

11. SUBURBAN CENTRES PROGRAMME

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PURPOSE OF REPORT

1. The purpose of this report is to seek Council approval for the proposed Suburban Centres Programme. The recommended programme includes masterplans for a small number of centres, case management for the others and some other related initiatives that have arisen from consultation with Community Boards.

EXECUTIVE SUMMARY

2. A programme of work has been initiated to support the recovery and rebuild of approximately sixty suburban commercial centres that were affected by recent earthquakes. This support will principally be through assisting property owners with planning, design and transport related matters. It does not extend to business matters such as insurance, tenancy issues or business finance.
3. The vast majority of centres are in a 'case management' workstream, whereby officers will contact individuals or groups of property owners and provide limited support and advice through linking them with internal experts and external organisations. This may include advice on urban design, consent processes or referral to other support agencies such as Recover Canterbury.
4. **Lyttelton** and **Sydenham** are currently underway with masterplanning exercises. Several further centres are proposed for masterplans subject to Council approving funding for these projects. Two would be started shortly: the shopping centre on the corner of Worcester and Stanmore Streets ('**Stanmore** shops') and the centre at the intersection of Selwyn and Rosewarne Streets ('**Selwyn** shops'). A community-led masterplan approach has already been initiated by residents and businesses in **Sumner** and it is recommended that the Council support, rather than lead, this process. **New Brighton** is also recommended for a masterplan but timing is dependent on Government decisions on the worst affected areas.
5. Five other centres are also contenders for masterplans but require further exploration and investigation in order to determine an appropriate scope of works. Further transport investigations may be required for **Aranui** and **Beckenham** and information on changing land use activities is needed for **Woolston**, **Edgeware** and **Linwood**. Officers will report back to the Council on progress of these centres at a later date; in the interim they will all be case-managed.

BACKGROUND

6. Christchurch City has more than 150 suburban commercial centres. These commercial centres range in size and function and serve an important role in supporting the social and economic wellbeing of communities. Some centres are multi-functional and include large malls and a range of community facilities and services, such as in Riccarton or Linwood. Others are smaller blocks of a few suburban shops. Of these centres, over 60 suffered damage during the September and February earthquakes.
7. The Suburban Centres programme aims to support the recovery and rebuild of the affected centres through assisting with planning, design and transport related matters. This will aid the creation of employment and housing opportunities and build investor and community confidence.
8. Files are currently being created for each affected centre, showing details of zoning, community facilities, property ownership, building assessment and demolitions data. Also included is information collected in 2010 on the previous status of the centre in respect of its physical amenity, economic wellbeing, social wellbeing, transport functioning and levels of deprivation in the immediate catchment. This information is being supplemented with any other centre-specific details that come to light, including resource consent applications. This information, together with site visits to the medium and larger centres, has assisted officers in reaching a set of recommendations for how each centre might be supported toward recovery, within the resources available to the Council.

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9. A list of affected centres was prepared and discussed with community boards during May. This discussion has been considered in preparing the recommendations of this report.
10. The programme involves two principal workstreams: some centres will have a masterplan developed, with the scale and level of detail varying according to the centre's size and need. Other centres will be 'case managed' to encourage good outcomes and provide support for landowners who may need to interface with different sections of the Council and other organisations.

SCOPE

11. The programme will focus on centres that have been damaged in the earthquakes. The programme does not necessarily seek to address pre-existing conditions unless these naturally fall within the ambit of any rebuilding efforts. The work also does not include business matters such as resolving private insurance issues or arranging business finance. In addition, attention will be directed to land use matters rather than individual tenancies, as the latter is the focus for Recover Canterbury's work. Officers have met with Recover Canterbury staff and will work closely with their case managers in an effort to provide a co-ordinated approach. The project team will refer out-of-scope issues to other agencies where appropriate.
12. The programme of work will focus on the commercially-zoned centres as shown in the district plan. However, there are many instances where adjacent activities support the multifunctional use of the centre and any boundary for each centre will be informed by the individual circumstances.
13. The scope of the project will also be constrained by staff and financial resources, as priority has been given to the Central City Masterplan and infrastructure rebuild.

CASE MANAGEMENT

14. Many affected business and property owners will be making decisions regarding the future site of their operations. This may involve rebuilding on their former site, relocating elsewhere or permanent closure. It is proposed that case managers be assigned to contact with property owners to promote good outcomes for each centre and support business to return speedily to each centre. In some cases, meetings may be arranged for groups of owners as well as individuals in order to encourage a co-ordinated approach.
15. Case managers will liaise closely with transport planners, urban designers, heritage experts, resource and building consent officers, and capital works programme staff at the Council, to provide co-ordinated support and advice to landowners. They will also be in contact with RCP Ltd (contracted to CERA to project-manage demolitions) and with Recover Canterbury (a collaboration of Canterbury Development Corporation (CDC), the Chamber of Commerce and other Government departments). Recover Canterbury is also undertaking 'case management', focusing on business owners rather than property owners. Council officers have met with their staff to ensure that there is one streamlined process in place.
16. The centres considered suitable for case management are outlined in Attachment 1.

MASTERPLANS

17. Some centres require more input than can be provided through case management, particularly where the centre is of a reasonable size, has multiple landowners, and has suffered extensive damage. Each masterplan will have an approximately five month project design phase involving community and stakeholder engagement. The project aims to provide the stakeholders (including businesses, community groups and local residents) with information and an opportunity to engage and partake in the rebuild of centres. The process for developing each masterplan includes focus group discussions with key stakeholders, technical workshops, public meetings and elected member presentations. The outputs include an agreed vision and masterplan for each centre, together with an implementation plan.

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18. The masterplan process is resource intensive, requiring a significant amount of time from a variety of technical experts, communications budgets and venue hire. In addition, the extent of intervention provided through the implementation plan may be similarly constrained. For example, capital works and strategic land purchase may support good planning outcomes for centres in a number of ways, from replacement of damaged infrastructure through to public space enhancements, but may cumulatively be very costly. Part of the master planning exercise will be to reconcile local aspirations with the city's pragmatic capacity to make major changes. Any works proposed in the Implementation Plan will need to be confirmed through the Long Term Plan (LTP) process and realistic expectations will need to be set with each community regarding the scope and extent of council works.

Masterplans underway

19. Two centres – **Lyttelton** and **Sydenham** - have already commenced a masterplan process. These centres not only fit with the above description regarding centre configuration and extent of damage but were already on the Council's pre-quake work plan. The process used for Sydenham and Lyttelton will provide a template for other centres requiring masterplans. Urban designer Kobus Mentz, of Urbanismplus, has been engaged to prepare a masterplan for these two centres. His firm is supported by Council staff and other experts to ensure the economic viability and functioning of the centre is considered (in relation to residential catchments and transport routes), as well as more site-specific design and heritage matters.
20. A specific Lyttelton issue that has been recognised by the Council and the community for some years is the interface between the town and Lyttelton Port of Christchurch (LPC). The scope of the Lyttelton Masterplan will include consideration of Norwich Quay and the possible realignment of State Highway 1. Council officers have met with staff of LPC, and invited them to participate in key focus groups associated with the development of the masterplan.

Recommended Council-led masterplans

21. The shopping centres at the intersection of Worcester and Stanmore Streets (**Stanmore** centre), and the intersection of Selwyn and Rosewarne Streets (**Selwyn** shops), both suffered significant damage in the earthquakes. Approximately seventy percent of land parcels in the Stanmore centre have been demolished or red- or yellow-stickered. The Selwyn shops will be in a similar position once demolitions are complete. Both centres were strongly supported by their respective community boards for a masterplan approach and are recommended as high priorities.
22. There is potentially an opportunity for the rebuilt centres to better reflect the council's strategic directions for residential activity within and around centres, and for each centre to be developed in a way that best reflects its overall function within the wider distribution of centres across the city. For example, the Selwyn shops once supported a wide range of retail activities but have in recent years been operating at a more locally-focused convenience shopping centre. There may be opportunity to restore a smaller node, well-supported by an increased residential catchment.
23. **New Brighton** has suffered some earthquake damage but not on the scale of many other centres. It also has one of the few supermarkets operating in the east of the city. However, the centre has struggled economically for many years and has potential to lose some of its immediate catchment. This will be known once government decisions are released on the worst affected suburbs. Nearby Rawhiti Domain has been chosen as one of several temporary housing villages across the city for displaced residents whose homes are undergoing repair. The combination of damage to buildings, a changing residential catchment, and a history of pre-quake economic issues mean that this centre is suitable for a masterplan. However, the timing of commencement will need to relate to the release of information on any 'no build' areas.

Community-led masterplans

24. The **Sumner** community has already initiated its own process for a long term, sustainable recovery and development plan. Due to the high level of expertise within the Sumner community, the need for Council involvement is not as great as for other masterplan centres. A different process is proposed to reflect these circumstances. This would primarily involve Council staff providing assistance to ensure the community developed plans were workable and aligned to Council processes. It is expected the outputs from this process will still require formal approval by Council, particularly where it requires Council action for implementation (such as zoning changes or capital works).

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Other Potential Masterplans

25. Several other centres may be suitable for masterplans but further information is required in order to make this decision. For **Aranui** there may be both a need and an opportunity to improve the functioning of the road network through co-ordinating capital works for transport functions with the rebuild of adjacent land use activities. Officers propose to commission reports on any opportunities to improve the transport function through the centre and will report back to the Council if there appears to be value in undertaking a masterplan process. **Beckenham** initially appeared to have similar opportunities available for improving traffic flow through the centre, although discussion with transport engineers and community board members has revealed that this potential is limited and costly. In the interim, these centres can be supported through the case management workstream.
26. Due to the redistribution of both commercial and residential activity following the earthquakes, some centres may have increasing pressure for large new premises while others may lose some of wider catchment. **Woolston** and **Linwood** come into this category. For example, in the case of Woolston, officers are aware of the new Kathmandu distribution centre to be built in the vicinity of the centre and which may bring further employment to the area. In addition, unconfirmed suggestions of a new supermarket have arisen.
27. Linwood is a 'Key Activity Centre' with potential to lose some residential catchment but this will not be known until the Government releases decisions on this matter. Although many of the landuse decisions may have already been made for this centre, conversations with property owners and other stakeholders may give rise to the opportunity to enhance the centre.
28. These two centres have pre-existing issues in terms of their general level of economic viability and/or physical amenity. They are also still functioning reasonably well (in comparison with a centre like Lyttelton) or, in the case of Linwood, has potential to function at close to its previous level once Eastgate has completed its repair work. A challenge in determining an appropriate earthquake response by the Council is to scope out the nature of any interventions and the extent to which budget will be applied to resolving issues that are beyond 'earthquake recovery'. The recommended approach is similar to Aranui and Beckenham: that further investigation is undertaken. However, initial assessments indicate there are underlying pre-existing conditions which would be difficult and expensive to remedy. In the interim, these centres can be supported through the case management workstream.
29. Earlier conversations with Community Board members had suggested the possibility of **Edgware** centre being considered for a masterplan, due to uncertainty over the location and size of any new supermarket for this centre. Communication with property owners has revealed that there are firm plans to rebuild the supermarket on the original site. However, additional damage has recently been found in the central shopping area and as a result a large area of the centre core is no longer in operation. Further information is needed as to landowner aspirations. In the interim, this centre is being supported through the case management workstream.
30. In discussions with community boards, the whole **Ferry Road corridor** was raised as a possible masterplan area. The commercial activity along this corridor occurs in various nodes and extends several kilometres. The spread of activities across this distance means that it does not function as a single multi-functional centre, compared with more distinct nodes such as Woolston. While it is acknowledged that there are a number of planning and transportation issues along this corridor it is not recommended for a masterplan under this programme. Proportionately, the extent of damage is only moderate, the underlying economic issues are not earthquake-related and there are insufficient resources available for work on this scale. Such a study may be desirable in the future but it is not recommended as a priority within the next two years.

OTHER SUPPORTING INITIATIVES**Urban design**

31. Officers regard good quality urban design as critical to the future sustainability of many suburban centres. This was reinforced in discussions with community boards.

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32. Prior to the earthquakes, the Council commenced work on a change to the District Plan (PC56) which aimed to introduce new provisions for urban design for the Central City and Business 2 (District Centre core) zones. Unfortunately, the scope of this work did not extend to the smaller Business 1 (Local Centre / District Centre Fringe) zones where much of the earthquake damage has occurred.
33. Officers are currently investigating the potential to expand the scope of PC56 to include the B1 zones and to accelerate the plan change. However, to be relevant to the rebuild it would need to have effect earlier than would be achievable through the usual plan change processes of the Resource Management Act. Possible options include: the incorporation of urban design rules into the District Plan through the Minister's powers or a Recovery Plan through CERA: an Order in Council; or an Environment Court declaration to give the rules effect from initial notification. Staff have commenced dialogue with CERA regarding these options.

Pro-bono work

34. As part of the case management workstream, officers are contacting various professional firms to ascertain whether there is any interest in providing pro-bono work in support of centre recovery. In addition, the Gap Filler / Greening the Rubble initiatives may be sought for key sites.

FINANCIAL IMPLICATIONS

35. The proposed work programme has arisen as a result of the 22 February 2011 earthquake and represents a change to the 2009-19 LTCCP. The budget will therefore need to be confirmed through the Annual Plan process and will displace other components of Strategy and Planning's work programme.
36. Where consultants are used to facilitate the masterplan processes, the estimated external cost of each masterplan is approximately \$100,000. Staff led masterplans will also require external specialists, estimated at approximately \$50,000 per centre. Case management each year will also likely cost in the realm of \$100,000 for external experts. The draft Annual Plan allows for consultants to facilitate five masterplans, staff to facilitate three and case management for the rest, giving a total external cost of \$750,000.
37. The extent of the overall programme is limited by staff availability, particularly during the initial 6 – 12 months. The staff resources will come from the re-deployment of existing budgeted staff positions; no additional staff resources are being sought.

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

38. No, a change is required via the Annual Plan. Funding has been allowed for within proposed Strategy and Planning budgets.

LEGAL CONSIDERATIONS

39. There are no immediate legal considerations. Officers have met with officials from CERA and will continue to do so to ensure that the work is consistent with, and will inform, the development of the Recovery Strategy and Recovery Plans.

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

40. Yes, as above.

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

41. The programme was not anticipated by the LTCCP or Activity Management Plans but is a response to natural disaster and reflects the Council's land use planning functions.

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

42. No: a new level of service is proposed in the draft Annual Plan being prepared for Council approval.

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ALIGNMENT WITH STRATEGIES

43. The outputs from the project will be consistent with the Urban Development Strategy objectives and its implementation tool of Proposed Change 1 to the Regional Policy Statement. Work in each centre will acknowledge the current hierarchy of centres, and be consistent with the vision of enabling the central city to be the pre-eminent business, social and cultural heart of the City.

Do the recommendations align with the Council's strategies?

44. Yes.

CONSULTATION FULFILMENT

45. Community boards have been consulted and their feedback has informed the preparation of this report.

STAFF RECOMMENDATION

It is recommended that Council:

- (a) Note the masterplan work already underway in Lyttelton and Sydenham.
- (b) Approve the commencement of masterplans for Stanmore / Worcester and Selwyn Street shops.
- (c) Approve staff support for the community led initiative in Sumner.
- (d) Approve New Brighton for a masterplan, subject to the timing of related Government decisions and availability of internal resources.
- (e) Support further investigations regarding Aranui, Beckenham, Edgware, Linwood and Woolston.
- (f) Confirm that all other centres requiring support in earthquake recovery will fall within the case management workstream, including the centres noted in (e) above until further investigations are completed.