the responsibilities of the Council;

- a reduction from 24 to 18 councillors would only mean a reduction from 92 to 86 in the total number of people elected or appointed to carry out the Council's business;

- a large number of local government functions, which were formerly the direct responsibility of councillors, are now undertaken by other autonomous bodies, such as Council owned companies;

- a 3 ward division of the City would allow for the greatest flexibility in the total number of councillors necessary to represent the City, and make it simple to achieve fair representation for the electors in the different wards; and

- all the critical decisions made by Council in relation to the review have, in fact, been decided by a minority of the total Council membership.

Mr Pearson's subsequent comments and responses may be summarised as follows;-

- he was more interested in the division of the City into wards than in pursuing an election at large;

- the public consultation which took place was perfunctory, and did not start properly until May 1997, even though a formal decision was required by the end of August that year;

- repeated his major concern that 12 wards do not give effective representation to communities of interest because councillors are not accountable to enough electors;

- the need to give effective representation to communities of interest is more important in Christchurch than elsewhere;

- because there are 12 wards, you can only have either 24 or 12 members; and this limits the flexibility available to the Council in fixing an appropriate membership;

- a reduction in the number of wards would remove the need for community board members to be elected on a ward basis;

- even if there were no changes to wards, the Commission should consider the appropriate number of councillors for the City's needs;

- if there were 3 wards, the existing 12 could be combined and called the Northern, Western, and Southern Wards;

- a smaller number of wards would mean that fewer communities of interest were divided;

- would favour 3 roughly equal wards rather than asymmetrical wards as being best for a large district with a largely homogenous population; and

- stressed again that there is not effective representation of communities of interest at this time.

Cr Close in reply for the Council

- repeated that the Council did consult widely with the public;

- said he was surprised at a comment from the Chairman that this was a de novo hearing;

- did not think there should be radical change to the ward structure without a chance for a significant public input;

- members of community boards, for example, should not be expected to take on overmuch responsibility because their availability is very much on a part time basis;

- increasing the size of wards is a move along the road to an at large system;

- the Council had not looked at the question of fixing wards in order to give flexibility and to allow for varying numbers of councillors to be elected;

- a reduction in the number of members would lead almost inevitably to the suggestion that they should be full-time councillors and;

- the Council delegates a great deal of responsibility to community boards but there is no accountability from the boards to the Council.

16   At the conclusion of proceedings, the Chairman said the Commission reserved its decision and declared the meeting closed.

Matters for Determination

17   The legislation relating to the determination of appeals and counter-objections, is contained in sections 101K and 101L(2) and (3) of the Act. Section 101K provides as follows; -

(1)   The Commission shall, before the 29th day of March of the year of each triennial general election, -

(a) Consider the resolutions, objections, appeals, counter-objections, and information forwarded to it under section 101J of this Act; and

(b) Subject to section 101L of this Act, determine the number of wards or constituencies and their names and boundaries, and the number of members to be elected by the electors of each ward or constituency or, as the case may be, by the electors of the district as a whole.

(2) For the purposes of making a determination under subsection (1)(b) of this section, the Commission may, but shall not be obliged to, hold meetings with the council or any persons or organisations who have indicated a desire to be heard by the Commission.

(3) Notice in writing of every determination under subsection (1)(b) of this section, setting out the reasons for the determination, shall be given by the Commission to the council concerned, and by public notice.

(4) Forthwith upon the publication of a public notice under subsection (2) of this section, the Commission shall send a copy of that notice to -

(a) The Surveyor-General; and

(b) The Government Statistician.

(5) Subject to section 37ZE of this Act, the determination of the Commission made under subsection (1)(b) of this section shall be final and shall come into force for the next triennial general election."

Christchurch City Council Appeal (LGC104/81)

18   Section 101L(2) and (3) provides as follows; -

(2)   *In determining whether the council is to be elected by the electors of the district as a whole or by the electors of two or more wards and in determining (where necessary) the number and boundaries of wards, the territorial authority and, where appropriate, the Commission shall ensure-*

(a)   *That the election of members of the council by the electors of the district as a whole or by the electors of the two or more wards whose number and boundaries are determined will provide effective representation of communities of interest within the district; and*

(b)   *That ward boundaries coincide with the boundaries of current statistical meshblock areas determined by the Department of Statistics and used for Parliamentary electoral purposes; and*

(c)   *That, so far as is practicable, ward boundaries coincide with community boundaries.*

(3)   *In determining the number of members to be elected by the electors of any constituency or ward, the council and, where appropriate, the Commission shall ensure that the electors of the constituency or ward receive fair representation having regard to the population of every constituency or ward within the region or district and, if the circumstances so require, the rateable values, areas, or other relevant characteristics of the various constituencies or wards. "*

Consideration by the Commission

19   The Commission considers when deciding;-

(a)   whether the election of the members of a council (other than the Mayor) be by the electors of the whole district or on a ward basis; and

(b)   if on a ward basis, the number and boundaries of the wards,

that the only criterion to be met within the terms of section 101L(2) of the Act is the provision of effective representation for the various communities of interest within the district. This can be achieved by any ward encompassing one or more communities of interest.

20   The Commission further considers that when deciding on the number of councillors to be elected by the electors of any ward, the sole criterion to be met under section 101L(3) is the provision of fair representation of the electors of the various wards within the district. In deciding this fairness of representation, the Commission must have regard primarily to population, but if this factor alone does not, in the opinion of the Commission, achieve fairness then regard should be given to rateable value and area or other relevant characteristics of the various wards. In the opinion of the Commission, population must remain the predominant factor, but different weightings or even no weighting can be applied to all factors as are appropriate in any given circumstances. The Commission does not consider that any particular formula must be applied and consequently, any mathematical calculation should be seen only as a guide to a level of fairness which can be achieved on the basis of the factors required to be taken into account under the provisions of the Act. The final decision must be that which the Commission considers will, after having regard to the various factors set out in the Act, provide fair representation for the electors of any ward.

21   The City of Christchurch, although not divided by major geographic features, nevertheless contains a large number of communities of interest. The Commission is aware, from its own knowledge of the city, and from

the evidence produced at the appeal hearing, that a number of these communities are sufficiently disparate to require the constitution of wards for their effective representation. The Council, in its presentation, concentrated a great deal of argument upon its view of the necessity for the retention of a ward system apparently in response to what it saw as one of the main arguments of the appellant, Mr Pearson. In fact, while Mr Pearson did say that this was his preferred option, he also said that he did not consider it to be either necessary or desirable at this stage in the city's development.

22 The Commission agrees that the ward system of election for the Council should continue, and therefore confirms that the city will continue to be divided into wards.

23 Mr Pearson, in his appeal, argued strongly for a reduction in the number of wards. He suggested that this would be best done by combining the present wards to form a structure of either 3 or 6 wards. He saw this as desirable for two reasons. These were;-

(a) to lessen the number of communities of interest which are presently divided through the existence of a 12 ward structure; and

(b) to allow for the election of a different number of councillors to the only presently existing alternatives of 24 or 12.

24 While a Council representative did say that the present ward boundaries divide some communities of interest, there was no evidence produced either on behalf of the Council or by the appellant, to show where these divisions were, nor whether a straight combination of wards on their existing boundaries would end such a division. Nor was any evidence produced to show that any such divided communities of interest were, under the present situation, denied effective representation.

25   The timetable fixed for the Commission by section 101K of the Act is
        very tight, and even if there were only one appeal for the Commission to
        deal with, it would leave little time for the carrying out of in-depth
        investigations required to identify any changes necessary to accommodate
        developing communities of interest. With almost 30 appeals to decide,
        the Commission finds it completely impracticable to do other than deal
        with the most obvious inconsistencies.

26   The Council did set out to obtain public input to assist it in identifying
        any changes to ward boundaries which may be necessary. However, the
        method it used was to rely upon the completion of a form attached to a
        public discussion document. The Commission considers that prior to the
        next election, the Council should carry out a much more thorough
        investigation of its existing wards in order to ascertain what changes
        should be made. The next review will be particularly important because it
        will be carried out more than 10 years after the reconstitution of
        Christchurch City in 1989.

27   Mr Pearson produced evidence of the number of persons, both elected and
        appointed, who are engaged in the administration of Council functions.
        The number he identified exceeded 90.

28   The Council has not altered its membership from the number fixed by the
        Commission in 1989. Since that time, there have been a number of
        legislative changes which, in theory at least, should have reduced the
        workloads of the elected members, and allowed for a reduction in that
        number. In the Commission's opinion, the present number is probably
        considerably higher than is necessary but, given the constraints referred to
        above, the Commission has not, at this time been able to satisfy itself that
        12 members would be a sufficient number. The Commission's
        responsibilities in determining appeals do not require it to consider and
        make decisions upon what may be the optimum number of elected

members of the Council. Instead it is limited to ensuring that the electors of the various wards receive fair representation having regard to the factors identified in section 101L(3) of the Act. The Commission has considered the wards of Christchurch City, and is satisfied that, having regard to their respective populations, the electors of the various wards will receive fair representation.

29   The Commission therefore determines that Christchurch City shall continue to be divided into its existing 12 wards, subject to the alterations the Council itself had proposed, and that the electors of those 12 wards shall each be able to elect 2 members of the Council. Accordingly, Mr Pearson's appeal is dismissed.

30   As already stated, the Commission would expect the Council to comprehensively consider its wards prior to the election to be held in October 2001. At the same time, if not earlier, it should thoroughly review its governing structure with a view to identifying a possible reduction in the number of elected and appointed members of the Council, community boards, and other Council operations.

Determination

31   Pursuant to section 101K of the Act, the Commission hereby determines that for the triennial election in 1998 -

(a)   Christchurch City, as delineated on S.O. Plan No.19427 deposited with the Chief Surveyor of the Canterbury Land District; shall continue to be divided into 12 wards;

(b)   Those 12 wards shall be -

(1)   the Burwood Ward, comprising the area delineated on S.O. Plan No.19429 deposited with the Chief Surveyor of the Canterbury Land District:

(2)   the Fendalton Ward, comprising the area delineated on S.O. Plan No.18075 deposited with the Chief Surveyor of the Canterbury Land District:

(3)   the Ferrymead Ward, comprising the area delineated on S.O. Plan No.18083 deposited with the Chief Surveyor of the Canterbury Land District:

(4)   the Hagley Ward, comprising the area delineated on S.O. Plan No 18079 deposited with the Chief Surveyor of the Canterbury Land District:

(5)   the Heathcote Ward, comprising the area delineated on S.O. Plan No.18082 deposited with the Chief Surveyor of the Canterbury Land District:

(6)   the Papanui Ward, comprising the area delineated on S.O. Plan No.19428 deposited with the Chief Surveyor of the Canterbury Land District:

(7)   the Pegasus Ward, comprising the area delineated on S.O. Plan No. 18080 deposited with the Chief Surveyor of the Canterbury Land District:

(8)   the Riccarton Ward, comprising the area delineated on S.O. Plan No.19943 deposited with the Chief Surveyor of the Canterbury Land District:

(9)   the Shirley Ward, comprising the area delineated on S.O. Plan No. 18076 deposited with the Chief Surveyor of the Canterbury Land District:

(10)   the Spreydon Ward, comprising the area delineated on S.O. Plan No. 19944 deposited with the Chief Surveyor of the Canterbury Land District:

(11)   the Waimairi Ward, comprising the area delineated on S.O. Plan No. 18072 deposited with the Chief Surveyor of the Canterbury Land District:

(12) the Wigram Ward, comprising the area delineated on S.O. Plan No. 19942 deposited with the Chief Surveyor of the Canterbury Land District:

(c)   The Council shall comprise the Mayor and 24 members who shall be elected as follows:-

(1)   Two members who shall be elected by the electors of the Burwood Ward;

(2)   Two members who shall be elected by the electors of the Fendalton Ward;

(3)   Two members who shall be elected by the electors of the Ferrymead Ward;

(4)   Two members who shall be elected by the electors of the Hagley Ward;

(5)   Two members who shall be elected by the electors of the Heathcote Ward;

(6)   Two members who shall be elected by the electors of the Papanui Ward;

(7)   Two members who shall be elected by the electors of the Pegasus Ward;

(8)   Two members who shall be elected by the electors of the Riccarton Ward;

(9)   Two members who shall be elected by the electors of the Shirley Ward;

(10)   Two members who shall be elected by the electors of the Spreydon Ward;

(11)   Two members who shall be elected by the electors of the Waimairi Ward; and

(12)   Two members who shall be elected by the electors of the Wigram Ward.

32   As required by section 101L(2) of the Act, the boundaries of the above wards coincide with the boundaries of current statistical meshblock areas

determined by Statistics New Zealand and used for Parliamentary electoral purposes.

33   As required by section 101M(3) of the Act, plans of the Riccarton, Spreydon, and Wigram Wards have been sent to the Chief Surveyor of the Canterbury Land District, and the Chief Surveyor has certified the plans are sufficient to render the boundaries of each ward capable of identification.

The Local Government Commission

Ian Lawrence (Chairman)

Barbara Durbin (Commissioner)

Robin Wilkins (Commissioner)

27 March 1998

PURPOSES AND GOALS

The University of Canterbury was established to advance knowledge by research and to maintain and disseminate it by teaching.

Universities have the following characteristics:

1. They are primarily concerned with more advanced learning, the principal aim being to develop intellectual independence;

2. Their research and teaching are closely interdependent and most of their teaching is done by people who are active in advancing knowledge;

3. They meet international standards of research and teaching;

4. They are a repository of knowledge and expertise;

5. They accept a role as critic and conscience of society.

Consistent with its character as a university, the University in its Charter has pledged to pursue the following goals to the best of its ability and as far as its funding permits:

1. To promote excellence in teaching, research and scholarship;

2. To maintain widely accepted principles of academic freedom;

3. To contribute to the betterment of society, and to be responsive to the needs of society;

4. To implement a policy of equality of opportunity;

5. To promote the well-being of its staff;

6. To promote the well-being of its students;

7. To maintain a suitable environment for teaching, research and scholarship;

8. To use its resources responsibly and to account for the funds provided by the Government.

APPENDIX 1

GENERAL OBJECTIVES		
EFTS Enrolled in Each Award	**1997 (est)**	**1998 (est)**
Doctor of Philosophy	383	
Master of Arts	164	
Bachelor of Arts with Honours	211	
Bachelor of Arts	3 016	
Master of Science	223	
Bachelor of Science with Honours	115	
Bachelor of Science	2 120	
Master of Engineering	114	
Bachelor of Engineering with Honours	1 159	
Master of Laws	17	
Bachelor of Laws	725	
Master of Business Administration	34	
Master of Commerce	66	
Bachelor of Commerce	1 659	
Master of Music	3	
Bachelor of Music with Honours	8	
Bachelor of Music	86	
Master of Fine Arts	3	
Bachelor of Fine Arts with Honours	4	
Bachelor of Fine Arts	169	
Master of Forestry Science	16	
Bachelor of Forestry Science	185	
Master of Education	44	
Master of Educational Science	2	
Bachelor of Education	261	
Bachelor of Speech and Language Therapy	135	
Diploma in Clinical Psychology	4	
Diploma in Education	1	
Diploma in Industrial and Organizational Psychology	4	
Diploma in Journalism	22	
Diploma in Social Work	52	
Diploma in Science	31	
Diploma in Engineering	17	
Diploma in Engineering Geology	4	
Diploma in Business Administration	8	
Diploma in Management	39	
Diploma in Forestry	8	
Law Professional	25	
Certificate in Liberal Studies	1	
Certificate in Social Work	17	
Community Education	99	
	11 254	**11 660**
Ministry of Education Funded	10 744	11 096
Full Fee Paying	510	564
TOTAL	**11 254**	**11 660**

Table 1

Council Contacts with Police

	No.	frequency (1-6)
Art Galley	5	6
Beckenham S.C	3	6
City Design	1	v
City Streets		
-traffic ops	7	2,4
-area traffic eng.	19	1,2,4,5
Comms. & Proms.	7	v
Corp. Admin.	2	2,6
Director of Operations	1	5
Econ, Dev. Emp.		
EPPU	7	5,6
ESU - enforcement	6	4,6
-environmental effects	22	1,2,5
-general insp.	10	4
- other	3	5,v
Fendalton SC	7	6
Legal Services	1	6
LACSU	12	3,4,5
Libraries	13	5,6
Linwood SC	2	3
Major Projects	1	5
Papanui SC	1	5
Parking Ops.	15	1,3
Parks	5	5,6
Personnel	8	2,6
Policy Dir.		
-Children's Adv.	11	4,5,6
-Policy	2	6
Plant & Building S.	2	v
Property		
-housing	16	5,6
-other	5	6
Rates	1	5
Shirley SC	12	3,4,6
Sockburn SC	5	6
Waste Mgt		
Water Serv	5	6
Works Ops	v	v
Councillors/Bd members	41	3,4,5,6

	258	

Table 2

Location of police contacts

	No. of contacts
Central/ChCh City	19
Canterbury District	47
Regional HQ	7
Transport House	8
Cathedral Sq	26
Sydenham	12
Airport	1
Papanui	34
New Brighton	35
Hornby	34
Lyttelton	2
Wellington	2
Unspecified	31

	258

Table 3

Police Functions

	No. of contacts
traffic policing and safety	22
suburban policing	
-community constables	48
-youth education	10
-other	73
youth aid/education	9
driver licensing/testing	6
city beat section	22
community relations	2
liquor licensing	3
district command	11
regional command	8
Canty District	
-Criminal inv. Unit	8
-crime prevention	8
-other	7
Central (general)	9
Wellington HQ	2
unspecified	10

	258

IMPLEMENTATON OF

COMMUNITY-BASED POLICING

THREE YEAR PLAN

DENNIS A. GARRETT
Police Chief

June 1993

TABLE OF CONTENTS

This plan forms the framework for implementing a department-wide, community-based policing plan for the City of Phoenix. A Community-Based Policing Philosophy has been implemented in some police departments across the country and is being utilized in limited instances for special projects within our city.

Recent service enhancements built around a community-based philosophy, combined with several consecutive lean budget years, have critically stretched resources, reduced service levels, and brought the Phoenix Police Department to a crossroads. We feel that implementing a community-based philosophy is the best direction to take; however, further advances cannot be made with current resources. Although there are costs for implementing these changes, we feel the rewards are great for those who make a commitment to safer neighborhoods, a reduced fear of crime, and better relationships between citizens and their government.

All will be called upon to share in the commitment. From the patrol officer to the police commander and from the neighborhood citizen to city management, each will be asked to play a part in the transition. Our ultimate goal is a community-based government that works with citizens to prevent and solve problems.

Community-based policing follows guidelines rather than hard and fast rules. We believe that officers working directly on a problem are best suited to develop an individual solution with the neighborhood involved. Solutions to problems are developed between the police and the community at the lowest level possible. These concepts, however, require that sufficient time and authority be delegated to allow an effective solution to be developed and implemented. Customized service based on neighborhood conditions and the capacity to find creative solutions is imperative. Due to the need to work on individual neighborhood concerns, some of the concepts are somewhat abstract; however, the following statement summarizes the community-based policing concept for the City of Phoenix:

> **A philosophy and process by which the Phoenix Police Department, in partnership with other city departments, citizens, the public sector, and private enterprises, assists the community in enhancing the quality of life in the city's neighborhoods.**

Community-based policing concepts have been utilized by Phoenix police employees for many years for individual situations, and efforts in recent years have drawn wide support and success. Specific programs such as the Drug Free Zone, Operation TALON, downtown bicycle officers, the Juvenile Curfew Enforcement Program, and Block Watch have all utilized community input to translate ideas into action. It is important to note, however, that many of these efforts have been limited in scope and duration, and the concepts have not been institutionalized into day-to-day operations due to the needed time commitment.

The Police Department has taken advantage of technological advances to stretch resources. Radio call priorities have been evaluated and service levels have been reduced in some areas to attempt to maintain a rapid response to emergencies. For example, some minor thefts and non-injury traffic accidents no longer receive a police response or an investigation, allowing those police resources to be used in more critical areas. Still, the time savings generated by these service reductions have not allowed us to keep pace with demand and, consequently, the loss of 81 positions in the last three years has resulted in increased response times at a reduced service level. Additional requirements, such as the video or audio taping of certain types of interviews, and rules regarding the collection and preservation of biological evidence, have placed increasing demands on already stretched resources.

Community-based policing includes basic police services and quality investigations. Officers must still respond to calls for service. Criminals will still go to jail. The Phoenix Police Department must not depart from providing quality basic service in order to implement an effective Community-Based Policing Philosophy.

Patrol officers, the backbone of the Police Department, play a key role under community-based policing, and historically it has been easier to justify sworn line officers rather than support or civilian personnel. Community-based policing, however, relies heavily on support personnel to solve problems. Many support functions have been curtailed in recent years to provide services to areas deemed more critical. The substantial reduction of vice officers to support the investigation of homicides and minor crimes that receive no lab support due to staffing levels are just two examples. These are precisely the areas that would need full support under a Community-Based Policing Philosophy. It is reasonable to assume that the addition of line officers alone, without the needed support personnel, would be of minimal value.

The implementation of a Community-Based Policing Philosophy will require that basic service levels be attained again and maintained while also allocating time and authority to pursue community-based problem solving. The needs of each area within the Police Department have been evaluated based on a three year implementation period. This proposal offers three alternatives regarding the future of community-based policing in the city of Phoenix. Figures are based on the fiscal year 1993/94 trial budget of $165,564,349 used as the base year:

Proposal A: Full-scale implementation of community-based policing to deliver quality basic services and to support citizen and neighborhood efforts on improving quality of life issues

Average annual budget increase: 6.1 percent
Proposed budget in the third year of implementation: $197,432,915
Increased cost per citizen in the third year of implementation: $30.99

Proposal B: Limited implementation of community-based policing to ensure quality basic services and to meet the highest priority neighborhood problems and concerns

Average annual budget increase: 4.2 percent
Proposed budget in the third year of implementation: $187,152,608
Increased cost per citizen in the third year of implementation: $20.99

Proposal C: No expansion of current piecemeal community-based policing efforts - only provides resources to meet basic service needs

Average annual budget increase: 2.9 percent
Proposed budget in the third year of implementation: $180,412,081
Increased cost per citizen in the third year of implementation: $14.44

Specific itemization of the three proposals for each division and bureau within the Police Department is included with the following supplemental material:

We realize that Proposal A is an ambitious plan; yet the citizens of Phoenix deserve no less in improving the quality of life in their neighborhoods. We are fortunate that the Mayor and City Council have long showed strong, unwavering support for the value of neighborhoods. We have not yet seen widespread neighborhood decay such as has been experienced in some major cities. Warning signs, however, are beginning to appear, and it is important to make corrections now before the problem becomes overwhelming. We are at a point of tremendous opportunity for the city and its citizens to improve the quality of our neighborhoods and to develop ties to take us into the 21st century.

SECTION I -- A BRIEF HISTORICAL PERSPECTIVE

The Phoenix Police Department has a well-deserved, nationwide reputation for excellence. The moral and financial support of city government and the community have combined with years of hard work and innovation to create a climate of optimism and success. In the last few years, however, two factors have combined to overshadow this positive atmosphere. First, violent crimes, often driven by the illicit drug market or gang activities, have increased at an alarming rate. Second, deteriorating neighborhoods, inexorably connected to street violence, have begun to spread in scope and depth. Decaying neighborhoods act as magnets for crime. It is as if a signal emanates from such places, announcing "No one cares about what happens here." Once the signal is strong enough, vandalism, abandoned homes, street-level dope deals, and gang activity are the result. By the time these problems are evident, the downward spiral for a neighborhood is well underway.

Problems once thought to be reserved for large eastern and midwestern cities do not seem so distant now. In some areas of Phoenix, as citizens retreat into their homes, the department's ability to maintain control is seriously strained. Neighborhoods, the basic building blocks for urban prosperity, must be stabilized, or large tracts of the city will be transformed from viable communities to out of control crime zones that swallow ever-increasing amounts of tax dollars and services. The existence of such areas could jeopardize the long-term financial well being of the city of Phoenix.

Faced with this scenario and the serious complication of several consecutive lean budgets, the Police Department has made many adjustments. A number of these have their roots in ideas that were implemented 10, 15, even 20 years ago. Walking beats in public housing areas, court-imposed restrictions on street prostitution, and programs aimed at intervening with "at-risk" youth are examples of "problem oriented" activities that were in progress long before the use of the term became popular. Many of these efforts were the result of suggestions from line-level personnel who faced the same problems day after day and convinced others that progress was possible if new tactics were tried.

Despite our many successes, increasing violence and declining neighborhoods have become a serious frustration for the Police Department and the community we serve. Neighborhoods all over the city are asking for help. Efficient response and effective investigation are no longer sufficient to address the multifaceted problems we face. Our mission has changed because the nature of the problem has changed. Many factors beyond our immediate control have contributed to problems that we are now being asked to address. These problems are more complex and in many ways less "police-oriented," in a traditional sense, than what we have been accustomed to.

As the largest and most visible arm of government, it is essential that the police play a key role in attacking the forces that are causing neighborhoods to become unlivable. This does not mean that we must close the book on our successful past. It does mean that we should build on it. We are convinced that the Phoenix Police Department is in the right place at the right time and has the right personnel to do just that. Some re-definition of roles will be necessary. Individually, and as an organization, we will have to stretch our minds and our beliefs. But the basic ethic that brought most of us to this profession will be reinforced, at times even re-discovered, if we commit to a new way of thinking about our role as leaders and public servants in this city. Community-based policing is a concept that will support this new approach.

Is it simply warmed-over Team Policing? How is it different from Problem-Oriented Policing? When will this program be over so we can get back to business as usual? These are some of the questions that anyone who has given the idea of community-based policing much thought will have considered. Clearly defined boundaries and rules would, no doubt, alleviate most of these concerns. However, as is becoming more evident all the time, flexibility and a willingness to proceed in unfamiliar territory, while relying on some basic guidelines, are much more likely to produce positive results than a set of rules that require little interpretation.

Community-based policing is a philosophy and a process, not a narrowly defined program of limited duration. Problem oriented activities and some aspects of Team Policing are among the most important tactics that support the Community-Based Policing Philosophy. This philosophy forms the foundation for decision and action that will alter the way the department approaches many of its responsibilities. We cannot pinpoint definitive starting and ending dates for community-based policing. Indeed, individual officers and units have utilized its tactics in isolated instances for a long time. Because it is a philosophy and not a specific operation, there are guiding principles rather than rigid rules governing its implementation.

Community-based policing involves police officers and citizens working together in creative ways to help solve problems related to crime, fear of crime, neighborhood deterioration, and social disorder. It allows citizens a greater voice in setting priorities and involving them in efforts to improve the overall quality of life in their neighborhoods. It shifts the focus of police to longer term problem-solving, building a partnership with citizens, and producing quality follow-through, while maintaining emphasis on fair and impartial enforcement of the law.

Customized service based on neighborhood conditions and the capacity to find creative solutions is important. The realization that the police alone cannot fix all or even most of the problems many neighborhoods face is also important. Recognizing that all parts of the community, especially the residents, share responsibility for the viability of their neighborhoods is another key factor. Admittedly some of these concepts are somewhat abstract and certainly do not lend themselves to the creation of written guidelines. However, we submit that the following definition of community-based policing fits the needs of the community and the Phoenix Police Department.

COMMUNITY-BASED POLICING - A PHILOSOPHY AND PROCESS BY WHICH THE PHOENIX POLICE DEPARTMENT, IN PARTNERSHIP WITH OTHER CITY DEPARTMENTS, CITIZENS, THE PUBLIC SECTOR AND PRIVATE ENTERPRISE, ASSISTS THE COMMUNITY IN ENHANCING THE QUALITY OF LIFE IN THE CITY'S NEIGHBORHOODS.

The department's mission statement, approved in September 1992, is as follows:

> **THE MISSION OF THE PHOENIX POLICE DEPARTMENT IS TO PROVIDE COMMUNITY-ORIENTED LAW ENFORCEMENT DESIGNED TO PROTECT LIFE AND PROPERTY, AND MAINTAIN ORDER WHILE ASSURING FAIR AND EQUAL TREATMENT FOR ALL.**

Together, these two statements form the basis for a new way of thinking about the role of the Phoenix Police Department in the community. It is important to note that this "new way" still includes emphasis on the day-to-day basic police functions in which so many of us are engaged. Cases will still be made, criminals will still go to jail, and thousands upon thousands of radio calls will still be answered.

> Let us present a brief scenario as an illustration. A beat officer notices that a drug-overdose call, several disturbances, and late-night suspicious person complaints in a previously quiet neighborhood seem to center around a particular rental residence. Drug paraphernalia has been found in a nearby alley. The officer alerts the nearby Block Watch leader, who already has been gathering information on the problem. The officer conducts some concentrated neighborhood patrol and bolsters a suspicion that drug trafficking from the residence is probably the problem. Because of a day-to-day workload that limits the time spent on this situation and the need for some specialized assistance, the beat officer contacts the community action officer (CAO) for the area. The CAO coordinates intelligence gathering about the problem and requests assistance from the Precinct Directed Patrol Squad, the Drug Enforcement Bureau, and the General Investigations Bureau. The Neighborhood Services Department is then contacted regarding possible code violations at the location. The landlord is informed about his rights/responsibilities in such situations and that the neighbors are upset. Soon probable cause is developed, a search warrant is served, and the owner receives warnings regarding code violations. The landlord evicts the tenants, and the neighborhood returns to its previously peaceful state.

This problem was not allowed to grow to unmanageable proportions. The first step toward deterioration of the neighborhood was reversed. This kind of action has been taken in a number of situations around the city. However, the department has not yet institutionalized the systems or relationships necessary to ensure that this community-based approach becomes one of the ways we routinely do business. We believe that the following **GUIDING PRINCIPLES** should be applied to command and line level strategic and tactical thinking in order to continue and consolidate the process of conversion to a Community-Based Policing Philosophy.

> ► **BROADEN OUR SCOPE OF CONCERNS** so that **QUALITY OF LIFE** is a primary issue.

> ► **BUILD LONG-TERM PARTNERSHIPS AND MOBILIZE** citizens, neighborhoods, businesses, outside agencies and other city departments.

> ► **ALLOCATE TIME AND EXPAND AUTHORITY** at the line level to **IDENTIFY AND SOLVE NEIGHBORHOOD PROBLEMS** through the application of internal and external resources.

> ► **CONSTANTLY EVALUATE AND ADJUST** our efforts.

> ► Continue to **DELIVER HIGH-QUALITY BASIC SERVICES.**

> ► **MAINTAIN ETHICAL ORIENTATION WHILE EMPOWERING EMPLOYEES.**

To a significant degree, the department has already utilized these principles in several areas throughout the city. The first Drug Free Zone Program more than two years ago, Operation TALON in the fall of 1992, the closing of the Long Rest Trailer Park, and the recent implementation of Differential Police Response are examples of how these ideas translate into action. As worthy as these efforts have been, limited resources have required that these approaches be tactical, even piecemeal, not strategic and systematic.

When major problems develop, we have been able to apply these ideas with an impressive degree of success. We advocate using the same concepts throughout the organization on problems of all sizes. In so doing, we believe that more small problems will be eliminated before they grow to the degree where operations like TALON, which require a large resource commitment, are needed.

SECTION III — OUR VISION OF COMMUNITY BASED POLICING

BROADEN OUR SCOPE OF CONCERNS

Our vision of community-based policing is based upon the concept that the government, police, and community must work together in creative ways to identify and solve community problems. It broadens our mission from a mere focus on crime fighting to encouraging creative solutions and a host of community issues, which include prevention of crime, fear of crime, social disorder, and neighborhood decay. Our role will expand to include quality-of-life issues and problem-solving tactics. The police will not only act as enforcers, but also as advisors, facilitators, and supporters, and will lead the efforts of community-driven, problem-solving teams. The specific goal of community-based policing is positive results. Enhancing the quality of life, increasing individual participation, extending the effectiveness of police and government resources, and creating a vital, competitive community are all part of the objective. The rewards for embracing this philosophy are substantial: the delivery of cost-effective quality service that is consistent with community needs, enhanced police job satisfaction, and mobilization of the community for the purpose of reducing criminal activity and improving the quality of life.

ALLOCATE TIME AND EXPAND AUTHORITY

This expanded organizational strategy requires sufficient allocation of time and resources beyond the answering of calls and routine patrol so that police can establish and maintain direct relationships with the people of the community. Line-level employees must be encouraged to be creative, even unconventional, when attacking problems in neighborhoods or mobilizing citizens. The beat officer must be strongly supported by the department as the spearhead and foundation of this philosophy. A key factor in this support is the precinct/bureau commander, who focuses on forging the partnerships necessary for line-level personnel to solve problems.

BUILD PARTNERSHIPS AND MOBILIZE

Rapport and trust are the essential elements in the process of mobilizing people to become involved in their neighborhoods. The community Action officer (CAO) is the department's outreach specialist, serving as the link to people in the community and other public and private agencies. The CAO will not be effective as part of a centralized support function. Instead, the position must be an integral part of the patrol function, providing a support service to the beat officer. The community action officer supports, supervises, and enlists neighborhoods and people in their effort to protect themselves. One result of community-based policing is a more active and informed public. In theory, as the public's responsibility for their own neighborhoods increase, so will public safety. As people become accustomed to participating in solving their neighborhood problems and in utilizing the CAO to deal with non-emergency issues, it is likely that the reliance on 9-1-1 and emergency police response for non-emergency situations will be reduced.

IDENTIFY AND SOLVE PROBLEMS

Fear of crime can be as much of a problem as crime itself. Fear of crime traps law-abiding people in their homes, afraid to venture out and participate in community activities. It creates a reluctance to carry out civic responsibilities such as providing information to the police. The criminal element is then granted anonymity, which is tantamount to social permission to live outside the law.

Crime cannot always be viewed as a series of isolated events, but more often part of a process that includes social disorder. We must utilize creative solutions not only to respond to specific incidents of crime, but also to examine and address underlying dynamics that promote crime. The Community-Based Policing Philosophy requires government and the community to act together, not only to focus narrowly on crime, but to unilaterally accept new responsibilities.

CONSTANTLY EVALUATE AND ADJUST

Each problem we encounter will be different. So will each neighborhood group. When successful tactics are found, they must be quickly communicated throughout the department. Performance Achievement Plans, Employee Performance Appraisal Reports, and other internal measuring devices should reinforce the goals of community-based activities. Customer surveys, only recently put into regular use, must be continued and expanded. In addition, the Police Department needs to continue attempts to obtain funding for an internal and external base line study to inform and facilitate the transition to community-based policing. The department already receives input on issues related to service priorities and policy from a Citizens Advisory Board. This board must remain an important and permanent part of our self evaluation process.

DELIVER HIGH-QUALITY BASIC SERVICE

Basic service means response to calls for assistance, especially those of an emergency nature, investigation of crime, and the maintenance of order. These services are the bedrock upon which all other activities must stand. If our abilities in these areas are compromised, for whatever reason, we will, by definition, be failing in our mission.

MAINTAIN ETHICAL ORIENTATION WHILE EMPOWERING EMPLOYEES

The advent of community-based policing brings line personnel into new and unfamiliar situations. Citizens eager to help, and employees anxious to get the job done, can lead to new ethical questions and dilemmas. However, increased public contact does not necessarily mean an increase in questionable actions by employees. The department has already taken note of this potential and continues to stress the need to use good judgment in all situations. As always, it is incumbent upon us to focus attention on this vitally important area. As we become more involved with community problems, it is necessary to insure that sufficient policy guidance is in place to meet a dynamic set of challenges.

SHIFTING THE DEPARTMENT'S FOCUS - THE ELEMENTS OF CHANGE

In order for the Community-Based Policing Philosophy to succeed, the department needs to focus its efforts in three broad areas. Progress has already been made in each, but a great deal remains to be done if the organization is to thoroughly adopt this concept.

First, the organizational culture of the Police Department must shift to accommodate a more creative and empowered line function. Flexibility and customer service orientation at all levels and in all units of the department will be necessary. To accomplish this, we must involve ourselves in a constant process of self evaluation and purposeful change.

Second, we must mobilize citizens and encourage them to accept a substantial share of responsibility for community problems and to participate in partnership efforts to solve them. The Police Department should endeavor to make effective use of the media, local meetings, employee contacts, and other public forums to educate and involve the community.

Third, we must recruit other government, public, and community agencies to participate in what may become "community-based government." This will require establishing long-term, close cooperation with city and non-city agencies. This process must include a mutually agreeable (and institutionalized) method of identifying and solving problems.

Community policing is based on the concept that citizens, not the police, have the ultimate power to control crime, enhance their own safety, and improve the quality of life. Citizen input into what the police do and how they do it is just as important. In order for the power of partnerships involving citizens, the police, other sectors of government, and the community to be unleashed, the elements listed above must receive continuous attention.

SECTION IV -- THE CURRENT STATE OF COMMUNITY-BASED POLICING EFFORTS IN PHOENIX

In recent years, modern technology has enabled the department to stretch resources in some areas, while increasing responsibilities in other areas. An increasing service demand has resulted in reduced service levels and slower response times. Our sworn staff has markedly decreased during the same period. In the last 18 months, at least two department groups have evaluated call priorities and trimmed the types of calls being dispatched. In spite of these changes, patrol officers generally have little, if any, time to engage in community mobilization and problem-solving. The time savings generated by service reductions has not allowed us to keep pace with demand.

The success of several programs has resulted in increasing demands being placed upon services such as community action programs, bicycle officers, and Block Watch. The following are examples of these programs:

- Silent Witness now provides fugitive information three times a day, seven days a week. In addition to increased television time for the weekly reenactment, audio tapes and scripts are now provided to 15 valley radio stations.

- Programs such as DARE and GREAT, and school resource officers provide positive results with Phoenix school children. Schools without these programs continue to request them. In December of this year, an Arizona Criminal Justice Commission Grant, which funds some of these positions, will expire.

- The Citizen's Police Academy has been expanded to include Young Adult Citizen's Police Academies that provide teens with a behind-the-scenes look at the Police Department.

At the same time, the Police Department has made many adjustments and modifications during the past several years to attempt to meet the increasing demands for service. Resources have been diverted to emergency call response, violent crime investigation, and specific community action programs intended to combat critical neighborhood problems.

As a result, the public has suffered the brunt of these changes in other service areas. The following are some examples of areas that have incurred service reductions:

- Elimination of evening staff support at each of the department's resource bureaus. This has impacted public access to information and the availability of assistance to officers at each of these locations.

- A four-year backlog of research to be done on cases involving evidence in impound. This results in increased storage costs and the unnecessary retention of citizens' property.

- Decreased Criminal Justice Enhancement Fund (CJEF) allocation for the Special Project Unit coupled with increased requests for assistance from both inside and outside the department.

- Recent retirements have reduced the Canine Detail's capability to conduct narcotics searches by 25 percent.

- Increased demands on the Air Support Unit for assistance during all types of incidents, yet no increase in staff.

- Increased enforcement of activity at pawn and secondhand stores resulted in more than a 100-percent, one-year increase in pawn tickets (215,000 in 1992) being submitted for police review.

- To attempt to keep calls for service under control, the department no longer responds to or conducts an initial investigation for some minor property crimes or minor non-injury traffic accidents. Increased levels of calls in other areas have not produced the desired reduction in calls for service.

- Federal Aviation Administration regulations require a police response to checkpoints at Sky Harbor International Airport within five minutes. By fiscal year 1995/96, airport activity level projections will require a one minute checkpoint response time.

- Laboratory analysis for property crime investigations currently has more than a one-year delay. This effectively eliminates lab analysis as an investigative tool in crimes such as burglary and auto theft.

- Requests for information and statistical information for the public, the City Manager, and the City Council have been delayed due to decreases in staff required to conduct analysis on the requested data.

Technical development in the areas of investigative techniques, interview recordings, and evidence collection/preservation requirements has also created an increased demand on already stretched resources.

- Investigations that take more time for crime-scene investigations and interviews.

- Increased demands for laboratory support and the technical assistance of a criminalist.

- Department reports with narratives that are increasing in size to more thoroughly document the facts of each case, requiring more time from both the officer and the PACE-entry secretary.

- Advancements in DUI investigations, such as horizontal gaze nystagmus and drug recognition, improve the quality of the investigation, but also demand more time.

A bare-bones structure for our community policing philosophy is already in place in each of the precincts. This approach utilizes a community action officer (specialist) to deal with community mobilization and problem solving. The patrol officer (generalist) provides basic services, but little else. Although purists advocate a system in which each beat officer is a CAO, such an arrangement is not realistic for the Phoenix Police Department. The staffing necessary for this style is not affordable. Although we believe the generalist/specialist concept is workable, there are significant problems associated with the current arrangements.

Simply stated, there is not enough personnel to deal with all or even most of the serious problems that come to our attention. When we do mount efforts to alleviate problems, manpower is not available to hold onto the gains made. Unless officers without constant patrol responsibilities are assigned as community ombudsmen to nurture the community groups and prevent the criminal element from returning, we find that problems soon reappear. This condition is frustrating to the citizen and officer alike.

SECTION V — CONDITIONS NECESSARY FOR SUCCESSFUL IMPLEMENTATION

The Police Department has identified several key areas deemed critical to the success of community-based policing. These areas include sufficient time for problem-solving, adequate resources, and total commitment to the appropriate philosophy and style.

Most significantly, employees will need blocks of time to engage in community policing activity. The vast number of calls for service within the city often prohibit patrol officers from making any sort of progress on a routine basis. Problem-solving is quite often hit or miss, or is done as special, finite enforcement programs rather than approached as long-terms project requiring the attention of both the Police Department and various outside agencies.

Closely linked to the allocation of blocks of time is the need to appropriate adequate funding for an increase in personnel. Community-based policing in its purest form does not necessarily require additional resources to alter a mindset or change a policing style. However, more police employees are needed to ensure acceptable staffing levels to engage in community-based policing without compromising our ability to respond to emergency calls for service in a timely manner. Our department is at the point now where we cannot proceed further toward the Community-Based Policing Philosophy with our current resource level. It is evident that the need for resources and the need for time cannot be separated--indeed the time needed for effective problem-solving can only be obtained with a commitment of additional manpower.

WHAT IS THE ANSWER?

We endorse a structure that provides for sufficient community action officers to begin community mobilization activities citywide. The CAO is one leg of a triangular structure that is the first line of defense against neighborhood problems. The beat officer and Block Watch (or any community group) are the other two legs. Problem identification, intelligence gathering, and finding solutions to those problems that they can deal with is their role. This plan presupposes that the beat officer has a minimum of 30 percent of his/her time available for discretionary activities. (This time will be used for concentrated neighborhood patrol, problem identification and solution, conducting Block Watch and other community meetings, etc.) Specialty units within the precincts and the department function to support this basic structure. Other city agencies, outside agencies, and the business community are also partners. Their participation is facilitated by the CAO.

Serious problems will be dealt with by one of several Neighborhood Stabilization Units (NSU). Their role will be to deploy in designated areas for specific periods of time to bring the major crime and decay problems under control. This unit will be staffed with appropriate personnel to handle enforcement needs as well as to support the CAO's activities. After the area has returned to a status where the NSU can safely leave, the CAO's will remain in their original assignments to provide continuity and maintenance through continued cooperation with beat officers and Block Watch or other community groups.

Included in this system is a need for each precinct to develop the capacity to identify at-risk neighborhoods before problems become severe. A Precinct Assessment Unit is required to develop information relative to the "health" of all the identified neighborhoods in the city. Using data from a number of sources (department statistics, surveys, sales tax receipts, property values, etc.), this unit would be responsible for "red flagging" areas that require special attention. As experience is gained, the "health index" may be able to predict problems even before the residents become aware of them.

SECTION VI – DEVELOPMENTAL/IMPLEMENTATION STRATEGY

In April 1993, a Community-Based Policing Project Team was developed within the Phoenix Police Department for the purpose of forming the framework for more complete implementation of this philosophy. The project team was tasked with the responsibility of coordinating, facilitating, and enhancing a community/quality-based policing transition throughout the department.

This strategy encompasses the following goals:

1)   DEVELOPMENT OF A COMMUNITY-BASED POLICING THREE-YEAR "TIME-TABLE" OF EVENTS

The Community-Based Policing Project Team will be developing a three-year "time-table" of events which will include specific objectives or "milestones" for each division within the department. Specific community/quality-based policing indicators will be incorporated into our department's Employee Performance Appraisal Reports (EPARs), division and bureau policy manuals, training programs, etc.

2) **DEVELOPMENT OF AN IMPLEMENTATION PLAN FOR COMMUNITY/QUALITY-BASED POLICING WITHIN EACH DIVISION**

Each division commander will be developing a community/quality-based policing implementation plan for his/her division. This plan will contain specific division-related objectives which reflect and support the community-based policing philosophy.

3) **ESTABLISHMENT OF EMPLOYEE/CITIZEN/MANAGERIAL ADVISORY COMMITTEES**

The project team is currently developing three separate advisory councils to act as "brain trusts" to facilitate our community-based policing efforts. They will provide input, guidance, direction, and support to the Police Chief and project team in our planning.

A Citizen Advisory Council will be comprised of private business owners and executives, neighborhood leaders and representatives, and other prominent individuals within the community.

An Employee Advisory Council will be comprised of various Police Department supervisory and line personnel.

A Managerial Advisory Council will be comprised of members of the Police Department's command staff, as well as other selected City department heads and administrative officials.

4) **ESTABLISHMENT OF A COMMUNITY/QUALITY-BASED POLICING CITIZEN/USER ADVISORY GROUP WITHIN EACH DIVISION**

Each division commander will be asked to establish a citizen/user focus group within his/her division. The purpose of this advisory group will be to gather input from community members, assess citizen opinions about the service received from employees within their respective divisions, communicate information to the public on community/quality-based policing related matters, and establish an active working relationship between our employees and those internal and external customers we serve.

5) **DEVELOPMENT OF A COMMUNITY-BASED POLICING NEWSLETTER**

A departmental newsletter entitled "Quality Times" is being published periodically to train and inform Police Department employees, as well as other City personnel, on the progress of our community-based policing efforts. The newsletter not only serves as a catalyst for sharing employees' thoughts and ideas relating to community-based policing, but also features success stories and outstanding employee accomplishments.

6) **DEVELOP AND IMPLEMENT FOR DISTRIBUTION TO THE COMMUNITY/USERS A PUBLIC RELATIONS INSTRUMENT**

The Operational Support Division will develop and implement a written public relations instrument for distribution to the public. This instrument may be in the form of a newsletter, videotape, information card, etc. Its purpose will be to inform and enlighten the public on the various issues presented within the community-based policing arena.

7)   DEVELOPMENT OF AN AWARDS RECOGNITION PROGRAM IDENTIFYING PERFORMANCE REFLECTING COMMUNITY/QUALITY-BASED POLICING STRATEGIES

The project team will be creating an Awards Recognition Program in conjunction with the Police Department's Honor Board to identify those employees who demonstrate outstanding performance relating to community-based policing. This program will be designed to give recognition to those individuals who go "above and beyond" the realm of routine police work to deliver the "quality service" that is expected by our customers.

8)   PROVIDE CRIME PREVENTION INFORMATION PRESENTATIONS (BLOCK WATCH, BUSINESS SECURITY, ETC.)

The Operational Support Division and Patrol Division will continue to provide quality crime prevention information to the community. This information may be expressed in the form of Block Watch Programs, citizen committee meetings, business security identification, etc.

9)   DEVELOPMENT OF A QUALITATIVE EMPLOYEE SATISFACTION SURVEY WITHIN EACH BUREAU/PRECINCT

The project team will develop a "qualitative" employee attitude survey which will be used to measure police service and attitudes from our employees. The information obtained from our employees will be used to recognize areas of concern as well as to develop effective measures of responding to the needs of the community.

10)   DEVELOPMENT OF A NEIGHBORHOOD HEALTH INDEX (NHI)

The project team will develop a professional model that will allow us to work with neighborhoods to measure health, safety, and other "quality-of-life" factors. In assigning quantifiable values to selected indices of neighborhood health, it is our aspiration to assist in allocating City resources to neighborhoods based upon need and criticality.   Also by developing a barometer of neighborhood health that will be sufficiently sensitive to measure changes, it is hoped that we will be able to take a more active posture in terms of neighborhood maintenance as well as more timely reactions to negative trends that we and the individual neighborhoods are able to identify.

11)   DECENTRALIZATION OF SELECTED SPECIALIZED FUNCTIONS

Various specialized functions within the department will be examined with the idea of decentralization where better, more customized service will result. Innovative programs such as Differential Police Response (DPR), the co-location of services closer to neighborhood delivery points, and matrixing of resources will be explored.

12)   ENCOURAGE GREATER EMPLOYEE EMPOWERMENT

Efforts will be furthered to not only encourage input, but to also drive operational decision-making to the lowest possible levels of the organization. Creative problem-solving will be emphasized.

SECTION VII -- TRANSITION

Many segments are in place to ready the Police Department and the community for full transition into a community-based policing philosophy. Internal adjustments have been made to increase efficiencies and attempt to meet increasing service level demands. Research has been conducted regarding the community-based policing philosophy. External ties have been developed with the community through long-term commitments and several recent Community-Based Policing projects. A Community-Based Policing Project Team has also been assigned to oversee and facilitate our department's transition into a full community-based policing philosophy. While plans can continue for implementation, full transition cannot begin until additional resources are allocated.

The Police Department has evaluated each of its division's needs for transition into community-based policing based on three options. (See following page.)

Canterbury Museum - admission charging options

Version 1 - per Canty Museum model

Main assumptions: (options 1 to 4)

	Option 1	Option 2	Option 3	Option 4	Option 5	Budgeted
Reduction in non-Canty visitors	70%	70%	70%	70%	0%	0%
Adult admission	$10	$10	$10	$10	$10	$0
Child admission	$4	$4	$4	$4	$4	$0
Total visitors 1997/98	462,913	462,913	462,913	462,913	462,913	462,913
Proportion of non-Canty visitors	49%	49%	49%	49%	49%	49%
Decrease in current entrance donations	95%	95%	95%	95%	-20%	$125,000
Decrease in Discovery Centre revenue	20%	20%	20%	20%	-118%	$73,500
Decrease in special exhibitions revenue	40%	40%	40%	40%	-16%	$190,000
Decrease in retail gross profits	60%	60%	60%	60%	-133%	$150,000
Decrease in F&B lease revenue	20%	20%	20%	20%	-100%	$15,000
"Dishonesty factor"	0%	0%	0%	0%	0%	0%
Capital expenditure	50,000	60,000	70,000	30,000	50,000	50,000

	Option 1	Option 2	Option 3	Option 4
Extra income:				
Admission charges - adults				
Admission charges - children				
Donations - adults	510,362	510,362	510,362	510,362
Donations - children	68,048	68,048	68,048	68,048
	578,410	578,410	578,410	578,410
Less GST	-64,268	-64,268	-64,268	-64,268
	514,142	514,142	514,142	514,142
Donations	6,250	6,250	6,250	6,250
	520,392	520,392	520,392	520,392
Reduced income:				
Current entrance donations	-118,750	-118,750	-118,750	-118,750
Discovery Centre revenues	-14,700	-14,700	-14,700	-14,700
Special exhibition admissions	-76,000	-76,000	-76,000	-76,000
Retail gross profits	-65,500	-65,500	-65,500	-65,500
F&B lease revenue	-3,000	-3,000	-3,000	-3,000
	-277,950	-277,950	-277,950	-277,950
Extra costs:				
Depreciation	-16,667	-20,000	-23,333	-10,000
Extra staff	0	-75,000	-225,000	0
Brochures	0	-25,000	-25,000	0
	-16,667	-120,000	-273,333	-10,000
Net impact on Museum	**225,775**	**122,442**	**-30,891**	**232,442**

	Option 5	Budget	
		Original budget	New budget
Extra income:			
Coin-op. interactives	20,000	0	20,000
Sponsorship	50,000	0	50,000
Tourist packages	100,000	0	100,000
	0	0	0
	170,000	0	170,000
	0	0	
	170,000	0	170,000
	0	0	
	170,000	0	170,000
Reduced income:		Original budget	New budget
Current entrance donations	25,000	125,000	150,000
Discovery Centre revenues	86,500	73,500	160,000
Special exhibition admissions	30,000	190,000	220,000
Retail gross profits	200,000	150,000	350,000
F&B lease revenue	15,000	15,000	30,000
	356,500	553,500	910,000
Extra costs:			
Depreciation	-16,667	0	0
Extra staff	0	0	0
Brochures	0	0	0
	-16,667	0	0
Net impact on Museum	**509,833**	**553,500**	**1,080,000**

Canterbury Museum - admission charging options   Version 2 - revised assumptions

Main assumptions: (options 1 to 4)

	Option 1	Option 2	Option 3	Option 4	Option 5	Original budget
Reduction in non-Canty visitors	70%	70%	70%	70%	0%	0%
Adult admission	$7.50	$7.50	$7.50	$7.50	$10	$0
Child admission	$2.00	$2.00	$2.00	$2.00	$4	$0
Total visitors 1997/98	500,000	500,000	500,000	500,000	462,913	462,913
Proportion of non-Canty visitors	49%	49%	49%	49%	49%	49%
Decrease in current entrance donations	95%	95%	95%	95%	-20%	$125,000
Decrease in Discovery Centre revenue	20%	20%	20%	20%	-118%	$73,500
Decrease in special exhibitions revenue	40%	40%	40%	40%	-16%	$190,000
Decrease in retail gross profits	60%	60%	60%	60%	-133%	$150,000
Decrease in F&B lease revenue	20%	20%	20%	20%	-100%	$15,000
"Dishonesty factor"	15%	0%	0%	20%	0%	0%
Capital expenditure	50,000	60,000	70,000	30,000	50,000	50,000

	Option 1	Option 2	Option 3	Option 4
Extra income:				
Admission charges - adults		413,438	413,438	413,438
Admission charges - children		36,750	36,750	36,750
Donations - adults	351,422			330,750
Donations - children	31,238			29,400
	382,659	450,188	450,188	360,150
Less GST	-42,518	-50,021	-50,021	-40,017
Donations	340,142	400,167	400,167	320,133
	0	0	0	0
	340,142	400,167	400,167	320,133
Reduced income:				
Current entrance donations	-118,750	-118,750	-118,750	-118,750
Discovery Centre revenues	-14,700	-14,700	-14,700	-14,700
Special exhibition admissions	-76,000	-76,000	-76,000	-76,000
Retail gross profits	-65,500	-65,500	-65,500	-65,500
F&B lease revenue	-3,000	-3,000	-3,000	-3,000
	-277,950	-277,950	-277,950	-277,950
Extra costs:				
Depreciation	-16,667	-20,000	-23,333	-10,000
Extra staff	0	-75,000	-225,000	0
Brochures	0	-25,000	-25,000	0
	-16,667	-120,000	-273,333	-10,000
Net impact on Museum	45,525	2,217	-151,117	32,183

Option 5

	Net increase	Original budget	New budget
Coin-op. interactives	20,000	0	20,000
Sponsorship	50,000	0	50,000
Tourist packages	100,000	0	100,000
			0
	170,000	0	170,000
	170,000	0	170,000
	170,000	0	170,000

Budget

	Net increase	Original budget	New budget
	25,000	125,000	150,000
	86,500	73,500	160,000
	30,000	190,000	220,000
	200,000	150,000	350,000
	15,000	15,000	30,000
	356,500	553,500	910,000

Option 5	Budget	
-16,667	0	0
0	0	0
0	0	0
-16,667	0	0
509,833	553,500	1,080,000

Christchurch City Council
Legal Services Unit

Legal Opinion

Date: **11 March 1998**

From: **LEGAL SERVICES MANAGER**

To: **STRATEGY AND RESOURCES COMMITTEE**

MULTILATERAL AGREEMENT ON INVESTMENT

My advice has been sought on the applicability of this agreement, if signed by the Government, in relation to the Council's activities.

International agreements of this type are entered into by the Government on behalf of the country. They are not made or approved by Parliament.

Consequently, such international agreements are <u>not</u> binding on territorial authorities unless the provisions of those agreements have been incorporated into domestic New Zealand law by Parliament through legislation.

An example in the present context would be that if the Government wished to have provisions in the agreement binding on territorial authorities, then it would have to provide a bill amending, for example, the Local Government Act 1974 and put that before Parliament.

If that bill is passed by Parliament, then in that situation the provisions of the agreement would become binding on the Council because they had been incorporated into domestic law which the Council must comply with.

I have seen commentary on the MAI which implies that once the Government signs this agreement, if that is to be the case, then it will somehow automatically become binding on territorial authorities. In my view, that is an incorrect statement of the legal position.

Certainly there are provisions in the agreement which, if they are incorporated into domestic law, could impact on current Council policies. By way of example, the Council has a policy, made in June 1990, of active preference within a small financial cost for local firms for supply of goods and services, and to actively seek out quotes from local firms for all possible supplies.

GIVING VALUE - BEING VALUED

One of the proposed requirements in the draft agreement (dated 1 October 1997) is that *"a contracting party (New Zealand) shall not, in connection with the establishment, acquisition, expansion, management, operation or conduct of an investment in its territory, impose, enforce and maintain a requirement that the foreign company purchase, use or record a preference to goods produced or services provided in its territory, or to purchase goods or services from persons in its territory."*

That is not a direct prohibition in respect of the Council's local preference policy, but it may be argued that the agreement does not permit such a policy.

It is difficult to provide any finite advice in relation to this agreement at the present time because it is in draft form and as I have noted, it does not apply to the Council unless incorporated into domestic law.

Clearly, if it is proposed to incorporate the provisions of the agreement into domestic law, then the Council would normally have the opportunity to address any changes at that time.

Peter Mitchell
LEGAL SERVICES MANAGER
PWM:GAM

Extn: 8549
Fax: 3711786
Email: Mitchell, Peter W (Solicitor)

Briefing on the MAI for combined CRC and CCC meeting

How will the MAI affect local government?

- Increased potential for litigation by investors and suppliers
- Reduced ability of local government to assist local people and industry by giving them favourable treatment

Some examples:

Expropriation

Expropriation can be "direct or indirect" or can be "taking any measure or measures having equivalent effect".

In an example under similar provisions in the NAFTA agreement, the Ethyl Corporation of the U.S.A. is taking a US$250 million suit against the Canadian government, claiming expropriation, for banning a gasoline additive that the Canadians say is environmentally harmful. Ethyl has a factory in Ontario that makes the chemical.

Investments covered by the MAI include "rights conferred pursuant to law or contract such as concessions, licenses, authorisations, and permits". Hence possession of a right given by the Regional Council for example to dump rubbish, pollute waterways or provide a bus service, is regarded as an investment. If the Council decided to change any regulations affecting the value of those rights – stricter environmental controls for example – it may be liable to be challenged by foreign investors both as to whether it was in the public interest, and for compensation for loss of profit or of the "asset", where local companies may have no such right.

Local development assistance

Companies belonging to the Councils or otherwise associated with them will not be able to give a preference to local industry for the goods they use or resell. For example

- it would not be permissible for a Council-owned Convention Centre to specify that all wine sold on the premises should be supplied by local wineries.
- CTL could not have a policy that has the effect of favouring local manufacturers in the supply of buses or parts, and the Regional Council could not make such a policy a condition of tender.

Specific business development assistance to local businesses could possibly be challenged unless it was equally available to foreign investors, even if it did not specifically exclude them. For example a condition that the principal beneficiaries of such assistance be residents, could be challenged.

Performance requirements

Performance requirements for overseas companies accepting contracts or purchasing Council assets will not permitted. Effectively only local companies can be subjected

to such requirements, disadvantaging them, and hence making such requirements pointless. Requirements disallowed by the MAI include

- use of local content or suppliers;
- employing local residents;
- locating its local headquarters in Christchurch;
- transfer of new technologies
- any degree of local shareholding

Privatisation

If a City Council owned enterprise was privatised it would not be possible to ensure continued local control beyond the initial share issue or sale.

We ask the Councils to

- further research the effects of the MAI on local government and the development of New Zealand (we note that Local Government New Zealand believes it does not yet have sufficient information to reach a decision on this issue);
- press for full consultation with individual local government bodies on the MAI, and more generally with interested parties throughout New Zealand;
- oppose the New Zealand Government signing the MAI until all local and national concerns have been properly considered and satisfied;
- at a minimum insist the Government inserts reservations (i.e. exemptions) to the MAI to exempt all local government activities, and to exempt these activities from the "standstill" provision. Note that the U.S.A. is proposing a reservation for its own subnational governments covering "all existing non-conforming measures of all States, localities, the District of Columbia, and the Commonwealth of Puerto Rico", and is arguing for an exemption from standstill. ("Standstill" means that no further exemptions may be added after signing the agreement.)

We suggest the Councils invite Professor Jane Kelsey (Law Faculty, Auckland University) to Christchurch in January for a workshop on the MAI that can cover such issues authoritatively and in depth.

Bill Rosenberg
for Campaign Against Foreign Control of Aotearoa (CAFCA).
19 December, 1997

It is 5pm. Many New Zealanders farewell work, climb into a Japanese car, which runs on

Arab oil supplied by an American company, turn on their car stereo, which could be sourced from any number

of countries including Japan, Taiwan, Germany, Holland or the UK and drive home. When they arrive, they

may treat themselves to their favourite Australian beer, which just happens to be owned by a New Zealand

company, collapse in front of a Korean television set and watch an American sitcom until the six o'clock news

bulletin. ● The news bulletin features a story on the purchase of a controlling interest in a New Zealand

company by a multinational corporation. Comment on the purchase ranges from full support from some

quarters to an emphatic challenge from others that the acquisition represents a 'loss of economic sovereignty'.

...This scenario highlights a curious schizophrenia in the New Zealand psyche and the paradox of a small Pacific island nation seeking to maintain a high standard of living in an increasingly global economy.

The debate over the role and validity of foreign investment has increased in both tempo and temperature in the last 12 months. With New Zealand's first MMP election due later this year, there is little likelihood the debate will wane.

For some within our community, the very nature of foreign direct investment encourages concern bordering on paranoia. With foreign direct investment defined as the acquisition of 'a lasting interest in an enterprise' to have 'a significant influence in the management', many argue such concern is justified.

However, it is fallacious to challenge 'control' in this context without also addressing the associated issues of stewardship, and whether such activity is ultimately beneficial to New Zealand and New Zealanders.

If overseas experience and history is any yardstick, the benefits of foreign investment far outweigh any potential adverse impacts.

Thirty years ago, Hong Kong had a GDP per capita of $3,545 while Singapore had an even smaller GDP per capita of $2,898. In the period since, both countries have cut or eliminated tariffs and taxation, privatised government enterprises, deregulated their economies and reduced the role of government in the economy. Along the way, they have achieved a five-fold increase in per capita GDP and created economic wealth for most of their people.

This drive toward open economies has been confirmed in the 1996 Index of Economic Freedom produced by the Heritage Foundation in the United States.

In the index, Hong Kong rates as the 'most economically free' country in the world, with Singapore second. New Zealand is ranked fourth behind Bahrain and ahead of Switzerland. The study reveals that countries with the highest economic freedom also have the highest living standards. Not surprisingly, the reverse is also true.

Financial markets have been quick to recognise the progress that has warranted such high ranking. Foreign exchange dealers now talk about the New Zealand dollar as "the Swiss franc of the Pacific", the bond market has grown and developed in sophistication, and equity investment in our leading listed companies has added substantially to the wealth of New Zealand investors on the Stock Exchange.

When we remember how closeted and regulated the economy was before deregulation in 1984, one can only speculate at the further economic progress the country will achieve in the next millennium if current economic direction and policy continue to be supported by New Zealand's mainstream political parties.

Against this background, it is no co-incidence that the debate on foreign investment has shifted from an earlier focus on 'loss of jobs', 'closures' and 'restructuring' to the more esoteric concept of 'loss of economic sovereignty'.

The reasons are clear – the New Zealand economy is performing strongly and in a sustainable manner, net job creation is taking place and overseas debt is being retired by the Government.

This shifting battlefield demonstrates the resilience of opposition to foreign investment despite significant evidence of its benefits to individuals, communities and the nation as a whole.

Myth versus reality

Why is there such widespread, lingering concern over foreign investment in New Zealand ?

Part of the answer is that although the benefits of foreign direct investment are known and understood by groups within the finance and corporate sectors of the economy, the message has not carried to the wider society. The quality of the information is not in question; it has simply been overwhelmed by the polemic of politicians and other interested parties far more practised in the emotive impact of a 15 second soundbite.

In this grey area of imperfect knowledge, mistrust over the motivations of foreign investors

and concern about the impact of foreign investment remains as invasive as any cancer.

This is particularly evident when issues of race and ethnic origin enter the debate. There is great sensitivity to investment from Asia which, while growing rapidly in recent years, still only accounts for 16% of the total foreign direct investment from 1991-1994. This sensitivity has recently spilled over into debate over New Zealand's immigration policy with disturbing ease.

Some still hold concerns that foreign direct investment must inevitably lead to a loss of decision-making control within New Zealand.

However, a recently completed study by the New Zealand branch of the American Chamber of Commerce rebuts this myth resoundingly.

The study found significant local management autonomy to ensure the organisation could respond quickly to market forces in the deregulated and competitive New Zealand economy. Accountability to parent organisations, certainly, but day-to-day management decisions are left substantially to the team on the ground.

Some argue that the profit flow to overseas investors is bad for New Zealand as it worsens the balance of payments. This is a spurious position. It implies that foreign capital adds less to New Zealand's productive potential than the cost of borrowing such capital. Clearly this is not the case – firms do not set out to engage in unprofitable production.

It has also been asserted that since New Zealand companies are currently earning about $700 million annually from their overseas investments and foreign companies are earning about $6,500 million from their investments in New Zealand, foreign investment is creating a serious and permanent balance of payments deficit.

This argument ignores the fact that we are not comparing 'apples with apples' – the level of foreign investment in New Zealand has been growing for more than 100 years, while New Zealand investment overseas was virtually impossible until recently. As a result, New Zealand investments in foreign countries are still relatively small in value and, in some cases, at an early stage of development. In contrast, foreign companies have been investing in New Zealand for a far longer period and the accumulated value of their portfolio is very large.

Ironically, what has been missed in much of the commentary on this issue has been any acknowledgement of the high level of overseas investment undertaken by New Zealanders and New Zealand companies in overseas markets since deregulation in the mid 1980's. A recent study released by KPMG Peat Marwick highlighted statistics that showed foreign direct investment in New Zealand increased by 116% since 1990. The same study also pointed to a 93% increase in New Zealand direct investment overseas for the same period.

More importantly, the argument also ignores the fundamental value that foreign direct investment brings to our economy.

Statistics New Zealand has estimated that in February 1994 foreign-owned firms accounted for 16 percent of all employment – 197,598 full-time equivalent jobs – and 27 percent of manufacturing employment in New Zealand. Without this capital investment, our economy and employment levels would be far worse off.

There are widely held fears that foreigners are buying up vast blocks of land even though official statistics tell another story. From the beginning of 1991 to the middle of 1995, the Overseas Investment Commission gave approval to the sale of a total of some 200.000 hectares – an area equivalent to about 0.7% of New Zealand's total land area.

Concern has also been expressed that foreign purchases of New Zealand farms drive up prices beyond the reach of New Zealanders wanting to buy a farm. Again the figures demolish the myth. Sales of rural land to foreigners made up less than 3% of the total number of farm sales over the four years to the end of 1994.

Perhaps the most emotive challenge is the claim that if foreign investment is allowed to continue unchecked, it will make us 'serfs in our own land'. Critics point out that as most of our banks and insurance companies, all of the petrol companies, large telecommunications companies, motor vehicle assembly companies and most of the shipping companies are owned by foreign investors then we must have lost control of our economy and identity.

But this assumes there are no statutory or regulatory controls to govern the behaviour of

foreign-owned companies. All companies, regardless of their ownership structures, are required to comply with New Zealand's laws and regulations, pay taxes and tariffs and meet their obligations as employers under New Zealand law.

It also assumes that the New Zealand market is incapable of exercising any control over companies that wish to undertake their business here. There is no credence given to competitive pressure in many sectors which has come about as a direct result of deregulation.

The banking sector is a clear example. Although the sector is dominated by overseas-owned companies, market pressures have resulted in intense competition for customers. Recent years have seen a proliferation of products and services at a time when margins have been under severe pressure.

Despite the compelling case for foreign direct investment in New Zealand, it would be a mistake to assume opposition is limited to the "lunatic fringe". Many people have genuine concerns that allowing foreign investment will inevitably mean that crucial decisions affecting the direction of our economy and even our sovereignty will be made abroad in London, New York or Tokyo.

Indeed, the Governor of the Reserve Bank, once a strong opponent of foreign investment, had what he describes as a "road to Damascus experience" when he travelled to Australia intent on proving the danger of foreign investment in the manufacturing sector. On closer examination, he found that American investment had been hugely beneficial to Australia and that his original concerns about such investment were not only unfounded but the very reverse of the truth.

What persuaded the Governor was the opportunity to view closely, and at first hand, exactly how foreign direct investment works.

"Hidden Benefits"

Until the completion of a survey of overseas-owned companies by the American Chamber of Commerce last year, there was little disciplined evidence, beyond statistics, of the total contribution of foreign direct investment to the New Zealand economy.

The study, in which Bankers Trust New Zealand participated, went beyond the raw analysis of financial statistics to probe crucial areas such as technology transfer and innovation, employment and training effects, innovative management practices, competition and consumer choice, community support and commitment to the New Zealand market.

Its findings were instructive and clear cut.

Amongst the companies surveyed, all investment was financed from offshore funds suggesting that very little 'crowding-out' of capital markets or adverse interest rate effects were attributable to this direct investment. As such, these investments represent a net addition to the New Zealand capital stock.

The investments also demonstrated significant 'first round' benefits in technology transfer and employment creation. These were supplemented by a broad set of skills and assets in the areas of capital, technology, management practices and access to global networks. In the longer term the study found that foreign direct investment increased the competitiveness of New Zealand business, expanded consumer choice and upgraded domestic business activity.

The case research provided no evidence that excessive amounts of earnings were being repatriated to the parent organisation. On the contrary, for the vast majority of the companies surveyed, 85% – 100% of earnings were reinvested within New Zealand. The subsequently released KPMG study also confirmed the commitment of foreign-owned companies to build their operations in the New Zealand market with an average of only 3.7% of total sales revenue being distributed as a dividend to overseas owners.

Perhaps most importantly, the research found that the global networks arising from these investments provided a conduit for technology, capital and management skills to pass into New Zealand as well as a platform for the export of New Zealand-made products throughout the global corporation.

This transfer of knowledge, skill, technology and global networks is not limited to corporate boardrooms in Auckland and Wellington. An editorial in the Christchurch Press last year listed a range of foreign investments that have a direct benefit for the City and its people.

Included amongst these were Trimble Navigation, a Californian satellite-navigation company employing 120 people in Christchurch to develop specialist software and systems, and a United States company, Invacare Corporation, which through its subsidiary Dynamic Controls, employs people to make computer controls for power wheelchairs. Also listed was Aoraki Corporation, which has grown to employ more than 500 people, having benefited from significant investment by Unisys in the Christchurch-developed Linc software.

Further investment included a British-owned company which manufactures commercial kitchen equipment in Christchurch for sale into world markets and an Australian-owned company which produces electric ranges.

The benefits and investment projects are also percolating through to provincial areas. Since 1990, Juken Nissho Limited – a joint venture comprising one of Japan's largest timber processors and a leading Japanese trading house – has invested more than $400 million in a series of regionally diverse investments.

These included the purchase of 50,000 hectares of forests in Northland, Gisborne and the Wairarapa, which was followed by the establishment of downstream processing capacity through the purchase of a Triboard mill at Kaitaia in Northland, and the construction of two laminated veneer lumber mills in Masterton and Gisborne. In all, the company's workforce at these plants stands at 851 with further processing plants planned for Northland and Gisborne.

In the South Island a joint venture between the Asian New Zealand Meat Company Ltd (ANZCO) and Itohan Foods Inc of Japan has seen the establishment of the country's first large-scale beef feedlot 17 km east of Ashburton. When the feedlot reaches its full capacity by the end of 1997 it is expected to generate $60 million of sales, with the investment in capital development, livestock and feed inventory expected to exceed $40 million.

The joint venture expects to boost economic activity in the Canterbury region through purchases of livestock and feed items by more than $30 million annually.

In Richmond, a third production line costing about $100 million is to be added to Nelson Pine Industries' medium density fibreboard plant. The plant is already the world's largest single site producer of medium density fibreboard, with the third line lifting its annual output by 75% to 350,000 cubic metres when completed. Nelson Pine Industries, owned by Japan's Sumitomo Forestry Company, expects to involve around 100 contractors - during construction.

These, and many other projects, are becoming commonplace around the country – generating employment, boosting economic activity and increasing the GNP of the nation.

Until recently, the debate on foreign direct investment has often been carried by groups and individuals who are not directly involved in working with, or for, foreign investors and companies.

However, to cut through the rhetoric and misconceptions that surround this issue and let the facts speak for themselves, requires overseas-owned companies to become active in communicating their experience in New Zealand and plans for the future.

We have chosen to do this through the personal experiences of some of our people. Their words speak for themselves.

Personal perspectives...

CHRISTCHURCH CITY HOLDINGS LTD
(PARENT COMPANY ONLY)
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE SIX MONTHS ENDED 31 DECEMBER 1997

	CCHL BUDGET FULL YEAR $	CCHL PARENT 31/12/97 $	CCHL PARENT 31/12/96 $
Income			
Dividend - Southpower Ltd	12,475,171	6,265,188	5,169,875
Dividend - Christchurch Airport Ltd	4,500,000	-	-
Dividend - Christchurch Transport Ltd	500,000	-	-
Dividend - Lyttelton Port Co Ltd	3,900,000	-	-
Interest - Southpower Conv. Notes	5,993,550	2,786,072	3,755,104
Interest - Bank	940,000	314,083	226,377
Subvention Payments	1,100,000	-	-
Total Income	29,408,721	9,365,343	9,151,356
Expenses			
Audit Fees	11,000	-	5,038
Directors Fees	85,000	42,650	20,219
Interest & Underwriting Fees	10,864,400	5,096,832	3,726,243
Legal & Professional Fees	380,000	205,724	60,311
Other Expenses	120,000	65,653	51,297
Total Expenses	11,460,400	5,410,860	3,863,107
Net Surplus (Deficit) before Tax	17,948,321	3,954,483	5,288,249
Taxation	-	-	-
Net Surplus (Deficit) after Tax	17,948,321	3,954,483	5,288,249

	CCHL BUDGET FULL YEAR $	CCHL PARENT 31/12/97 $	CCHL PARENT 31/12/96 $
Current Assets			
Bank and Deposits		14,742,741	10,347,112
Sundry Debtors & Accruals		97,311	3,311
Interest Paid in Advance		1,062,166	2,978,313
Total Current Assets	63,477,321	15,902,218	13,328,736
Investments			
Investment - Southpower Ltd		224,278,816	224,278,816
Investment - Christchurch International Airport Ltd		62,369,600	62,369,600
Investment - Lyttelton Port Co Ltd		38,055,383	38,055,383
Investment - Christchurch Transport Ltd		5,270,000	5,270,000
Convertible Notes - Southpower Ltd		66,595,000	66,595,000
Total Investments	360,256,586	396,568,799	396,568,799
TOTAL ASSETS	423,733,907	412,471,018	409,897,535
Current Liabilities			
Sundry Creditors	5,204,000	909,525	-
Advance - CCC	5,000,000	5,000,000	5,000,000
Total Current Liabilities	10,204,000	5,909,525	5,000,000
Term Liabilities			
Bank Bills	90,000,000	82,000,000	90,000,000
Other Term Debt	34,010,000	44,000,000	41,000,000
Total Term Liabilities	124,010,000	126,000,000	131,000,000
TOTAL LIABILITIES	134,214,000	131,909,525	136,000,000
Equity			
Issued Capital	276,146,000	276,145,875	276,145,875
Revaluation Reserve	129,816,586	119,128,816	119,128,816
Uncalled Capital	(138,999,000)	(138,998,610)	(138,998,610)
Retained Earnings	22,556,321	24,285,412	17,621,454
Total Equity	289,519,907	280,561,493	273,897,535
TOTAL LIABILITIES & EQUITY	423,733,907	412,471,018	409,897,535

CHRISTCHURCH CITY HOLDINGS LTD
(PARENT COMPANY ONLY)
STATEMENT OF MOVEMENTS IN EQUITY
FOR THE SIX MONTHS ENDED 31 DECEMBER 1997

	CCHL BUDGET FULL YEAR $	CCHL PARENT 31/12/97 $	CCHL PARENT 31/12/96 $
Equity at start of the period	276,607,007	276,607,007	268,609,286
Net earnings for the period	17,948,321	3,954,483	5,288,249
Increase in revaluation reserves	10,686,579	-	-
Total recognised revenues and expenses for the period	28,634,900	3,954,483	5,288,249
Distribution to shareholders during the period	15,722,000	-	-
Equity at the end of the period	289,519,907	280,561,490	273,897,535

	CCHL PARENT 31/12/97 $	CCHL PARENT 31/12/96 $
Cash Flows from Operating Activities		
Provided From:		
Dividends Received	19,151,099	12,820,873
Interest Received	3,010,759	4,331,744
Other Income	-	-
	22,161,858	17,152,617
Applied To:		
Suppliers, Employees & Services	346,095	239,455
Interest	5,533,204	7,996,166
	5,879,299	8,235,622
Net Cash Flows from Operating Activities	**16,282,560**	**8,916,995**
Net Cash Flows from Investing Activities	-	-
Cash Flows from Financing Activities		
Provided From:		
Issue of shares	-	240
	-	240
Applied To:		
Repayment Long Term Debt	2,000,000	3,000,000
Dividends Paid	4,268,587	1,847,384
	6,268,587	4,847,384
Net Cash Flows from Financing Activities	**(6,268,587)**	**(4,847,144)**
Net Cash Flows	**10,013,973**	**4,069,851**
Opening Bank Balance	**4,728,768**	**6,277,261**
Net Change	**10,013,973**	**4,069,851**
Closing Bank Balance	**14,742,741**	**10,347,112**

RATIOS			
Shareholders Funds to Total Assets	68.33%	68.02%	66.82%
Total Assets	423,733,907	412,471,018	409,897,535
Shareholders Funds	289,519,907	280,561,493	273,897,535
Net Profit Before Tax	17,948,321	3,954,483	5,288,249
Net Profit After Tax	17,948,321	3,954,483	5,288,249
Earnings Before Interest & Tax to Closing Assets	1.67%	-0.28%	0.38%
Interest Cover (EBIT/Interest)	0.65	-0.22	0.42
Debt/Equity Ratio	46.36%	47.02%	49.65%