

This section explains the characteristics of Dunedin's central city and introduces the issues and opportunities for this Central City Framework



the case for a better city centre SECTION 2

THE CASE FOR A BETTER CITY CENTRE

2.1 Why it is worth investing in the Dunedin Central City

THE PRIMACY OF THE CENTRAL CITY

The principal business and retail area within Otago is the Dunedin Central City. It concentrates a wide range of activities, including retail shops, professional and administrative offices, civic and community facilities, emergency service activities, restaurants and bars, arts and culture, entertainment, and personal and household services. The central city serves both a significant resident population as well as an extensive rural area. It also provides for the needs of visitors and tourists. It is important for the well-being of Dunedin in its entirety as well as the surrounding province that the city centre continues to succeed as a focal point for retail, commercial, cultural and social activity. Because of this, it is crucial that opportunities for social and business activity are maximised and that high quality development and redevelopment is attracted.

AGGLOMERATION EFFECT

In the city centre many small activities cluster together in a way that creates an overall attraction to many more customers than they could by themselves. This is maximised when pedestrians are able to visit as many different activities as easily as possible. When working well, this stimulates much higher rates of social and economic activity because people undertake spontaneous exchange in addition to planned exchange. When a business can enjoy enough spontaneous or 'chance' activity, it can employ additional staff, expand the range and quality of products on offer, or grow to bigger premises than it otherwise could have. By focusing effort on enhancing the efficiency and success of the city centre, the whole community can benefit – more choice, more activity, and higher quality.

THE LARGEST INVESTMENT

The centre represents the community's largest investment in terms of premium open space, social and other infrastructure, buildings and development. On behalf of

the community the Council is interested in seeing the significant public investments made in the central city maximised.

Public investments can also trigger more private investment as the private sector will likely gain confidence and direction from this leadership.

VALUABLE ASSETS

The central city also accommodates many assets that are essential to Dunedin's reputation and economic well-being.

Dunedin is well known for its tertiary educational and medical institutions and particularly Otago University. These are located on the periphery of the central city. They are not only influencing Dunedin's image, but Dunedin is also influencing their image. These valuable assets deserve a setting that accommodates, enhances and supports them.

Dunedin's stock of preserved historic buildings defines the city's character for a large part. However, many of these buildings are underutilised or vacant or even under threat of demolition. For the well-being of the centre, these buildings generally deserve revitalisation, supported by public space enhancements.

THE COUNCIL'S ROLE

The design and planning of an outstanding city centre is a collaborative effort between the private and public sectors. It is the role of the City Council to create conditions in which every property owner and developer is enabled to enjoy the opportunities of their own property, while encouraging outcomes that contribute to the appeal and success of the city as a whole and the wellbeing of its entire community.

ROLE OF THE PUBLIC REALM

There is a strong interaction between the quality of the public realm and private properties. The interface between these is essential. This is particularly the case in Dunedin's central city areas that are dominated by buildings that are built to the street edges.



2.2 Growth and development trends

This Central City Framework has been developed against the backdrop of the following trends.

POPULATION

Dunedin is assumed to experience a relatively low rate of population growth. The resident population is projected to grow by 10,350 (8%) over the next 40 years.

INNER CITY LIVING

There is a growing trend towards inner city living. The prevailing demographic consists of young professionals, baby boomers, empty-nesters and students. A 2006 study found that at the height of the economic boom demand exceeded supply, especially in the high-end of the price range.

RETAIL

- Compared to other centres in New Zealand, the city centre has retained a stronger position in the city's economy. Dunedin has largely retained its mono-centric form with most employment located within or near to the City Centre, feeding a strong, multifaceted City Centre economy.
- The Central City is relatively successful in retail terms, due to the lack of strong suburban centres.
- With a strong mono-centric focus of retail, employment and community facilities in the central city, the establishment of large suburban shopping malls has not been viable, which has further led to the primacy of the central city.
- A divide can be perceived within the city centre with the area north of The Octagon vibrant and the area south of it declining.
- The southern area accommodates more offices and hotels and a few small areas of vibrant specialty shopping, such as art galleries and boutiques.
- The arrival of large format retail in the 1990s resulted in a significant expansion of the city's total retail space, with a rapid southward drift of retail space from the city centre to the southern LSR Zone and Andersons Bay Road area. As a result the city centre

has experienced a decline in total retail floor space and this has reduced the retail and economic vitality of the city centre.

- More recently, the shopping malls within the central city have merged to create a single large shopping mall accessed directly off George Street. This has provided an alternative shopping environment that is likely to have, on balance, provided a net gain for the city centre, since it competes with the larger format retail and has attracted large anchor tenants.

OFFICES AND EMPLOYMENT

The central city accommodates 60% of the city's office-based employment and has continued to attract 60% of the growth in this sector over the past decade.

THE WAREHOUSE DISTRICT

- The Warehouse District is in need of revitalisation. Zoning it as Large Scale Retail in the 1990s has failed to revitalise it, due to the buildings' lack of suitability for this use. However the lack of development has also meant the preservation of valuable heritage buildings and streetscapes close to the central city.
- The southern part of the Warehouse District is starting to establish service-oriented, mainly vehicle related businesses, larger format retail and light industrial.
- The northern part of the Warehouse District accommodates some residential buildings and some businesses. However many challenges, both physical and statutory, perceived and real, have led to vacancy and underutilisation.

HERITAGE BUILDINGS

In the past there was a trend to perceive heritage buildings as part of the problem inhibiting progress and growth. However, redevelopment at the expense of historic buildings in the Exchange has demonstrated that this is not necessarily the case, especially where they have been replaced by parking sites or poor quality buildings that do not contribute to an attractive streetscape.

In contrast, areas like George Street show how a successful use of heritage buildings for a modern purpose results in an attractive streetscape. Some new additions refer to the scale and style of existing heritage buildings.

2.3 Opportunities and challenges facing the central city

The following key issues for this Central City Framework have been identified:

HEADLINE OPPORTUNITIES AND STRENGTHS

- The compact city centre.
- Mono-centric city with concentration of retail and community facilities in the central city. A relatively low threat of out-of-centre developments.
- Relatively large distance from other major centres resulting in less leakage of local expenditure and greater potential as a stop for visitors touring the South Island.
- Presence of a waterfront gives opportunities for revitalisation.
- Attractive heritage buildings throughout the central city.
- Relatively strong activation of the street edge, due to a predominance of buildings built and orientated to front boundaries in the central city.
- Stock of vacant and underutilised heritage buildings in the Warehouse District in a fine-grained urban fabric.
- Presence of the University, the Polytechnic and the hospital, making the central city more than just a retail centre.
- Relatively long daylight hours in summer, providing scope for more outdoor activities in the central city during summer.
- The quality secondary and tertiary education and sporting facilities in Dunedin.
- The reputation of the University of Otago recognised as one of New Zealand's top research universities.
- Investment in the sporting Stadium and the attraction of conferences, events and sporting events.
- Presence of facilities and visiting performances, entertainment and attractions normally only expected in a larger city.
- Strong arts community and very visible arts-related activities in the central city.
- Large open space in the form of Queens Gardens present in the central city.

- Large amounts of car parking spaces.
- A lack of congestion.
- Large urban open space in the form of The Octagon with a concentration of activity during the day, into the evening and at night.
- A world class natural environment on the tourist route around the South Island.
- Large number of visitor attractions.
- Visits by cruise ships.

HEADLINE CHALLENGES AND WEAKNESSES

- Low population growth.
- Dunedin's relatively isolated position in the country.
- Relatively cold and wet winter climate affecting the experience in exposed places. Relatively short daylight hours in winter.
- Perceived and real personal security issues in the city centre – especially on week day winter evenings, at night and weekends.
- Lack of night-time activity in some sections of George Street, once retail has closed.
- Lack of a mix of activities throughout the centre to remain vibrant throughout the day and evening.
- Jaded and poorly maintained central city commercial properties.
- Vacant and underutilised heritage buildings and an unattractive streetscape in the Warehouse District.
- Predominant leasehold property situation inhibiting redevelopment in the Warehouse District.
- Lack of urban open spaces to meet and soft urban open spaces to play, and the lack of accessibility to those spaces that could fulfil these roles.
- The lack of obvious free family recreational attractions in the central city.
- Lack of shelter and pleasant sheltered outdoor spaces to spend time and socialise in the central city.
- Some areas of uneven pavement, being a risk to particularly the elderly and less able users of the central city.
- Poor quality experience on Crawford Street as the southern entrance into the central city.
- Severance by the State Highways, resulting in buildings in several street blocks turning their backs to

- the street and the railway line disconnecting the central city from the waterfront.
- Poor legibility in places due to one-waying, historic road closures, and geometrically awkward street junctions.
- Buses through George and Princes Street negatively impacting upon the qualities of the footpaths and the built edges.
- Poor pedestrian connectivity between The Octagon area, through to Queens Gardens, the area around the Otago Settlers Museum and railway station, and the Warehouse District.
- Poorly maintained streetscape in places, resulting in a poor pedestrian experience.
- Poor quality of cycling and pedestrian connections including from nearby residential areas to different parts of the central city.
- Poor quality surface car parking on vacant sites, depressing the nearby local environment and creating the impression of abandonment and decline.
- Perceived or real lack of short term parking for motor homes.
- Lack of long-term visitor, campervan, coach and tour operator parking in the central city.
- Short time visitor overnight stay in the city centre.
- Reliance on natural attractions and the heritage buildings as main visitor attractions.

Detailed analysis has identified more detailed opportunities and challenges. It is included in Section 5 of this report, explaining the background behind proposals and initiatives.

2.4 The messages received from the community and stakeholders

Groups of people with a personal or professional interest in the Central City provided input into this process by identifying which issues they wanted to see addressed, either positive attributes to be enhanced or strengthened, or negative issues to be changed or removed.

Members of the groups consulted with voiced diverse opinions that sometimes conflicted each other, but strong messages have been conveyed on the following:

THE COMMUNITY

- Connectivity between major open spaces and central city items should be strengthened: The Octagon, the railway station, The Queens Gardens, The Exchange, and Steamer Basin.
- Heritage buildings should be retained and re-used.
- There are major barriers that should be crossed: the State Highways and the railway line.
- The potential of Bath Street should be capitalised upon.
- More space in The Octagon should be dedicated to Pedestrians.
- There should be a greater focus on the pedestrian experience in the central city.
- Free parking in the main retail areas should be reinstated.
- Public transport should be improved.
- The vitality of the central city should be enhanced by encouraging mixed-use developments
- Inner city living should be made more attractive and facilitated.
- Public open spaces and footpaths should be designed or upgraded with a strong focus on the local microclimate. This means including windbreakers and shelters against rain and sun.
- Large format retail should be limited and the central city should be protected against out-of-centre retail development.

- Design in the central city should be ecologically sensitive. It should include fruit trees, recycling, reduction of hard spaces, urban bee keeping etc.

STAKEHOLDER FOCUS GROUPS

- People should become more positive about Dunedin and its extensive assets.
- The liveability in the central city should be improved.
- Life should be brought back into the Warehouse District, a thriving economic precinct decades ago.
- Dunedin is rich in art-related activities. Access to art should be improved.
- The safety and security in the central city at night should be improved.
- Walking and cycling should be made more attractive and safer.
- Connectivity between the central city and the Dunedin harbourside area should be improved.
- On-street parking should be retained and protected. Free period parking should be reinstated.
- The bus system should be improved, both with regards to the bus routes and the buses' behaviour.
- Temporarily closing streets to accommodate events has a negative impact on the turnover of some retailers.
- A strong focus of the Central City Framework should be on job creation.
- The leasehold status of land in the central city and the Warehouse District in particular is a barrier to redevelopment. This should be addressed in the framework.
- Heritage buildings should be protected, enhanced and re-used.
- Several District Plan rules should be updated and changed to assist with revitalisation.
- The quality of several public open spaces should be improved.

*Refer to **Appendix 1** for a more comprehensive report on the issues identified by stakeholders and the community during the consultation process.*