

Cork Economic Monitor

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Cork City Council

Comhairle Cathrach Chorcaí

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1.0 National Trends

The Irish economy performed reasonably well last year with GDP growth of 4.5% and GNP growth at 4%. Data for the first quarter of 2005 shows that the domestic demand remains strong while exports and industrial output have weakened. Construction output currently accounts for one fifth of Irish GDP, with residential construction making up 55% of output from the sector. The latest *Quarterly Economic Commentary* produced by the Economic and Social Research Institute (ESRI) says that since the publication of the last Commentary in June, the Central Statistics Office has produced revised figures for the National Accounts for the years 2002-2004. Revised figures for 2002 and 2003 suggest that economic growth was higher than previously anticipated while figures for 2004 have been revised downwards.

Given the slower pace of economic growth in 2004, the apparent continuation of this slower trend in the first quarter of 2005 and increases in oil prices, the ESRI has accordingly produced a revised downward forecast for GDP growth down from 6% to 5.7% for the year as a whole. The most recent Quarterly Bulletin (Bulletin 4, 2005) by the Central Bank takes a more cautious view, however, with an average GDP growth projection of 4.2%. Overall, data for the year so far point to a continuing strong performance. As a result, the forecast for employment growth has been increased to 2.9%, with unemployment now likely to average 4.2% this year.

The rate of inflation continued to ease last year and has continued to remain moderate in 2005, averaging 2.3% in the first half of 2005. This is the lowest rate of increase since 1999. In terms of EU comparisons, inflation in Ireland is now broadly in line with the euro average area. Interest rates are at a fifty year low and are unlikely to rise this year.

All available data suggests that the overall employment trend is upward. Figures provided by the ESRI highlight very strong employment growth last year at c. 3%, reflecting both a good overall performance by the economy and a concentration of growth in relatively labour-intensive sectors, such as construction services. This concentration of much of the employment growth in construction (c. 12.5%) raises a concern about future developments in the labour market. Job losses in manufacturing and agriculture have been offset by job gains in construction and so unemployment has remained low.

The overall assessment of the economy is favourable but as a small and open economy, the strength of Ireland's growth performance is closely linked to global economic conditions. For the rest of 2005 much will depend on developments in oil prices and exchange rates. World growth is expected to be solid but will become increasingly characterised by divergent performances in the main economies of the U.S. and Asia. Weak and uncertain growth is projected in the euro area while stronger growth is expected in the US and Asia.

2.0 Local Trends

2.1 Unemployment

Table 2.1.a shows the number of persons on the live register for Metropolitan Cork during the period 1996 - September 2005. In the time period from September 1996, when the Live Register was at its peak in Metropolitan Cork (22,257 persons), to March 2005 there has been a 56% decrease in the number of persons on the Live Register. The numbers of unemployed have been relatively stable since late 2003, and figures revealed from March 2005 to September 2005 seem to follow this trend.

Table 2.1. a Live Register 1996-2005 Metropolitan Cork

Month	Year	Persons on Live Register
December	1996	21,294
December	1997	18,526
December	1998	14,729
December	1999	11,317
December	2000	9,193
December	2001	10,743
December	2002	11,072
December	2003	10,754
March	2004	10,879
June	2004	10,875
September	2004	10,313
December	2004	9,451
March	2005	9,828
June	2005	10,289
September	2005	9,771

Between September 2004 and September 2005 the number of people on the Live Register in Metropolitan Cork decreased by 5.2% (542 persons) as indicated in Table 2.1 above. These compare well both regionally and nationally. During the same period there was a 4.6% (1,025 persons) decrease recorded in the Southwest Region and a 4.4% (7,131 persons) decrease nationally. The second quarter registered a 4.6% increase on Live Register Figures for the first quarter but the general downward trend of unemployment in Cork City Metropolitan Area continued in the third quarter.

Table 2.1.b Classification by age and sex of Live Register 2004-2005: Metropolitan Cork

	Met. Cork (Sept. 04)	Met. Cork (Sept. 05)	Met. Cork % Change	The State (Sept. 04)	The State (Sept. 05)	State % Change
MALE	6,209	6,130	-1.2%	92,629	90,179	-2.6%
under 25	1,103	1,112	+0.8%	17,589	17,510	-0.4%
over 25	5,616	5,018	-10.6%	75,040	72,669	-3.1%
FEMALE	4,230	3,641	-13.9%	67,837	63,156	-6.9%
under 25	929	838	-9.7%	14,203	13,104	-7.7%
over 25	3,175	2,803	-11.7%	53,634	50,052	-6.6%
TOTAL	10,439	9,771	-6.3%	160,466	153,335	-4.4%

Table 2.1.b gives a detailed breakdown of the overall Live Register figures from September 2004 - September 2005 by age and sex, comparing them to the national average in percentage terms. In the year leading to September 2005 the number of persons on the Live Register decreased nationally by 4.4%. The South West Region recorded a 4.6% decrease in numbers on the live register in the year leading to September 2005 while Metropolitan Cork recorded very encouraging figures of 6.3% decrease. Overall, there has been a drop in numbers on the Live Register of 7,131 persons nationally since September 2004. While all categories compare very favourably to both regional and national figures the breakdown of this overall decrease varies. In particular the numbers of females on the live register in the Metropolitan Cork area dropped significantly by over 13.9% compared to a 1.2% drop in figures for males.

2.2 Commercial Property

The retail market sector continues to be a lead performer in the Irish commercial property market. This is largely due to rental growth arising from high consumer spending and an influx of new international names. This national trend is also true of the Cork market with the continuing strong demand for retail space. Lisney's *Mid-Year Review 2005* highlights that various retail transactions have seen City Centre retail rents rise to in excess of €4,200 per sq.m. on St. Patrick's Street and €1,200 per sq.m on Oliver Plunkett Street. There is likely to be significant new city centre retail market activity over the coming years with the sale of the Thomas Crosbie Holdings premises on Academy Street and the development of the Guy's site on Cornmarket Street, which are both zoned for "Higher Order Retail" in the Cork City Development Plan 2004. Public realm improvements in the City Centre along with the completion of the main drainage scheme will add to the attractiveness of the City Centre as a retail location.

In the suburbs retail activity is similarly strong. Mahon Point shopping centre is open since February 2005, anchored by Debenhams and Tesco. It is fully subscribed and achieved rents in the order of €1,950 per sq.m. A substantial area of retail warehousing is also now open at Mahon Point. Mixed use development in Blackpool Valley are partially complete on the Polefield Site with a number of new retail warehousing units now open providing additional choice for shoppers in the City's north side. Woodie's D.I.Y. has relocated to a new 6,000 sq.m store on the Kinsale Road. Outside of the City, the new Fairgreen Shopping Centre has recently opened in Midleton anchored by Tesco and Heaton's while Ballincollig Shopping Centre, anchored by Dunnes Stores, has recently opened west of the City.

The Cork office sector has seen increased activity over the past number of years with a number of new developments now coming on stream. Lapp's Quay, a recently completed project in the City's Commercial Core Area, is achieving €4,850 per sq.m for upper floor office suites. Further tax designated office accommodation is currently under construction in Blackpool, most of which is already sold to owner occupiers at levels of €3,230 per sq.m.

There was little speculative new industrial development last year but to date in 2005, there are signs of increased interest in the industrial and warehouse market in Cork. There is particularly strong demand for smaller industrial units in Little Island.

On the hotel front in Cork there has been significant activity. The Clarion Hotel, a new 200-bed hotel is now open on Lapp's Quay, while Shandon Court is also undergoing refurbishment and expansion. A series of new hotels are planned at various locations in the City including Crosses Green, South Mall/Beasley Street and Mahon. Significant redevelopment works have commenced on the site of the former Jury's Hotel on Western Road while significant expansion works are currently ongoing at the Kingsley Hotel at the western City limits.

2.3 Housing

2.3.1 Local Authority Housing Construction

Table 2.3.1.a Local Authority Social Housing Construction & purchases in Cork City

Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Units	118	79	106	82	100	63	53	72	108	141	138	191

Figures available for the first three quarters of 2005 have registered a total of 191 Local Authority houses constructed including purchases (68 units). In addition, a total of 21 Affordable units were completed at Hollyhill Lane with a further 99 affordable units are under construction in 3 separate schemes at Casey's Land, Buckley's Field and Berlingford Drive. Table 2.3.1.b below shows Social Housing and Turnkey schemes that are currently in progress, totalling 610 units.

Table 2.3.1.b Social Housing & Turnkey Schemes in Progress

Scheme	No. of Units	Status	Type T= Turnkey NB= New Build
Berlingford Drive	42 (of 56)	Under Construction	T
Casey's Land	47 (of 100)	Under Construction	T
Turner's Cross	18	Recently commenced	NB
Borreenmanna Road	47	Recently commenced	T
Seminary Road	31	Recently commenced	T
Ringmahon House	16	Recently commenced	NB
Glen Infill / Regeneration 1	48	Under construction	NB
Shandon	35	Under Construction	NB
Mount St. Joseph's Phase II	30	Under Construction	T
Sunvalley Drive II	8	Under Construction	T
Glenfields, Ballyvolane	109	87 Units of 109 completed Dec. '04	T
Regina Mundi	39	Completed March 2005	T
Dyefield, Deerpark	29	Recently commenced	T
Knocknaheeny	45	Recently commenced	NB
Wherlands Lane	10	Recently commenced	T
Brothers of Charity	8	Recently commenced	T
Total	610		

There are five Social and Affordable schemes currently in the course of planning totalling 148 units. The largest of these schemes is at Susie's Field, Blackpool (105 units) which has recently received Part VIII approval. Other schemes at planning stage include a revised Mahon Infill scheme which includes 10 no. units at design stage and a further 17 no. units awaiting Part VIII advertisement. Part VIII approval has been received for a further 16 infill units and tenders are currently being invited for the schemes. Five Affordable Housing Schemes, totalling 147 units are at various stages of planning or construction.

2.3.2 Voluntary Housing Schemes

The following is the current status of Voluntary Housing Schemes in the third quarter of 2005. A total of 159 units are at various stages of planning and construction and are currently receiving funding from the Capital Assistance Scheme. The largest of these is the Respond! Scheme in the Blackpool flats (50 units) and Farranree Sheltered Housing (39 Units).

A further 58 units are being funded under the Capital Loan & Subsidy Schemes: the Cluid Housing Association schemes on Broad Lane, Blackpool (28 units) and the Respond! Voluntary Housing Association Scheme, Blackpool flats (12units). In addition a scheme by the Cluid Housing Association at 98 Gerald Griffin Street (18 no. units) is currently proceeding for approval from the DoEHLG.

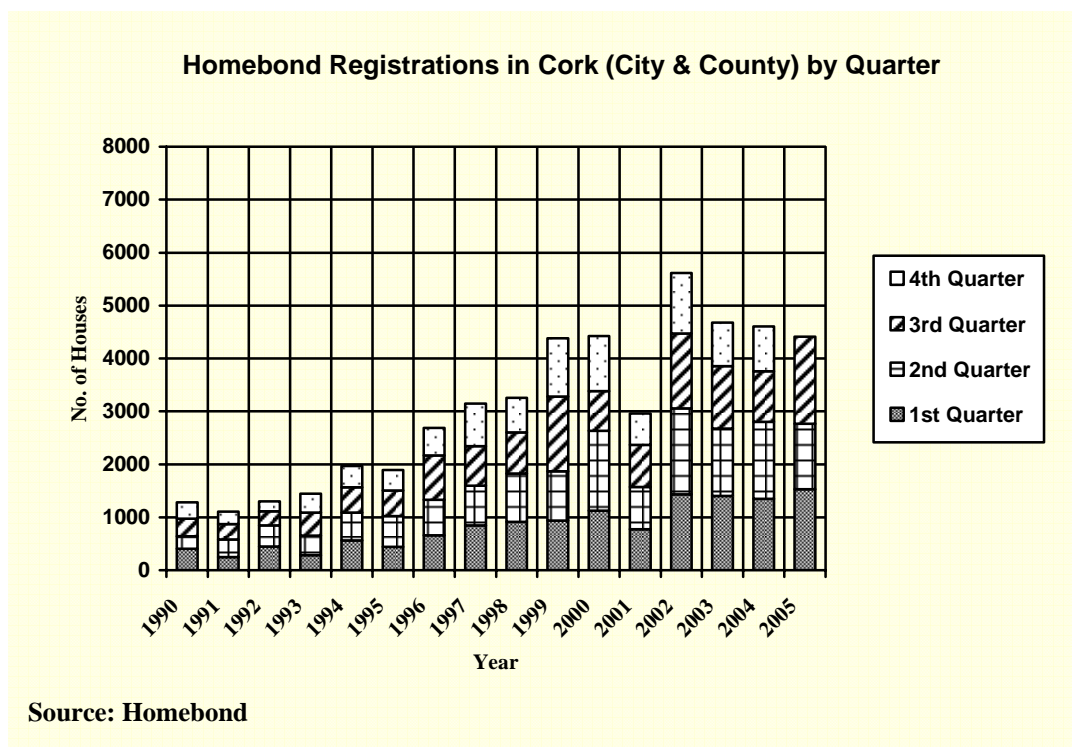
2.3.3 New House Registrations

This section details the number of new houses registered under a building guarantee product: Home Bond or Premier Guarantee (since 2002). 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 Housing Statistics available for Quarter 2, 2005 contains combined figures for Premier Guarantee and Homebond registrations in Cork City and County per quarter (separate figures for the City are not available). Total house registrations for the first half of the year amounts to 3,376. The first quarter totalled 1,916 registrations with figures slightly lower at 1,460 for the second quarter.

Figure 2.3 below shows Home Bond registrations for both Cork City and County since 1990. Figures for 2005 to date are significantly above 2004 figures. In the first three quarters of 2005 there were 4410 Home Bond house registrations in Cork. This represents a 14.8% increase on the same period in 2004. While there was a slight drop in figures for the second quarter the overall trend remains positive.

Figure 2.3.3 New House Registrations (Home Bond)



2.3.4 House Prices

The value of house prices nationally rose by just 4.4% in the first eight months of this year according to the latest edition of the *Permanent TSB House Price Index*. This rate of growth compares to 6.8% in the same period in 2004 and is the lowest rate of increase over the first eight

months of a year in 9 years. However, the average price paid by First Time Buyers rose by 7.6% over the eight months as more First Time Buyers purchased existing rather than new houses.

The Quarterly Housing Statistics Bulletin (No. 2, 2005) notes the ease in house price inflation nationally is reflective of the increase in housing supply that has occurred over the past number of years. House completions at 35,307 units within the State for the first 6 months of 2005 were down by -1.8%. Similarly, figures supplied recently for the first 8 months of 2005 show that, in line with expectations, the rate of increase in the number of house completions appears to have levelled off.

The residential market in Cork City continues to be buoyant and is predominantly fuelled by new sales. There is now an emerging trend by purchasers away from traditional housing types to duplex and apartment units.

Statistics issued from the Department of the Environment, Heritage and Local Government, illustrated in Tables 2.3.4 below, reflect the average new house prices (excluding apartments) from 2001 to the second quarter of 2005. The figures relate to cumulative City and County prices. The rate of growth of house prices since 2001 in Cork City was slightly higher (+52.6%) than the national average at +48.2%. The average price paid for new apartments in Cork has outstripped the average price paid for a new house by 4.7% (€280,245) in Quarter 2 of this year. This trend would be skewed by some exceptionally high transactions relating to specific high end units.

Table 2.3.4 Average New House Prices (Excluding Apartments)

Area (includes City & County data)	2001	2002	2003	2004	2005 2 nd Quarter	% Change Base year 2001
Cork	€175,372	€184,884	€210,733	€236,478	€267,631	+52.6 %
Dublin	€252,192	€259,381	€302,270	€343,059	€375,241	+48.7%
Galway	€171,578	€187,194	€222,578	€241,550	€283,660	+65.3%
Limerick	€154,515	€169,577	€193,854	€210,025	€222,734	+44.1 %
Waterford	€157,767	€169,681	€193,642	€217,788	€230,236	+45.9%
State	€182,863	€198,087	€220,573	€244,852	€270,944	+48.2%

Source: Housing Statistic Bulletin (June Quarter 2005), DoEHLG

2.3.5 Housing Units Granted

From January 2005 to September 2005 planning permission was granted for 188 apartments while 171 houses were granted in Cork City. Two further substantial applications are under appeal for the Water Street, Post Office Site and Eglinton Street which have a cumulative total of 521 apartment units. In the same period in 2004 permissions was granted for 701 apartments and 183 houses in the same period. Planning permissions for apartment development have outstripped those for houses over the last number of years and this trend is set to continue. An increase in the number of single person households, particularly in cities, along with the lack of available land for development has meant that new development is orientated towards higher densities.

2.4 Infrastructure

2.4.1 Capital of Culture Projects

The City Council is implementing a programme of capital projects with a focus on the City's designation as European Capital of Culture in 2005. Many of these projects relate to art, culture and tourism promotion while others relate to public infrastructure and community facilities. The programme represents a total capital investment of €196 million of which €67 million must come from the City Council's own resources. Some of the projects include:

(a) Lifetime Lab

Restoration of the old public waterworks buildings commenced in August 2004, and was officially opened on 14th October 2005. The project, at a total cost of €8.5 million, will be part funded by the European Free Trade Association (EFTA), City Council and U.C.C.

This project comprises five main elements;

- (1) Green electricity generated from the River Lee which supplies this project and also 60% of Cork City Council electricity accounts together with hydro-electricity.
- (2) A Visitor Centre, comprising a theatre and state of the art audio visual display, incorporating interactive display units which will showcase the themes of water, energy, nature and waste.
- (3) A Steam Centre and Industrial Heritage Centre - here the old steam plant has been refurbished and will be displayed to the general public. Other items of steam interest such as model steam engines will also be displayed.
- (4) Education Resource Centre - here the science theme for primary schools will be demonstrated in a laboratory setting to national schools in the Munster Region on a modular basis by a qualified science teacher in association with the Department of Education and Science.
- (5) Information Office - here all aspects of environmental information will be available to the general public, e.g. waste management, traffic, water quality etc.

It is also planned to construct a science based playground to facilitate families visiting the site. These facilities will receive accreditation from Forfás as a designated Discover Primary Science Centre. The discovery science programme will be hosted here later in 2005. A website www.lifetimelab.ie is now available provided details of the project.

(b) Writer / Artists in Residence

The former home of the late Taoiseach, Jack Lynch, at Shandon has been refurbished as a residence for visiting writers or artists who come to live in the City on a short-term basis. It is now open for use since early 2005.

(d) Artists Project House

No. 9 Chapel Street, Shandon was purchased by Cork City Council for use by the Cork Artists Collective as an artist's project space in which projects and residencies by artists will be developed. The building was purchased at a cost of €300,000 and plans are currently being developed for its refurbishment.

(e) Graffiti

The Theatre in Education company has been re-housed in the church area of the Foyer Building, previously the Assumption Convent in Blackpool. A direct contribution of €250,000 towards the refurbishment of the space has been made by Cork City Council.

(f) St. Luke's Church

The building is being leased by Cork City Council for the duration of 2005 as temporary accommodation for a number of projects during this year at an approximate cost, including temporary refurbishment, of €40,000.

(g) Festivals House

Cork City Council has leased an area in No. 15 Grand Parade in order to provide shared accommodation space to a number of festivals who are based in the building.

(h) Blackrock Castle

The restoration contract for the Castle is now complete at a cost of €1.6 million which includes a state of the art astronomical centre, research centre, visitor centre and restaurant. The fit-out of the restaurant is currently underway. Cork Institute of Technology's Physics Department is due to take up residence in November. Proposals for a public exhibition are currently under consideration.

2.4.2 Transportation Schemes

(a) Oliver Plunkett Street Redevelopment

The repaving of Oliver Plunkett Street and a number of adjacent streets is almost complete. Proposals to place traffic restrictions are currently under consideration.

(b) Shandon Street – Phase II

Works have commenced since mid-October on public realm improvements in Shandon Street.

(c) Water Street Bridge

Progression of the feasibility study for the Water Street Bridge is now at an advanced stage. The bridge will connect the North and South Docks and constitutes a significant part of the infrastructural improvements outlined in the *Docklands Development Strategy*.

(d) Kinsale Road Interchange

Works have commenced on site and the project is anticipated to be complete by spring 2007.

(e) Watercourse Road

Work commenced in late 2002 on the upgrading of the Watercourse Road, which consists of an Urban Landscaping and Traffic Management / Traffic Calming Scheme. This is at an advanced stage and is due for completion by the end of the year.

(f) Green Routes

First identified in CASP, green routes will be high-quality, high-profile public transportation routes into the City Centre, focused on the objective of moving large numbers of people instead of vehicles. Bus lanes and other measures will be implemented to improve priority for public transport, cyclists and pedestrians. Work is complete on the No. 6 and No. 8 routes with progress underway on remaining routes.

2.4.3 Water Schemes

(a) Cork Water Conservation Scheme

An ongoing active leakage control programme is in place as part of Phase I of the Scheme. Contract documents regarding Phase II have been sent to the Department of the Environment Heritage and Local Government and approval of the preliminary report is now awaited.

(b) Tivoli Industrial Estate Fire main

This scheme has been revised and contract documents have been prepared for Department of the Environment Heritage and Local Government approval.

(c) Strategic Water Plan

Consultants are currently finalising the Strategic Water Plan for Cork County Council's Southern Division and Cork City Council's area. A final report is expected by the end of the year.

(d) Docklands Redevelopment

€10 million has been allocated for Water and Drainage Schemes in the Docklands area under the *Water Services Investment Programme 2004 –2006*. A Feasibility Report has been prepared regarding water supply to the Docklands development area. The Report recommends short-term and long-term supply solutions for water supply to the Docklands. A brief for the appointment of Consultants is to be prepared.

(e) Lee Road Waterworks Improvement

An Bord Pleanála approved an Abstraction Order and formal approval of this is expected shortly. Funding is currently being sought from the Department of the Environment Heritage and Local Government for additional consultation under the public private partnership process. A scheme for the approval and funding of a stand-by generator to the Lee Road Waterworks has been submitted. This will now be addressed as part of the Lee Road Waterworks Improvement Scheme.

(f) Rising Mains

The DoEHLG has approved a preliminary report. A consultations brief for detailed design and construction is currently being prepared. This will be sent to the Department of the Environment Heritage and Local Government for approval.

(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.

2.4.4 Cork Main Drainage

The Cork Main Drainage Scheme, which commenced in 1997 and comprised of 21 contracts in all, is now completed.

All of the City's wastewater together with the Tramore Valley area of the County is now being treated. High quality treated water has been discharging through the treatment plant outfall pipe since the beginning of the year. The resultant improvement in water quality in the river and estuary is already evident and will continue to improve over the next few months.

2.4.5 Amenity Projects

(a) Link Point, Knocknaheeny

Cork City Council in association with City of Cork VEC proposes to construct a 'Link Point', a single storey complex incorporating meeting rooms, activity rooms and offices to cater for the youth in the Knocknaheeny area in the grounds of the Terence McSwiney College. The project is costed at €1.7 million, with the Department of Community, Rural and Gaeltacht Affairs through the Young Peoples Facilities and Services fund providing the majority of funding. The tender report has just been received in relation to the project.

(b) New City Archives

The new City Archives project, located at Great William O' Brien Street, Blackpool, was undertaken to replace the existing unsuitable archives facilities at Christ Church. The new centre will comply with current 2005 environmental standards required for protection of historical documents.

The contract is underway since 2004 and is due for completion by December 2005, with an area of 1085m² and at a cost of €3,325,000 when completed and ready for use.

(c) Banks of the Lee Project

Works on the Mardyke Bridge is complete, together with the path linking it with Mardyke Walk. Work has commenced on the path on the northern bank of the River Lee, which will connect the Mardyke Bridge to North Mall. It is estimated that this path will be completed in late October 2005. This work is being done in co-operation with University College Cork and Mercy University Hospital.

The path on the riverside adjacent to the Kingsley Hotel is being upgraded in conjunction with the development at the Kingsley Hotel and will shortly be open to the public. All works necessary to open this path to the public have been completed. Construction of a bridge to create access across the southern channel of the River Lee, to the east of the Kingsley Hotel, is on temporary hold until some land related matters are resolved.

(d) Library, Tory Top Road

A new library was completed in the summer of 2005 and is open to the public since the end of September. The library is a state of the art facility of 1,000 sq. metres approx.

(e) Bishopstown, Wilton Branch Library

The Library Council are providing funding for a branch library on site at the Tesco Shopping Centre Car Park. The contractor started works on site in July 2005 with a projected completion date for April 2006. The total cost of works for the structure, including internal furniture and books is €3,439,801.

(f) Mahon Park

Works inside the limits of the park have been largely completed. The park, including children's playground area, is currently open to the public from dawn to dusk.

(g) Glenamoy Lawn, Mayfield

Work inside the limits of the park has been completed with the exception of the installation of the “Multi Use Games Area” (MUGA) equipment which will be carried out in November. The park, including children’s playground area, is currently open to the public in daylight hours.

(h) Churchfield Swimming Pool

Work on the construction of a new swimming Pool in Churchfield is complete. The facility is open to the public, under the management of Leisureworld.

Schemes are currently being developed in the following areas:

(a) Fitzgerald’s Park

A new commemorative garden was constructed next to the Blind Garden. This project was carried out in conjunction with Scoil Daibhéid, South Terrace. The Rose garden has been completely replanted with new varieties in a new design layout.

(b) Popham’s Park

Upgrading works are being carried out in this public park, including installation of perimeter fencing and resurfacing of existing pathways. Proposed works include the provision of a further perimeter path network, the installation of a children’s playground and a “Multi Use Games Area” (MUGA).

(c) Kilmore Road Park

A local park is currently being created on Kilmore Road with the provision of a children’s playground and a perimeter path network. The perimeter railing is to be renewed and improved access to the park constructed. Work has commenced and is ongoing since October 2005.

2.4.6 Cork Suburban Rail Project

The Cork Suburban Rail Project is a central element of the transport proposals outlined in the Cork Area Strategic Plan. CASP envisages that:

“there will be a major growth corridor in the northern and eastern part of the metropolitan area between Blarney and Midleton....the location for the development must be close to the existing rail system in order to avoid the traffic gridlock that would occur if a simple roll out of the City were to be adopted as a policy...Central to this strategy is the upgrading and better utilisation of the rail system and the location of development to avail of the rail infrastructure”

The project will consist of works and the provision of rolling stock associated with:

- Re-opening of and operation of suburban services on the Cork to Midleton Line
- 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 the re-opening of Blackpool (Kilbarry) Rail Station and the redevelopment of Kent Station.

A Railway Project Steering Group has been set up with representatives from the Local Authority, Iarnrod Eireann and The Department of Transport and a Design Team put in place to commence the project. A Draft Local Area Plan is being considered by Council for the North Docks Area of

the city, which includes Kent Station. The City Council has prepared a development Brief for the rail station site at Blackpool (Kilbarry) and is working with Iarnrod Eireann and property owners to pursue the development of a station at this location. Cork County Council has adopted Special Local Area Plans for the lands surrounding the proposed stations at Blarney, Monard/ Rathpeacon, Carrigtwohill, Midleton. A Railway Works Order, to facilitate the necessary engineering and development works, is currently being prepared by Iarnrod Eireann for Phase 1 of the Project.

Cork City Council and Cork County Council have put in place Supplementary Development Contributions Schemes to help fund the Cork Suburban Rail Project which will apply to development proposals in the vicinity of the rail line.

3.0 Urban Renewal

3.1 City Regeneration Projects

Funding for City Regeneration was received under the Urban and Village Renewal Measure of the *National Development Plan* and is being delivered up to 2006. It is mainly focused on the implementation of Phase 3 of the *Historic Centre Action Plan* in the areas outside the city centre's medieval core and the regeneration of St. Patrick's Street. There are a number of projects being funded under the City Regeneration Project. These are at various stages of completion, details of which are contained under the infrastructural section of the Monitor. They include:

- (a) Shandon Cemeteries Refurbishment
- (b) Banks of the Lee Project
- (c) Red Abbey Refurbishment
- (d) St Patrick's Street Renovation
- (e) Shandon Street Renovation
- (f) Historic Laneways
- (g) South Parish/Barrack Street

3.2 Cork Docklands Development

A draft Local Area Plan for the North Docks area was presented to Council in early October following initial consultation and is currently being accordingly amended. The City Council will shortly appoint consultants to prepare a Local Area Plan for the South Docks area. This Plan will also incorporate an Infrastructure Strategy and a Landscape and Public Realm Strategy and will amplify and develop the existing planning framework, development policies and objectives contained in the *Cork Docklands Development Strategy 2001* and the *Cork City Development Plan 2004* and other relevant policies and material. In addition, the preparation of the Local Area Plan will involve consultation with key stakeholders and will act as a focus for moving the development of the area forward by providing clear guidance for the development and implementation of the agreed development strategy.

1. A number of recently permitted developments in the Docklands area include the following:
 - (a) Permission granted to Werda Ltd. for a mixed use residential and commercial development on a strategic Docklands site fronting onto the River Lee and bounded by Lower Glanmire Road and Water Street is currently under appeal.
 - (b) Permission granted to Mc Carthy Developments for the construction of a 10,000 sq.m building at the former Goldcrop property to the rear of Centre Park House for business and technology use.
 - (c) There is a current application on the Nat Ross site for a multi-use development including 104 residential units, 3,567 sq.m of business and technology uses, a crèche and basement parking.
2. The City Council is actively engaged in pre-planning discussions regarding the development of Kent Station for mixed use residential/commercial scheme.
3. The Port of Cork recently announced the commencement of pre-planning work for a transfer of its activities to its Ringaskiddy land bank, which should be a prime enabling factor in the redevelopment of the Docklands area.
4. The Docklands Office has recently appointed consultants to prepare a study into the issue of possible land contamination and the development implications of same.

5. A surface Water Run-off Study has been undertaken by Consultants for Cork City Council and it is also intended to commission a Tidal/Coastal Protection Study in conjunction with the O.P.W. and Cork County Council.

3.3 1999 Urban Renewal Scheme

The principle objective of the Blackpool / Shandon Integrated Area Plan is to bring about the rejuvenation of the area through a series of interrelated projects; both public and private. The application of tax incentives is a central tenet of the IAP's strategy of implementation. The Blackpool / Shandon Urban Renewal Scheme 1999 – 2004 (now extended to 2006), based on the Integrated Area Plan, offers tax incentives for both residential and commercial development in seven sub-areas within the IAP area covering almost 30 hectares. In addition, incentives are available to owner-occupiers throughout the IAP area for the refurbishment of houses constructed before 1920. In accordance with the details announced in the Budget 2004, the deadline for qualification for tax incentives under the urban renewal Scheme 1999 has been extended from 31st December 2004 to 31st July 2006. This extension applies to all commercial, industrial and residential projects and applies where 15% of expenditure has been certified by the Local Authority to have been incurred on such projects by 30th June 2003.

The IAP has brought a focus to the redevelopment of the Blackpool/Shandon area that has been beneficial in helping source resources for and ultimately deliver the varied range of projects that have been completed, or are still underway, in the area. The changes made in terms of the tax incentives available in the IAP area added considerable momentum to the physical development of the area.

We are beginning to see signs of rejuvenation in the wider area as a result of the successes of the Integrated Area Plan. Many of the derelict and under utilised sites along Carroll's Quay, Thomas Davis Street and the Watercourse Road have been, or are in the process of being, redeveloped. The image of the area as an unattractive area for investment has been turned around. Traffic congestion has been effectively tackled while the Shandon area is currently undergoing a transformation through the actions of the Shandon Action Plan, which compliments the objectives of the IAP.

The vast majority of applications under the tax incentive scheme have been residential investors. The bulk of residential units have yet to come on stream. These include apartment developments and a number of town house schemes which will be attractive to a wide range of household types. Some schemes, due to difficulties at the planning stage, are likely to have difficulty in meeting the 31st July 2006 deadline for completion of projects.

The primary function of the Blackpool / Shandon area is and will continue to be as a housing area. This function has been reinforced by the completion of the bypass and the development of a significant number of new residential schemes in the established housing areas along Watercourse Road and Thomas Davis Street. In contrast, the northern areas of the IAP area have seen substantial commercial, retail and industrial development over the past four years, helping re-establish the Blackpool Valley's commercial importance on the northside of the city. It is the intention of the City Council to consolidate such positive developments.

Progress to date is highlighted in the following tables:

PROGRESS TO DATE

	September 2005
No. of Applications	77
No. Awaiting Certification	6
No. of Preliminary Certificates	32
No. of Full Certificates	27

No. Applications Refused	9
No. of Invalid Applications	3
Total	77

STATUS OF DEVELOPMENT

	Sept '05 (valid apps)*	Est. Cost (€)
No. of Developments in Planning	4	66,740,787
No. of Developments with Work in Progress	21	156,698,497
No. of Developments Completed	40	53,855,512
Total	65	277,294,796

NO OF RESIDENTIAL UNITS

No. of Residential Units	In Planning	Work in Progress	Completed	Total
Houses / Apartments	274	365	186	825

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

3.4 Living Over The Shop Scheme 2000-2004

This scheme aims at promoting the rehabilitation of buildings and increasing the supply of residential units within the City Centre. The emphasis is on refurbishment rather than demolition. Tax incentives for the refurbishment of vacant upper floors above business premises for residential use are available in the streets outlined below. The Streets designated under the Living Over The Shop Scheme are as follows: Cornmarket Street (Coal Quay), Castle Street, North Main Street, Washington Street (part of), Oliver Plunkett Street, Barrack Street, Marlborough Street, Parnell Place, Douglas Street, George's Quay, Shandon Street, Leitrim Street, MacCurtain Street, Bridge Street and Great William O'Brien Street (Blackpool Bridge End).

The Living Over The Shop (LOTS) Scheme has been extended to the 31st of July 2006. With a full planning application having to be submitted to the City Council prior to the 31st of December 2004 in order for projects to qualify for this extension, the last 2 weeks in December saw a rush of planning applications related to LOTS projects. Many of these applicants have submitted LOTS applications in conjunction with their planning applications. Yet as the deadline criteria only refer to submitting a planning application, a number have yet to submit a LOTS application and are therefore not included in the figures given below. It also likely that there are a number of developments eligible to qualify for LOTS which we are not yet aware of and may submit a LOTS application in the near future. Therefore, although the deadline for inclusion in the Scheme has closed, the figures given below do not represent the final totals as they are based only on LOTS applications received. With a mid-2006 termination date for the completion of construction, most of the LOTS projects are underway or in the final stages of planning.

The City Council is satisfied that the Living Over the Shop scheme has been moderately successful within the objectives set for it and has delivered value for money. The scheme has acted as a catalyst for the refurbishment and conversion of unused accommodation for residential use and has also contributed to efforts to create a more vibrant, secure and enjoyable city environment. Our experiences during the current Living Over the Shop Scheme and over the past 8 years have provided a template to follow in addressing city centre problems and contributed to creating the integrated partnership mechanisms needed to succeed.

Progress to date is highlighted in the following tables:

PROGRESS TO DATE **September 2005**

No. of Applications	38
No. of Preliminary Certificates	14
No. of Full Certificates	16
No. Awaiting Certification	5
Applications Refused / withdrawn	3
Total	38

<u>STATUS OF DEVELOPMENT</u>	Sept '05 (valid Apps)*	Est. Cost (€)
No. of Developments in Planning	5	€3,672,015
No. of Developments with Work in Progress	11	€1,998,146
No. of Developments Completed	19	€12,856,952
Total	35	€28,527,113

NO OF RESIDENTIAL UNITS

No. of Residential Units	Proposed	Completed	Total
Apartments	76	60	136
Total	76	60	136

* 2 applications were refused with 1 withdrawn

3.5 RAPID

Under the National Development Plan there is a specific commitment to target investment expenditure in forty-five of the most disadvantaged areas in the country. The ***Programme to Re-Vitalise Areas by Planning Investment and Development*** (the RAPID Programme) sets out the forty five areas and how the programme is to be implemented up to 2006.

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, is moving forward and is now operational in four areas. They are:

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

The RAPID Programme is being co-ordinated by the City Council's Directorate of Community and Enterprise and a co-ordinator has been appointed for each area. Area Implementation Teams (AIT) represent statutory agencies and communities. The plans allow for improved investment in

services through the ability of all partner agencies in the state sector to draw down additional resources via the appropriate government departments.

As the programme has progressed, the Government is giving it increased prioritisation through extensive funding in the development and implementation of their programmes, specifically the Department of the Education and the Department of Arts, Tourism & Sport. The lead Department for the RAPID Programme, the Dept. of Community Rural and Gaeltacht Affairs has established a Leveraged fund. With this fund, they have worked in conjunction with other Departments such as the Department of Environment, Heritage & Local Government and the Dept. of Health & Children. In 2005 there have already been a number of developments which have strengthened the role of the AITs. This has resulted in schemes for playgrounds, local authority enhancement works, and discrete community facility works and sports capital grant top-ups.

3.6 Promoting Development

In addition to activities in the area of urban renewal, the City Council is pro-actively engaged in promoting development in areas suffering from dereliction that require a catalyst for change, and also in providing development guidance for areas of the city that are either strategic development sites or under intense development pressure. Development guidance is supplementary to the objectives contained in the *City Development Plan 2004*, and either takes the form of local area plans or development briefs. In addition to the preparation of site development briefs, the City Council also uses its powers under the Derelict Sites Act to tackle dereliction.

3.6.1 Local Area Plans

The City Council prepares both statutory Local Area Plans and non-statutory Area Action Plans. Area Action Plans look at smaller areas of the city in a greater degree of detail, and are prepared where the City Council will take a lead key role in delivering a specific set of actions (e.g. involving major public realm works) and promoting development.

The City Council is currently in the process of preparing two Local Area Plans for the North Docks and the South Docks areas of the city, which are both strategic development sites of national and regional significance. The Cornmarket Street Area Action Plan was adopted in May 2005, and implementation is currently being progressed. A Draft Area Action Plan has also been prepared for Blackrock Village and a period of public consultation is being undertaken at present. Other plans are programmed for work once these plans have been completed, including local area plans for the South Parish and Leirim Street / Coburg Street areas of the city centre.

3.6.2 North Docks LAP

The Planning Policy Section has prepared a draft Local Area Plan for the North Docks area, which builds upon the objectives adopted in both the *Cork Plan 2004* and the *Docklands Development Strategy, 2001*. The plan sets out an ambitious strategy for the delivery of:

- A redeveloped Kent Station and new Station Square;
- A new sustainable residential neighbourhood extending from Station Square to Castleview Terrace, incorporating good local services and public amenities;
- An improved and developed Lower Glanmire Road, including two-way traffic;
- An extension of the City Centre into the Alfred Street / Penrose Quay area.

The statutory consultation on the draft plan was held in the summer of 2005, and the Draft Plan was put to Council in early October 2005. Amendments are currently going through a public consultation process.

3.6.3 Cornmarket Street Action Plan

The City Council adopted the *Cornmarket Street Area Action Plan* for the Cornmarket Street area of the City Centre in May 2005, following consultation with key external stakeholders in the area. The document sets out a strategy for the development and improvement of the area, including:

- the expansion of city centre retail uses onto the street;
- the maximisation of the potential of the street market so that it becomes an asset to the area and generator of increased activity in the area;
- the transformation of the public realm, improvement of the pedestrian domain, and a new traffic management regime compatible with the expansion of the retail core onto the street; and
- the development of strategically important sites and infill sites in the area.

The City Council held a Design “Ideas” Competition for the “flagship” Kyril’s Quay group of sites in February 2005, the results being announced in April 2005. The competition was a great success, with 80 entries from Irish designers, as well as a significant number of entries from other European countries. The competition generated significant interest in developing this group of sites with a 200 metre frontage onto the river, as well as fresh perspectives on the site possibilities and how it could be developed.

The City Council Implementation Team will progress the implementation of the projects outlined in the plan’s Implementation Strategy, including the development of the Kyril’s Quay group of sites.

3.6.4 Blackrock Village Area Action Plan

A consultation draft of the area action plan has been prepared for Blackrock Village, with the aim of promoting the regeneration of the village centre through the development and improvement of Blackrock Harbour and new Blackrock Park as a focal point for the centre of the village. Major projects will include the redevelopment of the Harbour area, the new Blackrock Park, and the new Blackrock Castle / Harbour Walkway. The plan will include an implementation strategy to identify how the plan will be delivered. The Area Action Plan has gone to the City Council and was approved in principle to be referred for public consultation. A six week public consultation period will take place up to 2nd December 2005 and will include an Open Day for the public held in a local venue on the 21st November between 12 noon – 8pm.

3.6.5 Development Briefs

A series of Development briefs have been prepared for sites with development potential in the city. Briefs are completed or are in preparation for the Saint Patrick’s Street/ Academy Street group of sites, the Kilbarry Railway Station site, the Sunbeam site in the Blackpool valley, the North Distillery Site, the An Post site on Eglinton Street, and Water Street. Briefs will be prepared for the Saint Patrick’s Quay group of sites, and others, in response to development pressure. Building on the objectives outlined in the *City Plan 2004*, the briefs outline the opportunities and constraints that are relevant to each particular site and examine the potential new uses that would be acceptable. Issues such as building design principles, movement and accessibility, parking, and public realm design are also considered in the briefs.

3.6.6 Derelict Sites

Where necessary the City Council takes action under the Derelict Sites Act 1990, by placing properties on the Derelict Sites Register or by progressing compulsory acquisition of the property, proactively seeking the development of derelict sites in the City. The Planning Department prepares development briefs for identified derelict sites outlining appropriate planning objectives for each site. In some cases title problems which can hold up the development of a property for

years, can be resolved by using the compulsory acquisition procedures under the Derelict Sites Act, which provides a fee simple interest in the property to the local authority.

There are a number of current developments of interest:

Derelict sites recently redeveloped with the aid of the City Council include an apartment block development at the former Glen Hall, Blackpool; the Clarion Hotel and office buildings at Lapps Quay; a mixed use development at No.s 13-16 Blarney Street. Other developments include a mixed use development at Copley Street and properties at No. 19 James Street, No. 26 Commons Road and No. 1 Sullivan's Quay.

Progress is underway on a series compulsorily acquired sites at No.s 138-140 Lower Glanmire Road, at John Philpott Curran Street/Easons Avenue/Cathedral, at Parnell Street/Beasley Street/South Mall which is to be developed under licence from Cork City Council (a planning application has been submitted for hotel development), at 20-21 Thomas Davies Street and at No.s 67-68 Shandon Street, No. 11 Lancaster Quay, No. 20 Connaught Place and No. 10 O'Connell Street.

Other sites currently being developed on the Derelict Site's Register include a site at the former Maxol Garage, Old Youghal Road and a site at the old Mill building at No.s 4-5 Fr. Matthew Quay is in the process of development. In addition, progress has been made on a number of smaller properties, which can make a major difference to the respective streetscapes. There have also been a sizeable number of properties acquired and redeveloped by our own Housing Department. A number of City Council Departments are currently co-operating in finalising an improved *Derelict Sites Database* to help track the progress being made on sites throughout the City.

4.0 Overall Prospects

The prospects for the domestic economy remain broadly positive as reflected by economic indicators for the first three quarters of 2005. Ireland's manufacturing-led growth, the template of the 1990s, has given way to a services and construction based expansion, with domestic demand the main driver, specifically personal consumption. Spending by the latter has picked up strongly, underpinned by buoyant employment growth (77,000 jobs created this year to the first quarter), strong wage growth (5% - 6% range), moderate consumer price inflation and interest rates at a fifty year low.

According to recent conservative Central Bank estimates projected growth for 2005, as measured by GDP, is set to rise by 4.25%. These projections are dampened by weak export growth, in turn reflecting the malaise affecting the manufacturing sector. Inflation has remained around the EU norm despite the strength of spending, and prices are stagnant or falling in the High Street, implying that competition has been enhanced with the influx of foreign retailers. The number of people in employment in Ireland grew strongly with a record 1.9 million people now working in the State. These positive factors have been accompanied by healthy government finances.

The rate of economic growth is an important signal of competitiveness. According to a recent report by the *National Competitiveness Council* (August 2005), this criterion places Ireland as one of the most competitive economies in the developed world. While Ireland's economic performance has been strong a number of challenges are evident for the future. While recent employment gains have been impressive, the fact that they have been so heavily concentrated in one sector (construction) raises questions of sustainability. Externally, global imbalances remain a large threat to the world economy and potentially much more so than oil prices.

The continued positive economic climate in Cork City provides confidence in aiding the overall expansion of Cork and its wider Metropolitan area as a national "gateway". The city has a number of fundamental strengths and opportunities including a highly skilled workforce, excellent education facilities and a well balanced economy. Modern manufacturing is well represented, including the NMRC (now part of the Tyndall National Institute), one of the most advanced Information and Communication Technology Centres in Europe with unrivalled research capabilities. The physical upgrading of the City Centre has contributed to the attractiveness of the city as a place to live, work and visit. As the City approaches the latter stages of its role as European City of Culture, it can reflect on continued ways to promote these positive attributes on the global stage.