

7.12 Key Issue: Timaru City Hub - What is Council's role in the regeneration?

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Recommendation

That Council

1. Considers the feedback from the community on the options consulted upon regarding what Council's role should be in the regeneration of the Timaru City Hub.
2. Determines whether its role in the regeneration of the Timaru City Hub is to facilitate, enable or transform and the level of funding it will allocate to the Timaru City Hub work programme for the final Long Term Plan 2021-31.

Purpose of Report

1. The purpose of this report is to summarise the community feedback received on options for Council's role in the regeneration of the Timaru City Hub over the period of the Long Term Plan 2021-31 (LTP).
2. The report provides analysis of issues raised by submitters in relation to the given options, and other feedback received to support Council decision-making relating to the proposed budget for Council's Timaru City Hub work programme for 2021-31.

Assessment of Significance

3. At its meeting on 15 February 2021 Council determined that the question regarding the role of Council in the regeneration of the Timaru City Hub, and the associated investment and timing of the project, was of high significance particularly in relation to the current and future impact on the social, economic environmental and cultural wellbeing of Timaru District's communities.
4. In accordance with this assessment Council decided that this project would be a key issue within the LTP Consultation Document with extensive community wide engagement undertaken. It is now for Council to consider the community feedback as part of the decision making process.

Background

5. It has been approximately 25 years since the previous Timaru Central Business District (CBD) refresh. Ongoing maintenance and upgrading of public assets is important for Council to mitigate both the financial and the health and safety risks associated with degraded infrastructure.
6. In 2019 Council started work on a Timaru City Hub Strategy. This Strategy aims to contribute to the Community Wellbeing Outcomes as follows:
 - contributing to a diverse economy through promoting growth in the Timaru CBD and improving resilient infrastructure that will meet future community needs,

- enhancing lifestyles with a greater diversity through enhanced places and potential living,
 - contributing to a sustainable environment with potentially reducing carbon emission from greater use of active and public transport, creation of improved stormwater management and focus on greater area of green spaces, and
 - creating a vibrant city centre that allows citizens to meet, gather and connect.
7. Council then formed the City Hub Steering Group to support the identification of the opportunities and issues of importance to CBD stakeholders and the wider community. The City Hub Steering Group has held a series of workshops with key CBD stakeholders and feedback provided many ideas for possible City Hub projects. These ideas and the matters identified by this group will be carried forward into the next phase of this project along with insights from a complementary, District wide market research report currently under preparation by Key Research.
8. On 15 February 2021 Council resolved that the Timaru City Hub be included as a key issue for the purposes of consultation as part the LTP. All of the regeneration Options presented for consultation are working towards the same vision of a living, working and vibrant inner city area. The three Options – enable, facilitate, or transform – define alternative roles for Council to play in this process.
9. Council’s preferred option describes an *Enabling role* for Council in the Timaru City Centre regeneration. Enabling includes:
- leading a significant work programme (with the community and private sector) to change the look and feel of inner-city public spaces to improve inner city lifestyles,
 - assisting with the creation of focal points and public gathering places around the George Street / Bay Hill area and at Strathallan Corner, and
 - supporting the scaling up of existing events such as the Caroline Bay Carnival and Food Festivals to regional level events.
10. The costs associated with the preferred Option include:
- \$31.9 million debt funding over the period 2021-31 to undertake capital work programmes,
 - additional operating costs of \$15.2 million (in total) from 2022/23 (Year 2) to 2030/31 (Year 10), and
 - A further \$10 million of work undertaken in the period 2031-41.
11. Two alternative Options were developed for inclusion in the Consultation Document which was adopted on the 9 of April 2021 for public consultation. These Options were:
- Option 1: Council has a facilitation role in the Timaru City Centre regeneration. Council would take a less active role in the process and the regeneration would require greater private sector investment to succeed. The cost to Council for this option would be \$8.5 million capital investment and an additional \$4 million operating costs from 2022/23 to 2030/31 over the 10 year period.
 - Option 3: Council has a Transformation role in the Timaru City Centre regeneration. This option provides the opportunity for the most significant Council-funded change but requires more investment from ratepayers, potentially including property acquisitions

and partnerships with private investors. The cost to Council for this option would be significantly greater with \$85 million of capital investment and additional operating costs of \$40.5 million across the period of the LTP.

Community Feedback and Analysis – General

12. Council sought feedback from the community through the LTP Consultation and Engagement process regarding what role Council should take in the Timaru City Centre Regeneration.
13. Of the 369 written submissions received, support for the options was fairly balanced with a lean towards doing and spending more. Submitters supported the following roles for Council:
 - Option 1: Facilitate – 83 submissions (22%)¹⁵
 - Option 2: Enable – 132 submissions (36%)
 - Option 3: Transform – 154 submissions (42%)
14. The City Hub key issue also generated considerable discussion at LTP community events and meetings. Community events and conversations included a stand at Strathallan Corner in Timaru, the Timaru Farmers Market, the Timaru Library, and at Caroline Bay playground.
15. Voting boxes for an informal “straw poll” on options for the City Hub regeneration were made available at these events. Support for the various Options again leant towards doing more as follows:
 - Option 1: Facilitate – 20 votes (18%)
 - Option 2: Enable – 26 votes (23%)
 - Option 3: Transform – 65 votes (59%)
16. Stakeholder meetings where the City Hub options were a particular focus included Multi Cultural Aoraki, the Timaru CBD Group, Community House (social sector), Timaru Muslim Education Trust, the SC Chamber of Commerce, and Prime Port. Feedback from these events mirrored the poll results presented above – no clear consensus but general support for Council’s involvement and getting on with it.
17. It is worth noting that the conversation at these events and meetings did not canvas the full financial implications of a significantly higher spend and this may not have received full consideration from submitters providing feedback. For example, votes for the Transform Option were frequently accompanied by comments reflecting a desire to see sufficient funding to enable particular projects (eg Stafford Street road closures, pedestrian malls, new parking buildings, new community facilities). There was limited explicit support for increased rates, property acquisitions, or for public/private partnerships.
18. Comments to submissions varied according to whether submitters supported the Facilitate, Enable or Transform Options. For the most part comments did not offer specific arguments to support the preferred level of investment but rather described the specific actions/changes submitters would like to see Council undertake. It may be reasonably inferred that submitters were speculating – with varying levels of accuracy – on the level of spend that would be required to achieve those changes which they perceived as necessary.

¹⁵ Percentage calculated based on the 369 submissions received where an option was selected by the submitter, and does not include those submissions where the City Hub key issue was not addressed.

19. There were a number of themes that emerged from the submissions. Broadly these themes were:
- **Private/commercial role** – submitters expect to see the private sector leading and actively investing in the CBD, including both the restoration of heritage buildings, where appropriate, and the development of new, fit for purpose buildings and commercial (hospitality, retail, service, entertainment) offerings to attract the crowds needed to achieve vibrancy in the CBD.
 - **Value for ratepayers and equity across the District** – across all three options concerns were raised about the demonstrated distribution of benefits to all contributing ratepayers beyond those with a commercial interest in the CBD.
 - **Vehicle access/pedestrianisation** – submitters were polarised with strong advocates on both sides of the vehicle access/parking versus pedestrianisation debate with particular reference to Stafford Street. Balancing these opposing views within the City Hub Strategy will require considerable stakeholder engagement. It also creates and highlights a critical need for robust, empirical data and comprehensive research to actively and constructively engage with the various diverse opinions. It will also require having regard to both local trials and surveys and to studies and learnings from communities that have grappled with the same issue elsewhere (as set out in documents such as Waka Kotahi’s recently released draft ‘National Parking Management Guidance’).
 - **Caroline Bay** – some submitters supported the development of Caroline Bay and its integration into a CBD Strategy while emphasising its discrete destination status as an iconic part of urban Timaru’s appeal to residents and visitors alike.
 - **Showgrounds development** – disappointment and frustration with the Showgrounds development surfaced in a number of submissions and may be part of the impetus to see Council take a more extensive role as a means of providing a counter balance to the perceived adverse effects on CBD businesses from the Showgrounds development.
 - **Other projects** – a number of submissions were alive to opportunities for specific projects which, in spite of their merits, at this point sit outside the scope of the present CBD Strategy due to the issues such as cost and ownership or other agency responsibilities, eg with KiwiRail, Waka Kotahi and private building owners. It is the purpose of this deliberation by Council to consider and determine the extent of its involvement rather than give direction on specific projects.
20. More specifically the feedback on the 3 options is set out below.

Community Feedback and Analysis – Facilitate

21. These submissions emphasised the responsibility of local land, building and business owners to invest in their own properties with a view to commercial returns (eg through inner city apartment living) – “Leave regeneration to the private sector”, “Investment by Council in the CBD is basically subsidising businesses at the expense of ratepayers”. It was generally considered that Council investment in the CBD would bring minimal returns for ratepayers. Specifically,
- This group of submitters cited low growth forecasts (ie we do not/will not have enough people to make the desired lifestyle/retail/hospitality/recreational opportunities commercially viable for operators), trends towards suburban (including Showgrounds)

or online shopping, and a belief that the prohibitive cost of restoring the old EQP buildings would expose Council to the risk of having overcapitalised in an unviable marketplace forsaken by the private sector.

- While a few submitters still proposed radical changes on a minimal budget (including pedestrianisation of Stafford Street, reconfiguration of Strathallan Corner etc) for the most part submissions focussed on affordable changes – fixing the slippery tiles, closing the main street for events, one way traffic management systems, better signage to attract/direct visitors, keeping things small and gradual, creating atmosphere with place activation.
- There was support for moving slowly to allow the future impacts of (1) Showgrounds and (2) Climate Change to inform the direction of further development of/investment in the CBD, and to allow for community consultation (including private sector buy in) on the detailed proposals. There was also support for a District wide regeneration strategy or programme encompassing Geraldine, Temuka and Pleasant Point and distributing available budget proportionately.
- A couple of direct quotes capture the sentiment of this group of submitters fairly well - “don’t put the daffodils before the spuds” (ie this is a nice to have, not an essential), and “throwing money after a bolted horse” (ie no return on investment (ROI)).

Community Feedback and Analysis – Enable

22. Comments from these submitters emphasised similar themes around the importance of private sector investment (particularly in inner city living) supported by Council investment on place activation and making the public realm more attractive (public art, social and cultural features and amenities, green spaces, events and performances) and functional (fixing the tiles, signage, toilets etc).

- The strong emphasis on the primary role of the private sector again came through, ie Council “is not a property developer” but has a role to play to empower and remove barriers for investment/development by others, ie investment should be carefully staged and complementary. Council also has a role to play in enhancing the public realm “to look less shabby and uncared for”. Having noted this, there were a couple of submissions which took the contrary view that where the private sector had failed to invest appropriately the council (or TDHL) needed to step in, acquire and demolish properties to create additional public space. One submission proposed that Council make those working/investing in the City Hub feel more understood and appreciated.
- There were a number of references to other towns and their attractions as models for success (eg Oamaru opera house, Rotorua’s weekly food market, Kumara’s photo/story boards, Wellington’s Cuba St Mall, Christchurch’s Cashel St Mall and Riverside Markets) and a desire to see Timaru a “destination” for visitors. In this context a couple of submissions indicated support for the Theatre and Heritage Facility.
- Themes around pedestrianisation of the main street (with off street parking options made available or better sign posted) came through again from many submitters. Again, there were other submitters who wanted more or more “free” parking but these were a minority.

- A few health and safety concerns again came to the surface, not only the footpath tiles but a broader application of universal design principles with any upgrades (public or private) to ensure inclusive, safe access.
- Cycle parking, cycle lanes, scooters, public transport, upgraded toilets and Strathallan Corner all received a specific mention. Submissions both favoured and opposed the redevelopment of Strathallan corner as being/not being the most appropriate space for public gatherings (Landing Services/George Street was identified as having a more suitable existing built environment for this purpose and a greater proximity to the Heritage Hub).
- There were some reservations about the existing retail offering which was perceived as not competitive with too many shops vacant or with limited opening hours and an insufficient point of difference. Submissions advocated for more consolidated retail, boutique or “local” offerings, with pop up shops/artists in residence etc to revitalise the main street. The idea of what one submitter termed a “majority local economy” was reiterated by many as a mechanism to enhance not only the financial but also the social, cultural and environmental wellbeing of the District (particularly in the context of Climate Change).
- These submissions supported greater urgency on the revitalisation but were still looking for a balance between immediate action and a long term, strategic view with carefully staged investment. Submitters recommended caution, a need for more information and detail before making major spending decisions and a need to ensure that iterations of the District Plan enable the proposed City Hub developments.
- These submissions included a broader demographic focus – there was not the exclusive emphasis on the needs of the elderly but rather a balanced view advocating also for the needs of children, young people and their families as well as young professionals to enhance community connection and vibrancy and retain a sustainable (working) population base. There were also a number of ideas which emphasised active (rather than passive/consumptive) public engagement with the public realm such as shared gardens, community performances, local markets etc.

Community Feedback and Analysis – Transform

23. As compared with those participating in the community events/polls, these submitters presented with a keen awareness of the cost of development and the proposed changes and a willingness to undertake the financial commitment, “Do it once and do it right”. There was a general perception that too little money was being allocated to this initiative relative to other areas of Council spend (such as the Theatre and Heritage Facility or Aorangi Park).
- Like those supporting the Facilitate and Enable options there was a clear focus on the regeneration of Stafford Street in particular and the same debate around the prioritisation of private vehicles/parking or pedestrian friendly space/public transport links. A number of submitters had quite specific ideas about where/when/how to address their concerns in this area.
 - What distinguished some of these submissions was the greater emphasis on specific projects – such as property acquisitions or demolitions, development of Strathallan Corner, development/extension of the Piazza, demolition/development/relocation of the library site, or improving public access for marine recreation through the jetties and slipway at the Timaru Yacht and Power Boat Club. As noted with the verbal feedback

and polls at community events, many of the submissions were focused on seeing the most significant change (at the project level) in the city centre. This – specific project emphasis – sat alongside general feedback that the Options presented by the Council were too vague and lacked substance around what, specifically, the money would be used for (and how the suggested numbers had been arrived at).

- A clear focus on the “destination” idea (a town with a clear theme, selling point) appeared again with specific suggestions as to both facilities (playground, eateries, indoor and outdoor gathering spaces) and programmes (events, place activation) to enable this. While feedback on all Options acknowledged culture and heritage to some extent, those supporting Option 3 tended to place greater emphasis here and were specific with proposals to address this (buildings, art, projections, green spaces etc). There were also several submissions which noted our increasing cultural diversity and advocated for better visual representation of this diversity in our CBD (art, murals etc) as well as the provision of suitable spaces (eg a multi-cultural hub) for cultural/social use including retail, recreation and religious activities (indoor and outdoor).
- Quite a number of the submissions include a strong focus on the environment and climate change and emphasised the need for sustainable infrastructure and initiatives that prioritised this wellbeing, eg bike parking, charging stations for electric vehicles, living walls/roofs, community gardens, green space, discouragement of private vehicles, encouragement of active and public transport etc. Some of the more detailed submissions included clearly articulated lists of opportunities for our consideration and these, along with all other submission content, will be carried forward into the next phase of the City Hub Strategy. As a topic of critical interest – aligning with Climate Change as a separate Big Issue – there is an option for Council to revisit the membership of the City Hub Strategy Project Steering Group to incorporate this (sustainability) expertise at a governance (as well as an operational) level.
- There was a deep recognition that leadership and strategy would be essential to an effective transformation with calls on Council to engage appropriate technical and management expertise to perform this role effectively. Again submissions highlighted the need for alignment between the City Hub Strategy and enabling provisions in our District and Annual Plans to support private sector investment, particularly from anchor tenants. Some suggestions went further, framing the Council as a potential business mentor or even landlord for local start-ups etc.
- Some expressed frustration with the stakeholder engagement undertaken to date noting that the retailers’ voices should not be heard to the exclusion of others. These submitters were keen to see wider community involvement in the proposed City Hub Strategy and to tap into existing local capability (although “the retailers we talk about must form part of these (proposals)”).
- Within these submissions there was frequent mention of the issues around earthquake prone buildings and the topic was addressed from a variety of angles. There was also a willingness in a very few cases to consider “a public-private investment corporation to systematically rebuild the city center” and more proactive support for building owners in general. A couple of submissions noted the challenging dynamics between landlords and tenants and the difficulties facing business operators looking for suitable premises in the CBD.

- Submitters for Transform also noted dissatisfaction with the slippery tiles and a recognition that health and safety issues need to be addressed as a priority. Others suggested making the CBD a smoke and vape free zone, highlighting the need for the City Hub Strategy to consider the total user experience when optimising the regeneration (with a possible need for corresponding policy and planning changes).

Options and Preferred Option

24. The Facilitate option has Council providing a smaller amount of public funding towards the regeneration with an expectation that private investors and property owners contribute proportionally more.
25. The Transform option has Council investing the most public funding, potentially including property acquisitions and partnerships with private investors.
26. The Enable option (consulted on as the Preferred Option) is effectively the middle ground where Council undertakes considerable public realm (place and place activation) components of the regeneration, but there is also a significant expectation that private investors contribute towards the regeneration through the revitalisation of privately owned properties and businesses.
27. It is difficult to state with total certainty what the advantages/disadvantages of each option are in terms of the future interests of the District because *in theory* each of these Options *could* lead to the complete transformation of the City Hub. They have not been defined in terms of different community outcomes because the implication, as they are currently framed, is that whatever Council doesn't do the private sector may undertake.
28. This idea of a public/private sector balancing dynamic around funding is at odds with feedback received from earlier stakeholder engagement and current private sector submitters who state clearly that they are looking at primary Council investment in the public realm (at least) as a prerequisite for their own possible next steps. In contrast, we have not been presented with any evidence or feedback to suggest that the Facilitate option is likely to generate proportionately *more* investment from the private sector.
29. It therefore seems more probable that low investment from the Council would be matched by low investment from the private sector leaving the CBD at risk of further decline. For example, in Christchurch some owners have walked away from land, buildings and businesses perceiving their original investment to be irrecoverable. This local scenario would not further our strategic direction or enhance community outcomes for Timaru (low cost but bad return). However, this risk must be balanced against the reality that greater Council investment and involvement, while increasing private sector confidence in the CBD, still does not guarantee greater private sector investment (higher sunk costs, uncertain return).
30. The weight of submissions strongly favours Council making a significant investment in the regeneration of the CBD with a choice remaining between either Enable (the preferred option), Transform (the most expensive option), or a hybrid between the two. Again, as noted in the feedback analysis above, while both Enable and Transform appear to leverage private investment in the regeneration of the City Hub, nowhere is it articulated what exactly this might look like for either. The implication appears to be commitment from the private sector for investment in either scenario, eg EQP buildings brought up to scratch, all properties tenanted, shop fronts attractive, heritage preserved, a vibrant selection of retail, hospitality, accommodation, recreation and entertainment opportunities on offer, and all offerings

commercially sustainable/self-supporting. This has not been costed or confirmed with the private sector.

31. Council has no means to ensure that *any* private sector investment happens under either Enable or Transform (nor to ensure the commercial success of any venture). However, the regular review of Council's own level of investment may be a valuable incentive.
32. The significant investment required of both the Council and the private sector underscores the importance of continuing with the co-design model to reflect the needs, goals and contributions of all those who live, work and play in the CBD. It is therefore critical that whichever Option is confirmed the City Hub Strategy will evolve to incorporate not only the parameters for Council's role but also a framework for evaluating the investments and the community benefits generated by our commercial partners in this endeavour. It would also be helpful to explicitly develop the criteria for funding review which will be considered during future Annual and Long Term Planning processes to encourage investor confidence in the Council's commitment to the City Hub regeneration.
33. In the interim, officers recommend that Council analyses community outcomes for Enable and Transform in terms of the possible scope and scale of *Council funded* projects (with their corresponding wellbeing outcomes) versus the cost to rate payers and/or the opportunity and political cost to other publicly supported projects from which available funds might need to be withdrawn.
34. While individual projects or programmes have not been costed for the City Hub Strategy, looking at the feedback we can state with confidence that there is clear public appetite for a package of Council funded projects which could, in total, cost well in excess even of the Transform Option if 'all dreams' were realised. However the feedback does not, on balance, appear to support wholesale property acquisitions and commercial partnerships with private investors (as contemplated by Transform) while it *does* strongly emphasise the primary role of the private sector in funding the regeneration.

Conclusion on options

35. The Draft Long Term Plan budgets have been prepared based on Council's preferred option being Option 2 Enable. This is a significant investment with \$31.9 million capital expenditure and \$15.2 million operating expenditure over the 10 years of the plan.
36. A step up to Option 3 Transform requiring an increase of \$53 million capital expenditure and \$25 million operating expenditure would require a significant further rates increase, or withdrawing other projects and initiatives from the proposed LTP. The additional loan required to fund the increased capital expenditure would impact the Council's debt limit and see Council continue to push against its self-imposed debt limit. This option is therefore, not recommended.
37. Taking into account the clear community direction and expectation around the primary role of private sector investment, considering the community's reluctance to see their rates money returned to the private sector via commercial arrangements, and given the present lack of clarity around how exactly the private sector's own investments are to be mapped and measured, officers' views are that it would be difficult for the Council to justify either increasing rates, increasing debt or withdrawing funding from other priority projects in order to adopt Option 3 Transform at this time.

38. An option better aligned with the mix of feedback received and with the limited level of data and analysis currently available concerning possible project and programme costs is to continue with the preferred option – Enable – for the first three years, and to review the level of funding committed as part of the next LTP development.
39. At this time the likely programme scope (including costs) will have been developed and analysed in considerable detail by the appropriate technical experts, consultation by trial will have provided greater clarity around how the major trade-offs such as cars vs people will be made (also with corresponding cost implications), and the private sector will have had an opportunity both to demonstrate their own investment/commitment and to develop a framework, compelling for ratepayers, which will demonstrate the scope, scale and impact of their activities. This option also reflects the community's wish to see significant investment in the City Hub strategy.

Other Considerations

40. Council has yet to consider how the operating and capital expenditure associated with the City Hub Strategy is most appropriately funded in accordance with section 101 of the LGA.¹⁶ Council's Revenue and Financing Policy provides the funding analysis for each activity as required by the LGA. This analysis includes consideration of:
 - (a) The distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and
 - (b) The period in or over which those benefits are expected to occur; and
 - (c) The extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity.
41. For the purposes of preparing the draft LTP budget, the funding for the City Hub has been allocated to the road/street and landscapes budget activity. This budget is funded 60% from the general rate and 40% from the uniform annual general charge, recognising that the whole community benefits from access to the roading and footpath network.
42. As the strategy is developed and specific projects are identified, officers recommend that funding analysis is undertaken to determine the most appropriate and equitable funding mechanism for the City Hub Strategy.

Attachments

1. **Timaru City Hub - Appendix 1** [↓](#) 

¹⁶ Section 101 of the LGA states that the funding needs of Council must be met from the sources that Council determines to be most appropriate, and sets out the assessment criteria which Council must consider for the funding of each activity.

Appendix 1

- 1 **Private/Commercial Role: Irrespective** of which option respondents selected there was a clear and consistent demand for the private sector to front-foot investment in and development of the CBD with Council supporting that endeavour. Across all three options concerns were raised about costs to ratepayers, particularly those on low or limited incomes versus a demonstrated distribution of benefits beyond those with a commercial interest in the CBD. A number of submitters made reference to our District's other Town Centres and sought a Council commitment to also include designated, staged funding for the development of Geraldine, Temuka and Pleasant Point.
- 2 This challenge – demonstrating value for ratepayers – is not unique to the City Hub Strategy however it highlights the need for clearly defined, measurable outcomes with appropriate monitoring mechanisms incorporated in the final document to ensure transparency, accountability and appropriate follow up action from all parties.
- 3 Continuing this theme (alignment of private and public sector investment), many submissions presented a wealth of ideas for commercial operations which would add vibrancy to our CBD, everything from additional/extended retail and hospitality offerings through to new recreational activities, street artists/performers, accommodation provision (short and long term) and a range of event/activity ideas.
- 4 There was a strong desire for building owners to invest in their buildings, retaining heritage facades as applicable but developing new, fit for purpose buildings where appropriate. An extended wish list of Council projects could also be distilled with more of an emphasis on public enjoyment/the “free” user experience, ie green spaces, artwork, lighting, signage, places to sit and to socialise, better pedestrian and traffic flows - “a nice mix of old bricks and greenery”.
- 5 **Vehicle access/Pedestrianisation:** Across all options the removal, relocation or, conversely, the retention and indeed extension of vehicle access and parking opportunities in and around Stafford Street was the area of greatest controversy with passionate advocates on both sides of the debate citing their solutions/priorities as “obvious” or self-evident.
- 6 On balance, the pedestrianisation of all or part of Stafford Street was a priority for a larger number of respondents with the apparent assumption that, if prioritised, this could be achieved under any of the three roles for Council presented in the options. Those in favour of retaining or extending parking (particularly on-street parking) generally cited the mobility needs and limitations of our ageing population with some mention also of our rural commuters and/or our comparatively small population, i.e. we do not have the sophisticated public transport system which supports the vehicle-free CBD lifestyle offered by larger, international cities.
- 7 In a number of submissions proponents on both sides of the debate cited examples of national/international success/failure in support of the perspective advanced. These comments may be best described as polarised and will be very difficult to reconcile politically and practically. They are a shadow of the challenging “trade-offs” conversations yet to come as the City Hub Strategy rolls out, and they may have considerably different funding implications depending on the level of structural change

required to implement. Councillors may be interested to know that Waka Kotahi have recently released a draft document, *National Parking Management Guidance*, which presents a number of such case studies and which highlights the need for decision making to be driven by robust local data collection.

- 8 While it is not the purpose of the present report to obtain Councillors' direction on this topic, Councillors may be interested to know that operational investment in a carefully prepared, data driven district wide parking management strategy and local parking management plan for the CBD is already underway to inform subsequent capital spend. Objective, technical local data is going to be essential to give legitimacy to what will ultimately be a potentially painful and certainly polarising area of future decision making. There will also be a short term need for considerable operational investment in what is popularly termed "consultation by trial", ie traffic management and place activation trials, particularly for Stafford Street, to enable (1) data analysis and modelling/forecasting for the various possible scenarios and (2) meaningful, ongoing public engagement and feedback opportunities on this topic. Where some may "win" and others "lose" the process must be watertight.
- 9 **Caroline Bay:** The development of Caroline Bay was another theme recurring across all three Options. Some submissions focussed on the development of the Bay itself as a unique and discrete destination while a smaller number emphasised the connection between the Bay and the CBD. Very few comments directly linked the development of the Bay with increased patronage of the neighbouring CBD. Several applications specifically supported a larger Council investment in CPlay (the proposed Caroline Bay playground upgrade).
- 10 **Showgrounds development:** Disappointment and frustration with the Showgrounds development and the perceived negative impacts on the CBD and the broader economic vitality of the District also featured prominently across feedback on all three options. While this is "just" context in that Council is in no position to reverse that development, it is significant as an indicator of reduced stakeholder and community trust and confidence in the Council to make the right decisions on behalf of the wider community. There is instead a strong present appetite for collaborative/empowered community engagement on the current City Hub Strategy and Council has an opportunity to consider providing sufficient (increased) operational funding in year one and two of the budget to enable the transparent, multi-party dialogue (including significant activation periods or "consultation by trial") which will be essential to restore goodwill and secure buy in to the final City Hub Strategy.
- 11 **Other projects:** There were also a number of items raised which, in spite of their apparent merits, are almost certainly out of scope for the present City Hub Strategy due to cost, logistics and asset ownership considerations (noting the respective roles of Waka Kotahi, KiwiRail, TDHL, Prime Port etc). This includes items with critical operational, financial and sustainability implications for multiple stakeholders (eg proposed Port Loop road closure) or which are potentially cost prohibitive such as the erection of new, multi-story parking buildings, a train or tram link through the CBD, monorail to Caroline Bay etc. There were also a large number of recommendations directed to the private sector (restoring and enhancing buildings, facilitating apartment style living above the shops, changing the retail offering, improving/extending the hospitality and retail offering, operations at Caroline Bay etc) the commercial viability

of which will require separate investigation by those considering investment. There were also some misconceptions about Council's current planning rules with, for example, submissions directing Council to "allow" inner city apartments or a café at Caroline Bay.

- 12 At the time of inclusion in the Consultation Document, the City Hub Strategy had not progressed to a point where the scope and scale of specific projects had been contemplated by Council under each option. Therefore, rather than addressing potential projects, the discussion included in the Consultation Document focused on Council's potential role in the regeneration of the CBD. Moving forwards, it will be essential to provide the community with more detailed parameters (as to spend, and as to public/private responsibilities, and as to the legislative, planning and regulatory context) once a preferred funding option has been selected. This will both guide expectations and focus attention on possibilities and priorities.