

Cork Economic Monitor

September 2008



Cork City Council
Comhairle Cathrach Chorcaí

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Summary

The Irish economy is undergoing a marked slowdown this year reflecting a decline in activity in the domestic economy and a significant moderation in external demand. Real GDP is likely to increase by just 0.6 per cent this year, with real GNP growing by 0.3 per cent according to the Central Bank's Third Quarterly Bulletin, July 2008. This is in contrast to the last decade, during which the economy experienced very strong rates of growth with annual GNP growth averaging 6 ½ per cent between 1994 and 2007 and employment in the economy increasing by over 75 per cent over this period. The most telling indicator of a weakening in the labour market has been the rapid rise in the numbers on the Live Register, which is up 27% for the first 6 months of 2008.

The key findings of the Cork Economic Monitor include:

- Between June 2007 and June 2008, the numbers on the Live Register in Metropolitan Cork increased from 10,153 to 13,564 (34%), which is in line with the state average (33%).
- Retailing performed strongly in Cork during 2007 with 17,081 net square metres (nsm) of comparison shopping granted planning permission in the city centre. This included the St. Patrick's Street/Academy Street and Half Moon Street/Lavitt's Quay sites. Both sites are currently under construction. There has been a slowdown experienced during Q1 and Q2 2008. However large schemes currently under consideration include the Capitol Cinema and City Library sites on Grand Parade.
- Activity levels in the Cork office market remained strong during the first two quarters of 2008. The suburbs accounted for the majority of space taken up. However supply levels in the city centre weakened further which is likely to impede take up activity in the short term.
- The total number of residential units commenced for Cork City shows a decrease from 1,627 in 2006 to 644 in 2007.
- The total number of new house registrations for County Cork in 2007 was 4,337 compared to the 2006 figure of 7,857. This represented a decrease of 45% compared to an increase of 1.4% between 2005 and 2006.
- Sherry Fitzgerald estimate that the price of a second-hand house decreased nationally by 10.2% in the twelve months to June 2008, while the Cork Market recorded a decrease of 10.3% in the same period.
- Under the City Council's housing construction programme for the Quarter ended June 2008, 251 units were completed and 462 were under construction. 259 units are in the course of planning.

- Work is complete on the Grand Parade Street Renewal Scheme. Three kiosks have been constructed and are to be leased out shortly.
- The Water Services Investment Programme 2007 - 2009 for Cork City contains projects to the value of €56.6 million. The *Cork Strategic Water Study* has been completed and approved.
- Urban renewal schemes are coming to an end as the deadline by which qualifying expenditure can be incurred ceased on the 31st July 2008. Under the Blackpool/Shandon Urban Renewal Scheme 727 units are completed. Under the Living Over The Shop (LOTS) Scheme, 95 apartments have been completed to date.
- The City Council has prepared the *Draft Cork City Development Plan 2009 - 2015*, which sets out an overall strategy for the proper planning and sustainable development of the City for a six-year period until 2015 and beyond. It is currently on public display for a 10 week period until the 15th of October 2008.

The Cork Economic Monitor is available on www.corkcity.ie, or from Cork City Council on 021 - 492 4086

1.0 National Trends

1.1 General Economy

The Irish economy is undergoing a marked slowdown this year reflecting a decline in activity in the domestic economy and a significant moderation in external demand. Real GDP is likely to increase by just 0.6 per cent this year, with real GNP growing by 0.3 per cent according to the Central Bank's Third Quarterly Bulletin, July 2008. Over the last decade, the economy experienced very strong rates of growth with annual GNP growth averaging 6 ½ per cent between 1994 and 2007 and employment in the economy increasing by over 75 per cent over this period. One aspect of this slowdown is the process of adjustment of the residential construction sector to a more sustainable size. The housing stock has expanded rapidly in recent years to meet growing demand. Output peaked in 2006 at around 88,000 units before falling to around 78,000 units last year. Forward-looking indicators suggest a fall to around 50,000 units in 2008. Having reached very high levels, house prices have been declining since the beginning of 2007. Nationally, prices in February 2008 were 8.8 per cent lower than at their peak in January/February 2007 and are now back to their level in early 2006.

While Ireland has continued to enjoy above average jobs growth, the worsening economic environment now means that a change in the labour market is occurring. The most telling indicator of a weakening in the labour market has been the rapid rise in the numbers on the Live Register, which is up 27% for the first 6 months of 2008. The average unemployment rate is forecast to increase from 4.6% in 2007 to 5.5% in 2008 and to 7.0% in 2009. The external performance of the economy improved in 2007 with exports of goods and services outpacing export market growth for the first time in a number of years. This resulted from an improvement in high-technology exports combined with a continuing strong performance by services, a feature of recent years. The prospects for the current year, however, are for weaker export growth, reflecting the impact of slower world trade growth as well as continuing competitiveness pressures associated with the strength of the euro.

1.2. GDP/GNP

The Central Bank's Third Quarterly Bulletin, July 2008 reports that growth in the Irish economy is projected to slow appreciably this year reflecting weaker prospects for both external and domestic demand. Real GDP growth, which averaged 5.3 per cent in 2007, according to preliminary National Accounts data, is projected to slow to 0.6 per cent this year, while GNP growth is expected to decelerate from 4.1 per cent to 0.3 per cent in 2008. Some pick-up in growth is likely in 2009 on the basis of a stabilisation of output in the domestic construction sector and some recovery in momentum in the world economy. At this stage, growth in GDP and GNP are forecast to recover to 2 per cent and 1.8 per cent, respectively, in 2009. However these forecasts are subject to a high degree of uncertainty arising from the continuing disruption to financial markets and the associated risks to prospects for world output.

1.3 Consumer Price Index (CPI)

Inflation has picked up significantly since the middle of last year. High commodities price inflation, especially for food and oil, has been the dominant influence, offsetting a continued moderation in services inflation and some downward pressure arising from a sharp appreciation of the euro effective exchange rate. Looking ahead, the deteriorating economic outlook is likely to contribute towards an easing of some inflationary pressures. Irish Consumer Price Index (CPI) inflation, is expected to fall from an average rate of 4.9 per cent in 2007 to 4.5 per cent this year and to decline further to 3.2 per cent in 2009, assuming that interest rates move in line with market expectations as reflected in current forward markets. Higher CPI inflation over the past two years reflects the impact of rising mortgage interest repayments.

1.4 Housing Prices

The latest report of the Permanent TSB House Price Index, compiled in association with the ESRI, reveals that house prices nationally fell by 5 per cent in the first half of 2008. Measuring the rate of growth in the 12 months (year on year) to June, average national prices were down by 9.7%. The average price paid for a house nationally in June 2008 was €273,392. This compares to €287,887 in December 2007 and €302,605 in June last year.

1.5 National Development Plan (NDP)

The National Development Plan *Transforming Ireland- A Better Quality of Life* sets out the roadmap to Ireland's future to 2013. The plan integrates strategic development frameworks for regional development, for rural communities, for all island co-operation and for the protection of the environment with common economic and social goals. Cork is one of the major designated gateways within the plan. The plan notes Cork's Docklands as an area offering significant potential for commercial and housing development. The Minister for Finance published the Annual Report on the National Development Plan (NDP) for 2007 on 7th July 2008. €22 billion was invested under the NDP in 2007. Measures which have been implemented which are of relevance to Cork include:

- The Gateways Innovation Fund, which was launched in 2007, to stimulate and galvanise innovative and collaborative approaches to Gateway development
- Introduction of the hourly rail service from Dublin to Cork, including 67 new rail carriages
- The new amalgamated Cork Maternity Hospital, which was completed and opened in 2007
- Completion of key parts of the M/N8 (Cork to Dublin road), including the Cashel to Mitchelstown scheme in July 2008
- Investment in regional research and technology development capacity (Tyndall Institute)
- Developing Areas programme introduced which aims to facilitate and support the effective co-ordination of the provision of social and physical infrastructure

investment with private investment and in large strategic physical development areas

2.0 Local Trends

2.1 Population

Table 2.1 shows the population of Cork City in relation to Cork County and the State. Figures show the change from the 2002 census to the updated 2006 census figures. These differ slightly to preliminary results.

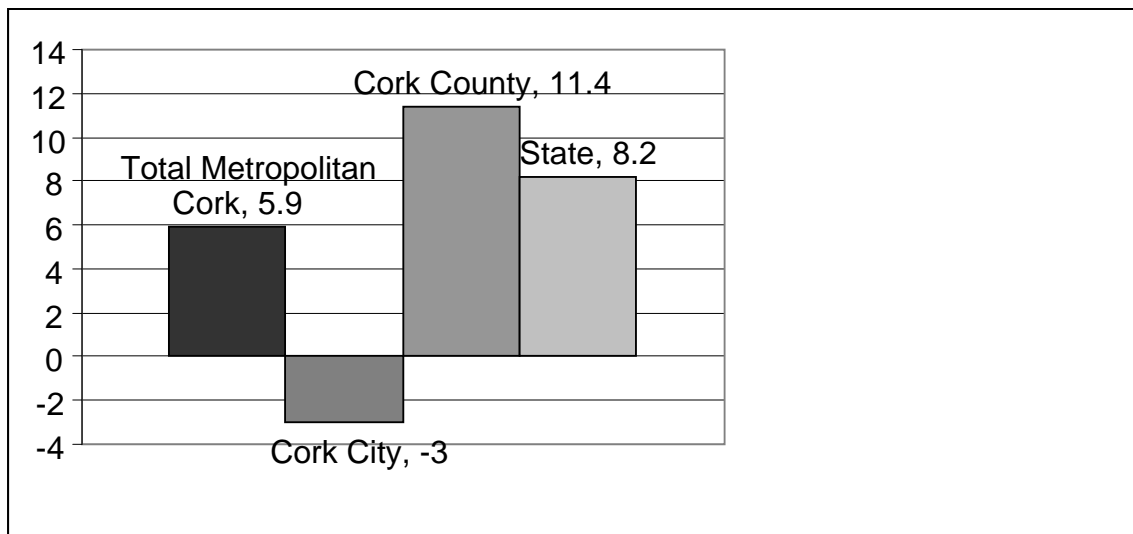
Overall, Metropolitan Cork has experienced a 5.9% increase in population between 2002 and 2006. Cork City administrative area has shown a decrease of 3% which is somewhat in contrast to the increase recorded for Metropolitan Cork, Cork County and the State as a whole, although some other large urban areas, including Limerick have also experienced a decline.

Table 2.1 Population Change 2002-2006 for Metropolitan Cork, Cork City, Cork County and the State

	Persons 2002	Persons 2006	Actual Change '02-'06	% Change 2002-2006
Total Metropolitan Cork	257,355	272,541	+15,186	+5.9%
Cork City	123,062	119,418	-3,644	-3.0%
Cork County	324,767	361,877	+37,110	+11.4%
State	3,917,203	4,239,848	+322,645	+8.2%

(Source: CSO Census 2006 Volume 1)

Figure 2.1 Percentage Population Change 2002-2006



2.2 Labour Market

The FAS Quarterly Labour Market Commentary for the Second Quarter of 2008 reports that nationally the average number of jobs in the economy is expected to grow by 24,000 in 2008, but that this growth will be reversed in 2009 with net job losses of 31,000 forecast. This compares to employment growth of 54,000 in the twelve months to Q1 2008. Furthermore, the nature of the jobs being created has changed, with a much higher proportion being accounted for by part-time work and self-employment. Compounding the recent slowdown in employment has been a confluence of adverse economic developments both at home and abroad. Specifically, employment in the transport and communications sector has stagnated in the face of higher oil prices (although these have recently declined) while manufacturing employment has also been falling.

The most telling indicator of a weakening in the labour market has been the rapid rise in the numbers on the Live Register, which is up 27% nationally in the first 6 months of 2008. Between June 2007 and June 2008, it increased by 33%. It is predicted that the numbers on the Live Register will continue to rise, with the total numbers signing on expected to reach 300,000 by the end of 2009. As a result, the unemployment rate is forecast to average 5.5% this year before increasing to over 7.0% in 2009, which, while high by recent standards, would be comparable to the EU average.

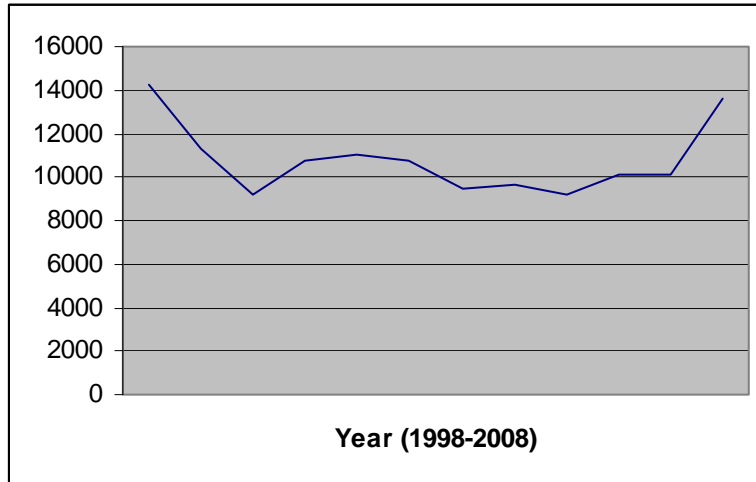
Table 2.3a shows the number of persons on the Live Register for Metropolitan Cork during the period December 1998 - June 2008. Between June 2007 and June 2008, the numbers on the Live Register has increased from 10,153 to 13,564 (34%). This is in line with the State average.

Table 2.2 a Live Register 1998-2008 Metropolitan Cork

Month	Year	Persons on Live Register
December	1998	14,729
December	1999	11,317
December	2000	9,193
December	2001	10,743
December	2002	11,072
December	2003	10,754
December	2004	9,451
December	2005	9,616
December	2006	9,166
June	2007	10,153
December	2007	10,090
June	2008	13,564

(Source: CSO)

Fig 2.2 Persons on the Live Register 1998-2008 Metropolitan Cork



The following table, **Table 2.2 b Classification by age and sex of Live Register 2007-2008: Metropolitan Cork** gives a detailed breakdown of the overall Live Register figures from June 2007 – June 2008 by age and sex, comparing them to the national average in percentage terms. The figures are generally in line. However the percentage of males under 25 on the Live Register increased more significantly (53%) for the national average compared to 43% for Metropolitan Cork.

	Met. Cork (June 07)	Met. Cork (June 08)	Met. Cork % Change	The State (June 07)	The State (June 08)	State % Change
MALE	6,479	9,135	41%	97,962	139,936	43%
under 25	1,316	1,887	43%	19,752	30,286	53%
over 25	5,163	7,248	40%	78,210	109,650	40%
FEMALE	3,674	4,429	21%	68,401	80,875	18%
under 25	814	1,000	23%	14,120	17,905	27%
over 25	2,860	3,429	20%	54,281	62,970	16%
TOTAL	10,153	13,564	34%	166,363	220,811	33%

(Source: CSO)

2.3 Commercial Property/Land Values

2.3.1 Retail

Joint Retail Strategy

Cork City and County Councils and the Town Councils in County Cork have prepared a Draft Joint Retail Strategy for Cork City and County. The Strategy, which is based on the findings of the Cork Strategic Retail Study (March 2008), will replace the existing Joint

Retail Strategy. The Strategy has been included as part of the Draft Cork City Development Plan 2009-2015. The Strategy made forecasts of additional floorspace to 2020 and this is summarised in Table 2.3 a below. Some changes are proposed as part of the Draft Plan including upgrading the status of Ballyvolane to a District Centre and a new zoning objective “Local Centres”.

Table 2.3 a: Additional Retail Floorspace (Convenience and Comparison Shopping) 2006 – 2020 (net square metres)

Location	Convenience Shopping	Comparison Shopping	Total
Cork City Centre	12,040	77,610	116,280
Suburbs of Cork		26,630	
Metropolitan Cork Towns	27,440	22,130	49,570
Ring Towns	5,590	19,200	24,790
County Towns	5,860	20,500	26,360
Retail Warehousing			93,610
TOTAL (Net Square Metres)	50,930	166,070	310,610

- Notes: (1) These guidelines are rounded to the nearest 10 square metres
(2) The areas shown for convenience goods are an average of the large format and medium sized supermarket format scenarios
(3) Figures for the City Centre include Docklands

Retail Floor Space Commitments

The following outlines the strength of performance for retail floor space commitments (planning permission granted) between 2003 and Q2 2008.

Table 2.3 b Cork City Comparison Floor Space Commitments (Planning Permission) 2003-Q2 2008 (net square metres)

Year	City Centre Retail Area	Commercial Core Area	District Centres	Retail Warehousing
2003	3,843	350	4,667	11,240
2004	12,501	0	1,800	0
2005	824	217	0	7,490
2006	10,402	1,263	300	5,028
2007	17,081	90	2,981	0
2008 (Q1 and Q2)	1,422	0	281	1,726

As outlined above the City Centre showed a strong performance in terms of the amount of retail floorspace permitted for comparison shopping in 2007 (17,081nsm). This was mainly due to permissions granted on the St. Patrick’s Street/Academy Street and the Half Moon Street/Lavitt’s Quay sites (15,447 nsm). The amount permitted so far in 2008

(Q1 and Q2) was 1,422 nsm. There are a number of large planning applications under consideration at present including the former Capitol Cinema site on Grand Parade and the new City Library site on Grand Parade. In terms of District Centres, permission was granted for the reconfiguration of a previously permitted extension to Douglas Village Shopping Centre (2,549 nsm) in 2007. There were no major permissions granted for retail warehousing in 2007. 1,726 nsm has been permitted so far in 2008 at Blackpool Retail Park. Planning applications currently under consideration include the former Sunbeam Factory site on Commons Road.

In terms of rental levels and retail activity, St. Patrick Street remains quite strong with rents holding at approximately €4,500 per m².

Table 2.3 c Cork City Convenience Floor Space Commitments 2003-Q2 2008 (net square metres)

Year	City Centre	District Centres	Neighbourhood Centres	Local Shopping
2003	-	800	548	200
2004	-	-	173	422
2005	-	-	2,535	1,193
2006	1,179	-	2,233	3,642
2007	1,478	397	1,988	749
2008 (Q1 and Q2)	306	800	130	845

The amount of convenience shopping permitted in the City Centre in 2007 was 1,478 nsm. This was mainly due to permission granted to convert part of the existing drapery to convenience at Dunnes Stores, Merchant's Quay Shopping Centre (1,394 nsm).

1,988 nsm was permitted in Neighbourhood Centres in 2007, which includes the new Lidl discount foodstore at Mount Agnes Road, Churchfield. A significant amount of convenience shopping is proposed as part of new neighbourhood centres, currently under consideration including a redevelopment of Dunnes Stores on Curraheen Road and the Howard Holdings site on Centre Park Road.

2.3.2 Offices

The following table shows the amount of office space permitted in the City Centre, Blackpool and the Suburbs between 2001 and Q2 2008.

Table 2.3 d Cork City Office Floor Space Commitments 2001-Q2 2008 (m²)

Year	City Centre	Blackpool	Suburban
2001	3,999	0	19,066
2002	26,147	1,939	0
2003	13,198	14,463	9,104
2004	17,955	0	354
2005	12,115	2,955	1,381

2006	27,592	1,882	11,279
2007	9,060	2,631	28,107
2008 (Q1 and Q2)	1,715	0	10,081

The amount of office space permitted in the City Centre and Docklands was 27,592m² in 2006 and 9,060m² in 2007. The most significant developments in 2007 included Lavitt's Quay/Half Moon Street (2,367m²), which is currently under construction and 9-12 Maylor Street (1,837m²). There are a number of large developments currently going through the planning process including the Government Buildings site on Sullivan's Quay (10,925m²) and the Howard Holdings site in the Docklands (48,033m²).

At Blackpool 2,631m² was permitted in 2007 mainly in the form of retail offices at the Blackpool Shopping Centre. There is a current application for a combination of Business and Technology and General Offices on the former Sunbeam Site (13,551m²).

In terms of the amount of suburban office commitments, this showed a very strong performance in 2007 with 28,107m² permitted compared to 11,279 in 2006. The largest commitments were for Business and Technology at the former Sifco site at Mahon Industrial Estate (12,422m²) and the new Motor Tax Office at Cork County Hall. 10,081m² has been committed so far in 2008, with another development at the former Sifco site accounting for 8,932m² of this total. Developments at this site are currently under construction.

Office take-up activity

According to the DTZ Sherry Fitzgerald Summer Review 2008 activity levels in the Cork office market remained strong during the first six months of 2008. The suburbs accounted for the majority of space taken up in the twelve month period to Q2, accounting for 77%. The remaining space, 23% was located in the city centre.

2.3.3 Industrial

According to the DTZ Sherry Fitzgerald Summer Review 2008 the industrial market witnessed one of the weakest quarters in Q2 2008 in terms of take-up activity, 55% lower than the same period in 2007. The quantity of available industrial space rose by 26% during Q2 2008, which represents an increase of 42% compared to the same period in 2007. The vacancy rate at the end of Q2 2008 increased to 6.7% compared to 4.4% recorded 12 months previously.

2.4 Housing

2.4.1 Local Authority Housing

Cork City Council's Housing Construction programme includes provision of social and affordable housing units. For the Quarter ended June 2008, 251 units were completed and 462 were under construction. 259 units are in the course of planning.

A total of 207 units were completed and 137 either under construction or at design stage by the voluntary sector. Targets as set out under the Affordable Housing Scheme are progressing well, and in June 2008 a total of 195 units were completed, with a further 370 units under construction.

In the second Quarter of 2008, a total of 6 new schemes were introduced. These are Mahon Infill (10), Hollyville (10), Kilmore Road (45), St. Vincent's, Churchfield (30), Boherboy Road (148) and Glen Avenue (16). The schemes that were completed in 2008 are Fairfield Meadows (50), Shanakiel (30), Deerpark (29), Turner's Cross (18), Boreenmanna Road (47), Brothers of Charity (8), Togher Road (6), Togher (48), Ilen Court, Deanrock (8) and Assumption Road (7).

2.4.2 Private House Completions 1997 – 2007 for Cork City and County Council Areas

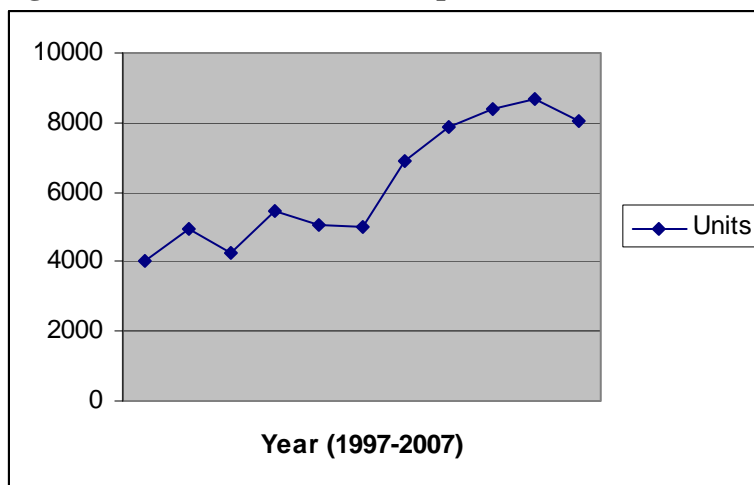
Figures for private house completions include both Cork City and County Council areas and are only available up to the end of 2007. These indicate a drop in the rate of house completions for Cork City and County. The figure for 2007 stands at 8,049, while the figure for 2006 is 8,702. This represents a decrease of 7.5% in the number of private house completions between 2006 and 2007.

Table 2.4 a Private House Completions Cork City and County Councils.

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Units	4,025	4,956	4,275	5,437	5,075	5,010	6,894	7,849	8,364	8,702	8,049

(Source: DoEHLG)

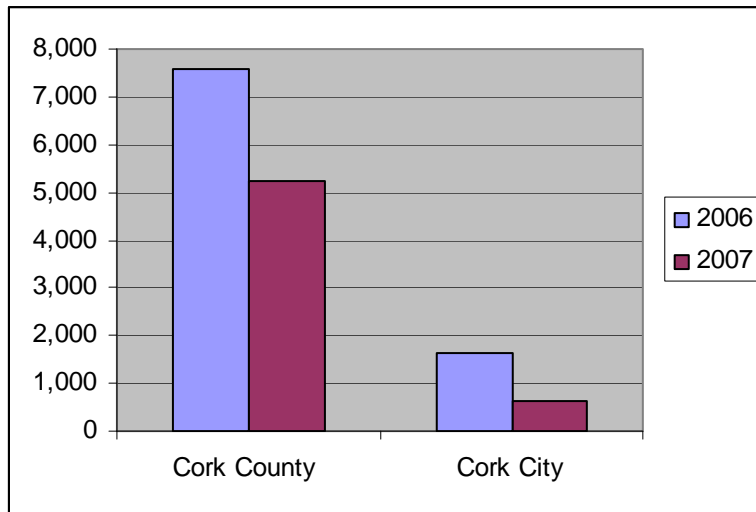
Figure 2.4 a Private House Completions (1997-2007)



2.4.3 Residential Commencement Notices

The data available from the DoEHLG relates to the total number of residential units commenced for Cork City and County. The number in Cork County reduced from 7,576 in 2006 to 5,251 in 2007, while the number in Cork City reduced from 1,627 in 2006 to 644 in 2007.

Fig 2.4 b Number of Residential Units Commenced in Cork City and County



(Source: DoEHLG Housing Database)

2.4.4 New House Registrations

This section details the number of new houses registered under a building guarantee product that is either HomeBond or Premier Guarantee. While not all new houses are registered under a building guarantee product, these figures serve as a useful indicator of future house building activity. The figures given include those for Cork City & County as separate figures for the City are not available. The total number of new house registrations in 2007 was 4,337 compared to the 2006 figure of 7,857. This represented a decrease of 45% compared to an increase of 1.4% between 2005 and 2006. Nationally, house registrations totalled 38,351, down 43% compared to 2006.

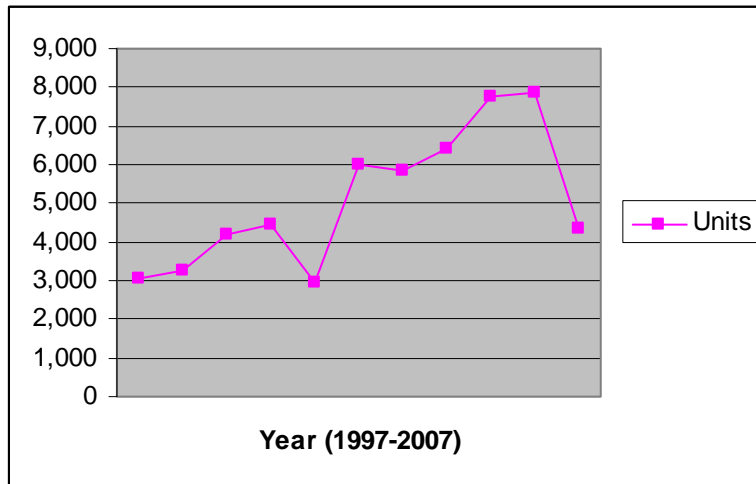
Table 2.4 d New House Registrations 1997-2007 for Cork City & County

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Units	3,037	3,266	4,174	4,424	2,957	6,004	5,827	6,425	7,745	7,857	4,337

(Source: DoEHLG Housing Database)

(Note: Data up to and including 2001 represents HomeBond Registrations. Data from 2002 onwards includes HomeBond Registrations and Premier Guarantee Registrations.)

Figure 2.4 c New House Registrations 1997-2007 for Cork City and County



2.4.5 House Prices

National house prices in the first half of 2008 reduced by 5% compared to a reduction of 2.6% to June 2007 according to the latest Permanent TSB House Price Index. Measuring the rate of growth in the 12 months (year on year) to June, average national prices were down by 9.7%. The average price paid for a house nationally in June 2008 was €273,392. This compares to €287,887 in December 2007 and €302,605 in June last year.

While the House Price Index does not provide figures on a county basis, it outlines that house prices in the South West region (Cork and Kerry) were down by 5.5% in the second half of 2007 compared to the equivalent period in 2006, compared to 5.8% nationally.

Sherry Fitzgerald estimate that the price of a second-hand house decreased nationally by 10.2% in the twelve months to June 2008, while the Cork Market recorded a decrease of 10.3% in the same period.

2.5 Infrastructure

2.5.1 Transportation Schemes

a) Grand Parade Street Renewal Scheme

Work is complete on the Grand Parade Street Renewal Scheme. Three kiosks have been constructed and are to be leased out shortly.

b) Barrack Street/Elizabeth Fort Scheme

Renewal work at the bottom of Barrack Street and Elizabeth Fort are complete. The remainder of the street will be renewed within the next 2 years.

c) St. Luke's Public Realm Plan

A scheme design and public consultation is complete for St. Luke's Cross public realm improvements. Construction work is scheduled to commence in Q3 2009.

d) Docklands Transportation Infrastructure

Water Street Bridge, Eastern Gateway Bridge and associated roads

A Compulsory Purchase Order of lands to progress these schemes is underway. A planning application under the Strategic Infrastructure Process has been lodged with An Bord Pleanála. A preliminary design for the Water Street Bridge is complete, which is proposed to connect the North and South Docks areas. Detailed design on the Eastern Gateway Bridge is scheduled to commence in Q3 2008. Construction Work is scheduled to commence Q4 2009.

e) Cornmarket Street and Market Canopy project

Design is complete, construction work is scheduled to commence in Q1 2009.

f) Mardyke Drainage and Carriageway Project

Works are underway with a scheduled completion date of Q4 2008.

g) Blackrock Harbour Square

Design work is underway.

h) Transport Plan

A Local Transport Plan (LTP) for Cork City is currently being prepared, with a period of public consultation underway for the Draft Plan. The plan will set out a transport strategy for the next 20 years for all modes of travel for the city, with detailed actions for the next 5 years. The LTP will be available early next year.

i) Public Transport Feasibility Study

A Public Transport Feasibility Study has recently been commissioned to assess what actions need to be taken to deliver enhanced public transport services for the city, taking account of the initiatives identified in CASP and emerging from the Draft CASP Update. Baseline studies are completed and consultations with various relevant stakeholders is taking place. A draft of the plan will be ready at the end of the year.

j) CASP Transport Model Update

The project involving a major upgrade of the CASP Transport Model is in progress. The Traffic Model is being updated in line with Census 2006 data and will have a much enhanced public transport modelling capacity.

k) Green Routes

10 green routes were identified in the CASP and are being implemented with funding from the Department of Transport. Green routes are high quality public transport routes and also include cycling and pedestrian facilities. €6.8 million has been allocated to Cork City Council for 2008 from the Department of Transport. The following is the status of the individual green routes:

Green Routes

Grange/Frankfield area to City Centre
Curraheen/Bishopstown area to City Centre
Mayfield area to City Centre
Knocknaheeny/Gurranabraher area to City Centre
Cork Airport to South Ring Road
South Ring Road to City Centre
Ballincollig to City Centre

Farranree/Blackpool to City Centre

Mahon area to City Centre

Carrigaline/Ringaskiddy to City Centre Phase I

Update

Completed
Completed
Completed
Completed
Completed
Completed
Under construction
(Dec. 09 completion)
Construction to commence
Q4 08
In conjunction with
Docklands Plan
In progress (Dec.
2008 completion)

l) Co-Car Scheme

“Go-Car”- A car-sharing club was launched in July 2008 which allows people access to a car when they need it, from a place near their home or workplace.

m) Cycling

Cork City Council is promoting cycling awareness and bicycle use and by developing a range of activities and shows with local partners. This includes the “Bike to Work” week which was held from 26-30 May 2008. Other cycling promotions will be carried out during European Mobility Week which started on the 15th September 2008

n) Public Lighting

A major refurbishment of public lighting is taking place within the city, including the Victoria Road and Carrigrohane Road schemes which involved the replacement of columns, brackets and lanterns incorporating monitoring and dimming. To date €450,000 has been spent on capital schemes to renew public lighting.

o) Cork Suburban Rail Project

The Cork Suburban Rail Project is a central element of the transport proposals outlined in the Cork Area Strategic Plan. The project will consist of works including:

- Re-opening and operation of suburban services on the Cork to Midleton Line (due for completion in April 2009)
- Provision of new services between Mallow and Cork
- Upgrading of rolling stock and frequency on the Cobh line as demand increases

Within the City, the main elements of the project will be (i) the re-opening of Blackpool (Kilbarry) Rail Station and (ii) the redevelopment of Kent Station.

Planning permission has been granted for a new railway station at Blackpool (Kilbarry). The station also includes a Park and Ride facility of 100 car spaces and 20 bicycle stands.

2.5.2 Water Schemes

Water Services Investment Programme 2007 - 2009

The Water Services Investment Programme 2007 - 2009 for Cork City contains projects to the value of €56.6 million. A summary of progress on the principal projects in the programme is detailed below.

(a) Cork Water Conservation Scheme

An ongoing active leakage control programme is in place. The Preliminary Report for Phase 1 of Watermain Rehabilitation has been prepared.

(b) Tivoli Industrial Estate Fire main

The contract for the Glashaboy-Tivoli watermain has been signed and construction commenced in mid August.

(c) Cork Strategic Water Study

The Cork Strategic Water Study has been completed and approved.

(d) Docklands Redevelopment

Negotiations are ongoing with Department of the Environment, Heritage and Local Government for the appointment of a consultant for the water supply to the Docklands.

(e) Lee Road Waterworks Improvement

The Water Abstraction Order has been approved by An Bord Pleanála. The revised Procurement Appraisal Report for the upgraded water treatment plant at the Lee Road site was forwarded to the Department of the Environment, Heritage and Local Government earlier this year. Discussions are ongoing with the Department on this matter.

(f) Rising Mains: Lee Road Waterworks to Shanakiel Reservoir

The DoEHLG has approved a preliminary report. A consultants' brief for the detailed design and construction is currently being prepared. Acquisition of wayleaves for the new rising mains has commenced and wayleave drawings have been prepared.

(g) Additional Reservoir Storage

Briefs for the appointment of consultants for Preliminary Report stage to examine storage requirements at Shanakiel and Harbour View Road reservoirs are currently being prepared. The recommendations of the Cork Strategic Water Study (see 'C' above) will be reflected in these appointments.

(h) Non-Domestic Metering

The programme for the installation of water meters to the non-domestic sector has been completed. Work is also completed on the installation and commissioning of a new meter reading and billing system. Work on the installation of a new automatic 'walk by' meter reading system is ongoing.

(i) Wilton - Lee Road Trunk Main.

Planning for the construction of a trunk watermain which will connect the Lee Road Waterworks to the existing system at Wilton has commenced.

2.6 Amenity

The following table, Table 2.6, gives a breakdown of City Council amenity schemes.

Table 2.6 Amenity Projects

Location	Proposal/Scheme	Status
Rear of Sacred Heart Convent	New bridge and amenity route	Bridge in place. Amenity route due to be completed by the end of 2008
Mardyke	Skate Park	Due to start on site Autumn 2008
Mahon Park	Park, Children's Playground, Multi Use Games Area (MUGA) Pavilion to serve sports' pitches will be built shortly	Completed.
Popham's Park	Upgrading works including perimeter fencing, pathway & resurfacing, playground & MUGA	Completed.
Kilmore Road Park	Children's Playground; perimeter railing, improved access. Proposed Basket Ball Court.	Proposed Basketball Court All other works completed.
	MUGAs	To be provided at the following loactions in 2008: St. Michaels Lawn Kilmore Park Mangerton Close Tory Top Park (FAI mini pitch) Meelick Park (FAI mini pitch)
Bride Valley Park, Fairhill	Hard & soft landscaping	Due to commence on site in November 2008.

Glen Amenity Park	Remedial landscaping: new car-park/entrance and upgrading path network.	Current phase of works due to be completed in November 2008
Bantry Park	Draft Landscape Plan	Going out for consultation Autumn 2008
Bishopstown Park	Hard & soft landscaping, children's play area; MUGA, provision of dressing room facilities for pitch & putt, pitches.	Landscape Masterplan has been drawn up. Awaiting budget approval. Dressing rooms completed
St. Anne's Park, Shandon	Remedial landscaping	Scheduled to open in September 2008.
Dr. Mary Hearn Park		Part 8 planning currently being sought
Fairfield, Fairhill	Perimeter fencing, perimeter path & street furniture to be installed	Due to commence on site in November 2008
Military Cemetery	Creation of local park	Due to be completed by the end of 2008
Bell's Field	Creation of local park	For open competition - no timeframe as yet
Clashduv	Tennis Courts	Works, including a new basketball court, are due to be completed in September 2008.

2.7 Cultural Projects & Events.

(a) Biodiversity Plan

The Draft Biodiversity Plan was approved by Council on 7th July 2008 and is on public consultation at present.

(b) New Central Library

A planning application for a new Central Library to be provided at Grand Parade is currently on appeal to An Bord Pleanála. The proposed new Central Library, if permitted would hold the largest collections of books, CDs, DVDs and other materials for children and adults in the city, the largest public library outside Dublin.

(c) Cork City Marathon

The Cork City Marathon was run for the second year in a row on 2nd June 2008, following an absence of 21 years.

(d) Cork Artists Awards

Arts awards in excess of €80,000 are rewarded annually by Cork City Council. These awards are part of Cork City Council's Arts and Cultural Strategy 2006-2009. Professional artists, arts organisations, community and voluntary groups are eligible to avail of grants. The grants are aimed at providing a range of opportunities for arts projects in Cork.

3.0 Urban Renewal

3.1 Urban Renewal Scheme

Urban renewal schemes are coming to an end as the deadline by which qualifying expenditure can be incurred ceased on the 31st July 2008.

The Blackpool/Shandon Urban Renewal Scheme brought about the rejuvenation of the area with many of the derelict and under utilised sites along Carroll's Quay, Thomas Davis Street and the Watercourse Road being redeveloped. The image of the area as an unattractive area for investment has been turned around. Progress to date and the status of developments is highlighted in the following tables.

Table 3.1 a: Urban Renewal Progress To Date

	July 2008
No. of Applications	77
No. Awaiting Certification	4
No. of Preliminary Certificates	18
No. of Full Certificates	43
No. Applications Refused	9
No. of Invalid Applications	3
Total	77

Table 3.1 b: Urban Renewal Status of Development

	Jul '08 (valid apps)*	Est. Cost (€)
No. of Developments not yet commenced	1	9,154,825
No. of Developments with Work in Progress	8	8,842,401
No. of Developments Completed	56	195,531,645
Total	65	213,528,871

Table 3.1 c: Urban Renewal Number of Residential Units

No. of Residential Units	In Planning	Work in Progress	Completed	Total
Houses / Apartments	41	13	727	781

*** along with the 9 refusals, 3 applications were invalid**

3.2 Living Over the Shop Scheme (LOTS)

This scheme aimed at promoting the rehabilitation of buildings and increasing the supply of residential units within the city centre. The qualifying period for developments under the LOTS Scheme ceased on 31st July 2008 if a planning application had been submitted prior to 31st December 2004 or, if a planning application is not required for the work, 5% of the cost of development has been incurred before that date. Progress to date is highlighted in the following tables:

Table 3.2 a LOTS Progress To Date

Progress to Date	July 2008
No. of Applications	45
No. of Preliminary Certificates	8
No. of Full Certificates	28
No. Awaiting Certification	3
Applications Refused / withdrawn	6
Total	45

Table 3.2 b LOTS Status of Development

	Jul '08 (valid Apps)*	Est. Cost (€)
No. of Developments in Planning	0	
No. of Developments with Work in Progress	6	47,660,332
No. of Developments Completed	33	22,172,433
Total	39	69,832,765

Table 3.2 c LOTS Number Of Residential Units

No. of Residential Units	Proposed	Completed	
Total			
Apartments	64	95	159
Total	64	95	159

* 6 applications were refused/withdrawn/invalid

3.3 RAPID Programme

Is being targeted towards forty-five of the most disadvantaged areas in the country under the *Programme to Re-Vitalise Areas by Planning Investment and Development* (the RAPID Programme).

The **Cork City RAPID Programme**, designed to prioritise areas of most need in the city and to bring voluntary and community organisations together to develop and implement integrated service delivery at local level, operates in four areas. These areas are:

- Knocknaheeny / Hollyhill / Churchfield
- Fairhill / Faranree / Gurranabraher
- Blackpool / The Glen/Mayfield
- Togher / Mahon

In early 2007, RAPID was again included in the new National Development Plan and is seen as a key Government Priority to address social exclusion and disadvantage

The RAPID Programme is being co-ordinated by the City Council's Directorate of Community and Enterprise with a co-ordinator for each area. As the programme has progressed, the government is giving it increased prioritisation through extensive funding in the development and implementation of their programmes. This has resulted in schemes for playgrounds, local authority enhancement works, and discrete community facility works and sports capital grant top-ups.

Some recent developments include securing funding to appoint Community Wardens who will work with local residents and groups to help in the maintenance and improvement of the local environment and an anti-graffiti project. Community safety fora have also been established in all four RAPID areas. These are partnerships between the Gardai, the City Council and local residents which meet three times a year and deal with quality of life issues which affect local people e.g. illegal dumping, public lighting, anti-social behaviour etc.

4.0 Draft Cork City Development Plan 2009-2015

The City Council has prepared the *Draft Cork City Development Plan 2009 -2015*, which sets out an overall strategy for the proper planning and sustainable development of the City for a six-year period until 2015 and beyond. It is currently on public display for a 10 week period until the 15th of October 2008. It sets out a vision and guiding policy for the development of the city in terms of land use planning, economic development, social and cultural activity and environmental protection and enhancement. It must take account of various national and regional strategies and guidelines and reflect consultation with the general public and other interested bodies. At the end of the public consultation period a City Manager's report on the issues arising will be prepared and submitted to Members of Council. If, following consideration of the report, the Council decide to amend the Draft Plan, a further period of 4 weeks public consultation on these

amendments will take place. A further report on submissions is then prepared for Council who, having considered the report, make the new Development Plan, with or without the amendments.

5.0 Local Area Plans

The City Council prepares both statutory Local Area Plans and non-statutory local area plans. Non-statutory local area plans are presented as Action Area Plans. These tend to look at smaller areas of the city in greater details and are prepared where the City Council will take a lead role in delivering a specific set of actions (e.g. involving public realm works & promoting development).

Work is progressing on the preparation and completion of a number of Local Area Plans and Action Area Plans. Recent documents include the South Docks Local Area Plan, the Bishopstown and Wilton Area Action Plan and the Coburg Street & St. Patrick's Hill Area Action Plan. Local area plans for Farranferris, the South Parish and Mahon are in preparation or due to commence preparation shortly.

6.0 Overall Prospects

The overall prospects for the domestic economy and Cork are relatively uncertain given recent downward economic trends. The ESRI is predicting that Ireland will experience a recession in 2008 for the first time since 1983. For 2009, however an upturn is expected with real GNP expected to grow by 1.9 per cent and real GDP expected to grow by 2 per cent. Consumption is expected to grow by just 1 per cent this year and by 2 per cent next year. A decline in investment of almost 15 per cent in 2008 and of 4.5 per cent in 2009 is predicted, while exports are expected to grow by 4.8 per cent in 2008 and by 4.4 per cent in 2009, well down on the 2007 preliminary growth figure of 8.2 per cent. Job losses are expected to be a feature of the economy in 2008 and the rate of unemployment to rise to over 7 per cent by the end of 2008. Job gains should resume in 2009 although the rate of job losses in 2008 will be such that the numbers employed on average in 2009 will be lower than that of 2007 and 2008. The downward revisions to the export forecasts are partly related to a downward revision in forecasts for many of the world's major economies. For example, it is now expected that the US will experience a technical recession this year. The factors underlying this subdued performance include the credit crunch and high inflation as a result of increasing commodity prices.

Trends in Cork seem to be in line with national trends including that for unemployment with numbers on the Live Register increasing at a similar percentage to the state average. House prices have also decreased. Retailing and office activity seems to have remained relatively strong despite downward trends. However the amount of new development permitted for both has declined so far in 2008. Major developments coming on stream include the St. Patrick Street/Academy Street and Half Moon Street sites, which are currently under construction. The Howard Holdings site in the Docklands with a large amount of office space proposed is also going through the planning process at present.

The completion of work such as the Grand Parade Street Renewal Scheme and other physical improvement works are playing a significant role in enhancing the city as a place to live, work and visit.

Although the urban renewal schemes have now ended, initiatives such as the Gateways Innovation Fund, which was launched in 2007, to stimulate and galvanise innovative and collaborative approaches to Gateway development, need to be implemented to stimulate future growth in Cork.