

**CORK  
ECONOMIC  
MONITOR**



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## 1.0 National Trends

After a decade of sustained growth, Ireland in 2004 boasts higher numbers in employment than at any time since the foundation of the State and enjoys living standards, as measured by gross domestic product (GDP) and gross national product (GNP) per capita, which exceed the European Union (UN) average. Government indebtedness has been reduced from the highs of the 1980's and now ranks second lowest in the euro-zone. The economy proved resilient through the global downturn in 2001-2003 and continued to grow, albeit more slowly than during the late 1990's.

Figures published by the Central Statistics Office (CSO) reveal that construction employment increased by 4.3% year on year to July 2004, and that industrial employment decreased by 6,300 (2.5%) in the twelve months to June 2004. The volume of total exports, including both merchandise and service exports, increased by 5.7% in the first six months of 2004, relative to the same period in 2003. According to CSO figures, in the first half of 2004, there were 2,974,000 overseas visitors to Ireland an increase of 5.4% for the same period in 2003.

The main risks for the economy at the current juncture relate to uncertainties surrounding the global recovery and the ability of the Irish economy to benefit from this recovery in the light of the Irish economy's weaker competitive position. The ESRI<sup>1</sup> forecast for inflation for the decade is around 3% per annum. A predicted increase in interest rates will lead to a reduction in the demand for owner occupied housing (especially second homes) and construction activity, this increase in interest rates will also lower the rate in consumer demand. The Irish economy is especially sensitive to interest rates. Low interest rates are a major reason why the Irish economy is growing so much faster than the EU average at present, but the effect will also work the other way, once EU interest rates start to rise.

However, on the basis of a favourable international recovery the ESRI forecast predicts that the prospects for the Irish economy are positive. Unemployment rate is expected to decline moderately, the building sector is projected to have modest growth in output until 2010 but declining employment as productivity rises. All of the employment growth is expected to come from the service sector. The ESRI expect there will be continued employment growth in high technology industry, albeit at a slower rate than in the 1990's, whilst a decline is projected in Manufacturing employment and in "traditional" industry.

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<sup>1</sup> Economic and Social Research Institute (ESRI), *Medium-Term Review 2003-2010*.

## 2.0 Local Trends

### 2.1 Unemployment

Table 2.1 shows the number of persons on the live register for Metropolitan Cork from December 1996-September 2004. In the time period from December 1996, when the Live Register was at its peak in Metropolitan Cork (22,257 persons), to September 2004 there has been a 53.6 per cent decrease in the number of persons on the Live Register<sup>2</sup>.

**Table 2.1. Live Register 1996-2003 Metropolitan Cork**

Month	Year	Persons on Live Register
December	1996	21,294
December	1997	18,526
September	1998	15,924
December	1998	14,729
December	1999	11,317
December	2000	9,193
December	2001	10,743
December	2002	11,072
<b>March</b>	<b>2003</b>	<b>11,445</b>
<b>June</b>	<b>2003</b>	<b>12,194</b>
<b>September</b>	<b>2003</b>	<b>11,245</b>
<b>December</b>	<b>2003</b>	<b>10,754</b>
<b>March</b>	<b>2004</b>	<b>10,589</b>
<b>June</b>	<b>2004</b>	<b>10,875</b>
<b>September</b>	<b>2004</b>	<b>10,313</b>

Between September 2003 and September 2004 the number of people on the Live Register in Metropolitan Cork **decreased** by 8.28 per cent (932 persons). This compares well both regionally and nationally. During the same period there was a 5.6 per cent (1,304 persons) **decrease** recorded in the South West Region and a 6.06 per cent (10,356 persons) **decrease** nationally. The number of males on the live register in the Metropolitan Cork area dropped significantly, with a 16.1 per cent reduction in males under 25 years listed compared to 7.7 per cent reduction in the numbers of males under 25 listed nationally.

**Table 2.2 Classification by age and sex of Live Register 2003-2004: Metropolitan Cork**

	Met. Cork (Sept. 03)	Met. Cork (Sept. 04)	Met. Cork per cent Change	Per cent Change State (Sept. 03-Sept. 04)
<b>MALE</b>	<b>6,930</b>	<b>6,209</b>	<b>-10.4 per cent</b>	<b>-6.2 per cent</b>
under 25	1,314	1,103	-16.1 per cent	-7.7 per cent
over 25	5,616	5,106	-9.1 per cent	-5.9 per cent
<b>FEMALE</b>	<b>4,315</b>	<b>4,230</b>	<b>-1.9 per cent</b>	<b>-5.9 per cent</b>
under 25	994	929	-6.5 per cent	-5.9 per cent
over 25	3,321	3,175	-4.4 per cent	-5.9 per cent
<b>TOTAL</b>	<b>11,245</b>	<b>10,439</b>	<b>-7.1 per cent</b>	<b>-6.06 per cent</b>

<sup>2</sup> Note that the Live Register is not designed to measure unemployment.

## 2.1 Commercial Property

The retail market sector continues to be a lead performer in the Irish commercial property market. This is also true of the Cork market with the continuing strong demand for retail space. Various retail transactions have seen City Centre retail rents rise to in excess of €4,000 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 and ensure there continues to be strong demand for City Centre retail space during 2004.

In the suburbs retail activity is similarly strong. Each of the three district centres on the southside of the City are earmarked for major development. Development at Mahon Point is due to be opened in Spring. Extra retail space has been provided at Wilton Shopping centre with its newly opened extension. Planning permission has been granted for a major extension of Douglas Village Shopping centre, which will provide extra retail space. Outside of the City, Eastgate continues to develop and the recent commencement of construction at the new Ballincollig Town Centre expected to open in October 2005 has further strengthened the suburban retail market. Blackpool Valley will also see significant increase in retail activity develop on the northside of the City by late 2004 / early 2005, with the Polefield retail development due to be opened late 2004.

The future of Cork's office market is set to change dramatically with the construction of a number of new office developments. Offices at No.5 Lapps Quay and 11 Angelsea Street were completed and sold in 2003 and early 2004. The development of the City Quarter at Lapps Quay and development at Lavitt's Quay are both well underway and will help bring approximately 18,500 sq. m. of new City Centre office space on stream by 2005. The combination of low interest rates and a positive perception of the Docklands has resulted on an average purchasing price of €4,300 per sq.m for office space in the City Quarter. The provision of these new office spaces is expected to result in a period of transition for Cork's office space, with existing business' looking to expand their premises now purchasing new office space in the City Quarter. This period of transition is already evident with some signs of movement or renovation visible on The South Mall. The provision of extra office space will have a ripple effect on office accommodation throughout the city.

The existing oversupply of industrial units in the Cork Metropolitan Area continued to diminish throughout 2004 and demand for smaller industrial units remained strong.

On the hotel front in Cork there has been significant activity. A new 200-bed hotel is currently under construction on Lapp's Quay, while Shandon Court is also undergoing refurbishment and expansion. A new hotel will also be completed as part of the Mahon Point project. Jury's Hotel and the Kingsley Hotel have both announced plans for the expansion of their hotels in the City.

## 2.3 Housing

### 2.3.1 Local Authority Housing Construction

**Table 2.3 Local Authority Social Housing Construction in Cork City**

Year	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Units	36	39	118	79	106	82	100	63	53	72	108	141

In 2003 a total of 141 Social units were completed and in addition 21 Affordable units were completed. Table 2.4 below shows Social Housing schemes that are currently in progress, totalling 54 units. In addition to these schemes a number of "turnkey" schemes are currently under construction see Table 2.5.

**Table 2.4 Social Housing Schemes in Progress**

Scheme	Number of Units	Estimated Completion Date
21 Chapel Street & 1 John Philpott Curran Street 2	2	Oct 2004
5+ 6 Ballymacthomas	4	Oct 2004
Glen Infill / Regeneration 1	48	Oct 2004
	<b>Total 54</b>	

**Table 2.5 Turnkey Social Housing Schemes in Progress**

Scheme	Number of Units	Stage of Construction
Shandon	34	Works Commenced Oct 2004
Mount St. Joseph's Phase II	30	Work Commenced April 2003
Sunvalley Drive II	8	Work Commenced
Glenfields, Ballyvolane	109	Work On-going
Willowbank Phase II	52	Completed September 2004
Casey's Land	100	Work On-going
Regina Mundi	39	Work On-going
Berlingford Drive	56	Work On-going
	<b>Total 428</b>	

There are ten Social and Affordable schemes currently in the course of planning totalling 328 units. The largest of these schemes are at Susie's Field, Blackpool (110 units) which is currently being advertised as a Part VIII, other schemes advertised as a Part VIII include the Boreenanagh Road (50 units), Deerpark (32 units) and Seminary Road (33 units). A Part VIII has been approved and proposals are currently being invited for the scheme at Ringmahon House (16 Units). The proposed scheme at Turners Cross (18 Units) has been advertised for tenders and finally a revised scheme is being designed for the Mahon Infill II scheme (10 Units).

Five Affordable housing schemes, totalling 147 units are at various stages of planning or construction.

## 2.3.2 Voluntary Housing Schemes

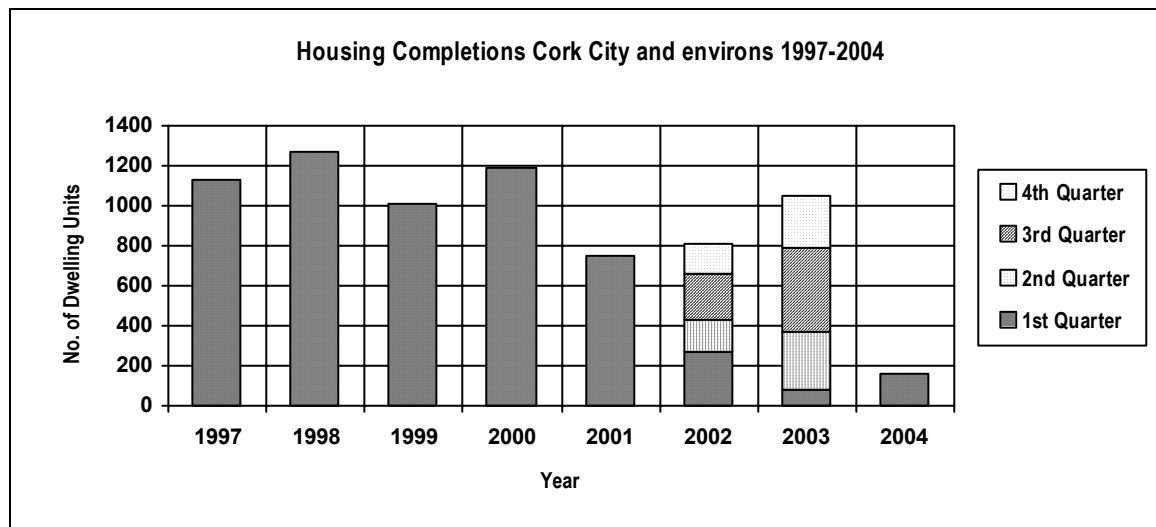
In 2003 41 voluntary units were completed. There are a number of schemes being funded under the Capital Assistance Scheme. The largest of these are the Respond! Scheme in the Blackpool flats (50 units) and the Farranree Sheltered Housing (39 Units), Bishopstown Park (25 units) In addition a housing scheme at 28/29 Dublin Street (12 Units) is currently proceeding for approval from the DoEHLG and a housing scheme at Shandon (14 units) is at a similar stage.

A total of 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 is currently proceeding for approval from the DoEHLG.

At 28<sup>th</sup> September 2004, the housing stock for rental purposes totalled 7,800 units of accommodation of them 319 dwellings were deemed to be vacant for a number of reasons. The total number of applicants on the housing waiting list as at 30<sup>th</sup> June 2004 was 4,363, up from 2,880 in June 2003. Approximately 85 per cent are single-adult households (36 per cent single parents with children, 49 per cent single applicants).

## 2.3.3 House Completion Statistics

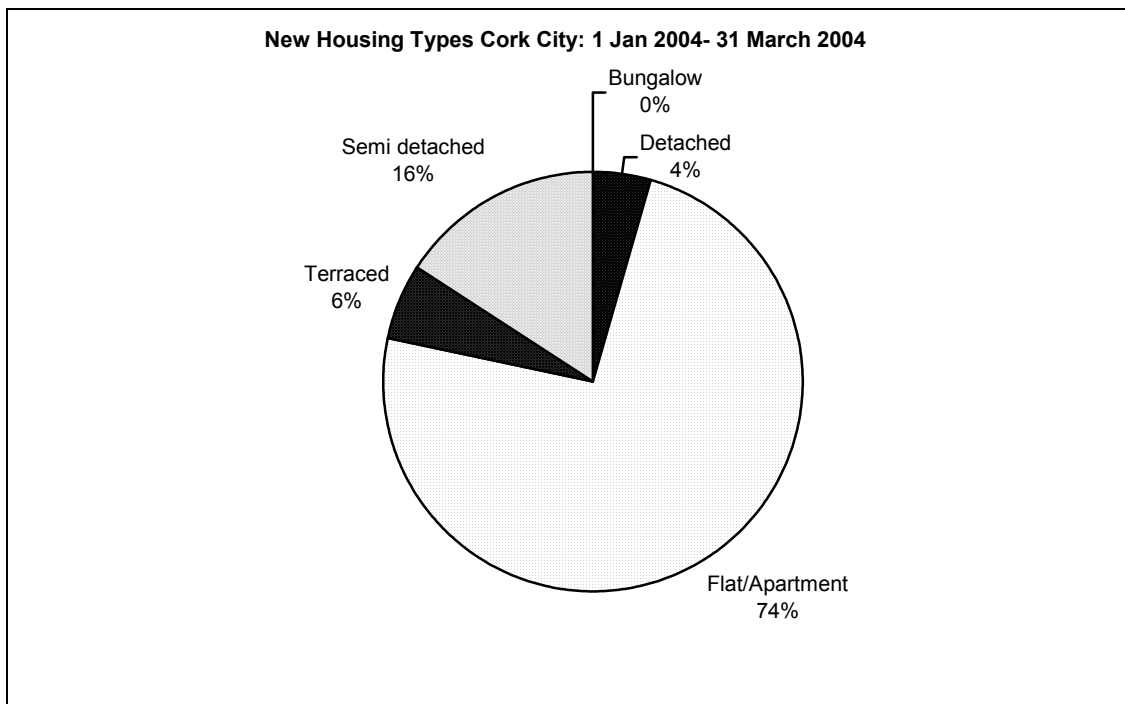
Figure 2.1 Total House Completions in Cork City and Environs 1997- 2003



Source: DoEHLG, Press Release 2004

Housing completions (including apartments) peaked in the City in 1998 reaching 1,266. In 2002 a total of 812 housing units were completed. 2003 saw an increase on this figure with 1,053 houses being completed, after a slow first quarter the number of completions picked up considerably throughout the remainder of 2003. The number of completions for the first quarter of 2004 has almost doubled the 2003 figure

**Figure 2.2 New Housing Types in Cork City Jan 2004 – March 2004**



Source: DoEHLG, Housing Statistics Bulletin

In line with current trends in the other major cities, housing construction in Cork City is dominated by the construction of new apartments. Statistics from the Department of the Environment, Heritage and Local Government illustrates that 74 per cent of housing units completed in Cork City during the first quarter of this year were apartments reflecting the increase in the number of small households. This compares with 85 per cent in Dublin, 34 per cent in Galway, 38 per cent in Limerick and 33 per cent in Waterford. Apartment developments have made a significant contribution to the regeneration of many inner city areas, rejuvenating run down derelict sites and attracting new populations into city centres.

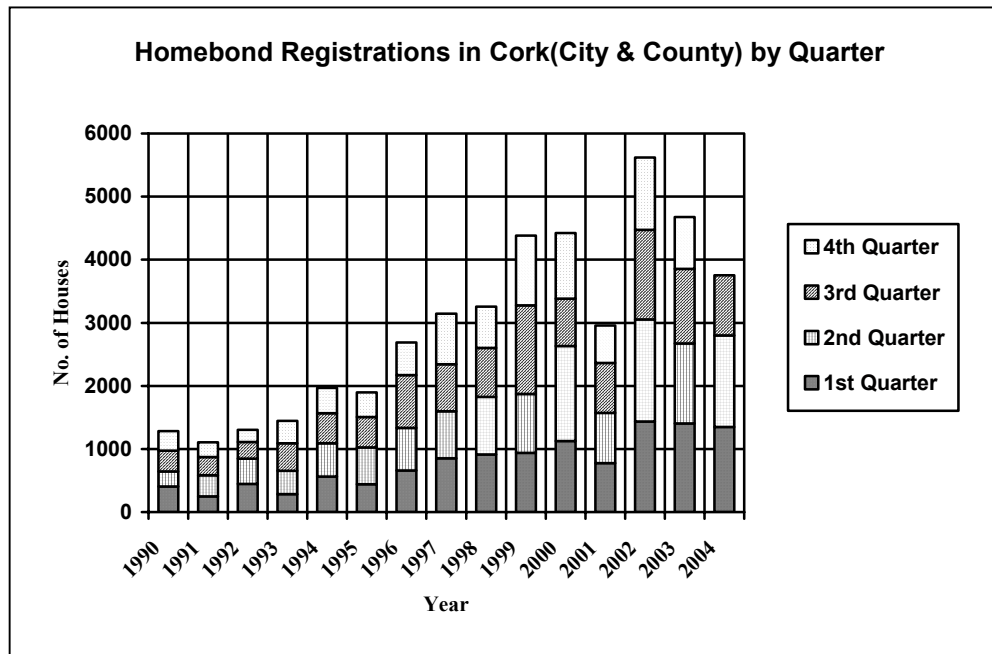
### 2.3.4 New House Registrations

This section details the number of new houses registered under a building guarantee product: HomeBond 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. Figure 2.3 below shows HomeBond registrations for both Cork City and County since 1990 (separate figures for the City are not available.)

Figures for 2003, while below 2002 figures, are still significantly above the figures for 2001. In 2003 there were 4,785 Homebond house registrations in Cork. This represents a 15 per cent decrease from the high of 2002.

Premier Guarantee Registration figures are available for the first three-quarters of 2004 with 3,755 houses registered, which is slightly lower than figures for the first three quarters of 2003.

**Figure 2.3 New House Registrations (HomeBond)**



Source: Home Bond

### 2.3.5 House Prices

Nationally house prices grew by 13.7 per cent in 2003, stronger than predicted at the beginning of the year. This compares with a national growth rate of 13.3 per cent for 2002. The growth rate for the last three months of 2003 was 3.9 per cent, identical to the rate for the same period last year.

The value of house prices nationally rose by 4.8 per cent in the first half of this year according to the latest edition of the *Permanent TSB House Price Index*. The growth rate compares to 6.9 per cent in the same period in 2003. Over the first half of 2004 the price of new houses increased at a higher rate than the price of existing houses.

A recent report produced by the ESRI stated that housing construction will continue to bolster overall national economic growth for 2004, but its contribution cannot persist. The record number of completions for 2003 housing investment contributed to around one fifth of GNP growth in 2003 and 2004. Investors appear to have remained heavily involved in the housing market, even as private rental values have continued to fall. Forecasts are predicting that the annual growth rate in house prices will moderate over 2004 decreasing significantly to around 8 / 9 per cent.

In Cork City house prices are estimated to have increased by up to 15 per cent in 2003, well ahead of the Munster average of 9-11 per cent, mainly in the first time buyer market. New house building in the Metropolitan Area has been strong since late 2003 and this, along with proposals for a large number of residential units in close proximity to the City, is expected to keep house price rises below the 10 per cent mark in 2004. City Centre apartment prices vary with two bedroomed City Centre units selling for as much as €280,000 and Section 23 units outside the city centre not quite as high.

Statistics issued from the Department of the Environment, Heritage and Local Government, illustrated in Tables 2.6, reflect the average new house and apartment prices from 2000 to the first quarter of 2004. The rate of growth of new apartment prices since 1999 in Cork City was slightly higher than the national average

at 68 per cent, while the rate of new house prices for the same time period was slightly lower than the national average at 60 per cent.

**Table 2.6 Average New House Prices (Excluding Apartments)**

Area	2000	2001	2002	2003	2004	Per cent Change Base Year: 1999
					1 <sup>st</sup> Quarter	
<b>Cork</b>	€164,535	€175,372	€184,884	€210,733	€234,967	60 %
<b>Dublin</b>	€216,433	€252,192	€259,381	€302,270	€333,323	58 %
<b>Galway</b>	€160,972	€171,578	€187,194	€222,578	€231,456	59 %
<b>Limerick</b>	€146,838	€154,515	€169,577	€193,854	€202,580	60 %
<b>Waterford</b>	€145,087	€157,767	€169,681	€193,642	€210,343	69 %
<b>State</b>	€166,155	€181,146	€194,835	€220,573	€209,666	62 %

Source: Housing Statistic Bulletin June Quarter 2004, DoEHLG

### 2.3.6 Housing Units Granted

From January 2004 to September 2004 permissions were granted for 701 apartments while 183 houses were granted. In 2003 permissions were granted for 913 apartments and 260 houses. 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 has prepared 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) Sustainable City Campus**

Restoration of the old public waterworks buildings commenced August 2004, and it is hoped the complex will be opened to the public by May 2005. The project at a total cost of €8.5 million will be part funded by the European Free Trade Association (EFTA), the City Council and U.C.C.

The campus comprises five main elements;

- (1) Electricity generated from the River Lee will supply the project with green electricity.
- (2) A visitor centre, comprising a theatre and state of the art audio visual display, incorporating interactive display units which will show case the themes of water, energy, nature and waste.
- (3) Steam Centre and Industrial Heritage Centre, here the old steam plant will be refurbished and displayed to the general public, other items of steam interest such as model steam engines will also be displayed.
- (4) Education 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.
- (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.

#### **(b) Courthouse, Washington Street**

The complete refurbishment and enhancement of the City Courthouse in Washington Street is now well underway and should be completed by early 2005. Funding for the project, which costs a total of €26.5 million, will be secured from the Courts Service

#### **(c) Writer / Artists in Residence**

The former home of the late Taoiseach, Jack Lynch, at Shandon is being refurbished as a residence for visiting writers or artists who come to live in the City on a short-term basis. It will be available in early 2005 with the cost of €250,000 being provided by the City Council.

#### **(d) Blackrock Castle**

The restoration of the Castle is proceeding according to schedule, with an intended completion date for physical works of December 2004. It is expected that the operational elements of the Castle, i.e. state of the art astronomical centre, research centre, visitor centre and restaurant will be commissioned in Spring 2005.

## 2.4.2 Infrastructure / Road Schemes

### (a) St. Patrick Street

September 2004 saw the completion of the Urban Landscape and Refurbishment Works to St. Patrick Street. This scheme commenced in mid-2002 and cost a total of €11m.

### (b) Kinsale Road Interchange

A grant of €10m from the National Roads Authority has been received for this work. Work is to commence on site in February 2005.

### (c) 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. The total estimated cost of this scheme is in the order of €4m. It is hoped to complete this scheme by early 2005.

### (d) Cornmarket Street Bridge

A new pedestrian bridge has been designed linking Popes Quay to Cornmarket Street. Work commenced on site in March 2004 and is due for completion November 2004. The scheme, a simple and distinctive design, was a result of an international competition run by Cork City Council and the Institute of Engineers of Ireland. This bridge will form the first phase of the **Cornmarket Street Action Plan** currently being prepared by the City Council's Planning Department, details of which are contained under section 3.6 Promoting Development.

### (e) City Centre Streets

Cork Main Drainage works have been largely completed in the City Centre and extensive reinstatement and paving work is being undertaken during 2004. Repaving work has been completed on French Church Street and Carey's Lane and is nearing completion in Rory Gallagher Place. Grand Parade repaving works are due for completion early 2005.

### (f) Black Ash Park and Ride Facility, Kinsale Road

The first phase of the Black Ash Park and Ride Facility has been completed. When fully complete in March 2005 the facility will provide approximately 900 parking spaces, as well as motor cycle and bicycle parking together with an administration building and associated services.

### (g) Oliver Plunkett Street Redevelopment

The repaving of Oliver Plunkett Street and a number of adjacent streets is underway and is due to be completed in March 2005.

### (h) 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 underway on the first of these routes from Douglas to the City Centre with a number of other routes at

various stages of planning.

#### **(i) Water Street Bridge**

Consultants have been appointed to progress the feasibility study and Environmental Impact Statement for the Water Street Bridge. The bridge will connect the North and South Docks and constitutes a significant part of the infrastructural improvements outlined in the *Docklands Development Strategy*.

### **2.4.3 Water Schemes**

#### **(a) Cork Water Conservation Scheme: Phase One**

Phase One of the Cork Water Conservation Scheme has been completed and a Network Management Unit has been established.

#### **(b) Lee Road Waterworks Improvement**

Funding was allocated under the National Development Plan 2000 – 2006 to modernise the Lee Road Waterworks. An Abstraction Order is now with An Bord Pleanála for consideration. An oral hearing is set for 21 October 2004. The approval process under Part 8 of the Planning and Development Regulations 2001 has been approved.

#### **(c) Rising Mains**

An allocation has been provided in the Water Services Investment Programme 2003-2005 for the replacement of the low level rising mains from the Waterworks project.

#### **(d) Tivoli Industrial Estate Firemain**

This scheme is scheduled to commence in 2005. Contract documents are with the DoELG for approval.

#### **(e) Cork Water Conservation Scheme: Phase Two**

As a result of the Network Management Project, the need for a €50.8 million programme of rehabilitation of the City's iron watermains was identified. €13.04 million has been allocated under the Water Services Investment Programme 2003-2005. The renewal of watermains and services in Cork City Centre is nearing completion in conjunction with the Cork Main Drainage Contracts and street schemes.

Carl-Bro-Ryan Hauley & Co. Consulting Engineers have carried out a detailed study of the watermains for the rest of the City, outlining the prioritisation of rehabilitation works. The Final Report was prepared and presented to the City Council in November 2003. The short-term (2004-2006) proposals for mains rehabilitation have an estimated cost of €9.672million. Long term proposals involving a ten-year programme of citywide mains rehabilitation costing approximately €110.2million. DoEHLG approval of the Preliminary Report is now being requested. In the meantime, watermain replacement work continues on Shandon Street/Church, Watercourse Road and Thomas Davis Street

#### **(f) Schemes submitted to the DoELG**

The following schemes have been submitted to the DoELG for approval and funding:

- (i) Provision of a stand-by generator to the Lee Road Waterworks.

- (ii) Construction of a storage reservoir at Rochestown.

### **(g) Strategic Water Plan**

Consultants have commenced the preparation of a Strategic Water Plan for Cork County Council's Southern Division and Cork City Council's area. A final Report is expected by June 2005.

### **(h) 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 Preliminary Report is to be prepared for DoEHLG approval.

### **(i) Additional Reservoir Storage**

€4.4 million has been allocated to the Water Services Investment Programme 2004-2006 for the planning of additional low level reservoir storage at Shanakiel. A design brief is to be prepared for approval from the DoEHLG and consultants are to be appointed to prepare contract documents. €5 million has also been allocated for additional intermediate level storage.

## **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 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.

## **2.4.3 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 €1.2 million, with the Department of Community, Rural and Gaeltacht Affairs through the Young Peoples Facilities and Services fund providing the majority of funding. Part VIII approved by Council and is due to proceed to tender in December 2004.

### **(b) Sam Allen Sports Centre, Churchfield**

Two new pitches are currently being constructed at the Sam Allen Sports Centre at Knockfree Avenue, Churchfield which is managed by Leisureworld

**(c) New City Archives**

Work is due to commence on the building of a new City Archive, to be situated to the rear of the former fire station on Great William O'Brien Street. The two-storey building will have archive storage rooms on both floors, exhibition/lecture space, reading and research area, offices, toilets etc. on the ground floor.

**(d) Banks of the Lee Project**

Work has commenced on site on the construction of the Mardyke pedestrian bridge. Plans are being drawn up for pathways to link the bridge to the Mardyke and the North Mall, in association with University College Cork. Also the walkway at the riverside of the Kingsley Hotel is being upgraded .

**(e) Library, Tory Top Road**

A new library is under construction at Tory Top Road. The library will be a state of the art facility of 1,000 sq. metres approx.

**(f) Mahon Park**

Work has commenced on site at Mahon Park, with the erection of the perimeter railing, construction of the path network, and ancillary site works has started. Children's playground will be installed in Spring 2005

**(g) Glenamoy Lawn, Mayfield**

Work has commenced on the construction of a new park at Glenamoy Lawn, with the erection of the perimeter railing, construction of the path network and ancillary site works. A children's play ground is to be installed in Spring 2005.

**(h) Churchfield Swimming Pool**

Work on the construction of a new swimming Pool in Churchfield began in March 2004, and is currently ongoing. The structural steel work has been erected on site.

**Schemes are currently being developed in the following areas:**

**(a) Red Abbey**

The hard landscape elements of the amenity area adjacent the Red Abbey Tower have been completed, conservation work is ongoing and as well as the provision of new railings.

**(b) Municipal Golf Course, Mahon**

Improvement works to the Municipal Golf Course in Mahon have been successfully completed and the Pavillion is now open to the public.

**(c) Glen Heights Amenity Area**

Work is ongoing in this location. Park railings have been completed.

**(d) Shandon Cemetery**

Work commenced in early April on the clean up and refurbishment of the two Shandon Cemeteries. Design details for an improved access point at Chapel St. are being prepared.

### (e) Fitzgerald's Park

New play equipment has been installed. The garden for the blind has been completely refurbished.

## 2.4.5 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 Middleton....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 Middleton Line
- Provision of new services between Blarney and Cork (some to continue to Mallow)
- 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 Kilbarry Rail station and the refurbishment / realignment 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 Local Area Plan is being prepared for the North Docks Area of the city, which includes Kent Station. A Development Brief is being undertaken for the rail station site at Kilbarry / Blackpool to guide the development of a station at this location. The County Council are also preparing Special Local Area Plans for the lands surrounding the proposed stations at Blarney, Monard/ Rathpeacon, Carrigtwohill, Middleton.

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

### 3.2 Cork Docklands Development

The proposals contained in the Docklands Strategy (2001) for the new urban quarter have been incorporated into the City Development Plan, 2004 which gives them a statutory basis. The City Council is in the process of preparing two Local Area Plans for the Area in order to further refine the strategy to ensure a quality development. The use of Strategic Development Zones is also being considered to aid the development process. Work has been ongoing to ensure that the area is adequately serviced to facilitate development in terms of Water, Sewerage, Drainage, Roads, Public Transport, Telecoms etc. Consultant's reports are being concluded on the status of services and proposals are being developed accordingly.

Early indications of success are evident with the development of two 10,000 m<sup>2</sup> office buildings and an 8 storey Hotel at Lapps Quay. Proposals for the re-development of C.I.E. lands at Kent Station and Horgan's Quay are awaited. These will include a new Railway Station, 1,200 approx. apartments and mixed-use commercial development. Discussions are ongoing with other landowners/developers, including the site of the former An Post Sorting Office at Eglinton Street and a site at Water Street/Lower Glanmire Road.

The Docklands Office are working with key stakeholders such as I.D.A., E.I., U.C.C, C.I.T. etc to identify other uses which will drive development in the area.

### 3.3 1999 Urban Renewal Scheme

The 1999 Urban Renewal Scheme applies to two areas of Cork City: Blackpool/Shandon and the City Docks. Both schemes are based on Integrated Area Plans (IAP's) prepared by Cork City Council. Three areas in the City Docks were identified for urban renewal incentives: two sites on Horgan's Quay, and a site on Clontarf Street which includes the CIE Bus Station.

#### 3.3.1 Blackpool / Shandon Urban Renewal Scheme

The Blackpool / Shandon Urban Renewal Scheme 1999 – 2004 offers tax incentives for both residential and commercial development in seven sub-areas covering almost 30 hectares. The emphasis of the scheme is on the regeneration of the Blackpool / Shandon area. In addition, incentives are available to owner-

occupiers throughout the Blackpool/Shandon IAP area for the refurbishment of houses constructed before 1920. There is a requirement to retain, repair and replace traditional features of buildings when carrying out refurbishment work.

The deadline for qualification for tax incentives has been extended from 31<sup>st</sup> December 2004 to 31<sup>st</sup> July 2006. This extension applies to all commercial, industrial and residential projects and applies where 15 per cent of expenditure has been certified by the Local Authority to have been incurred on such projects by **30<sup>th</sup> June 2003**.

The vast majority of applications under the Scheme have been residential investors. As can be seen from the table work has been completed or is in progress on most of these. As a result we should see a large increase in the number of residential units available in the Blackpool / Shandon area over the next 2 years.

**Progress to date is highlighted in the following tables:**

### **PROGRESS TO DATE**

	<b>October 2004</b>
No. of Applications	78
No. Applied for Preliminary Certs	15
No. of Preliminary Certificates	35
No. of Full Certificates	21
No. Applications refused	7
<b>Total</b>	<b>78</b>

### **STATUS OF DEVELOPMENT**

	<b>Oct'04 (valid apps)*</b>	<b>Est. Cost (€ )</b>
No. of Developments in Planning	10	39,705,834
No. of Developments with Work in Progress	30	159,243,392
No. of Developments Completed	28	19,264,971
<b>Total</b>	<b>68</b>	<b>218,214,197</b>

### **NO OF RESIDENTIAL UNITS**

No. of Residential Units	In Planning	Work in Progress	Completed	Total
Houses	393	323	123	839

- along with the 7 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 Plunket Street, Barrack Street, Marlborough Street, Parnell Place, Douglas Street, Georges Quay, Shandon Street, Leirim 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 31<sup>st</sup> of July 2006. A full planning application will have to be received by the City Council prior to the 31<sup>st</sup> of December 2004 in order for projects to qualify for this extension or, if planning permission is not required, 5 per cent of the development costs will have to have been incurred by the same date. A reminder leaflet was recently sent out to property owners on all of the designated streets. Information packs on the scheme were sent to owners on the major streets, while efforts are being made to target particular properties which would benefit greatly from such investment.

These renewed promotional efforts have seen an increase in interest recently with property owners seeking to avail of the incentives before the termination of the scheme.

**Living Over the Shop Scheme: The following tables give an up to date position on applications received:**

#### **PROGRESS TO DATE** **October 2004**

No. of Applications	26
No. of Preliminary Certificates	10
No. of Full Certificates	10
No. under request for further information	5
Applications Refused	1
<b>Total</b>	<b>26</b>

#### **STATUS OF DEVELOPMENT** **Number** **Est. Cost (€ )**

No. of Developments in Planning	3	4,595,000
No. of Developments with Work in Progress	6	5,129,540
No. of Developments Completed	16	11,014,272
<b>Total</b>	<b>25</b>	<b>20,738,812</b>

#### **NO OF RESIDENTIAL UNITS**

No. of Residential Units	Proposed	Completed	Total
Apartments	52	55	107
<b>Total</b>	<b>52</b>	<b>55</b>	<b>107</b>

## 3.5 RAPID

Under the National Development Plan there is a specific commitment to target investment expenditure in twenty-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 twenty 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 / Gurranabraher
- 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.

In 2004 there have been a number of developments which have strengthened the role of the AITs. Several Government Departments have given priority to RAPID areas 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. This has resulted in schemes for playgrounds, local authority enhancement works, 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 encouraging and promoting the redevelopment and rejuvenation of derelict and brownfield sites in the City.

### 3.6.1 Local Area Plans

The City Council is in the process of preparing two Local Area Plans for the Docklands, one for the North Docks and one for the South Docks. Both the South and North Docklands Area Action Plans will build on the objectives of both the *City Development Plan, 2004* and the *Docklands Development Strategy, 2001*. An Action Area Plan will also be prepared for the South Parish.

### 3.6.2 Cornmarket Street Action Plan

The Planning Policy Section has prepared a Draft Area Action Plan for the Cornmarket Street area of the City Centre in conjunction with other Council departments and in consultation with external stakeholders. Following a consultation period it is intended to take the Plan to Council for approval in December 2004. 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 physical upgrading of the street market and maximisation of its potential as a people attractor to 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.

The main catalysts for change in the area will be the completion of two strategically important projects: the new pedestrian bridge (see section 2.4.2); and the development of the former Guy's site for retail and pedestrian uses. The completion of the bridge and progression of the Guy's site development will pave the way for widespread change in the area. The City Council intend to hold a design competition for the group of sites fronting onto Kyril's Quay during 2005 to promote the redevelopment of this flagship site.

### 3.6.3 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 An Post site on Eglinton Street, site at Water Street, St. Patrick Street/ Academy St., North Mall Distillery site, sites in Docklands and Blackpool. Building on the objectives outlined in the **Cork City Development 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 parking, the public realm, accessibility, density and urban design are also considered in the briefs

### 3.6.4 Derelict Sites Act.

Where necessary the City Council takes action under the Derelict Sites Act 1990, 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:

- A formerly derelict site on Copley Street is being redeveloped providing for new office and residential uses.
- A derelict site compulsorily acquired by Cork City Council at 138-140 Lower Glanmire Road has been sold and is to be developed under licence from Cork City Council.
- A planning application for the development of a major derelict site at Parnell Street / Beasley Street / South is currently under appeal with An Bord Pleanála.
- A derelict site at John Philpott Curran Street/Easons Avenue/Cathedral Avenue has been acquired by Cork City Council and is to be developed by our Housing department.

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

Economic indicators that cover the first three quarters of 2004 point to substantial economic expansion. The improved international economic climate and the strength of the Irish labour market have been significant factors in the return to sustainable growth rates. Despite the international uncertainties reflected in the higher oil prices in 2004, the world economy is still expected to grow strongly in 2005. On the basis of an anticipated strength in the international economy, the prospects for the Irish economy are very positive.

Forecasts have predicted that output growth in 2005 will be 2.5 and 5.0 per cent in real GDP and GNP terms respectively. The public finance position is expected to return towards modest surpluses in the general government accounts both for 2004 and 2005. The labour market is expected to remain tight with the unemployment rate forecasts to average 4.3 per cent. Inflation in consumer prices are set to rise from 2.2 per cent in 2004 to 2.4 per cent in 2005. Forecasts also predict an increase in interest rates; this increase set against a backdrop of historically low interest rates remains a worry.

Despite Ireland's economic progress over the past decade and the positive economic predictions for 2005, Ireland still faces a number of challenges due to a external and internal factors, i.e. globalisation, an increase in the Irish cost base, imminent changes in EU state aid limits, increasing production costs and more competitive rates of corporation tax. In addition the nature of global trade is changing, and future economic development will be strongly influenced by a service based industry and the increasing role of knowledge as a driver of economic development and an influencer of new products. There is a need therefore for Ireland to build new competences in the development and introduction of new products and services and in international sales and marketing.

Cork City and its wider metropolitan area can continue to achieve economic success in the future, by looking at strategic projects that can act as a magnet for other projects with growth potential, whilst at the same time establishing Cork as a world player in some specific area of excellence, for example the development of a technology cluster or more particularly a biotechnology cluster. Cork is already competitively positioned to enable enterprise to adopt to the global changes. This regional city within Europe has a highly skilled workforce, excellent research and educational facilities, good transport linkages, and a good quality of life. Cork's designation as European Capital of Culture 2005 apart from the economic benefits, will also help promote the city to potential investors.