

22. CENTRAL CITY SOUTH MASTER PLAN

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PURPOSE OF REPORT

1. The purpose of this report is to present a proposed master plan for the Central City South precinct. This report also satisfies some of the terms and conditions of the Conditional Options Agreement between the Council, SOL Development Corporation Limited and Mr Dave Henderson. As such, this report seeks to have the Council adopt:
 - (i) a long-term vision for the area south of Lichfield Street within the central city as set out in the "Central City South Master Plan";
 - (ii) a framework for how Council-owned properties within the area are to be developed in support of this vision;
 - (iii) the Council's intended time-frame for initiating development on its properties in the Central City South and Sydenham Square, which in terms of the properties encompassed in the Options Agreement commences with the establishment of "options dates".

EXECUTIVE SUMMARY

2. In 2001, the Council adopted the Central City Revitalisation Strategy and this revitalisation is a key plank in the Greater Christchurch Urban Development Strategy (UDS) which the Council is a signatory to. The Council reaffirmed the Central City Revitalisation Strategy in 2006 and at that time identified five key priorities for the central city which are to:
 - Increase the number of residents
 - Grow businesses
 - Enhance public spaces
 - Redevelop under-utilised sites
 - Improve transport.
3. Recognising the importance of the Central City South to revitalisation of the central city, the Council sponsored a planning workshop (entitled "Future Directions Charrette – Central City South") in March 2006 to promote and coordinate redevelopment in the precinct. Approximately 150 people participated in this workshop including property owners, developers, local businesses, community members and the Council. Following this workshop, the Council adopted a package of revitalisation activities for the Central City South area. Specifically, the Council resolved on 7 September 2006 that:
 - (a) *The improvement and expansion of a system of lanes in the Central City South area is to be pursued and supported by the Council;*
 - (b) *Mixed use development, i.e. development that contains a blend of residential and commercial uses, is desired in the Central City South area and that the Council will actively support development that contains this mix of uses and provides for a mix of housing affordability.*
4. In August 2008, the Council purchased three Central City South sites as a further step in the revitalisation effort. These sites; Para Rubber, Welles Street and Penny Cycle, were purchased because of their potential to significantly reflect the Council's revitalisation objectives. The Sydenham Square site was also purchased at this time because of the potential for the site to contribute to the wider Urban Development Strategy goals. At the time of purchase, a plan was already in place for Sydenham Square and this plan aligns with the Council's strategic directions. Taken together with the pre-existing Council assets of the Civic Offices site, the Tuam Street car park and the current Bus Exchange, these holdings provide the Council with the rare opportunity to guide the future of this part of central Christchurch.

5. The "Central City South Master Plan" (**Appendix A - separately circulated**) outlines the framework through which the Council proposes to develop its property assets in the Central City South area in pursuit of the wider revitalisation vision. This Master Plan is a follow-on development of the plan produced by the Council in 2006 during the "Future Directions Charrette – Central City South" workshop. This Master Plan has two main functions. First, it provides a more detailed plan for the precinct as a whole; in particular identifying the preferred location of lanes and open spaces, building height and setback, land uses, and an architectural code for the precinct. Second, the Master Plan provides specific plans for Council-owned properties to detail how they could be developed, over specified timeframes, to achieve the overall precinct and revitalisation objectives. The principal direction of the Master Plan is to promote mixed-used development and an expanded lanes network in the Central City South precinct.
6. The option dates contained within the recommendations identify those dates that the Council will offer the properties back to Mr Henderson in accordance with the Conditional Options Agreement. The dates at which development occurs may differ from the offer back dates, (particularly in the outer years), and will depend on factors such as market conditions and negotiations with development parties, and be managed against the Council's commitment to achieving the vision and objectives of the Master Plan.

FINANCIAL IMPLICATIONS

7. At present the properties acquired from Mr Henderson are managed on a day-to-day operational basis, with revenue used to offset the costs of maintaining these, in a state that facilitates their eventual resale for development purposes in alignment with the Master Plan concept.
8. The development scenarios set out in this report will need to be initiated, either through the options agreement with Mr Henderson, in respect of the properties purchased from him (in the first instance), and by the Council in respect of the remaining properties. These processes will include further design, financial analysis, consents, etc. These activities will necessitate the commitment of staff time, which has been allowed for in the operational budgets.
9. Specific redevelopment proposals which involve investment beyond the straight sale of any land (eg joint ventures, etc.) will need to be considered by the Council on a case-by-case basis as they arise.

Do the Recommendations of this Report Align with 2009-19 LTCCP budgets?

10. Yes, the implementation of the Master Plan is provided for within the Council's draft 2009-19 LTCCP.

LEGAL CONSIDERATIONS

11. There are a number of issues that the Legal Services Unit has considered in the course of giving advice with regard to this report. These include:

- (a) **Significance**

The "Central City South Master Plan" further develops the Council's vision for this area. That vision has been included, and consulted on, in the 2006–16 LTCCP, the draft 2009-19 LTCCP, the Greater Christchurch Urban Development Strategy, the Central City Revitalisation Strategy and the "Future Directions Charette – Central City South".

Therefore the preparation and adoption of the Master Plan is not a significant decision in terms of the Council's Policy and its obligations under the Local Government Act 2002. The plan flows consequentially from the documents referred to above.

(b) **Consistency**

The “Central City South Master Plan” is consistent with the Council’s strategy for the area and the information contained in the Council’s 2006–16 LTCCP and its Draft 2009–19 LTCCP.

(c) **Options**

The Council’s proposal for the future of the Central City South Area has been developed over a number of years and as a result of consultation with a wide range of people and organisations . Other options for the area were considered through these prior planning processes and before the development of the Master Plan that is the subject of this report.

(d) **Option Dates**

The setting of option dates in the Master Plan is in accordance with the Conditional Options Agreement entered into by the Council and SOL Development Corporation and Mr David Henderson in August 2008.

12. It is the view of the Legal Services Unit that the Council has complied with its statutory obligations with regard to these matters.

Have you considered the legal implications of the issue under consideration?

13. Yes – see above.

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

14. This report aligns with the current and proposed LTCCP. Central City Revitalisation is identified as a key activity under the 2006-16 and the draft 2009-19 LTCCP. The development of plans and policies by the Council to deliver the UDS are also identified as key activities within both of these LTCCPs.

Do the recommendations of this report support a level of service or project in the 2009-19 LTCCP?

15. The development of a master plan for the Central City South is a level of service listed in the 2009-19 LTCCP and this report supports that level of service.

ALIGNMENT WITH STRATEGIES

16. The Greater Christchurch Urban Development Strategy promotes more intensive development, particularly residential, in already urbanised areas. Advancing development in the central city is identified as one of the top 20 actions that the Council will engage in to implement the UDS. Priority Action # 9 of the UDS states:

“Implement the Central City Revitalisation Strategy by providing directives, information and incentives for achieving the density targets while providing affordable housing and protecting neighbourhood identity.”

17. In addition to supporting a listed UDS priority action, the “Central City South Master Plan” and the pre-existing “Sydenham Plan” aligns with the principles and strategic directions of the UDS. In particular, successful implementation of both plans would support the UDS’ strategic directions of redeveloping existing urban areas; increasing the supply of well located, affordable housing; promoting good urban design; and delivering a vibrant and diverse city centre.

18. The development of the Central City South also supports the Central City Revitalisation Strategy. The Council has five main priorities for the central city over the next 10 years: increasing the residential population, growing businesses, enhancing public spaces, redeveloping under-utilised sites, and improving the transport network. The proposed development of the precinct aligns directly with the objectives of increasing residents and redeveloping underutilised properties. Development of Council properties in line with this master plan would also support better urban design and heritage outcomes in Christchurch in accordance with the Council's commitment to the New Zealand Urban Design Protocol and ongoing heritage work.
19. The City Plan, as it governs the Central City South precinct, is relatively liberal and imposes few development restrictions. In general, development contemplated by the Master Plan is permitted under the rules of the current City Plan. However, the City Plan is also permissive of a number of activities and built outcomes that contradict the spirit and intent of the Master Plan. In this latter respect, the Master Plan does not align with the current City Plan and the Master Plan signals a direction which may result in future changes to the City Plan.

Do the recommendations align with the Council's strategies?

20. The proposed Central City South Master Plan and this report aligns with the Greater Christchurch Urban Development Strategy, Council's Central City Revitalisation Strategy and Central City Lanes Plan.

CONSULTATION FULFILMENT

21. The Council has previously consulted with the community with regard to the Council's proposals for the development of the Central City South area. As a result, the views and preferences of those people and organisations affected by, or with an interest, in the matter, are known to the Council.
22. In addition, the wider community has had the opportunity to comment on the Council's proposals through the consultation undertaken before the Council adopted its 2006–16 LTCCP, the Draft 2009–19 LTCCP and the Greater Christchurch Urban Development Strategy.
23. There will be further processes and procedures to be followed in the course of implementing the Central City South Master Plan, including possible applications for changes to the City Plan and resource consents. The Legal Services Unit is of the view that the Council has met its consultation obligations in respect of this matter.

STAFF RECOMMENDATION

It is recommended that the Council:

- (a) Adopt the document entitled the "Central City South Master Plan" as the Council's vision and plan for the area of the central city bounded by Lichfield Street, Colombo Street, Moorhouse Avenue and Madras Street otherwise known as Central City South.
- (b) Authorise staff to proceed with the development of Council-owned properties within the Central City South precinct in a manner consistent with the "Central City South Master Plan".
- (c) Authorise staff to proceed with the development of the Sydenham Square properties in accordance with the Conditional Options Agreement and the 'Sydenham Plan'.
- (d) Adopt the following option dates for the properties affected by the Conditional Optional Agreement:
 - (i) Para Rubber site (northern portion) – January 2010
 - (ii) Sydenham Square site – December 2010
 - (iii) Para Rubber site (southern portion) – December 2011
 - (iv) Penny Cycles – January 2012
 - (v) Welles Street site – July 2014

- (e) Adopt the following timeframe for initiation of development on Council properties not subject to the Conditional Option Agreement:
 - (i) Main Civic Office, Annex Building & Crèche site – seek development proposals September 2009
 - (ii) Crèche site (if not taken up in 2009) – seek development proposals 2012
 - (iii) Tuam Street car park - seek development proposals for various stages from 2014 through 2020
 - (iv) Bus Exchange – seek interim use of existing facility by 2014

- (f) Delegate authority to the Chief Executive to:
 - (i) Make decisions on the Council's behalf in respect of the Conditional Options Agreement for the purpose of achieving the development of the Council-owned properties that are subject to the agreement, such development to be in accordance with the 'Central City South Master Plan' and the 'Sydenham Plan'.
 - (ii) Commence and manage the processes required to achieve (d) above. With the options and recommendations on the outcome of those processes to be reported back to the Council for approval.
 - (iii) Initiate processes such as options agreements, requests for proposals, the creation of covenants, initiation of City Plan changes and other actions deemed necessary to achieve the development of all Council-owned properties situated in the area covered by the 'Central City South Master Plan' and the 'Sydenham Plan,' in accordance with the provisions of those plans.

BACKGROUND

Greater Christchurch Urban Development Strategy (UDS) and Central City Revitalisation

24. The success of the central city is integral to the success of Christchurch as a whole. Recognising the importance of a vibrant core, the Christchurch City Council has committed to an ambitious, long-term revitalisation programme.
25. The Council adopted the Central City Revitalisation Strategy in 2001. The vision set out in this strategy was to develop a central city that was "a vibrant, fun, exciting, safe and sustainable heart of Christchurch. A heart whose economy, environment, culture and society are healthy and strong."
26. In 2006, the Council updated its revitalisation programme and identified future actions that would be undertaken to achieve this vision for our city. This Central City Revitalisation Programme also became a key plank in the UDS which was adopted by the Council in 2007. The UDS is a 35-year growth management strategy for Greater Christchurch and defines a preferred settlement pattern for Christchurch City. This settlement pattern is one of containment of urban sprawl and identifies the central city as a key area for increasing density of living.
27. The Council believes that through targeted action in key areas and partnership with the community, we can transform the central city into New Zealand's premier urban environment. The top priorities for the central city as adopted by the Council in 2006 are:
 - increase the residential population
 - grow our business and commercial sector
 - enhance public spaces
 - redevelop underutilised sites
 - improve the transport network
28. To support these priorities, the Council also adopted five main policy directions which were:
 - Create distinct precincts
 - Improve central city streets and lanes
 - Retain and attract business to the central city
 - Green the central city by regenerating former industrial sites and increasing planting
 - Conserve our heritage through grants and City Plan protections
29. To create tangible action on these priorities the Council also committed to five significant capital projects. These projects were:
 - Upgrading City Mall
 - Engaging in redevelopment partnerships
 - Enhancing the Avon River
 - Redeveloping the Bus Exchange
 - Creating a new Civic Office building

Future Directions Charrette – Central City South

30. Recognising the importance and potential of the Central City South area, the Council sponsored a planning workshop in March 2006 to promote and coordinate redevelopment in the Central City South. There were over 150 participants in the workshop representing property owners, developers, local businesses, community members, and the Council. During the workshop, a broad range of issues impacting redevelopment in the area were explored. Key recommendations from this planning exercise were:

- To continue the expansion and development of the lanes network
 - To increase the number of residents through increasing the amount of mixed-use development
 - To preserve and reuse the precinct's heritage buildings
 - To strengthen linkages from the Central City South to other precincts
 - To improve streetscape design and the area's transport
 - To utilise Council-owned property assets as catalysts to wider redevelopment
 - To use sustainable technologies as a lever in promoting redevelopment
31. Following this planning workshop, the Council adopted an integrated package of revitalisation activities for the Central City South. Specifically, the Council committed to:
- improving and expanding the system of lanes in the Central City South
 - actively supporting mixed use development (ie development that contains a blend of residential and commercial uses)
 - creating a corridor along High Street from Cathedral Square to AMI Stadium including CPIT, the Red Bus site and the Catholic Cathedral
32. The Council's purchase in 2008 of several key central city sites is a further step in the revitalisation effort. Because of their location and size, the nature of development on these sites will have a significant impact on the future evolution of the precinct. Their relationship to pre-existing Council assets such as the present Civic Office building and Tuam Street Car Park also provides the city with the rare opportunity to comprehensively and consciously shape this precinct to meet the future needs of Christchurch.
33. The Central City South Master Plan outlines how the Council proposes to develop its property assets in the Central City South area in pursuit of this wider revitalisation vision.

THE OBJECTIVES

34. Noting the objectives of the wider Greater Christchurch Urban Development Strategy and Central City Revitalisation Strategy, the following set of principles were created to guide the Central City South Master Plan and assess future development. These principles underlie Council's plan for the Central City South precinct and its intentions for the properties that it owns. The Council is seeking to encourage the following in the Central City South:
- The precinct is to become a traditional, mixed-use neighbourhood.
 - Residential activity is promoted and will predominate the upper floors of buildings.
 - A broad demographic is sought and there will be a focus on providing moderately-priced residential accommodation.
 - The precinct will have high levels of urban amenity and an active street life.
 - Streets will have strong corners and street walls; buildings set back from the street are discouraged.
 - Connections, particularly north to south, are encouraged.
 - The network of lanes and small piazzas shall be fostered and expanded.
 - Existing architecture defines the precinct and a unifying architectural code that supports this built heritage shall be pursued.
 - Heritage items are to be conserved and existing buildings are to be re-used where practically possible.
 - While cars are regarded, pedestrians are promoted. The scale of development is to be driven by human, not vehicular, dimensions.
 - Car parking, best provided via common facilities, is to be embedded within buildings away from the street and other open spaces.
 - Priority should be given to creative, local, entrepreneurial, one-off businesses.
 - Commercial spaces shall occupy small building footprints; large format, big box is discouraged.
 - The use of sustainable technology, utilities and materials shall be promoted.
 - The precinct will provide a strong point of difference to the rest of the city and suburbs.

THE OPTIONS

35. The Master Plan as it applies to the Central City South precinct is an evolution of the previously considered plan developed in 2006. As such, the Master Plan identifies a preferred direction for the precinct as a whole. Within this Master Plan, site redevelopment options have been considered and created for each of the properties owned by the Council. Each of these potential options is framed by the planning principles identified in the "Objectives" section of this report. Please refer to the Central City South Master Plan (Appendix A of this report) for a more detailed discussion and analysis of these options as they relate to each individual site owned by the Council.