

## Lincoln University Digital Thesis

### Copyright Statement

The digital copy of this thesis is protected by the Copyright Act 1994 (New Zealand).

This thesis may be consulted by you, provided you comply with the provisions of the Act and the following conditions of use:

- you will use the copy only for the purposes of research or private study
- you will recognise the author's right to be identified as the author of the thesis and due acknowledgement will be made to the author where appropriate
- you will obtain the author's permission before publishing any material from the thesis.

**Shattered Dreams – Inner City Revitalisation, Gentrification and the  
Christchurch Earthquakes of 2010 and 2011**

---

A thesis  
submitted in partial fulfilment  
of the requirements for the Degree of  
Doctor of Philosophy

at  
Lincoln University  
by  
John McDonagh

---

Lincoln University  
2017

Abstract of a thesis submitted in partial fulfilment of the  
requirements for the Degree of Doctor of Philosophy

Shattered Dreams – Inner City Revitalisation, Gentrification and the  
Christchurch Earthquakes of 2010 and 2011

by

John McDonagh

The major earthquakes of 2010 and 2011 brought to an abrupt end a process of adaptive reuse, revitalisation and gentrification that was underway in the early 20<sup>th</sup> century laneways and buildings located in the south eastern corner of the Christchurch Central Business District. Up until then, this location was seen as an exemplar of how mixed use could contribute to making the central city an attractive and viable alternative to the suburban living experience predominant in New Zealand.

This thesis is the result of a comprehensive case study of this “Lichfield Lanes” area, which involved in depth interviews with business owners, observation of public meetings and examination of documents and the revitalisation research literature.

Findings were that many of the factors seen to make this location successful pre-earthquakes mirror the results of similar research in other cities. These factors include: the importance of building upon historic architecture and the eclectic spaces this creates; a wide variety of uses generating street life; affordable rental levels; plus the dangers of uniformity of use brought about by focussing on business types that pay the most rent. Also critical is co-operation between businesses to create and effectively market and manage an identifiable precinct that has a coherent style and ambience that differentiates the location from competing suburban malls.

In relation to the latter, a significant finding of this project was that the hospitality and retail businesses key to the success of Lichfield Lanes were not typical and could be described as quirky, bohemian, chaotic, relatively low rent, owner operated and appealing to the economically important “Creative Class” identified by Richard Florida (2002) and others.

In turn, success for many of these businesses can be characterised as including psychological and social returns rather than simply conventional economic benefits. This has important implications for

inner city revitalisation, as it contrasts with the traditional focus of local authorities and property developers on physical aspects and tenant profitability as measures of success. This leads on to an important conclusion from this research, which is that an almost completely inverted strategy from that applied to suburban mall development, may be most appropriate for successful inner city revitalisation. It also highlights a disconnection between the focus and processes of regulatory authorities and the outcomes and processes most acceptable to the people likely to frequent the central city. Developers are often caught in the middle of this conflicted situation.

Another finding was early commitment by businesses to rebuild the case study area in the same style, but over time this waned as delay, demolition, insurance problems, political and planning uncertainty plus other issues made participation by the original owners and tenants impossible or uneconomic.

In conclusion, the focus of inner city revitalisation is too often on buildings rather than the people that use them and what they now desire from the central city.

**Keywords:** Urban revitalisation, rebuild, gentrification, adaptive reuse, Christchurch earthquake recovery, inner city lanes, boutique retailing and hospitality, Lichfield Lanes..



## Acknowledgements

First I would like to acknowledge the essential contributions of all the people I interviewed for this research. Everyone I spoke to was very helpful, surprisingly forthcoming and generous with their time. I also acknowledge that the Christchurch earthquakes had a devastating personal and financial impact on most, if not all, of these people, so I am especially grateful they were willing to assist me with this project during such difficult times.

I would also like to offer my sincere thanks to my supervisors Professors Jacky Bowring and Harvey Perkins for their valuable input and support. This research has been drawn out over an extended period with many lengthy interruptions, so it cannot have been easy for them, given the often changing circumstances and their other important responsibilities.

I almost must thank my wife Carol for her unstinting support over the lengthy gestation of this thesis – I am sure she will be relieved to see it finally finished.

Finally, this thesis is dedicated to my mother Sheila McDonagh, who instilled in me a desire for education and always wanted me to become a doctor – sorry it took so long and was not the sort of doctor you envisaged.

# Table of Contents

<b>Abstract</b> .....	<b>ii</b>
<b>Acknowledgements</b> .....	<b>iv</b>
<b>Table of Contents</b> .....	<b>v</b>
<b>List of Figures</b> .....	<b>ix</b>
<b>Chapter 1 Introduction</b> .....	<b>1</b>
1.1 Christchurch Earthquakes of 2010-2011 .....	1
1.2 Study area .....	5
1.3 Post-earthquake situation .....	9
1.4 Research Approach .....	11
1.5 Thesis outline .....	13
<b>Chapter 2 A Brief History of the Lichfield Lanes Area</b> .....	<b>15</b>
2.1 Introduction .....	15
2.2 Location of the study area .....	15
2.3 Early developments .....	15
2.4 Mid twentieth century changes.....	21
2.5 Economic reforms of the late twentieth century .....	23
2.6 Recognition of the Lanes area potential.....	25
2.7 The 2010 and 2011 earthquakes .....	28
2.8 Conclusion.....	29
<b>Chapter 3 Outline of the Research</b> .....	<b>31</b>
<b>Chapter 4 Place-based Physical and Economic Revitalisation</b> .....	<b>37</b>
4.1 Introduction .....	37
4.2 The decline of the inner city .....	37
4.3 The economics of revitalisation and adaptive reuse .....	39
4.4 The obstacles to revitalisation and adaptive reuse .....	41
4.5 Different approaches to revitalisation – people or place focus?.....	43
4.6 Commercial real estate–based revitalisation strategies.....	44
4.7 Physical improvements and new commercial development.....	45
4.8 Adapt and re-use or rebuild? .....	47
4.9 Small local businesses or national chains? .....	47
4.10 Convenience or comparison goods?.....	48
4.11 Business development and district management strategies.....	48
4.12 Business improvement districts.....	49
4.13 Centralised retail management .....	49
4.14 The Main Street Program.....	50
4.15 Business networks and coordination.....	53
4.16 Marketing and promotion activities .....	53

4.17	Place-based physical and economic revitalisation conclusion .....	55
<b>Chapter 5 People Focussed Revitalisation.....</b>		<b>57</b>
5.1	Introduction .....	57
5.2	Gentrification .....	57
5.2.1	Displacement .....	58
5.2.2	Revitalisation and gentrification .....	61
5.2.3	Theories of gentrification.....	62
5.2.4	A gentrification case study – and its application to Christchurch.....	68
5.2.5	Revitalisation, gentrification and local government.....	69
5.2.6	Socio-cultural aspects of gentrification .....	70
5.2.7	Stages of gentrification .....	72
5.2.8	Gentrification conclusion .....	74
5.3	New urbanism.....	75
5.4	Artists, creative communities, social and psychological dividends .....	78
5.5	Satisficing .....	83
5.6	People Focussed revitalisation conclusion .....	86
5.7	Review of the literature in Chapters 4 and 5 - overall conclusions .....	86
<b>Chapter 6 Research Method.....</b>		<b>87</b>
6.1	Introduction .....	87
6.2	Qualitative research methodology: theory and technique .....	88
6.3	The relevance and usefulness of qualitative social research methods for post-disaster urban research .....	91
6.4	My position in the research .....	92
6.5	Implementing qualitative social research in my Christchurch case study .....	93
6.5.1	Human ethics committee approval.....	93
6.5.2	Observation of public meetings .....	94
6.5.3	Interviews.....	96
6.6	Conclusion.....	99
<b>Chapter 7 Results-Physical and Economic Factors .....</b>		<b>101</b>
7.1	Introduction .....	101
7.2	Historic appeal .....	102
7.3	Architecture .....	104
7.4	Human scale, hidden, narrow lanes, edgy.....	105
7.5	Residential use .....	108
7.6	Bars and brothels .....	113
7.7	Rents, lease terms and floor areas .....	117
7.8	Foot traffic and trading hours.....	122
7.9	The developers’ perspectives .....	128
7.10	Conclusion.....	129
<b>Chapter 8 Social, Cultural, Stylistic and Community Factors .....</b>		<b>131</b>
8.1	Introduction .....	131
8.2	European style .....	132
8.3	Style and the contribution of variety, change and tenancy mix.....	135

8.4	New, off beat and edgy.....	139
8.5	Gentrification .....	141
8.6	The historic tram line .....	146
8.7	Community.....	148
8.8	Owner operators.....	154
8.9	Start-up businesses .....	156
8.10	Not in it for the money, social dividends and satisficing behaviour.....	158
8.11	Conclusion.....	160
<b>Chapter 9 The Development Process, Legal and Political Factors .....</b>		<b>161</b>
9.1	Introduction .....	161
9.2	CBD revitalisation and the development process.....	162
9.3	The developer’s vision of an “organic” development process .....	162
9.4	Business owner’s views on chaos, variety and the organic development process .....	165
9.5	A different experience from that of a mall .....	172
9.6	Christchurch City Council involvement .....	175
9.7	Criticism of excessive planning .....	178
9.8	Post-earthquake recovery, City Council, CERA and the CCDU.....	180
9.9	The Tannery development.....	183
9.10	The future of the Christchurch central business district .....	184
9.11	Conclusion.....	187
<b>Chapter 10 Discussion and Conclusions .....</b>		<b>189</b>
10.1	Introduction .....	189
10.2	Brick soup – a unique combination of revitalisation success factors .....	191
10.3	Gentrification and City Council involvement .....	193
10.4	Residential use and legislation.....	195
10.5	The future of the Christchurch central business district .....	196
10.6	Chaos is under-rated and the antithesis of council and corporate culture .....	196
10.7	The disconnection between regulators and users.....	197
10.8	The central business district – is it now a niche market? .....	199
10.9	Inverted mall development .....	199
10.10	Research limitations, and conclusions .....	202
10.11	Contribution to theory and future research opportunities .....	203
	10.11.1 Different experience to a mall. ....	203
	10.11.2 Chaos is underrated .....	204
	10.11.3 Legal/political and social/cultural/style disconnect .....	204
	10.11.4 Satisficing and rejection of the corporate model .....	204
10.12	Concluding remarks .....	204
<b>Appendix A E-mail Message Sent to Interviewees.....</b>		<b>207</b>
<b>Appendix B Interview Prompting Questions .....</b>		<b>211</b>
<b>References .....</b>		<b>213</b>



## List of Figures

Figure 1.1 Map of central Christchurch and Lichfield Lanes location. (Source: Wikipedia <a href="https://encrypted-tbn3.gstatic.com/images?q=tbn:ANd9GcREliMHE0-jOqWGw2Ed-qGhelFP5Lc-q0W-IX8Rt8n57pOP56cb">https://encrypted-tbn3.gstatic.com/images?q=tbn:ANd9GcREliMHE0-jOqWGw2Ed-qGhelFP5Lc-q0W-IX8Rt8n57pOP56cb</a> ).....	5
Figure 1.2 Panorama of Lichfield Lanes area pre-earthquakes (Source: Iain Fergusson <a href="http://commons.wikimedia.org/wiki/file:Poplar_Lane_2009.jpg">http://commons.wikimedia.org/wiki/file:Poplar_Lane_2009.jpg</a> ) .....	6
Figure 1.3 Lichfield Lanes bars at night pre earthquakes (Source: Iain Fergusson <a href="http://upload.wikimedia.org/wikipedia/commons/c/c6/Popular_Lane_2009.jpg">http://upload.wikimedia.org/wikipedia/commons/c/c6/Popular_Lane_2009.jpg</a> ).....	6
Figure 1.4 Upper floor residential accommodation (left) and Poplar Street looking south (right) pre-earthquakes (Source: adriennerewiimages.blogspot.co.nz and <a href="https://upload.wikimedia.org/wikipedia/commons/thumb/1/15/Christchurch%2C_Poplar_Lane.jpg/800px-Christchurch%2C_Poplar_Lane.jpg">https://upload.wikimedia.org/wikipedia/commons/thumb/1/15/Christchurch%2C_Poplar_Lane.jpg/800px-Christchurch%2C_Poplar_Lane.jpg</a> ) .....	7
Figure 1.5 Twisted Hop bar and central square (right) and Mitchell's café (left) pre-earthquakes (Source: <a href="http://thetwistedhopbrewery.co.nz/assets/Uploads/Poplar-Lane-0663DxOraw2.jpg">http://thetwistedhopbrewery.co.nz/assets/Uploads/Poplar-Lane-0663DxOraw2.jpg</a> and Mr Sloth Flickr 2009).....	8
Figure 1.6 Pre-earthquake aerial photograph Lichfield Lanes area. (Source: Google Maps, 2010) ...	9
Figure 1.7 Para Rubber Building 2011 and Poplar Street Looking North 2012 (Source: Author) .....	9
Figure 1.8 Post-earthquake aerial photograph Lichfield Lanes area (Source: Google Maps, 2014)	10
Figure 1.9 Poplar Street looking North post-earthquakes 2011 (Source: <a href="https://s-media-cache-ak0.pinimg.com/736x/21/4e/84/214e841f25471b0d9d0768424536d9fd.jpg">https://s-media-cache-ak0.pinimg.com/736x/21/4e/84/214e841f25471b0d9d0768424536d9fd.jpg</a> ) .....	10
Figure 1.10 Poplar Street Looking south - demolition underway (Source: <a href="https://static2.stuff.co.nz/1328817776/202/6396202.jpg">https://static2.stuff.co.nz/1328817776/202/6396202.jpg</a> ) .....	11
Figure 2.1 The original wooden building at the corner of High and Lichfield Streets. (Source: The Weekly Press, 15th December 1900, page 86).....	16
Figure 2.2 Postcard image of corner High Street and Lichfield Street 1908 (Source: <a href="http://transpressnz.blogspot.com">transpressnz.blogspot.com</a> ). .....	17
Figure 2.3 High Street, Christchurch, circa 1905 (Source: Muir & Moodie studio/Museum of New Zealand Te Papa Tongarewa /C.011407).....	18
Figure 2.4 McKenzie and Willis Building pre- earthquakes June 2008 (Source: Francis Vallance <a href="https://commons.wikimedia.org/wiki/File:McKenzie_%26_Willis.jpg">https://commons.wikimedia.org/wiki/File:McKenzie_%26_Willis.jpg</a> ) .....	19
Figure 2.5 Former Para Rubber Building-upper floors later converted to apartments pre- earthquakes (Source: Christchurch City Council <a href="http://www.highstreetstories.co.nz/stories/96-para-rubber-building">http://www.highstreetstories.co.nz/stories/96-para-rubber-building</a> ).....	19
Figure 2.6 Former ANZ bank building pre- earthquakes (Source: <a href="http://2.bp.blogspot.com/_8-DyTsoQSel/TInoFbrl-1/AAAAAAAAAPtg/n3JgIjoVLB0/s400/Copy+of+IMG_5187.">http://2.bp.blogspot.com/_8-DyTsoQSel/TInoFbrl-1/AAAAAAAAAPtg/n3JgIjoVLB0/s400/Copy+of+IMG_5187.</a> ) .....	20
Figure 2.7 Excelsior Hotel building pre- earthquakes (Source: Heritage New Zealand <a href="http://www.highstreetstories.co.nz/stories/90-the-excelsior-hotel">http://www.highstreetstories.co.nz/stories/90-the-excelsior-hotel</a> ) .....	20
Figure 2.8 Former Post Office building pre-earthquakes (Source: Adrienne Rewi <a href="http://4.bp.blogspot.com/_yWEyPv7fm-/SJPebqkw54I/AAAAAAAAABok/108BTn0x1d8/s1600/HiStPostOffice.jpg">http://4.bp.blogspot.com/_yWEyPv7fm-/SJPebqkw54I/AAAAAAAAABok/108BTn0x1d8/s1600/HiStPostOffice.jpg</a> ) .....	21
Figure 2.9 Pre-Earthquake photograph of “Cashel Mall” retail area (Source: Author) .....	23
Figure 2.10 CBD office vacancy and typical rental rates (Data Source: Colliers International) .....	24
Figure 2.11 Twisted Hop (left) and Mac’s Brew Bar (right) with tramline under construction in foreground 2010. (Source: <a href="http://thesmashpalace.co.nz">thesmashpalace.co.nz</a> ) .....	27
Figure 2.12 Central City “Red Zone” Cordons in place after the February 2011 Earthquakes (Source: <a href="http://www.rebuildchristchurch.co.nz">www.rebuildchristchurch.co.nz</a> ) .....	28
Figure 3.1 Word-Cloud of issues raised in results Chapters 7, 8 and 9.....	32
Figure 3.2 Relationships between factors important to revitalisation .....	33
Figure 7.1 Disaggregated central section of Figure 3.2.....	101
Figure 8.1 Disaggregated left side of Figure 3.2.....	131
Figure 9.1 Disaggregated right side of Figure 3.2 .....	161
Figure 10.1 Complete Figure 3.2 diagram reintroduced.....	190



# Chapter 1

## Introduction

Christchurch is a city of approximately 400,000 people on the east coast of the South Island of New Zealand. As with many other cities in developed economies, retailing in the central business district (CBD) of Christchurch has suffered since the 1970s, as competition from suburban shopping malls has intensified. Over the last thirty years the commercial centre of Christchurch had developed an entertainment and office focus, but retained a concentration of retail uses that were somewhat differentiated from the usual suburban mall retail offering (McDonagh, 1997; Wilson et al., 2005). Some of the more eclectic retail and hospitality businesses were concentrated in the south east quadrant of the city, in an area of previously under-utilised and decaying semi industrial buildings. This small part of the Christchurch CBD, known as Lichfield Lanes (See Fig 1.1), is the focus of this research, and a brief history of the district is included in the next chapter. This area of narrow lanes had been identified in the mid-1990s as having unique architectural character and heritage values and, by 2010 revitalisation was gathering pace and encouraged by the wider community. This was considered an important initiative to make central city retailing more viable in the face of intense competition from the continued expansion of suburban malls and provide a focus and exemplar of an urban lifestyle unfamiliar to the majority of the Christchurch population.

### 1.1 Christchurch Earthquakes of 2010-2011

On 4 September 2010 an earthquake of magnitude 7.1 and centred on a rural area 38km to the south west of central Christchurch struck causing widespread damage, but no fatalities. The Christchurch CBD was closed down for several days while debris was cleared, some individual damaged buildings were cordoned off, and temporary repairs were effected to others. Buildings were also inspected for evidence of structural damage. After that, life largely returned to normal for most people and the city centre reopened for business.

There was a very large number of aftershocks, some quite strong, but the perception was that this had been “the big one” in terms of earthquakes and there was surprise and relief at how well the built fabric and infrastructure of the city had survived such a large earthquake located on a previously unknown and nearby fault. Then, on 26 December 2010 – the day after Christmas, a public holiday known as Boxing Day and popular for retail sales - an aftershock of magnitude 4.9 hit, centred directly under the Christchurch’s CBD. This caused further damage, more extensive because



of its proximity to the city and the weakening of some buildings by the September earthquake. It also shook the confidence of residents that major earthquake activity has subsided. Again, debris was cleared, buildings cordoned off, temporary repairs carried out and buildings inspected for structural damage. The city became quiet, but it was the summer holiday period and traditionally many of the city's residents were out of town. Tourist numbers had not recovered since the September earthquakes and this event, along with further frequent aftershocks, further deterred visitors.

Then on 22 February 2011 the disastrous 6.3 magnitude earthquake centred 6.7 km south east of the central city struck. This was very shallow and had the strongest vertical accelerations ever recorded in an urban area (Lin, Giovinazzi and Pampanin, 2012). It resulted in the catastrophic collapse of two relatively modern multi-storey office buildings and the collapse and serious damage to many other buildings in the central city, as well as tens of thousands of houses in the surrounding suburbs. Crucial infrastructure was also destroyed with major disruptions to water, electricity, sewer, port, airport and roads. Considering the level of building damage casualties were relatively low with 185 fatalities and several thousand injured.

The entire CBD was cordoned off by the army for several years and all businesses and residents forced to leave the CBD immediately post-earthquake on safety grounds (Backhouse, 2013). Five years later major disruption in the CBD continues, but the rebuild has commenced with a number of large retail and office buildings under construction. In the interim, a small part of the CBD retail area saw the construction of a "pop up" shopping mall utilising adapted shipping containers (Heather, 2011). The rebuild of suburban business and residential buildings was much faster with many completed within four years of the earthquakes.

While the 22 February 2011 earthquake had a devastating effect on the whole city of Christchurch and the surrounding area, the CBD was particularly affected by the widespread destruction of, and serious damage to, thousands of buildings. The Victorian and Edwardian era double brick construction commercial buildings that had not been earthquake strengthened were immediately and obviously damaged. The CBD was also the location where the majority of fatalities occurred, though somewhat surprisingly, most of these occurred in two relatively modern buildings of reinforced concrete construction (Potter et al., 2015).

Over time it became apparent that the many of the modern buildings built to current earthquake codes had also been structurally compromised and would have to be demolished. This included most of the largest buildings in the city. The reason was that the ground acceleration brought about by the earthquake was well in excess of that envisaged in the New Zealand Building Code, and buildings built to this standard were designed in these circumstances to absorb much of this energy in partial

failure of the structure – leaving them still standing but unusable or uneconomic to repair post-earthquake.

There was the additional issue that buildings in Christchurch were generally well insured against earthquake risks for replacement cost. As a result, many building owners opted to take a cash settlement from their insurers, even if their buildings were repairable or could be rebuilt with insurance proceeds. The rationale for this was that post-earthquake recovery would take a long time and even fully repaired or replacement buildings may be difficult to lease. This would render these buildings much less valuable in the post-earthquake market than the replacement cost the insurers were obliged to pay out. Often a compromise cash settlement was reached, where the owners accepted more than market value but less than replacement cost and the insurers got the claim and risk off their books for less than the maximum for which they were liable if the insured fully enforced the replacement insurance contract (Gibson, 2011).

This is not the first time an earthquake has devastated the central business district of a significant city in New Zealand. At 10.47am on 3 February 1931 a magnitude 7.8 earthquake struck near the North Island provincial centre of Napier. This resulted in 256 fatalities and thousands of injuries as well as the devastation of the city of 18,000 people and surrounding districts. Most of the Victorian and Edwardian buildings in the central areas of Napier and nearby Hastings were levelled, but unlike Christchurch, a fire also broke out causing further damage and fatalities. The government appointed powerful commissioners to oversee the rebuild of Napier, as they believed the local council would be overwhelmed by the task. This has some similarities to the Christchurch situation, as does the erection of a temporary 54 store retail centre that became known as “Tin Town” due to the construction materials used. Another similarity is that the Napier earthquake stimulated a rapid revision of building regulations to provide greater protection from earthquake risks (Te Ara Encyclopaedia of New Zealand).

There are also significant differences between the two events. Very little of the damage in Napier was covered by earthquake insurance and insurers were also reluctant to pay out on fire policies held. Most of the rebuild funding came from local authority loans, which it later emerged could not be repaid and were eventually written off by the central government. The rebuild process was fast in the case of Napier with it “declared complete” two years after the disaster. The city was rebuilt in a consistent art deco style, under the guidance of four architectural practices and to what were modern standards at the time (Sharpe, 2011; Art Deco Trust, n.d.). As a result Napier has now become a tourist attraction. In contrast, the Christchurch rebuild has been a long drawn out affair subject to much political wrangling and without an identifiable style or theme. The rebuild has also been largely led by the private sector, rather than government, with many of the much lauded

stimulatory “anchor” projects still languishing many years later. Perhaps this is inevitable given the difference in scale between the cities, and also the more complex social, legal, political and economic environment within which any rebuild must now take place.

Many research projects, including a Royal Commission of Enquiry into the effects of and responses to the Canterbury sequence of earthquakes, commenced post-earthquake. These projects have examined a wide variety of impacts this disaster had and will continue to have on the city of Christchurch and its residents. The research reported in this thesis is one of these projects. In fact, the research itself was significantly affected by the earthquakes. Originally, the intention was to examine the important factors contributing to making the revitalisation of the Lichfield Lanes area of the central city a perceived success (McDonald, 2004). This was in contrast to a perception (well supported by historic data) that the wider CBD was in slow decline, fighting a losing battle against the domination of suburban retail malls. It was hoped that by identifying and highlighting these success factors, successful revitalisation could be encouraged, assisted and expanded within Christchurch, and understanding of the dynamics of these kinds of urban areas could be enhanced.

The first intended purpose still remains, but unfortunately the subject of the research does not. The successfully revitalised Lichfield Lanes area fell victim to both direct earthquake damage and the indirect impact of central city cordons and de-population and over-enthusiastic demolition in the immediate post-earthquake emergency period. There also followed prolonged political wrangling and indecision by the various authorities involved regarding the future of the subject area and the CBD as a whole, (or should that be hole, given the donut description now frequently applied to Christchurch). The outcome will be a very different “new” central city being built where the unique combination of circumstances that led to the earlier successful revitalisation can no longer exist. As a result, the focus of my research changed to examining what was happening up until the time of the earthquakes, what has happened since and what can be learned from this experience and applied to inner city revitalisation in places other than Christchurch.

The earthquakes had a temporal as well as methodological impact on my research in that the lives of both the Christchurch-based researcher and the researched were directly disrupted for many months by the devastation of the earthquake. It was considered appropriate to defer, especially the interview components of the research, for more than a year after the earthquakes subsided to allow those most affected the time to grieve and recover to the extent they were able after such a traumatic episode in their lives.

## 1.2 Study area

This study focuses specifically on the narrow lanes within the block formed by lower High Street, Tuam Street, Madras Street and Lichfield Street in the Christchurch CBD as shown in Figure 1.1. It includes Poplar Street, Ash Lane and a number of other informally named small alleys. This area was described by the developers and others as Lichfield Lanes as these lanes (and other narrow lanes) are south of a major east-west arterial one-way street in Christchurch, named Lichfield Street.



**Figure 1.1 Map of central Christchurch and Lichfield Lanes location. (Source: Wikipedia <https://encrypted-tbn3.gstatic.com/images?q=tbn:ANd9GcREliMHE0-jOqWGw2Ed-qGheIFP5Lc-q0W-IX8Rt8n57pOP56cb>)**

This location represented a concentration of some of the Victorian and Edwardian era double brick construction commercial buildings most immediately and obviously devastated by the February 2011 earthquakes. There was a variety of uses in the area, including bars and entertainment venues, offices, artists' studios, residential apartments, showrooms and semi industrial uses, as well as retail ranging from high-end designer boutiques to second-hand bookshops (see Figures 1.2-1.5 below).





**Figure 1.2 Panorama of Lichfield Lanes area pre-earthquakes (Source: Iain Fergusson [http://commons.wikimedia.org/wiki/file:Poplar\\_Lane\\_2009.jpg](http://commons.wikimedia.org/wiki/file:Poplar_Lane_2009.jpg))**



**Figure 1.3 Lichfield Lanes bars at night pre earthquakes (Source: Iain Fergusson [http://upload.wikimedia.org/wikipedia/commons/c/c6/Popular\\_Lane,2009.jpg](http://upload.wikimedia.org/wikipedia/commons/c/c6/Popular_Lane,2009.jpg))**

Prior to the earthquakes, this location was characterised by residents, businesses and visitors with an “alternative” or “bohemian” style. It could be said the location was undergoing the early to middle stages of inner city revitalisation. This revitalisation process had some of the characteristics of gentrification found in many cities throughout the world but also, as commonly found, exhibited aspects unique to its context.



**Figure 1.4 Upper floor residential accommodation (left) and Poplar Street looking south (right) pre-earthquakes (Source: [adriennerewiimages.blogspot.co.nz](http://adriennerewiimages.blogspot.co.nz) and [https://upload.wikimedia.org/wikipedia/commons/thumb/1/15/Christchurch%2C\\_Poplar\\_Lane.jpg/800px-Christchurch%2C\\_Poplar\\_Lane.jpg](https://upload.wikimedia.org/wikipedia/commons/thumb/1/15/Christchurch%2C_Poplar_Lane.jpg/800px-Christchurch%2C_Poplar_Lane.jpg))**

Some of the tenants and property owners in this part of the city could be characterised as “colonisers” or “pioneers”. These terms will be expanded upon in Chapter 5 in a discussion of gentrification, but briefly, these are businesses that see opportunities – where others do not - and tend to take the first step in inner city revitalisation. Attracted by low rents and property values, they progressively take over previously abandoned, derelict or underutilised buildings and convert them - often cheaply - to new uses. These often include artists’ studios, second-hand bookshops, cafes, student accommodation and other “low rent”, “funky” and “bohemian” uses unable to pay the level of rent, or fit in with the retail tenant mix requirements and other constraints of more conventional retail locations. They are likened in the property development literature to “colonising” plants, and other organisms such as algae and lichen able to withstand a harsh environment with a sparse population and limited resources. Over time these organisms break down the soil, populate the environment, providing shelter to less hardy but more lush plants. These later arrivals eventually prosper – often squeezing out the original colonists, forced to migrate again to another harsh environment.

Another comparison can be drawn to human colonists – such as the early European settlers of Christchurch. They saw opportunities in a new country that was perceived as dangerous and barren by many of their contemporaries. Or alternatively they were “squeezed out” of their previous location by lack of access to resources, particularly land, or by religious incompatibility. Either way,



they were prepared to take risks, rely on their own entrepreneurship, and eventually pave the way for less adventurous followers.



**Figure 1.5 Twisted Hop bar and central square (right) and Mitchell's café (left) pre-earthquakes (Source: <http://thetwistedhopbrewery.co.nz/assets/Uploads/Poplar-Lane-0663DxOraw2.jpg> and Mr Sloth Flickr 2009)**

The presence of these “inner city colonisers”, and their ability to create something special with meagre resources and out of what earlier was perceived to be a problem area, was eventually seen by the wider community as being an important factor contributing to successful inner city revitalisation (McDonald, 2004). Ten years after the process first started, the Christchurch City Council started spending considerable sums upgrading the street infrastructure and was in the process of extending a vintage tourist tram route through this section of the city at the time of the earthquakes. As will be discussed later in this research, these initiatives were not always seen as positive by some of the business owners in the Lichfield Lanes area. Some viewed the initiatives as unwanted and intrusive gentrification, and there were also concerns that too much “improvement” would increase rents and make the location uneconomic for the types of businesses desired.



Figure 1.6 Pre-earthquake aerial photograph Lichfield Lanes area. (Source: Google Maps, 2010)

### 1.3 Post-earthquake situation

As can be seen in Figures 1.7 to 1.10 below, the study area suffered significant earthquake damage and is now virtually clear of the Victorian and Edwardian era buildings that contributed so much to its previous character and success following demolition forced on owners, either by decree of central government on safety grounds, or by the economic forces of insurance pay-outs and massively increased repair costs.



Figure 1.7 Para Rubber Building 2011 and Poplar Street Looking North 2012 (Source: Author)





Figure 1.8 Post-earthquake aerial photograph Lichfield Lanes area (Source: Google Maps, 2014)



Figure 1.9 Poplar Street looking North post-earthquakes 2011 (Source: <https://s-media-cache-ak0.pinimg.com/736x/21/4e/84/214e841f25471b0d9d0768424536d9fd.jpg>)



**Figure 1.10 Poplar Street Looking south - demolition underway**  
(Source:<https://static2.stuff.co.nz/1328817776/202/6396202.jpg>)

All businesses and residents left immediately post the February earthquakes, and while some initially vowed to eventually rebuild and return, they were finally permanently dispossessed by compulsory demolition of buildings and acquisition of most of the land by the Canterbury Earthquake Recovery Authority (CERA). Most businesses have now set up elsewhere in the city or abandoned Christchurch altogether.

#### **1.4 Research Approach**

This research was exploratory in nature as the situation under investigation in the Lichfield Lanes area was unique, had only recently occurred, and was still developing. Very limited secondary data were available and primary data sources were similarly scarce and required sustained effort to track down. It was therefore important that I become familiar with the situation by any means possible, in what were difficult circumstances post-earthquakes. While general research questions were initially framed up, the focus changed as the research progressed and circumstances changed. Many interesting lines of enquiry emerged and not all of these research areas could be pursued within the constraints of this thesis, but all data obtained has been retained and can be utilised in future separate research projects.

The nature of the tentative research questions chosen had an impact on the general framework of the research, and in turn a bearing on the theoretical perspective and methodological approach required. There was no point in adopting a research method that would not work initially or was unable to adapt to a changing research setting. This proved to be a wise course of action, as the project extended over a considerable time period, was frequently interrupted, and was set in a rapidly evolving context.

It was also valuable for me to learn from the research process itself, so the techniques applied would extend my skills and knowledge at the same time as offering a viable means for bringing the research to a conclusion. This was very much the case in this situation. I wanted to work extensively with techniques more inductively, qualitatively and socially orientated than the deductive, quantitative and economic emphasis of my previous research, and in so doing extend and broaden my research capabilities. Stepping beyond a familiar "comfort zone" is, by its nature, challenging and risky but nothing much is achieved in the absence of these two characteristics.

In addition, adoption of a constructionist epistemology and interpretive perspective to property development related issues is, in itself an innovation. As discussed by Levy (2006) and Levy and Henry (2003), in the past there has been a strong reliance on a positivist approach and application of quantitative techniques to empirical data in property research. In Levy and Henry's 2003 study of UK, USA and Australasian property research journals, 84% of all papers adopted such an approach and for the USA journals alone, the figure was 100%.

Such a finding is of concern as not all research problems can be addressed with positivist and quantitative approaches (Myers, 1997). Property researchers need to be equipped with knowledge of a full range of tools in order to obtain a rich and in-depth understanding of a phenomenon (Levy, 2006; Kummerow, 2000). Property development is the result of the behaviour of various players interacting in a complex reality with differing agendas. Such situations lend themselves to interpretivism (Orlikowski and Baroudi, 1991). In addition, an interpretive approach is usually required first, to adequately define hypotheses that can be later tested using quantitative techniques (Strauss and Corbin, 1990). In the property sector, there are a wide range of complex issues still at the exploratory research stage and undergoing development of theory which is not yet adequately defined for quantitative analysis. In such a dynamic and heterogeneous sector it may never be, but that is not a reason to neglect enquiry.

As Crotty (1998) points out, different people construct meaning in different ways to the same phenomenon. This appeared to be the case in relation to the area the subject of this research with people finding it attractive (or not) for differing reasons. As the researcher, I had some prior knowledge of, and direct access to, the research location up until the time of the earthquakes and

could therefore bring my own knowledge and experience to the research, but after February 2011 I largely relied on interpretation of the recalled experiences of the interviewees. These circumstances again pushed me towards interpretive procedures as discussed by Carson et. al. (2001).

All of the above circumstances led to the adoption of a constructivist, interpretive and qualitative research approach utilising a grounded theory methodology, which will be explained in more detail in chapter 4.

My research is a comprehensive case study examining how and why this area was developing in the way it had up until the earthquakes, and what the future holds for the CBD in the minds of the business owners displaced by the earthquakes. The ultimate objective is what can be learned from this unique circumstance of interrupted revitalisation and gentrification that can be usefully applied to other situations.

The research has a property development focus, but the enhancement of economic property development and investment aspects are intrinsically linked to aesthetic and social sense of place concepts that make a location an attractive place to frequent. For a development to have economic value it is not just a matter of the physical bricks and mortar. The development and its surroundings must also offer “value” of a much broader, less easily defined and personal character to the residents, businesses, shoppers, patrons of hospitality outlets, and visitors of every other type.

## **1.5 Thesis outline**

The following Chapter 2 comprises a brief history of the Lichfield Lanes area up until the time of the earthquakes.

Chapter 3 includes an outline of the research and a diagram showing the complex relationships between the issues investigated. In particular, the research questions to be answered were:

1. What were the factors making the Lichfield Lanes area a successful example of inner city revitalisation, according to many commentators, prior to the devastating 2010 and 2011 Christchurch earthquakes?
2. Were the factors that applied to the Lichfield Lanes area pre-earthquakes, still applicable and important in the post-earthquake rebuild of the Christchurch Central Business District?
3. As the characteristics attracting businesses to the Lichfield Lanes area were destroyed by the earthquakes, did these “colonists” abandon their attempts to revitalise this part of the Central Business District and move to new locations with similar characteristics?

4. Alternatively, were these 'colonists' such resilient and adaptable entrepreneurs, that they adapted to the new reality created by the earthquakes and reshaped their aspirations, intentions and activities and remained in the same area?
5. Was the scenario above a desire of these 'colonists', but external factors prevented such an occurrence?
6. What can be learned from this Christchurch case study in terms of property development strategies for inner city revitalisation that can be employed in other situations to address the decline of central city retail areas in the face of competition from economically powerful and professionally managed suburban malls?

Chapters 4 and 5 consider the broad range of literature applicable to inner city revitalisation, first focussing on place-based and then people- based issues.

Chapter 6 details the research method employed in this study. This primarily involved in-depth interviews with business owners from the Lichfield Lanes area, after which verbatim transcripts were loaded into NVivo software for preliminary analysis. Initially 34 nodes were identified and these were subsequently refined to 20 nodes (with sub nodes) and finally 13 major nodes or themes. These 13 nodes and how they were arrived at is elaborated on in Chapter 6.

Chapters 7, 8 and 9 review the results of the research under the different categories introduced in Chapter 3.

Chapter 10 brings together, in a discussion and conclusion, the important findings of this thesis and avenues for future research.

## Chapter 2

### A Brief History of the Lichfield Lanes Area

#### 2.1 Introduction

This chapter establishes the context of the research by tracing the development of the subject area, and the wider Christchurch CBD, from the mid-19<sup>th</sup> century until the Christchurch earthquakes of 2010 and 2011. This will contextualise the spatial changes and wider problems affecting the city and the contributions to CBD revitalisation that were being made by the significant redevelopment and adaptive reuse that had occurred in the Lichfield Lanes subject area shortly before the earthquakes.

#### 2.2 Location of the study area

Lichfield Lanes was the name used by a group of developers (Grant, 2003; pers. comm.) to describe a precinct of connected lanes and access ways within the city block bounded by Lichfield Street to the north, High Street to the west, Tuam Street to the south and Madras Street to the east in the Central Business District of Christchurch (see Figure 1.1). The principal lanes were Poplar Street and Ash Lane and these were negotiable on a restricted one-way basis by motor vehicles. The other informally named connecting lanes and access routes were pedestrian only. Confusingly, the precinct was also known as Poplar Lanes by some people.

#### 2.3 Early developments

The city block housing the lanes was in the south east quadrant of the central city. The initial plan for the city (Wilson, 2007) produced by the original settlers of Christchurch, envisaged a mile square heart of the city, bounded by four avenues, (respectively: Moorhouse, Fitzgerald, Bealey and Deans) with a rectangular block or grid pattern within these boundaries (see Figure 1.1). The block containing the Lichfield Lanes area is one of few blocks that does not follow this regular rectangular pattern of north/south and east/west streets that is typical of the rest of central Christchurch, and many other colonial era cities around the world (Wilson, 2007). This is as a result of High Street being one of two main diagonal streets bisecting the central city, the other being Victoria Street in the north west quadrant (see Figure 1.1). These two streets were designed to connect to Ferry Road in the south, providing ready access to the port at Lyttelton, and Papanui Road in the north, providing

access to the early developed residential areas of Christchurch and the northern route out of the city beyond (Wilson et al., 2005).

The lanes area was originally developed circa 1859 by William Wilson (1819-1897) as an extension to his already established nursery business to the north in the Bedford Row area. The nursery eventually also spread across Madras Street to the east, and at its peak totalled 18 acres on various sites which provided much of the plant material for the avenues and gardens that established Christchurch as a “garden city” (Wilson et al., 2005; Young, 2010). Mr Wilson was known as “Cabbage Tree Wilson” because of a distinctive hat he wore made of cabbage tree (*Cordyline australis*) leaves. He was active in politics and became the first Mayor of Christchurch in 1868. He also had other property investments he leased for various uses and was assessed as being “the richest man in Christchurch” at one time (Young, 2010).

The land in the Lichfield Lanes area was progressively disposed of by Wilson in smaller lots to other businessmen over the period up to 1880 (Young, 2010). By this stage the High Street frontage had been developed with a variety of retail and commercial buildings and, as the name suggests, this was the heart of the city at that time.

The first buildings were one or two storey timber framed and timber and iron clad structures (Figure 2.1) accommodating various typical uses such as grocers, boot makers, dispensaries, hotels and clothing shops.

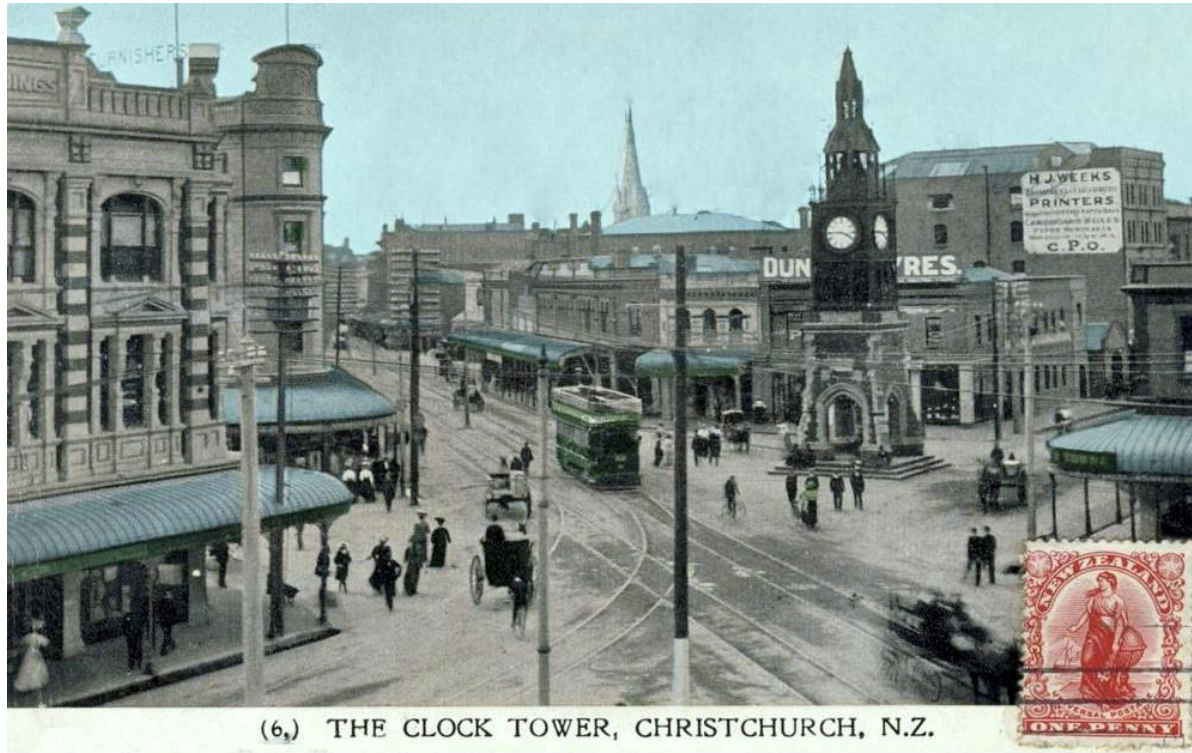


STRANGE AND COMPANY'S ORIGINAL PREMISES.

**Figure 2.1** The original wooden building at the corner of High and Lichfield Streets. (Source: The Weekly Press, 15th December 1900, page 86).



By the turn of the twentieth century the New Zealand economy had picked up from the depression of the 1870s and these early buildings were progressively being replaced by more substantial brick buildings reflecting the success of the businesses within them, the wealth of the owners and the height of Victorian architectural style (Wilson et al., 2005).



**Figure 2.2 Postcard image of corner High Street and Lichfield Street 1908 (Source: [transpressnz.blogspot.com](http://transpressnz.blogspot.com)).**

High Street was also one of the key early routes for public transport in Christchurch with the tram line running down from the main terminus in Cathedral Square to Woolston from 1880, and later to Ferrymead, Sumner and Lyttelton. This further strengthened this location as the hub of retail activity in Christchurch at that time. However, High Street was a classic example of retail “ribbon development” i.e. one shop deep along a major thoroughfare. With a few exceptions, the retail premises were small and only the frontage to High Street was used for retailing. The lanes at the focus of this study provided rear delivery access to the High Street retail premises, and also housed small manufacturing business and provided warehousing and wholesaling space and other associated services. Larger scale industrial and storage facilities were further south near the railway line linking the city with Lyttelton and centres throughout the country.

Most of the buildings existing in the lanes at the time of the earthquakes were constructed in the early 1900s (Figure 2.3). Except for those with frontages facing the main streets these were utilitarian in style with un-rendered brick facings. There was a diverse range of building sizes but a coherence in



style, with the exception of a few later additions. In recent times many of these later additions were removed or re-configured by the developers to restore this style coherence and improve access.



**Figure 2.3 High Street, Christchurch, circa 1905 (Source: Muir & Moodie studio/Museum of New Zealand Te Papa Tongarewa /C.011407).**

From the early twentieth century until the 1960s there was little substantial change in the High Street and adjacent lanes area. There was the usual ebb and flow of different business tenants but the fundamental uses to which buildings were put remained similar. There were a few larger “anchor” businesses occupying key corner sites that set the tone for the location and drew in foot traffic. These included the large furniture store of AJ White on the corner of High and Tuam Streets - later to merge with and change its name to McKenzie and Willis (Figure 2.4). The façade of this building remains after the earthquakes with a new development built in behind. The substantial Para Rubber shop and office headquarters (Figure 2.5) building was on the opposite corner.



**Figure 2.4 McKenzie and Willis Building pre- earthquakes June 2008 (Source: Francis Vallance [https://commons.wikimedia.org/wiki/File:McKenzie\\_%26\\_Willis.jpg](https://commons.wikimedia.org/wiki/File:McKenzie_%26_Willis.jpg))**



**Figure 2.5 Former Para Rubber Building-upper floors later converted to apartments pre- earthquakes (Source: Christchurch City Council <http://www.highstreetstories.co.nz/stories/96-para-rubber-building>).**

The ANZ bank building (Figure 2.6), a distinctive domed and balconied Italianate structure, was further north on the south east corner of High and Lichfield Streets, with the large Excelsior Hotel opposite (Figure 2.7).



Figure 2.6 Former ANZ bank building pre- earthquakes (Source: [http://2.bp.blogspot.com/ 8-DyTsoQSeI/TInoFbri-1/AAAAAAAAAPtg/n3JgIjoVLB0/s400/Copy+of+IMG\\_5187.](http://2.bp.blogspot.com/8-DyTsoQSeI/TInoFbri-1/AAAAAAAAAPtg/n3JgIjoVLB0/s400/Copy+of+IMG_5187.))



Figure 2.7 Excelsior Hotel building pre- earthquakes (Source: Heritage New Zealand <http://www.highstreetstories.co.nz/stories/90-the-excelsior-hotel>)



The imposing Post Office building (Figure 2.8) was also on the west side of High Street and survived the earthquakes. This now houses a popular café on the ground floor, one of only two businesses from the Lichfield Lanes area which relocated within the same vicinity post-earthquake.



**Figure 2.8 Former Post Office building pre-earthquakes (Source: Adrienne Rewi [http://4.bp.blogspot.com/\\_yWEyPv7fm-/SJPeBqkw54I/AAAAAAAAABok/108BTn0x1d8/s1600/HiStPostOffice.jpg](http://4.bp.blogspot.com/_yWEyPv7fm-/SJPeBqkw54I/AAAAAAAAABok/108BTn0x1d8/s1600/HiStPostOffice.jpg))**

## **2.4 Mid twentieth century changes**

During the 1950s and 1960s a slow drift of the centre of retailing in Christchurch began, northwest along High Street towards Cathedral Square and down Cashel Street towards the Avon River (Figure 1.1 – map). The original Victorian era retail buildings in these locations were often less substantial than those in lower High Street, and so presented a less expensive redevelopment opportunity to accommodate the changing CBD retailing environment that had emerged after WWII, influenced by modernist glass frontage shops and other trends imported from the USA. The Cashel Street area was

also the location of substantial department stores such as Ballantynes, Beaths and DIC, which were important destination shops at that time (McDonagh, 1997; Wilson et al., 2005). More importantly, the mid 1960s saw the first emergence in Christchurch of both suburban shopping centres and supermarkets. These new retail concepts, combined with a female population now able and prosperous enough to drive, were to transform retailing, and therefore the city of Christchurch, as would occur in many other parts of New Zealand and the world (McDonagh, 1997; Wilson et al., 2005).

There followed an accelerating decline in the importance of the Christchurch CBD as a retailing destination through the 1970s, 1980s and 1990s as suburban malls and supermarkets, and later large format retail or “big box” centres, increased in number and substantially expanded as they were constantly redeveloped (McDonagh, 1997; Wilson et al., 2005). Land and construction costs for these new forms of retailing were low compared to aggregating and redeveloping central city retail locations (McDonagh, 1997). Christchurch also did not have the geographical and planning restrictions of Wellington and Dunedin which slowed this trend and strengthened the CBD in those locations (Falconer, 2015; Porteous, 2012).

Suburban mall parking was plentiful and free to customers (a key attractant) and they also benefited from the comfort, cleanliness and security of an enclosed mall environment. Also the ownership of these malls and supermarkets became progressively concentrated in a small number of publically listed, well capitalised and professionally run companies that employed sophisticated market analysis and advertising techniques to attract customers. Increasing retail turnover and substantial profits followed the expansion of consumerism and economic growth during the post WW2 period (King, 2003 pp. 414, 433, 466). Traditional large and small retailers in the CBD struggled to compete and foot traffic, turnover, profitability and affordability of rent declined as a result (Wilson et al., 2005). Only one department store, Ballantynes, survived the 1980s in the CBD.

These macro retail trends had a dramatic impact on High Street businesses and property owners. The retail uses in the CBD that could survive shrunk in number and became concentrated in the vicinity of the now pedestrianized Cashel Street “Mall” (Figure 2.9). Vacancies ballooned in other retail areas, such as lower High Street, and rents were lowered to try and attract any type of tenant. Some shops were used for storage or massage parlours or restaurants, or not used at all. Building owners became financially stretched and maintenance was deferred leading to further decline in the attractiveness of the CBD as a destination (McDonagh, 1997).



**Figure 2.9 Pre-Earthquake photograph of “Cashel Mall” retail area (Source: Author)**

## **2.5 Economic reforms of the late twentieth century**

As well as changes to retailing, other forces were at work in the 1980s and 1990s changing the shape of Christchurch and adversely influencing the study area. The adoption of neo-liberal economic policies in the 1980s saw the dismantling of import licensing and tariff protection for local manufacturing (King, 2003 pp 490-492; Simpson, 2010). This saw some of the long established wholesalers that traditionally occupied buildings in the lanes area shrink or go out of business in the face of new competition. Changing transportation and supply chain technology also meant a move away from central city congestion to new and larger industrial buildings on arterial routes or near transport hubs for those warehousing operations that survived (McDonagh, 1997). The impact on the local clothing manufacturing industry that was also traditionally centred on Lichfield Street was even more dramatic. This sector disappeared almost completely within a few years with most clothing imported from China at much reduced cost to the consumer.

The late 1980s saw an office building boom in Christchurch on the back of an obsolete existing stock and in anticipation of the city becoming a stronger participant in the New Zealand finance industry. But this development was concentrated to the north and west of Cathedral Square. Any benefits from this boom were also short lived due to a massive overestimation of office demand, with many

new office buildings remaining substantially vacant for more than ten years. This legacy created further downward pressure on rents, and upper level floor space in old buildings such as those in the lanes was un-rentable at any price. Eventually some of the vacant newer office buildings were converted to hotels, but a general level of oversupply of all building types in the CBD remained for decades (McDonagh, 1997; Wilson et al., 2005).

Figure 2.10 shows a table which includes overall office vacancy levels and vacancy levels for D grade office space in Christchurch for the period 1995 to 2010. D grade space was significantly better in quality and location than the office space in the upper floors of the subject area (prior to the revitalisation), but the subject area (and other similar low quality locations) have never been included in formal CBD data surveys, and their vacancy rates are likely to have been significantly higher than those shown. Similarly, Figure 2.10 also includes typical rental data, on a total occupancy cost per square metre basis, for A, B and C grade office space for the years 1999 to 2010. Rental rates for lower quality space were also not surveyed, but anecdotally were at least 50% lower and more variable than the lowest figures shown in the table. As will be discussed later, rents were significantly increasing (and vacancies decreasing) in the revitalised subject area leading up to the earthquakes, but this was an aberration in terms of overall market trends.

Year	Overall office vacancy rate	D grade office vacancy rate	Typical office rents		
			Total Occupancy Coast per M2		
			A grade	B grade	C grade
2010	14.30%	17.80%	320	250	190
2009	12.60%	12.80%	320	260	210
2008	12.10%	16.30%	310	250	210
2007	13.60%	11.40%	290	235	180
2006	13.20%	11.00%	250	210	180
2005	10.60%	10.90%	243	205	160
2004	10.70%	10.80%	225	190	150
2003	14.80%	13.80%	205	162	138
2002	17.40%	23.30%	200	155	130
2001	17.50%	19.40%	190	170	130
2000	18.90%	21.90%	190	165	120
1999	19.20%	21.00%	190	160	120
1998	18.50%	22.00%			
1997	19.10%	23.00%	190	170	
1996	19.70%	24.00%			
1995	18.80%	23.00%	170		
1994	26.40%				
1993	30.60%				

**Figure 2.10 CBD office vacancy and typical rental rates (Data Source: Colliers International)**

Other business changes also influenced the study area. The High Street Post Office and its associated savings bank and provision of other government services were a substantial attraction for foot traffic up until the early 1990s when restructuring, centralisation and computerisation of functions greatly reduced the importance of the Post Office and led to eventual closure and conversion of the building to a video rental store. A similar transition applied to the banks in the area. The large Para Rubber store initially shrank, and then relocated to an industrial type building on Blenheim Road – an arterial route into the city.

Eventually there was little reason to venture into this part of the city except to shop in the large McKenzie and Willis furniture store that remained open up until the earthquakes, or to frequent the brothels that had started to proliferate as the only viable use for some buildings. The location had reached its lowest point in the early 1990s but, ironically, the fact that it had been uneconomic to redevelop the area up until that point meant the original collection of early 20<sup>th</sup> century buildings remained largely intact, and was the catalyst for the area's re-emergence in the 2000s (Wilson et al., 2005).

One positive and far sighted development at this time was the conversion of the former Para Rubber building into 27 residential apartments by a local developer. This was one of the first conversions of a historic commercial building into apartments in New Zealand, and while popular as a concept for inner city revitalisation and with tenants wanting that type of inner city living, it only served to illustrate the difficulties of such projects in the prevailing legislative and economic climate in Christchurch. Perhaps "before its time" the residential component in the Para building eventually helped support the successful development of the adjacent lanes a decade later. However, the problems faced by the developers, who wanted to incorporate a similar residential component in the development of the lanes area, had only been exacerbated by that time and the residential aspect had to be eventually abandoned until there was a change in attitude by government authorities (Anderson, 2014; pers. comm).

## **2.6 Recognition of the Lanes area potential**

The buildings immediately across Tuam Street from the lanes area and the Para Rubber building, dominated by the Wiltshire building on the corner, were damaged by fire in the 1980s. Protests occurred over their demolition but it went ahead and the site was subsequently acquired by Mobil for a service station and McDonalds fast food outlet. By then the Christchurch City Council recognised the aesthetic importance of a consistent frontage to High Street and required rebuilding to the same scale as a condition of consent for the service station development (Mason, 2014; pers



comm.). As a result the Christchurch Polytechnic developed their jazz school and other facilities on the High Street frontage to this block with the service station “hidden” in behind on the Madras Street frontage. This marked a new focus on this part of the city and some early attempts to get revitalisation underway.

By the end of the 1990s central city vacancies remained at 23 per cent of total floor space - likely much higher in High Street, and pedestrian counts were down by 33 per cent since the 1980s. In 1998 the Council commissioned Athfield Architects to develop a plan for urban regeneration and that report identified the lanes that are the subject of this research (as well as other lanes nearby) if revitalised, as being valuable as a catalyst for wider improvement in the viability of the CBD (Athfield Architects Ltd, 1998).

Further reports were generated by the City Council in 2000, 2001, and 2003 and some limited physical action started during this period when the City Council carried out some street improvements in High Street and encouraged building owners to paint their buildings in “heritage” colours and remove unsightly signs and fire escapes (Christchurch Star 2001 Sept. 5, p. A1). Some new retailers from the fashion industry started to take space in High Street shops around this time, perhaps influenced by the association with the Christchurch Polytechnic nearby (High Street Fashion, Avenues, May 2005).

But it was only when the developers of the lanes area interviewed for this research started to acquire properties and progressively develop them from 2002 that the lanes area to the rear of High Street started to emerge from dereliction. In particular, the first tenant of the lanes development, The Twisted Hop brew pub was instrumental in illustrating what could be achieved with buildings of this type in this location, (Figure 2.10).



**Figure 2.11 Twisted Hop (left) and Mac's Brew Bar (right) with tramline under construction in foreground 2010. (Source: thesmashpalace.co.nz)**

Ultimately their presence from 2004 attracted other businesses and changed the entire tone of the location. The developers progressively acquired more properties as the opportunity arose, and while not owning every property in the lanes precinct, controlled enough over time to create an integrated destination (McDonald, 2004; pers comm.).

From 2004 to 2006 the City Council worked with the developers to upgrade the lane surfaces and street lighting and undertook other minor streetscape improvements, but as my research revealed, these works were controversial (Young, 2010: pers comm.). There were no direct financial contributions or compliance cost reductions for the developers by the Council but they did facilitate various meetings and publish more reports.

Then, shortly before the earthquakes in 2010 a decision was made by Council to build an extension through the lanes area of the already existing historic tram route. Again, this was a very controversial and costly decision for both the developers of the area and their tenants, as will be seen later in this thesis.

## 2.7 The 2010 and 2011 earthquakes

After the initial earthquakes in September 2010 the whole Lichfield Lanes area was cordoned off for a short time, and particular damaged buildings within it for a much longer period. Following the February 2011 earthquakes the whole central city area was cordoned off for several years and parts of the Lichfield Lanes area remained so until 2014, see Figure 2.11.

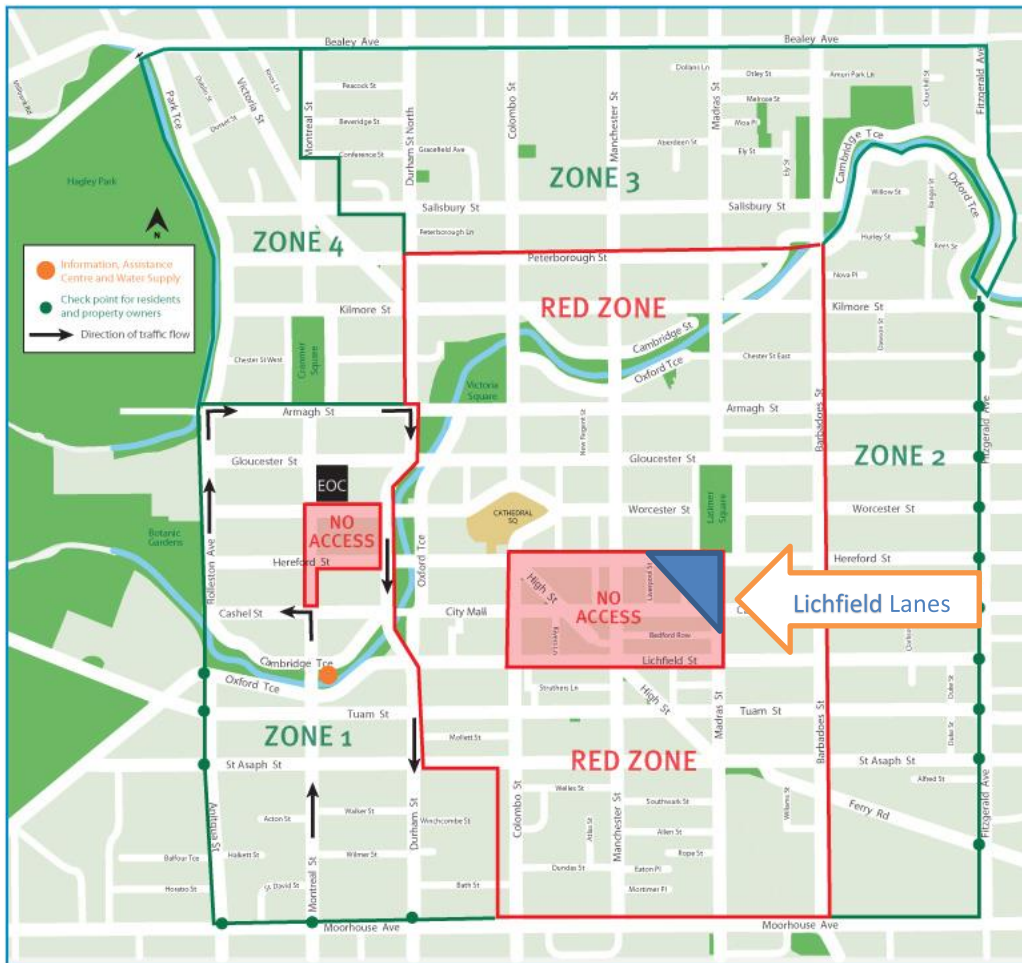


Figure 2.12 Central City “Red Zone” Cordons in place after the February 2011 Earthquakes (Source: [www.rebuildchristchurch.co.nz](http://www.rebuildchristchurch.co.nz))

A year after the February earthquakes the City Council developed a recovery plan for the CBD of Christchurch but this was controversially scrapped by Gerry Brownlee, the Minister for Earthquake Recovery (and head of the Canterbury Earthquake Recovery Authority ) as being unsuitable in his opinion (Hutching, 2012: Christchurch City Council, 2012). He also controversially appointed a consortium of consultants operating as a sub group of CERA entitled the Central City Development Unit (CCDU) to take over the planning process from the Christchurch City Council and come up with a

new recovery plan for the central city within 100 days (Steeman et al., 2012). This plan included the whole of the Lichfield Lanes area sitting now at the junction of two much larger new planning precincts known as the Eastern Frame and the Innovation Precinct. Also nearby was a proposed new football stadium. Confusion over what this all meant for the location and the CBD as a whole, as well as an extended process of compulsory acquisition of land within these new precincts led to abandonment of initial attempts by the developers to resurrect the area into a post-earthquake version of what was previously there.

The situation regarding this land at the time of conclusion of the interviews in 2014 remained confused. It appeared much watering down of the original “frame” proposals had occurred but it was too late for the developers and businesses previously occupying the area to remain involved.

## **2.8 Conclusion**

The High Street and nearby Lichfield Lanes area of Christchurch has had a chequered history. In the city’s early days it developed quickly to become one of its most important commercial areas. After an extended period of stability, an accelerating period of decline started with changes in retailing in the 1960s and 1970s and culminated in a very depressed location following the wider economic reforms of the 1980s. By the year 2000 the potential of the area as a catalyst for and exemplar of inner city revitalisation had been realised, and this started to progressively take physical form up until the time of the earthquakes. At the time this research was carried out the future of the Lichfield Lanes area was again uncertain, but it would certainly never be the same again.



## Chapter 3

### Outline of the Research

Leading up to 2010 Christchurch was following a commonly observed process of piecemeal inner city revitalisation, incorporating adaptive reuse and sequential stages of gentrification of previously de-valued buildings and locations. Fashionable hospitality and entertainment uses were a common outcome of these redevelopments. The major earthquakes of 2010 and 2011 abruptly terminated this process. The subsequent demolition of most of the CBD presented the opportunity to examine a unique situation of revitalisation and gentrification interrupted and then replaced by a 'clean slate' centrally planned approach to rebuild of the central city.

Important research questions to be addressed by this case study of the Lichfield Lanes area of central Christchurch include:

1. What were the factors that were making the Lichfield Lanes area a successful example of inner city revitalisation prior to the devastating 2010 and 2011 Christchurch earthquakes?
2. Were the success factors applying to the Lichfield Lanes area pre-earthquakes applicable and important in the post-earthquake rebuild of the Christchurch Central Business District?
3. As the characteristics attracting gentrifying 'colonists' to the Lichfield Lanes area were destroyed by the February 2011 earthquake, did they then abandon their attempts to revitalise this part of the inner city and move to new locations with similar characteristics?
4. Alternatively, were these 'colonists' resilient and adaptable entrepreneurs, and was their emotional and financial investment in this location so strong that they adapted to the new reality created by the earthquakes and reshaped their aspirations, intentions and activities?
5. Was the scenario above a desire of these 'colonists', but other external factors prevented such an occurrence?

Leading on from these location specific questions, a key broader research question is:

6. What can be learned from this Christchurch case study in terms of property development strategies for inner city revitalisation that can be employed in other situations to address the decline of central city retail areas in the face of competition from economically powerful and professionally managed suburban malls?



A more structured visual representation of the relationships which emerged from this analysis is shown in Figure 3.2 below, and this can be seen as a model or map of the rest of this thesis and my interpretation of the property development issues that arise from this research.

At the start of each of the three results chapters (Chapters 7, 8 and 9) this model is disaggregated into its component parts to help illustrate and navigate the results presented.

As Figure 3.2 is somewhat complex it warrants some further explanation at this stage, but I will also return to the model at the end of this thesis, as a means of drawing together the strands of this discussion.

At the **centre** of the diagram within the rectangular blue box the most obvious and predominantly **physical factors** contributing to the success of the Lichfield Lanes area are shown. These aspects were frequently identified by most of the interviewees and their actual comments (as are those for other aspects discussed below) are examined in **detail in Chapter 7** of this thesis.

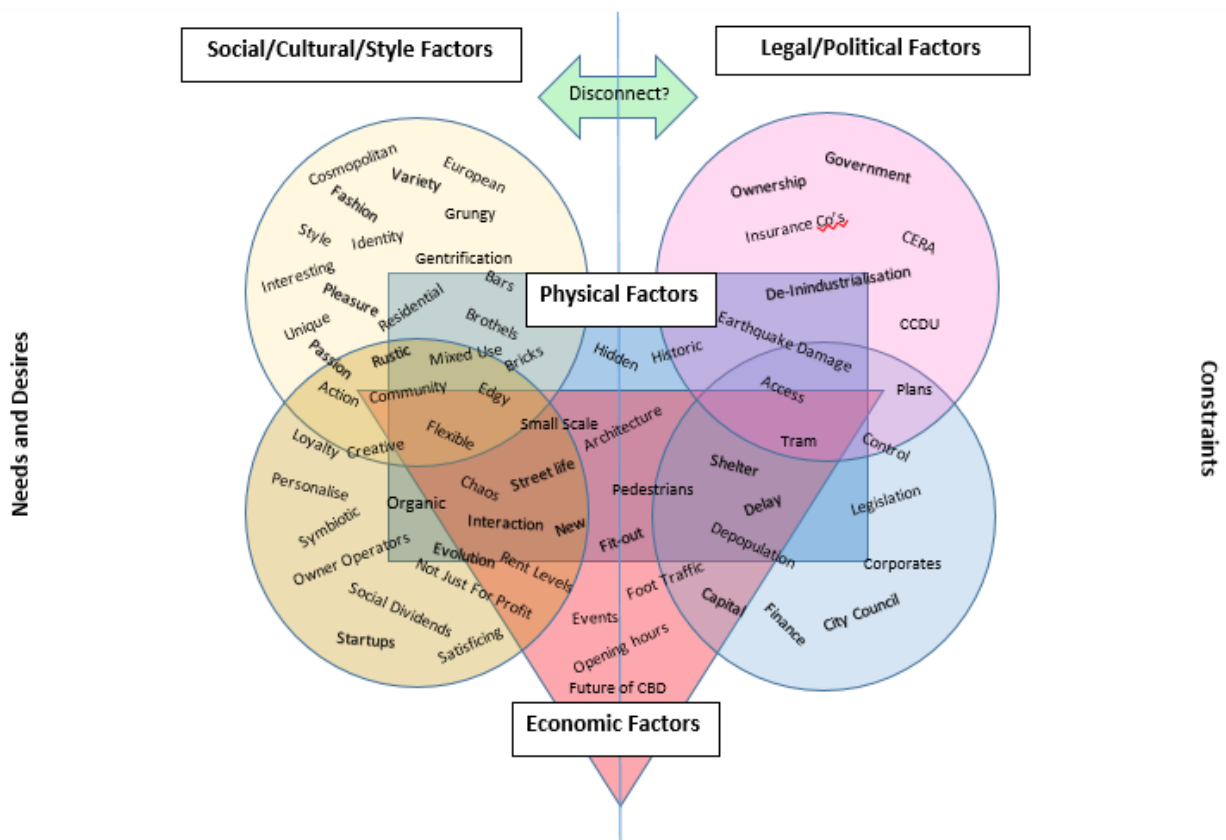


Figure 3.2 Relationships between factors important to revitalisation



The physical factors include the historic architectural style, along with the attractiveness of the brick building materials, and the human scale and shelter from weather and traffic noise afforded by the narrow lanes. The grittiness of the previously industrial and warehouse area was appreciated by many. More controversial was the project underway to run a vintage tram through the area promoted by the Christchurch City Council.

Moving to the **left** side of the diagram in Figure 3.2, the centrally located physical factors in the blue box also overlap with the less easily identified and often overlooked **style, cultural and social** phenomena **examined in Chapter 8** and found to be of critical importance to most interviewees.

In the upper left hand circle are factors related to the style and mixed use of the area that were often seen as very important by interviewees. Those frequently mentioned included the range of bars and food outlets, mixed and quirky retail along with brothels and residential apartments. These mixed uses attracted a cosmopolitan group of people, both business owners and customers, and contributed to active street life throughout the day and evening. A strong sense of community developed, and people working and visiting the area felt they were part of something special and unique.

In the lower left hand circle, and again overlapping with the circle above and the more physical factors in the centre, are factors relating to how the area developed. The developers' plans for the buildings were flexible and developing organically as opportunities arose and capital was available. To some this appeared chaotic, but that was part of the appeal for many. The location was in a constant state of evolution and not necessarily the same every time a customer visited. Businesses had to fit into existing oddly shaped building spaces, which often entailed compromises, but led to variety and interest. Owner operated and start-up businesses were encouraged. All this is a stark contrast to the more typical high street and shopping mall experience. In addition, the pleasure derived for customers and business owners was not just in purchases and profits, but in the whole experience, encompassing both the ambience of being in the area and the positive interrelationships between people.

To the **right** of the diagram are two circles intersecting with each other and the central blue rectangle. These circles represent the **legal and political factors examined in Chapter 9** and commonly associated with local and central government plus other agencies – in this case the Canterbury Earthquake Recovery Authority (CERA), the Central City Development Unit (CCDU), and insurance companies. The complex links amongst these agencies and also with the physical factors at the centre of the diagram are represented by the overlapping aspects of the diagram.

For example CERA, CCDU, central government and insurance companies are linked in with the City Council and with earthquake damage, access, foot traffic, rent levels and the future of the CBD. As will be seen in Chapter 9, interviewees strongly felt that these agencies were following an inappropriate agenda in so strictly controlling the rebuild of the CBD and not considering small business imperatives. They felt CERA development requirements (in terms of both style and scale) and the rent levels necessary to make new construction economic meant there would be no place for businesses like theirs in a rebuilt CBD. The lengthy delays in developing plans for the CBD, difficulties with access, and CBD de-population and consequent low levels of foot traffic compounded the problem. There was a perceived disconnection between bureaucratic planning processes and the needs of small businesses and their customers who could not wait and needed to get on with their lives. These same issues were identified via participant observation at a variety of public meetings held by groups with an interest in the future of the Christchurch CBD post-earthquake.

Considering the diagram in Figure 3.2 as a whole, the critical property development factors identified in this case study can be divided into groups both surrounding and interacting with the physical factors at the centre.

To the left are the social factors that were perceived positively by most of the interviewees and seen as important in the success of the Lichfield Lanes area prior to the earthquakes. To the right are the regulatory, legal and political factors - more focussed on the physical aspects of earthquake damage and planning and controlling the future of the CBD. These agencies and their interactions were primarily seen in a negative light by most of the interviewees.

The factors to the left are still seen as very important in any successful CBD revitalisation but unfortunately there seems to be little in the way of understanding or connection between the agencies on the right of the diagram and the social/cultural/style factors on the left, as shown by the green double ended arrow.

The red triangle spreading right across and to the bottom of the diagram represents the critical **economic factors** that span the political/legal, physical and social/cultural/style factors of the diagram. This will be discussed in more **detail in Chapter 10**. A population of workers, visitors and residents in the CBD sufficient to generate foot traffic that can support economic rents is critical for the success of CBD businesses. The interviewees do not see the actions of the various authorities and insurance companies as facilitating affordable levels of rent or sufficient foot traffic within a foreseeable time frame to enable their participation in a rebuilt CBD.

In some ways this is inevitable. The unique combination of circumstances that led to the success of the Lichfield Lanes area prior to the earthquakes, and discussed further in the conclusion to this

thesis, cannot be repeated. However, through researching the Lichfield Lanes case study, new knowledge and insight into the dynamics of heritage and character areas of CBDs can be developed.

## Chapter 4

### Place-based Physical and Economic Revitalisation

#### 4.1 Introduction

The process that was underway in the Lichfield Lanes study area prior to the earthquakes can be described as inner city revitalisation incorporating some aspects of adaptive re-use, gentrification, new urbanism and creative communities. This chapter and the next give an overview of the comprehensive body of literature on these issues that has emerged over the past fifty years.

Chapter 4 first summarises the literature illustrating the forces leading to the need for revitalisation. It then goes on to outline types of “place-based” physical and economic strategies that can assist with revitalisation and adaptive re-use. These generally reflect those issues at the centre of the diagram introduced as Figure 3.2 in Chapter 3.

Chapter 5 investigates the literature more associated with “people-based” strategies and the social and cultural trends that have recently appeared to drive the style of development that makes CBD locations still attractive to some people, in the face of stiff competition from suburban malls. This reflects the issues to the left of Figure 3.2 in Chapter 3. Many issues, for example architecture, gentrification and creative communities span both people and place considerations.

#### 4.2 The decline of the inner city

Inner cities are becoming popular again in many parts of the Western world after a lengthy period of decline. Often this is a result of various forms of inner city revitalisation and adaptive re-use but there are also criticisms that this process can involve gentrification and displacement of long standing working-class residents. The literature reviewed in this chapter and the next predominately comes from the USA and other “new world” locations. This does not mean that we cannot learn a lot from “old world” revitalisation attempts – in fact quite the reverse. But the social and physical structures, building styles, property market characteristics, economic base, class structure and aspirations of the population, have far more in common between the New Zealand situation and small and medium sized cities in the USA, than they do with typical European cities.

In the USA the decline of central cities emerged after World War Two and has been attributed to a variety of forces. By the 1970s demographic shifts led to a declining central-city population and a concentration of the poor in urban neighbourhoods (Morrill, 1978). Large movements into cities by

rural African-Americans in search of work coincided with the movement of previous middle and working-class populations out to the suburbs. Lower immigration rates in the 1950s also kept new immigrants from coming to the urban centres to replace the upwardly mobile. Economic trends and public policies also contributed to inner-city decline. These included new zoning rules, suburban housing construction techniques, subsidised highways, banking, tax and housing policies (Grogan and Proscio, 2000; Bright, 2003; Ferguson, 1996, in Seidman, 2004).

As the central city declined, the economic viability of business districts tied to nearby residential neighbourhoods deteriorated. Compounding the problem, the departure of urban manufacturing employment concentrated unemployment, poverty and other social problems in the inner-city. Businesses increasingly followed their wealthier customers to the suburbs and the emergence of these rapidly growing suburbs as strong employment and retail centres further aggravated inner-city business district decline. (Halpern, 1995; Mulkeen, 1997; Wilson, 1996, in Seidman 2004).

Reduced car prices, increased incomes and more women driving from the 1950s and 60s, led to the rise of the automobile as the primary mode of transportation, again contributing to rapid suburban growth and weakened central commercial districts which relied on public transportation. Large shopping centres were developed in these new suburbs providing strong, well-financed and professionally run competition for traditional inner city businesses. Large retailers, such as department stores that previously were anchor tenants in the CBD, were targeted by mall developers for relocation to suburban centres. Many remaining smaller “mom and pop” retailers unattractive to mall developers closed down in the face of new competition or also followed their customers to the suburbs (Mulkeen, 1997; Zielenbach, 2002; Rucker, 2000, in Seidman, 2004).

Civil unrest, arson, and growing crime that typically accompanied all of the above changes in the USA further accelerated population and business loss.

Many, but not all, of the above trends were also apparent in New Zealand and Christchurch, but they started to emerge some two decades later in the 1970s and 80s and were smaller in scale.

Differences include that the inner city residential populations of cities in New Zealand, especially Christchurch, were not significant - so it was not so much a matter of movement of population between the city and the suburbs but differences in the relative rate of growth. In contrast to the USA, New Zealand had an influx of immigration from the 1950s through to the 1970s, first from the UK and the Netherlands and later from the Pacific Islands. The majority of immigrants settled in the suburbs. Racial issues and inner city crime were not significant in Christchurch and were minor problems in Auckland in comparison to the USA and other parts of the world.

But suburban housing choice, zoning and lending policy, transport technology changes and associated green-field industrial development, private automobile use and shopping mall development trends all clearly followed the pattern well established in the USA (and other “new world” locations). This led to a similar pattern of deterioration of trading conditions for inner city retailers and the inevitable flow on effect to the finances of the owners of the central city buildings they occupied. For example, the Christchurch Central City Business Association estimated \$1.4 billion in retail turnover was lost from the CBD to suburban malls in the 20 years since 1995.

### **4.3 The economics of revitalisation and adaptive reuse**

As discussed in more detail in the gentrification section of Chapter 5, Smith (1987) identified the “Rent Gap” arising by the decline in real estate values from the above process as presenting an opportunity for revitalisation of the central city by a new group of “pioneers” or “colonisers”. Sometimes these were developers and on other occasions individual gentrifiers (Zukin, 1989; Ley, 1994).

Porter (1995) applied the competitive advantage ideas he had developed to urban revitalisation and identified four important competitive advantages of inner cities:

1. Strategic location close to the city centre, key transportation infrastructure, and entertainment and tourist centres
2. Local market demand reflected in high density that compensates for lower incomes, and specialized urban ethnic market niches
3. Integration with regional clusters, which creates an opportunity for inner-city businesses to provide goods and services for these engines of regional economic growth
4. Human resources that include a supply of moderate-wage hard-working and dedicated employees, and an entrepreneurial spirit in inner-city communities

While these may apply in the large cities of the USA not all of them are relevant to Christchurch. The first certainly applies, with public transport and connections to the airport, port and major highways all previously focussed on the central city. However concerns with congestion and heavy traffic volumes have seen increased expenditure on bypass routes and ring roads. The central city did remain the clear focus for entertainment and tourist related services up until the earthquakes, and the intention is for these services to eventually return (Gates, 2014), but the disruption and delays



with the plans for the central city saw these uses dispersed to the periphery of the CBD or the suburbs in the meantime.

The second of Porter's advantages did not really apply to Christchurch, with its very limited CBD residential population (and therefore demand) and no clearly identifiable urban ethnic market niches. This is in contrast to the Auckland situation where inner city residential now includes a high concentration of recent immigrants and students, mainly from Asia (Friesen, 2009; Murphy, 2008; Haarhoff et. al., 2012). This reflects the findings of Grogan and Proscio (2000) referred to earlier, plus those of other studies, where immigration is seen as a key positive trend for supporting the rebirth of central cities.

There was demand derived from the 50,000 inner city workers in Christchurch though, and the Lichfield Lanes area had an unusually high concentration of businesses with an ethnic style. Those few central city residents that did exist represented opposite ends of the income spectrum, with both value apartments and low rent quasi-legal student flats.

The third of Porter's advantages did apply to Christchurch as the second largest metropolitan area in New Zealand. The city supplied services to the "engines of regional economic growth" for the Canterbury region, namely agricultural production, processing and export, education services, the high-tech and engineering sectors, medical and government services and other business and administrative functions.

The final of Porter's advantages applied to some extent, especially in relation to the Lichfield Lanes area where my research reveals truly dedicated, entrepreneurial and hard-working owner operators were dominant. This is in contrast with the corporate, minimum-wage scenario common in suburban shopping centres.

The style of the existing building stock, especially historic buildings, has been found to be an advantage by some researchers (Ferguson, 2005; Balsas, 2004 and others). Similarly, cultural and heritage activities that are unique or particularly suited to a neighbourhood also can attract visitors, businesses, and investment to an area (Florida, 2002; Latham, 2003; Richards and Wilson, 2007; Avery, 2007; plus many other authors).

But there are mixed views on the economics of adaptive reuse. Inner city areas often initially have a supply of vacant and underutilized real estate with low land costs and building rental rates. This can suit some uses in its existing form but, the condition of this real estate and the high costs associated with its adaptation and reuse for other functions can be a significant obstacle to new investment (Ferguson, Miller, and Liston 1996; Porter, 1997). Other researchers have found it less expensive and

more feasible to rehabilitate existing building stock than to build new (Smith, 1987; Rucker, 2001 in Seidman 2004).

An important success factor that has been identified by many authors (see Stoutland, 1999; Walker and Weinheimer, 1998; Keyes et al. 1996; in Seidman, 2004) is community development organisations. In many cities in the USA neighbourhood-based organizations receive financial and organizational support from private foundations, government, and the wider business community to support commercial redevelopments. Suchman (1994), Porter (1995) and Hackworth (2002) see simplification of regulation as a key CBD revitalisation strategy, and Kaplan (1995) similarly advocates local authority partnerships with developers. In line with this, there has been a reversal in approach over time in the USA, from earlier encouraging suburban development, to more recently a variety of tax incentives, grants and banking changes aimed at reducing barriers for inner city re-development. Porter (1995) and Schwartz (1998) also record a recent change in attitude in government agencies from direct support, subsidies and advocacy to facilitation, communication and problem solving.

#### **4.4 The obstacles to revitalisation and adaptive reuse**

In many ways the obstacles to inner city revitalisation and adaptive reuse are more obvious than the opportunities. This may lead to the development and investment community not even considering the central city as an option, or identifying the location early on as too risky and difficult.

Seidman (2004) and Beauregard (2005) summarise the findings of a range of authors regarding these obstacles. A primary consideration is that existing buildings and sites are often in poor condition and not well-suited to current business needs. The adequacy and location of services and potential contaminants and other difficult to detect problems add to risk. There are also the costs of demolition, access for redevelopment and protection of neighbours – all not so relevant in green-field developments. In addition, sites and buildings are often too small to accommodate the formats used by chain retailers and other corporate users. Even if there is enough vacant land to support a large scale use, the land may be in fragmented ownership, and assembling many sites from owners with differing goals and capacity can be a major barrier in terms of time and cost in the absence of compulsory acquisition powers. Another revitalisation barrier identified by Porter (1995) is that inner-city locations may also have higher costs and more heavily regulated business environments than suburban locations. These higher costs can be operational for example: local authority rates, utilities, parking, insurance and security. Or they may be increased development costs, such as more extensive development regulations and contributions, higher construction costs and clean-up costs, and the time and expense of engaging in the planning process and securing support from community

groups and other affected parties (Porter, 1995 and Suchman, 1994; Ferguson, Miller, and Liston, 1996, in Seidman 2004).

Lack of, or expensive, parking in the inner city and difficult vehicle access is often an obstacle to new retail investment, especially where people are dependent on cars and free parking and easy access is available in suburban shopping malls. A central city decline and the on-flow effect to property values and ad-valorem tax revenues may mean public infrastructure becomes poorly maintained. Vacant sites, underutilized buildings, graffiti, rubbish, and public buildings and spaces in poor condition create an unattractive area for shopping, business and investment. Poor physical condition also tends to attract disorder and criminal activity (Dane, 1988; Suchman, 1994; Moore, 1999; Grogan and Proscio, 2000, in Seidman 2004).

In the above circumstances inner-city market rents are often too low to provide a return on the necessary investment to improve the situation and Smith's (1987) "rent gap" appears. As a result, many buildings remain vacant, underutilized, or dedicated to uses that require minimal investment, such as storage. This was clearly the case with the upper levels of Victorian era buildings in Christchurch pre-earthquake.

As well as the actual deterioration that applies, there are also perception problems that can be obstacles to inner city revitalisation. Ferguson, Miller, and Liston (1996) and Porter (1997) found the belief that limited markets and high crime exist in the inner city is a significant obstacle to new commercial activity, even when those conditions no longer exist in reality.

In an inner city area more actors and more complex interrelationships exist than in a suburban location, and this can be seen as a barrier to revitalisation. For example, if an area wants to expand customer shopping by increasing its weekend or evening trading hours, it must convince many retailers to do so. To keep the area clean it must get retailers, property owners, and the local authority to work together, as well as make residents more attuned to cleanliness. The uncertainty regarding how others will act can inhibit behaviour changes or new investment by businesses and property owners. A property owner may not see any benefits in increased rents or occupancy from new investments if other property owners do not improve their premises as well (Mulkeen, 1997, in Seidman 2004,).

The above difficulties can be contrasted with the strict management of shopping malls, where common ownership and detailed lease provisions ensure common store hours, a well-maintained environment, and compulsory contribution to operating expenses that include funding advertising, events, and promotions (Crawford, 2004).

The small size of owner-operated businesses that traditionally dominate inner city areas can also present economic problems. The owners may have limited networks, capital and management skills and business survival long term can be a problem for developers in terms of vacancy and churn costs (Bates, 1997). Small businesses also suffer in not being able to match the economies of scale offered by their suburban competitors (Porter, 1995) and they often lack the time and other resources to participate actively in revitalisation efforts (Mulkeen, 1997, in Seidman 2004).

Barriers to accessing capital by inner city entrepreneurs have also been found to be significant by researchers (Bates, 1997; Gittell and Thompson, 1999). In some cases the cultural and social capital retained and injected by initial entrepreneurs is taken over by subsequent developers with greater access to economic capital (Cameron and Coaffee, 2005). This appeared to be the case in Lichfield Lanes, as will be examined later.

Another factor is the limited range and mix of inner city businesses in some locations where bars, restaurants and other entertainment uses that can afford high rents can dominate. Shoppers look for a varied and complete retail experience and in a single ownership mall, large successful anchor retailers help support more marginal stores to provide the appropriate tenancy mix. The fragmented ownership and control mentioned earlier inhibits this process in the inner city, with the result being a reduced ability to attract foot traffic. In many cases the CBD is now dominated by small niche operators, hospitality and convenience retailers that draw a limited, but committed clientele.

The “Main Street” approach, which has been seen as successful in many locations, and is discussed later in this chapter, emphasises the need for coordinated actions among stakeholders to make commercial districts competitive with suburban shopping centres. This type of action was starting to gain some limited success in Christchurch under the auspices of the Christchurch Central City Business Association prior to the earthquakes.

#### **4.5 Different approaches to revitalisation – people or place focus?**

The research literature is often divided as to whether place-based or people-based approaches are most appropriate to stimulate revitalisation. This aspect is at the core of this thesis. As I found in my research both approaches need to be used in an integrated, co-ordinated and co-operative way.

The rest of this chapter will focus on the literature examining revitalisation strategies which are, at least to some extent, focussed on places and economics. Chapter 5 that follows, reviews more people based revitalisation literature.

## 4.6 Commercial real estate–based revitalisation strategies

Amongst place-based strategies, the most clearly relevant to the Lichfield Lanes situation are commercial real estate–based revitalisation strategies which emphasize physical improvements and other real estate development projects as a means to attract businesses, create new consumer destinations, and remove vacant and blighted properties that contribute to crime and a poor image. These can include “catalytic” projects, which are large-scale or prominent projects that can improve perceptions, leading to a sustained cycle of new private investment.

This type of approach has been used in many cities to try and reposition the CBD to compete more effectively with suburban shopping centres and other dispersed locations of economic activity (Levine, 1987).

In the USA these efforts were initially funded by federal urban renewal programmes, but in more recent years partnerships between local authorities and private developers have been more widespread and successful. These efforts have included improving infrastructure to support new private development, assembling land for large-scale projects, conducting planning and design work to create a vision, building momentum and defining the quality of projects, and providing financial support through various incentives and tax structures (Frieden, 1990; Porter, 1995; Bounds and Morris, 2006; Boddy, 2007; Murphy, 2008). Some have criticized this approach as failing to provide good-quality jobs for urban residents and providing few benefits to the surrounding low-income neighbourhoods (Suchman, 1994; Halpern, 1995).

More relevant to Christchurch may be “neighbourhood” commercial development with a different character and a far smaller scale than that above. These neighbourhood scale efforts have focused primarily on the lack of new investment in inner city shopping areas since the 1960s. Retail developments via rehabilitation of existing buildings combined with some new construction are most common, as well as the redevelopment of the large abandoned and blighted properties that can act as symbols of neighbourhood decline and therefore prevent new investment and attract crime. There has been growing private-sector interest in inner-city retail development and sustained revitalisation needs this interest to continue (Porter, 1997; Hernandez, 2001; Halpern, 1995; Grogan and Proscio, 2000).

In the USA new inner city supermarkets have been seen as important by Halpern, (1995); Grogan and Proscio, (2000) and others, as they provide a basic retail service, act as an anchor tenant and provide employment opportunities. This has not been a feature of Christchurch as large supermarkets are already established on the southern edge of the CBD. There is also the issue that supermarkets can adversely affect inner city convenience stores, so it is often important for small stores to differentiate

to survive (Hernandez, 2001). This phenomenon can be seen in Christchurch with specialist Asian and European supermarkets in the CBD, as well as much longer opening hours for many conventional convenience stores, who controversially also cater to late night alcohol sales.

The USA experience also includes contributions to revitalisation from national retail chains but this has not been evident to date in Christchurch with the loss of some of these chains to the suburbs and their replacement with small owner operated and niche market businesses.

Not all revitalisation efforts are successful though, and what it is that makes a project successful can vary from place to place and time to time (Zielenbach, 2002).

#### **4.7 Physical improvements and new commercial development**

Most CBD revitalization efforts emphasize physical improvements to buildings as a first step to change an area's image, attract more shoppers and businesses, and eliminate blight and crime.

Three important steps have been identified by a variety of authors (Dane, 1988; Smith, Joncas, and Parrish, 1996; Community Services Collaborative, 1994 cited in Seidman, 2004).

1. Outreach and education to increase understanding of the impact of good design and physical improvements on the commercial district and business performance.
2. Technical assistance to help businesses and property owners prepare a good design and manage the contracting and permitting process.
3. Financial incentives through grants, low-interest loans, or both to encourage property and business owners to make improvements.

As will be seen later in this thesis, in Christchurch some limited assistance with the first of these steps was provided by the City Council in relation to the subject area, but the second two were largely or completely absent.

The above authors also found it is important to target the application of effort to those buildings that will have the most immediate visual impact and therefore initiate perception change. Restoring historic building façades and implementing building improvements incrementally is seen as important, beginning with smaller-scale façade projects and then expanding to larger-scale projects once property owners recognize the value of building improvements. This was the approach underway in Lichfield Lanes area prior to the earthquakes, not necessarily by design, but more a result of the capacity constraints of the developers.



An alternative strategy is targeting severely blighted properties for reuse and redevelopment to reduce crime and negative perceptions, and developing catalytic projects to generate substantial spin-off investment (Hernandez, 2001; Taub, 1988; Fernandes, 1997 in Seidman 2004). This was the desire of the Christchurch City Council in relation to the large and nearby “Turners and Growers site”, but it never eventuated due to the appointed developer not being able to generate an economically feasible proposal.

Best practice involves a combination of both approaches so that momentum and change are generated by smaller-scale projects while work on long-term catalytic projects proceeds.

Design guidelines are another aspect of revitalisation best practice as they help preserve a district’s character, foster better-quality improvements, and create a vision for the district.

The Urban Land Institute recommend revitalization efforts need to be coordinated with city planning officials to streamline the development approvals and permitting process. They also promote a range of actions to enhance the image and appearance of inner-city areas, including: using gateways or recurring design symbols to define the district boundaries and promote a clear identity; cleaning up the area by removing blighted structures, overgrown lots, garbage, and exterior storage yards; adding amenities such as playgrounds, parks, and natural features; creating a focus for the community through some version of a “town center”; and clustering commercial development at intersections (Suchman, 1994).

Many authors, including Fernandes, (1997); Hernandez, (2001); Suchman, (1994) and Wright, (1999) all cited by Seidman (2004), promote the need for subsidies and other incentives to make commercial development projects economically viable in weak inner-city real estate markets. These are especially important for the initial perception-changing projects, and while common overseas, this type of approach has been unpopular with successive New Zealand central governments since the trend towards neo-liberal policies in the mid 1980s. When local authorities have worked with developers the processes and outcomes have often been controversial and unsuccessful.

In addition to improvements to the building stock, revitalization efforts should extend to the overall appearance, public spaces, signage and infrastructure of the area. This also includes maintenance issues such as graffiti removal, cleaning, rubbish storage and removal and other services. In some cases community-led initiatives in these areas can be most effective and also cement social and business relationships (Houston, 2003; Mitchell, 2001; Ryan, 2000; Wright, 2001; all in Seidman 2004). My research reveals there were examples of such activities in the subject area, but there were concerns over lack of co-ordination and consideration of adverse effects.

## **4.8 Adapt and re-use or rebuild?**

The answer to this question is fundamental to a revitalisation strategy as it will inherently influence the character of the district in the future. Main Street Centre literature focuses on the importance of retaining the existing historic building stock, and cites historic preservation as a strong attraction for both residents and businesses (Dane, 1997; Moe and Wilkie, 1997 both cited in Seidman, 2004; also Ferguson, 2005). The contrary view is that the typically poor quality of existing buildings and the need to assemble and reconfigure sites to attract retailers favours rebuilding (Ferguson, Miller, and Liston, 1996; Porter, 1997).

## **4.9 Small local businesses or national chains?**

The answer to this question is related to the one above, as national retailers often seek large store formats and co-location with other chains, which require the larger-scale redevelopment typical of malls. In New Zealand, intense competition from suburban shopping malls and the relatively small number of inner-city shoppers, has not seen the growing interest of national retailers in tapping inner-city markets prevalent in some other areas. In fact the reverse has been seen in Christchurch with the desertion of the CBD by many retailers in favour of the suburbs or main route bulk retail outlets (McDonagh, 1997).

Another factor at work is the type of employment offered by small local businesses versus national chains. The literature points to the stronger employment record of local and minority-owned firms, their capacity to support local wealth accumulation, and concerns about the gentrification and displacement impacts from increased rents that may accompany an influx of national retailers, all support focusing on local independent stores (Seidman, 2004).

The ideal situation is a combination of redevelopment and building reuse, attracting both chain stores and supporting local independent businesses. In this way supermarkets and large retailers can anchor a retail location and provide the foot traffic to support smaller local businesses. All efforts should be made to attract anchor stores to existing buildings as the inner-city needs to preserve its historic buildings and pedestrian-oriented character. Redevelopment projects should only be undertaken when they are necessary to both attract anchor stores and to eliminate seriously blighted properties. New builds should preserve the scale layout and materials of the existing heritage as much as possible (Waxman, 1999; Hernandez, 2001).

The resolution of this conflict is likely to be highly localized depending on the goals and the character and assets of each business district (Zukin, ???). For example, Christchurch pre-earthquake was seen

to be significantly oversupplied with suburban mall retail space so something different in terms of a CBD retail style offered some market differentiation benefits. There also was a strong desire for the style and employment opportunities associated with small owner-operators from both customers and business owners themselves.

The destruction of the historic city centre, including the subject neighbourhood, and the subsequent restrictions placed on rebuilding means that a mall style and chain retail environment appear inevitable in the rebuilt city. As well as losing the differentiation in style, the increases in rent necessary to make new buildings economic also generates third wave or new build gentrification and displacement impacts.

#### **4.10 Convenience or comparison goods?**

The revitalisation literature and good shopping centre management practice emphasises the contribution of both these types of shopping. Convenience goods need a nearby market whereas comparison goods need an agglomeration of similar or related retailers (DiPasquale and Wheaton, 1996).

The lack of a substantial CBD residential population in Christchurch limited the extent of convenience shopping largely to the daytime office worker market, making comparison shopping and entertainment uses the more viable alternative. Waxman (1999) advocates the expansion of existing concentrations or, more relevant to the Christchurch situation, market segmentation – catering to different shopping patterns and preferences across demographic groups.

#### **4.11 Business development and district management strategies**

Because neighbourhood commercial districts often are dominated by small independent traders, many neighbourhood business development efforts focus on supporting the start-up and growth of small locally owned businesses (Taub, 1998; Dane, 1988, 1997; Hebert et al. 2001; Seidman, 2001; Suchman, 1994; Waxman, 1999).

As previously noted, these face strong competition from chain retailers and suburban malls. Often owners lack the networks and financial, management, and marketing sophistication of larger businesses (Gittell and Thompson, 1999; Mulkeen, 1997; Rauch, 1996). As a result, typical district management and attraction strategies involve: providing detailed and focussed market research; management, and technical assistance; improving access to capital; linking small businesses to each

other and larger businesses; and fostering microbusiness start-ups (Stoutland,1999; Wong, 2000 in Seiedman, 2004).

One of the most common and important revitalisation strategies to help compete against the power of suburban malls is the co-ordinated marketing and branding of a location. In the USA this has largely fallen into three different approaches: business improvement districts (BIDs), centralised retail management (CRM), and the Main Street Program (MSP).

#### **4.12 Business improvement districts**

Business Improvement Districts or BIDs are a legal mechanism through which businesses and property owners pay additional taxes to fund services, projects, and activities to improve a specific business district. BIDs are usually authorized by a local authority that sets out the process and requirements for creating a BID along with their funding mechanisms and powers. Usually, creation of BIDs are initiated by private parties and approved by at least a majority of local property owners and by the local government. Once a BID is established, the local government collects an additional levy on behalf of the BID to provide its core funding. The BID's specific activities are defined locally, usually as the result of a planning process involving property owners, businesses, and institutions, and negotiations with local government. In some ways BIDs are a more formalised and focussed version of business associations or chambers of commerce (Mitchell, 2001).

Based on a survey of 264 BIDs, Mitchell (2001) found that consumer marketing was the most common activity, followed by maintenance (cleaning, graffiti, and snow removal, etc.), policy advocacy, and capital improvement projects. Key advantages of BIDs are their stable funding base and the mandatory financial participation of all property owners. This funding base allows BIDs to have more staff and take on more activities than other district management programs. The BID structure may also foster greater private-sector involvement and "ownership" of BID efforts because property owners and businesses directly fund their work. Another advantage of BIDs is that they are formed in conjunction with, and have strong connections to, local authorities, which helps mobilize support and investment in BID projects.

#### **4.13 Centralised retail management**

Centralised Retail Management (CRM) is another approach to business development and district management that attempts to replicate the style, functions and outcomes of shopping centre management. It involves formal contractual arrangements between property owners to jointly fund

and undertake activities via a central retail management organisation which coordinates retail leasing, signage, cleaning and other operating functions. In practice it has proved extremely difficult to implement CRM with owner resistance to sharing information, common covenants and co-ordinated leasing and tenancy mix. There are also concerns regarding balanced participation and representation (Stokvis and Cloar, 1991; Waxman, 1999). In some ways it could be counterproductive, in that inner city shoppers are often seeking a different experience to the homogenised and regulated retail environment that mall management usually produces.

Other mall derived strategies include preparing and disseminating a marketing package containing information on the demographics of the area's customer base, development plans, foot and vehicle traffic counts, a list of stores in specific niches, details of available space, and other positive attributes (Smith, Joncas, and Parrish, 1991; Waxman, 1999).

Another strategy identified by the above authors is exploiting retail linkages and strengthening niches or comparison shopping clusters within a district. This can include: organizing businesses to work together via gathering customer surveys and sales data; placing a logo in store windows identifying niche members; sponsoring joint advertising through newspapers, radio, or TV; preparing shopping guides and fliers that market specialized niches; and running special promotions and events to link shopping in related businesses. A larger set of stores with a niche and unified marketing can expand the customer base by attracting shoppers from a wider catchment. Data and experience indicate viable niches for inner-city commercial areas include arts, culture, and entertainment, restaurants, clothing and accessories, ethnic markets and health services (Dane, 1988, 1997; Suchman, 1994; Florida, 2002 plus others).

All of the above niches were represented in the Lichfield Lanes area prior to the earthquakes.

Gittell and Thompson (1999) also cite the need to mimic shopping mall developers by charging lower rents to anchor tenants and tenants that make early commitments to a development. Also, some Main Street Programs discussed further below directly undertake development projects to control leasing and attract new businesses to a district in a manner similar to CRM (Dane, 1988).

#### **4.14 The Main Street Program**

The Main Street Program has been widely used in the USA as a strategy for urban revitalization and is seen as generally successful. It was developed by the National Trust for Historic Preservation in the late 1970s and has been used primarily in towns and small cities. This may make this approach more relevant to cities the size of Christchurch.

According to Dane (1988, 1997). The Main Street strategy focusses on four points:

1. Organisation - building a broad-based organisation to undertake revitalisation based on consensus and cooperation among the many stakeholders in the business district
2. Design - focusing on improving the physical environment including infrastructure, buildings, storefronts, signs and ongoing maintenance.
3. Promotion - used to market the district and improve its image to customers, new businesses, investors, and visitors.
4. Economic restructuring - seeks to enhance the district economy by helping existing business expand and attracting new ones.

This strategic framework can be tailored to unique local conditions and as a result has been used in a very diverse set of communities ranging from small rural towns through mid-sized cities to urban neighbourhoods in large cities. This flexibility is an advantage over the BID and CRM strategies discussed above. Also, BID strategies focus on building the physical real estate to support economic activities, while CRM approaches emphasize coordination mechanisms. The Main Street strategy takes a more encompassing view of what is needed for a healthy business district, and emphasizes the importance of attracting shoppers along with businesses and investment. This is especially important for retail-based districts like the Lichfield Lanes area, which need to attract customers to be viable.

A criticism by Rucker (2001, in Seidman 2004) of Main Street Programmes was that they fail to address important people-related urban problems, including crime, homelessness, language and cultural barriers of minority groups, job creation, social equity and gentrification. As discussed elsewhere in this thesis, these were not significant problems in the subject location. Another criticism is that although Main Street activities do tackle inner-city disinvestment in some ways, the framework does not emphasize expanding capital availability for businesses, residents, and property owners.

This does have some resonance for the Lichfield Lanes area as progress was limited by the capital available to the principal developers, and in part they relied on tenant contributions.

Rucker noted traditional Main Street goals focus on historic preservation, maintaining community character, and improving local quality of life, which were issues of concern in the CBD of Christchurch. Implementation problems include: cynicism based on past failures, competition for



resources amongst local organizations and from other parts of the city, and an emphasis on larger-scale catalyst projects.

In her review of the success of Main Street Programmes (MSP's), Dane (1988) found generally CBD locations faced less difficulties in implementation than smaller communities due to a less complex mixture of stakeholders and less concern over gentrification. CBD locations often had an existing image and pre-existing promotional efforts to build on as well as finding it easier to attract media attention. The CBD has the advantage of leveraging on the large inner-city consumer market and this can include immigrant entrepreneurs, ethnic markets, and the multicultural character of many urban neighbourhoods. Also the Main Street design, physical improvement, and historic preservation activities can utilize existing building stock and focus attention on improving public spaces and infrastructure. Often there are existing business and community-based organizations to work with toward creating and implementing a shared vision for the commercial district.

A downside with CBD location was that they are often retail focussed, and not so often connected to wider regional level workforce and educational development initiatives and associated government funding.

In contrast, smaller locations were more comfortable with the Main Street incremental improvement approach, while CBDs (and alternative revitalisation strategies, such as community development initiatives, enterprise zones, and commercial development) were more interested in identifying one big project to revitalize the area.

The incremental approach has some advantages in that it requires fewer resources and less capacity to get started, can implement activities and create change relatively quickly, and engage more participation through generating short-term results. Some MSPs rely heavily on volunteers and this has been seen as a strength in terms of participation, but also a weakness, particularly in CBD locations where professionalism and continuity are important for credibility and funding (Rucker, 2001, in Seidman 2004).

Again this research has resonance for the Christchurch situation post-earthquake, as all the government-led initiatives have been large in scale, with none of the incremental approach of the Lichfield Lanes area in evidence. As will be seen later, this has excluded some actors from the rebuild.

For all Main Street Programmes it was important to be seen as politically neutral and the first step was engaging in promotional activities and special events providing a way to involve residents and draw people to the district for a positive experience that would counter an image of decline. Subsequently, design efforts typically began with small projects, such as sign or façade upgrades,

progressing to building rehabilitations and improving public spaces. The final step of economic restructuring was the hardest to implement because of skills and data shortages. Most commonly this involves improving the capacity and quality of local businesses and helping them overcome regulatory barriers.

Ultimately, Main Street programmes are explicitly oriented toward coordinating the actions of property owners, businesses, and local governments to create a more competitive and attractive commercial district in line with the ideas of Porter (1995). This generally resonates with private sector concerns and therefore is more likely to succeed than socially orientated programs.

#### **4.15 Business networks and coordination**

A strategy permeating nearly all CBD revitalisation efforts has been strengthening the networks between small businesses, their customers, suppliers and other stakeholders, including government. These networks can help with technical issues, training and finance, and economies of scale. This goes beyond Main Street organisations to encompass local business participation in existing trade associations as well as creating regional, state, or city associations (Porter, 1995; Rauch, 1996).

A number of practices are widely recognised as especially important to effective coordination of district revitalization efforts. As mentioned previously, first must come the creation of a shared vision and overall revitalization plan for the area. This can take some time and it is critical that it includes participation of key stakeholders and builds broad based support. While the vision and plan are being developed, some revitalization work can take place on initial projects for which there is clear support.

The second step is ongoing communication to keep all stakeholders informed of progress, and remind people of revitalization plans and priorities. Third, special efforts are needed to encourage the involvement of property owners, small businesses, residents, and minorities and to implement activities that meet the needs and concerns across these groups. Finally, activities should provide opportunities to coordinate work across the whole area and across stakeholder groups (Mulkeen, 1997; Seidman, 2001; Suchman, 1994; Wright, 2001 plus many other authors).

#### **4.16 Marketing and promotion activities**

Marketing and promotion activities are seen as central to improving a commercial area's image and economic base, helping to attract new customers, recruit new businesses, and encourage

investment. Promotion efforts are especially important because they can be implemented quickly and at relatively low cost, providing a focus for short-term activities that build momentum before longer-term improvement projects are implemented (Dane, 1988).

Seidman (2004) identifies four critical aspects:

1. The value of market analysis in formulating marketing activities
2. The importance of creating an overall district image
3. The role of community events in district promotion
4. Organizing retail promotions among merchants

Market analysis identifies: current and potential customer segments, what attracts them to the district, what they may see as unfavourable area characteristics, how they might respond to different promotions, the major sources of competition, and the best media outlets to reach different consumer segments (Smith, Joncas, and Parrish, 1991).

Defining a unique identity for a commercial area helps to change negative perceptions and differentiates the area from shopping malls and other competing retail centres. This image should be built around unique assets, which may include historic buildings, key landmarks, specialized retail niches or uses, ethnic composition, or other characteristics. It is important at the same time to reduce the sources of poor images, including crime, graffiti, lack of cleanliness, and undesirable uses. (Dane, 1988; Gratz and Mintz, 2000; Suchman, 1994; Smith, Joncas, and Parrish, 1991, Toups and Carr, 2000 plus others). This means effective image building needs to run in parallel to other revitalization activities.

Toups and Carr (2000) identify five strategies that can be used to create a positive image:

1. Build a centre or neighbourhood “heart” that can become a new positive symbol
2. Create a new name (and logo) that conveys a positive image
3. Capitalize on existing positive assets such as history, culture and architecture
4. Make visible physical improvements that demonstrate change and neighbourhood pride
5. Undertake a marketing and public relations campaign to communicate the new image.

As will be seen later in this thesis, all these aspects, either by the developer's design or intuition, were underway in the Lichfield Lanes area prior to the earthquakes.

Special events have also been cited as supporting revitalisation efforts in multiple ways. They bring residents and others together for a positive experience, helping to both overcome negative perceptions and strengthen connections to the district. They increase shopping opportunities among existing customers while introducing the district to a larger audience, helping to expand its market. Special events also help build a sense of community within the neighbourhood and strengthen the district's role as a community centre (Dane, 1988; Seidman, 2001; Wright, 2001).

Dane (1988) emphasizes the importance of devoting considerable time and resources to planning, advertising, and holding events; having experienced professional staff to organize them; and generating creative ideas to attract the public year after year. Retail promotions linked to special events are most effective and provide ways to build cooperative relationships among independent-minded business people.

Gratz and Mintz (2000) cite sponsoring farmers' markets as an especially successful and cost-effective way to attract shoppers to commercial districts. Smith, Joncas, and Parrish (1991) identify cultural heritage, holidays, and social occasions as common themes for events, and recommend that they include lively and entertaining activities with music, food, something for children, something free, and overlapping activities.

#### **4.17 Place-based physical and economic revitalisation conclusion**

As mentioned earlier, there is wide debate in the literature as to what types of institutional arrangements best support viable revitalisation. Some support private sector business-led physical and economic development (Porter, 1995; Butler, 1996; and Sawicki and Moody, 1996, in Seidman 2004) as above, whereas others advocate for greater people-based social, cultural and community involvement (Fainstein and Gray, 1996; Thomas, 1996).

In the Christchurch situation there have been decades of "top down" place-based attempts by local government to address inner city decline at the public and macro level. For example the pedestrianisation of the City Mall, the redesign of Cathedral Square, and the purchase for redevelopment of the Turners and Growers site. These have all had limited success. The more recent private sector-led "bottom up" development of smaller scale areas such as The Strip, SoL Square and the subject area of Lichfield Lanes have been perceived as more successful – but not without their problems. Perhaps what has been missing is fully engaging actors and institutions across different

levels and sectors and addressing the social and cultural as well as the physical and economic dimensions.

Case studies of neighbourhood revitalisation emphasise the importance of collaboration, networks and the leveraging of participation and resources from locals, government and external organizations (Ferguson and Stoutland, 1999; Wright, 2001; Mulkeen, 1997; Zielenbach, 2002; Keating and Krumholz, 1999). It is critical there is shared vision, trust, reciprocity, and strong relationships among the parties (Hebert et al. 2001; Keyes et al. 1996). It is also important to acknowledge and resolve conflicts over values and areas of responsibility, and focus on projects and activities of mutual benefit, all under strong leadership and within organisations with sufficient capacity (Hebert et al. 2001; Keyes et al. 1996; Wright, 2001, Seidman, 2001). A significant problem is that professionalization of roles can increase capacity and continuity but distance management from the broader base of actors involved (Rucker, 2001 in Seidman 2004).

Whatever the institutional arrangements in place, it is important that the broader vision reached amongst stakeholders is operationalised, usually via planning ordinances, for the area to be revitalised. In Christchurch this has been a problem as revitalisation efforts have often run up against planning rules and building regulations rather than being facilitated by them. There is also the problem that revitalisation and adaptive use may be seen as contributing to gentrification – a term that has strongly negative connotations for some – but not all. The extensive literature on gentrification, and other social, cultural and style issues that this thesis maintains are important (but often neglected) aspects of successful revitalisation, are examined in the following Chapter 5.

## Chapter 5

### People Focussed Revitalisation

#### 5.1 Introduction

The previous chapter predominantly examined the physical and economic dimensions of place-based inner city revitalisation strategies that are typically and historically the understandable focus of local authorities and the property development industry. In contrast, this chapter deals with the “softer” more complex and less easily quantified people-based, social, cultural and style aspects. These are becoming increasingly critical to revitalisation success, as consumers’ lower order material needs are satisfied and they seek more varied experiences and self-actualisation.

Lemann (1994) and others have strongly advocated for the people-based approach, arguing that strategies should focus on improving the well-being of individuals and expanding their access to economic opportunity and residential choice. But as observed earlier, and also covered in the gentrification section below, the Christchurch situation was not about displacement of poor residents. This does not mean people are unimportant though - commercial areas need people and street life too. As Waxman (1999, 2000 in Seidman, 2004) maintains; social, cultural and stylistic factors that appeal to residents help maintain a healthy neighbourhood environment and create the conditions for individuals and firms to successfully pursue broader economic activities. Similarly, Florida (2002) and others, whose work is examined in more detail later in Chapter 5, also assert that a particular style of CBD will attract creative and high spending entrepreneurs.

#### 5.2 Gentrification

Gentrification is a phenomenon that, like others in this chapter, spans economic and social considerations. There is active and long standing debate about how gentrification can be defined and it is a controversial and politically charged subject (Smith, 1987, 1996; Ley, 1986, 1994; Shaw, 2002, 2008; Kennedy and Leonard, 2001; Hackworth, 2002; Slater 2004, 2010; Bounds and Morris, 2006; Boddy, 2007). The term was first coined by Ruth Glass (1964) in her work, *London: Aspects of Change* and in its loosest definition can be described as the movement of middle classes back into city centres (Savage, Warde and Ward, 2002).



Gentrification usually significantly increases property values, rents, and consequently taxes in an area, and as a result can displace both residents and businesses. It also can change culture, ethnic composition and result in new retail, office and residential uses in previously run-down neighbourhoods.

Some researchers frame gentrification as a process of dis-investment and re-investment in a particular neighbourhood, where public policies and the owners of capital conspire to enable substantial profits from gentrification. Others use the term interchangeably with urban revitalization, to describe any commercial or residential improvements in (usually low income) urban neighbourhoods. Others focus on the renovation and upgrading of the housing stock by newcomers. In contrast to these place-based visions of the gentrification process, others describe gentrification as class and racial tensions, and dislocation outcomes—socioeconomic or people-based effects that frequently accompany the arrival of new residents into a neighbourhood (Kennedy and Leonard, 2001; Slater, 2004, 2010; Shaw, 2008; Davidson and Lees, 2010).

### **5.2.1 Displacement**

While generally, gentrification involves the displacement of a working class residential population with a middle class residential population better able to afford higher capital values and rents - this is not always the case. In fact such non-residential displacement is one of the key ongoing debates in the gentrification literature. Some authors argue that if displacement of residents is not taking place then the process is not one of gentrification but of re-urbanisation (Smith and Butler, 2007; Boddy, 2007; Buzar et al., 2007). Others (Davidson and Lees, 2010; Slater, 2004, 2010, Zukin, 2008 and others) argue that even if direct physical or economic displacement of residents is absent, indirect displacement, and therefore gentrification, can still occur via changes in the character and culture of a neighbourhood that make it uncomfortable for some people to inhabit or frequent. For example, the commonplace conversion of old industrial and commercial buildings to artists' studios and mixed uses, including shops and entertainment venues as well as, often for the first time, residences (Zukin, 1993, 2001, 2009). The debate thereby then extends to whether mixed use, social mixing and changes in the style of retail should be termed gentrification and indeed if this is desirable or not (Zukin, 1993, 2001, 2008, 2009; Slater, 2004, 2011, 2014; Shaw and Hagemans, 2015 plus many others).

Revitalised retail locations may cater to a more affluent or wider base of consumers, making businesses and property redevelopment more viable (Bounds and Morris, 2006). These additional services also are available to local residents who may have been previously undersupplied with

services, but can, and do they want to frequent these businesses? Redevelopment in turn attracts further investment and change, again increasing the appeal to more affluent consumers and decreasing the accessibility to the poor and eventually even the initial gentrifiers (Hackworth, 2002; Ley, 1994; Zukin, 1989, 2001, 2008). Some activists argue that such a process of retail change, even if it does not involve displacement or exclusion, still impinges on working classes “right to the city” (Slater 2009, 2014,). Logan et al. (1987) characterise the process as often a shift from cultural production to cultural consumption as a result of “growth machine” pressures for ever increasing rents. The work of Ley (1994), Florida (2002) and others, discussed later in section 5.4 also resonates with this type of cultural change as does the trend towards new build gentrification discussed in section 5.2.7.

Another debate is that gentrification is natural evolutionary process reflective of demographic change and the increasing number of non-family households, immigrants, people in tertiary education, less stable relationships plus other factors leading to a greater diversity of private living arrangements changing the demand side of the urban housing market (Hasse et al, 2009; Van Criekingen, 2009; Kern, 2009).

Perhaps this gentrification debate is overly focussed on semantics. Whether the above situation is called gentrification, re-urbanisation, revitalisation or some other term, the most important issue is that it is occurring, showing there are wide variety of ways in which changes in the form and culture of central city neighbourhoods can evolve over time, with often different actors involved at different stages. Geographical and demographic variation between countries is another aspect that needs to be taken into account (Atkinson and Bridge, 2005; Buzar et al. 2005).

A broader definition of gentrification put forward by Warde (1991 p.225) identifies:

1. Resettlement and social concentration entailing the displacement of one group of residents with another of higher social status
2. Transformation in the built environment exhibiting some distinctive aesthetic features and the emergence of new local services
3. The gathering together of persons with a putatively shared culture, or at least with shared, class-related consumer preferences
4. Economic reordering of property values, a commercial opportunity for the construction industry, and often an extension of the system of domestic property ownership

All but the first of these processes are exhibited by the Lichfield Lanes study area.

In the case of Christchurch generally, and the study area in particular, the occupation of the central city for residential purposes, whether by working class, middle class or anyone else never really happened. Christchurch has been essentially sub-urban from its inception in the 1840s (Vallance, Perkins and Moore, 2005). In addition, the notion of the division of society into working and middle classes is far weaker in New Zealand than in some other countries. Not once, in all of the interviews carried out was class mentioned, though there was some discussion of the attractiveness of the areas to people with different tastes and at different stages in their life cycle as per Zukin (2008, 2009). The latter seems to resonate with point 3 above and the more contemporary concepts of the new middle class or creative classes espoused by Ley (2003), Florida (2002), Hasse et al, (2009), Van Criekingen (2009) and others.

Historically, inner city living has not been part of the culture of Christchurch or New Zealand (Morrison and McMurray, 1999) and development was planned from the start to avoid the perceived problems of over-crowding, prostitution, gambling, disease and criminal or immoral behaviour commonly associated with high density urban living in Victorian era European cities. Brooking (1996) as quoted in Vallance, Perkins and Moore (2005 p, 178) states "... the single, detached dwelling on a residential section or lot of, preferably, a quarter acre was considered virtuous".

There is evidence of the spatial segregation of Christchurch along zonal and sectoral lines (McDonagh, 2007) as identified by Park, Burgess and McKenzie (1925) and Hoyt (1939) but the zone of transition in which the most marginal members of society are usually concentrated is not immediately surrounding the CBD, as in many cities – but in the inner suburbs. Some of these older inner suburbs have been taken over by industrial uses in recent decades. For example Sydenham, once full of workers' cottages, is now almost entirely service-industrial. This was initiated by the blight that descended on the area in the 1960s due to a major motorway designation – long ago abandoned. The Sydenham residents were displaced to further-flung low cost suburban housing areas such as Aranui and Bishopdale, but compared to some other countries these suburbs are relatively mixed socio-economically.

Other inner areas such as Linwood and Spreydon remain, and have always been predominantly residential – though the density and mix is slowly increasing as a result of individual older houses being replaced with medium density low rise townhouses (Vallance, Perkins and Moore, 2005). Displacement by gentrification in the inner city has been limited.

A question therefore arises that if displacement, one of the key characteristics identified in many gentrification studies is missing – is the situation under study in Christchurch still gentrification or should some other term apply?

The displacement of existing and usually poor residential communities is often seen as one of the most pervasive and negative aspects of gentrification (Ley, 1994; Kennedy and Leonard, 2001; plus many others) – so the Christchurch situation appears better for the lack of it. But as mentioned earlier, there is ongoing debate as to whether direct or indirect displacement is essential for application of the gentrification label – which itself is seen as pejorative by some but by others as merely descriptive. Discussion of the geography of gentrification suggests that in different situations and countries the process is viewed very differently. In some cases, gentrification is an actively supported policy (Lees and Ley 2008; Shaw, 2008) whereas in others it is perceived as structural violence visited upon working class people (Slater, 2009, 2014).

There is also the issue that gentrification is often characterised as reducing the heterogeneous character of a community to a more economically homogeneous community that some describe as having a suburban character (Brydson, 2008). This is certainly not the case in the Lichfield Lanes study area with it exhibiting, pre-earthquake, a much greater variety of uses, occupants and incomes than is typical in suburban New Zealand. Many interviewees sought the central city to escape the bland homogeneity of the suburbs. This reflects the situation found in Australia by Bounds and Morris (2006) and their position that the traditional meaning of gentrification is anachronistic, and that it both needs to be widened and also exhibits location specific characteristics.

Also supporting this position is the work of Hackworth (2002) and Beauregard (1986 p.40) who concluded that *“gentrification (and decline) must be recognised as a chaotic concept connoting many diverse if interrelated events and processes . . .”*

### **5.2.2 Revitalisation and gentrification**

In these circumstances, would the process underway in Christchurch be better described as reurbanisation, regeneration or inner city revitalisation? This is described by Kennedy and Leonard (2001 p. 6) as;

The process of enhancing the physical, commercial and social components of neighbourhoods and the future prospects of its residents through private sector and/or public sector efforts. Physical components include upgrading of housing stock and streetscapes. Commercial components include the creation of viable businesses and services in the community. Social components include increasing employment and reductions in crime. Gentrification sometimes occurs in the midst of the revitalization process.

All of the above characteristics were exhibited in the study area and the revitalisation terminology does not have the negative connotations of gentrification. But gentrification itself can be seen as a positive or negative phenomenon - or both, depending on the situation and the point of view of the respondent (Shaw, 2008).

An alternative, more comprehensive, description could be inner city revitalisation involving adaptive re-use – incorporating some aspects of gentrification. The process underway appears to have involved all three processes as it involves the modification and/or change in use of a previously low rent retail, office and warehousing area to higher value mixed uses – incorporating again retail and office space, but largely for the first time residential and entertainment uses.

While some typical and important aspects of gentrification appear to be missing from the study situation, those numbered 2 to 4 by Warde (1991) and outlined above are clearly evident. Further consideration of theories of gentrification was therefore considered essential to this study and key literature in this regard is summarised below.

### **5.2.3 Theories of gentrification**

#### **Production theories**

The production side theory of gentrification is associated with Neil Smith (Smith, 1987, 1996). This explains gentrification as an economic process where inner city capital is initially diverted to the suburbs where risks are lower and returns higher. In time this leads to devaluing of central city areas to such an extent that redevelopment eventually becomes more attractive to capital and re-investment and gentrification occurs. He describes this as Rent-Gap Theory where there is a difference between the actual capitalized ground rent (land price) of a plot of land given its present use, and the potential ground rent that might be gleaned under a 'higher and better' use (Smith, 1996 p.76).

This rent gap or highest and best use concept is very familiar to property developers, investment analysts and valuers, and a fundamental principle of investment feasibility also mentioned in Chapter 4. When the rent gap or difference is sufficiently wide, in relation to the costs and risks involved, real estate developers, investors, and others with vested interests in property development recognise the potential profit and re-enter the market. Change of use takes place and owners will charge the maximum rent the market will bear. This eventually closes the rent gap, as the rent affordable to new tenants with new uses exceeds that affordable to the original lower income tenants. In turn the higher rent and now reduced risk is capitalised at lower rates of return into higher values (Beauregard, 2005).

Zukin, whose work will be discussed in detail later, reports on such an economic process impacting on the "artist loft" real estate business in Manhattan. The owners of the building where she resided converted it to a "co-op" administration in 1979, and she "bade good-bye to the manufacturers, an artist, and several residents who could not afford the market prices at which our lofts were sold" (Zukin, 1989 p. x). She observed that over time rich lawyers and accountants, retail business people and investment bankers replaced the suburban 'starving artist' bohemian 'first-stage gentrifiers' who initiated the gentrification of Hell's Kitchen, in mid-town New York City, Harlem, Washington Heights, Astoria, and areas of West/Northwest Brooklyn.

Another socio-economic aspect of gentrification is de-industrialization of inner city areas. This reduces the number of blue-collar jobs available to the urban working class, and the investment capital needed to physically maintain the original houses and buildings of the inner city departs. De-industrialization often also leads to growth of white collar and/or service employment in the same location (Ley, 1994; Hamnett, 2003).

Both the above situations appear to apply to central Christchurch to some extent. Not so much in terms of squeezing out blue collar residents – who never really occupied the central city to any extent – but more in the de-industrialisation of the CBD. This led to under-utilised buildings and lowered values, eventually recognised as an opportunity by some small scale property developers.

The new "highest and best uses" included a mix of residential, retail and entertainment space – all pitched resolutely at the middle class white collar and service sector worker. While there are similarities, this is somewhat different from the artists so often instrumental as owner/occupier/informal developer in early stage gentrification studies from the 1960s and 70s.

### **Consumption theories of gentrification**

This latter situation is reflective of the consumption-side theory of gentrification advanced by David Ley (1986). This postulates that the requirements of a service sector economic class of university-educated adults (aged 25–45) with higher disposable incomes, who wish to live near jobs in the city, drives gentrification.

This economic class arose when most Western economies (including New Zealand and Christchurch to some extent) transitioned from manufacturing to post-industrial service economies. In a parallel but more significant degree to that identified in Auckland by Le Heron and McDermott (2001) cited in Murphy (2008), central Christchurch has moved from an economy founded on production to one centred on services and more especially consumption. This also reflects the city as a growth machine ideas of Molotch (1976) and Logan et al. (1987).

The study area was once the centre of the clothing manufacturing trade in Christchurch, but the neo-liberal deregulation that commenced in the 1980s saw much of this industry replaced by imports, and that remaining industry moved to suburban industrial buildings. At the same time the rapid expansion of suburban shopping malls provided professional and often financially fatal competition to traditional, small, inner city retailers. This process follows the de-industrialisation or counter urbanisation pattern identified by many authors (for example Curran, 2007; Zukin, 2008; Shaw, 2008) but it is important to be wary about generalising the processes observed in Europe and the USA. While New Zealand life styles may have more in common with the USA than much of Europe, there are still dangers in assuming different countries have the same urban systems.

There is also the issue identified by Savage, Warde and Ward (1993) that contemporary cities are increasingly differentiated from each other in terms of their economic role. This is certainly the case within New Zealand with Christchurch, Wellington and Auckland having markedly different bases to their economies. Changing technology, corporate takeovers and the reduction and centralisation of government and corporate offices to Wellington, Auckland and cities in Australia substantially reduced the need for office-based services in Christchurch over the last 30 years (Morrisey, 1993).

The result in Christchurch was that many of the high rise office buildings built during the 1980s boom period failed to find tenants, bankrupting the developers and often the financiers and construction companies involved as well. Many of these vacancies in new buildings persisted for over ten years, or were reduced by extravagant leasing incentives and/or deep discounting of rents to such a level that effective prime office rents were half the level necessary for the economic development of new space. The trickle-down effect also depressed rents in all other sectors of the CBD property market meaning low levels of new construction.

There were several positive developments for the Christchurch CBD during this period of 1988 to 2002. Continued international tourism growth to New Zealand saw increased demand for hotel accommodation in Christchurch as the gateway city to the South Island (McDonagh, 1997). This led to a number of office-building-to-hotel conversions taking place in the mid-1990s, reducing the office vacancy rate from over 30 percent to the mid-teens. However, Christchurch did not see the office-to-apartment conversions common in the same period in Wellington and Auckland (Morrison and McMurray, 1999 and Murphy, 2008) or in New York (Beauregard, 2005) and other cities with high office vacancy rates.

Changes in New Zealand's liquor licensing laws in the late 1980s and some initially illegal but popular occupation of footpath areas by cafe and bar tables (to encourage alfresco dining) eventually led to the City Council relenting its ban on this type of activity, with the result that many vacant or marginal ground floor retail premises were converted to bars and restaurants.



This also coincided with a crackdown on drink driving, so the large suburban ‘booze barns’ and associated car parks, so typical of the 1970s and 1980s, were replaced by a more sophisticated, stylish and expensive inner city bar scene, often accessed via taxi. This eventually meant increased retail rents for those premises and locations that lent themselves to this type of operation – most notably on the Oxford Terrace ‘strip’ adjacent to the scenic Avon River and more recently in the Lichfield Lanes area. The level of rents obtainable from this change in use also meant adaptive re-use and refurbishment of space started to become economic, as per the rent gap theory of Smith (1987, 1996).

For those premises not suitable for entertainment uses, the depressing effect on rents of oversupply of retail and office space in the CBD also meant that low rent businesses that otherwise might not have become established have been able to find low cost accommodation. This is a common characteristic of first wave gentrification areas.

### **Categorising gentrification theories**

London and Palen (1984) attempt to categorise the theories that explain gentrification into five groups. These are:

1. Demographic-ecological,
2. Socio-cultural,
3. Political-economical,
4. Community networks, and
5. Social movements.

The demographic-ecological approach, explains gentrification through changing demography, particularly the growth in population by the baby boom generation increasing demand for housing and causing affordability problems.

While there is certainly a current housing affordability problem in Christchurch, the limited number and relative cost of CBD residential accommodation in the subject area seems to indicate this is not the primary factor in this case.

However, other demographic factors identified by London and Palen (1984) could well be influential. For example, recent generations get married older, have fewer children, and the children they have are born later. Women have entered the work force at high rates leading to dual wage-earner households becoming common. Households are often composed of young, more affluent couples

without children who are not concerned with the conditions of schools and playgrounds (Morrison and McMurray, 1999; Florida, 2002; Murphy, 2008 and others). They usually have white-collar, not blue-collar jobs, and want to live closer to work.

For the first time an inner city lifestyle may be viable for some of these people rather than traditional Christchurch suburban environment. There is also potential demand from relatively affluent “empty nesters” as identified by Bounds and Morris (2006 p.105) in the gentrifying of parts of Sydney.

The second theory category proposed by London and Palen (1984) is socio-cultural. This theory argues that values, sentiments, attitudes, ideas, beliefs, and choices should be used to explain and predict human behaviour.

This also reflects the ideas of Ley (1994) mentioned above. Changing attitudes, lifestyles, and values of (at least some of) the middle- and upper-middle-classes mean they are becoming more pro-urban than before, opting to reject suburban areas (Florida, 2002; Zukin, 2008). London and Palen (1984) refer to the first people to invade the cities as urban pioneers while Glass (1964 p.425) identifies them as “colonists”. These urban pioneers or colonists demonstrated that the inner-city was an appropriate and viable place to live, resulting in what is often termed inner city chic.

The opposing side of this argument is that dominant, or recurring values determine where people decide to live, not the changing values previously cited. This means that people choose to live in a gentrified area to restore it, not to alter it, because restoration is a new way to realize old values (London and Palen, 1984). Hamnett (2003) also identifies some people place a high aesthetic value on the types of period property available in the inner-city.

These first stage gentrifiers are critical to initiating gentrification in post-industrial parts of a city. They are a new middle class or sub culture – not typical of the majority of the middle classes - and described as “the cultural new class” of artists, teachers, academics, the media and public sector administrators” by Ley (1994 p.56). This “creative class” concept was developed much further by Florida (2002) and Zukin (2008, 2009) and is covered in detail later in this chapter.

Sometimes also described as bourgeois bohemians or BoBo’s “artists move into otherwise undesirable buildings, [and] usually make significant improvements to their spaces, and their surrounding areas. Everyone benefits from these tenuous and uneasy ... arrangements. Then, landlords becoming aware that they are sitting on gold mines, rush to cash in” (Cash, 2001 p.39).

This category of theory appears to resonate well with the subject situation with study area occupants appearing to both value the difference the urban environment offers to the more recent and still dominant Christchurch and New Zealand tradition of suburbia, but also keen to retain the

“character” of the older Victorian era city, which also may evoke pleasant memories of overseas urban experiences as identified by Morrison and McMurray (1999).

The third theoretical explanation of gentrification is political-economic and includes traditional and Marxist approaches.

The traditional approach argues the changing political and legal climate of the 1950s and 60s led to gentrification of neighbourhoods. A decrease in prejudice led to more racial integration in both the suburbs and inner cities. The decreasing availability of suburban land and inflation in suburban housing costs, often driven by anti-sprawl policies, also inspired inner city development.

The Marxist approach argues that "powerful interest groups follow a policy of neglect of the inner city until such time as they become aware that policy changes could yield tremendous profits" (London and Palen, 1984 p.18).

Neither of these theories appears to apply strongly to the Christchurch situation. Racial prejudice and integration have not been a significant factor in the CBD and while neglect and real reductions in real estate values may have occurred in some areas over the last twenty years, there is no evidence this was a conscious action by powerful interest groups. However other economic factors – as identified by Smith and especially the economic restructuring of New Zealand in the 1980s and 1990s discussed earlier (Murphy, 2008, Morrissey, 1993 and others) appear relevant and will be considered in this research.

The community as an interactive social group is the fourth theory of gentrification proposed by London and Palen (1984). One perspective – community lost – argues the role of the neighbourhood is becoming more limited due to advances in transportation and communication. The opposite – community saved – seems more applicable to the study situation. As will be discussed later, community activity, interaction and street life increased significantly as a result of the revitalisation of the Lichfield Lanes area, and prior to the earthquake this was one of the attractions to occupants and visitors to the district.

Social movements is the fifth approach identified. This theory focuses on leader-follower analysis of ideologically based movements. Those who support gentrification are encouraged by leaders (successful urban pioneers/colonists, political-economic elites, land developers, lending institutions, and government) to revive the inner-city. Those who are in opposition are the people who currently reside in the deteriorated areas.

In the study situation the former can be readily identified as important, but it is not that clear if there was much in the way of opposition to the process underway pre- earthquake. The situation may now

have changed, as the original pioneers/colonists or early stage retail gentrifiers have been displaced by third wave, new build gentrifiers in the manner described by Zukin (2008).

#### **5.2.4 A gentrification case study – and its application to Christchurch**

Many of the above theories are comprehensively illustrated in the substantive work of sociologist Sharon Zukin in her book *Loft Living* (Zukin, 1989) as well as her subsequent publications. Although the scale and impact of her study of adaptive reuse of lofts in central Manhattan was on an altogether different scale to the Christchurch situation– there are some similarities to the Lichfield Lanes area.

The lofts in the SoHo and nearby areas studied by Zukin did not involve the displacement of a lower class residential population by the middle classes - but adaptive re-use of obsolete commercial and industrial space. Many of the types of uses replaced were similar to those in the Lichfield Lanes area, for example, clothing manufacturing and light warehousing. In both cases it could be seen as a transition of the area from an industrial to a de-industrialised and service sector economy as per Ley (1994).

The pioneer or colonising occupants in SoHo were predominantly artists in the early years – rather than the middle classes – and while there were few actual artists involved in the early period of the study area in Lichfield Lanes, the occupants and businesses did have the ‘boho’ and ‘alternative’ style associated with an artistic aesthetic.

There is also a similar element of rejection of mainstream real estate tastes and associated lifestyles. In New York the loft market represented a type of real estate product not provided by either suburbia or conventional apartment developments. The same applies to the Lanes area in Christchurch.

There is also the coincident economic matter of affordability – the Soho lofts were often bare space allowing the occupants to stamp their own style on the space leased, as well as using the same space in a multitude of ways – for accommodation, work and entertainment/social space. This flexibility of use, not paying for facilities and features not required, and the low base rental for bare – essentially industrial space, all made the lofts affordable to a relatively low-income market.

Another factor in common and fitting within the social movement category of theory advanced by London and Palen (1984), is the convergence of divergent interests in achieving generally the same outcome. There are the heritage building conservationists, the property developers looking for a low

cost entry to the market, the building occupants looking for a retail or residential real estate product not otherwise offered to the market, and the local authority looking to make an area of the city distinctive and attractive to both local and international visitors.

Yet another similarity was the questionable legality of some of the early adaptive re-use (92% of residential lofts in Zukin's study were illegal, illegal apartments also existed in Christchurch and other studies display similar results). Also, recognition over time by both property developers and local authorities that the trends emerging were a positive opportunity, and should be encouraged and where appropriate legitimised.

One difference is that there was some resistance in New York from small manufacturers to the influx of new residential uses pushing up rents and displacing this type of use. As a result there were early but not very effective political attempts to limit the type and scale of residential conversion. This was not a feature of the study area with virtually no resistance from occupants and, early on at least, little interest from the local authority.

### **5.2.5 Revitalisation, gentrification and local government**

However by the time of the Christchurch earthquakes, the adaptive re-use that was happening in the Lichfield Lanes study area was belatedly perceived as very important for inner city revitalisation, and widely seen in an entirely positive light. The result was that it started to receive official and financial support from the City Council.

This is a relatively common but controversial phenomenon. In the UK development agencies in places such as Newcastle-upon-Tyne, Liverpool, Manchester, Bristol and Cardiff, in partnerships with private real estate developers, attempted to artificially stimulate gentrification as a form of urban renewal (Miles, 2005; McGuigan, 1996). In Europe examples include Bilbao (Vegara, 2001 in Miles 2005) and Porto (Balsas, 2004); whereas in the USA similar public-private examples can be found in Baltimore, Philadelphia, Cincinnati, Columbus, San Diego, Seattle, Pittsburgh, Tulsa, Raleigh, Fort Worth, Atlanta, Portland, Denver, Albuquerque and Tempe (Beauregard, 2005). There are many others around the world.

Tax increment financing and other incentives are also used by local authorities in the USA to encourage the rehabilitation of city areas and were identified by Zukin (1989) as important. In some cases, any increases in tax revenues as a result of increased values are "ring fenced" for reinvestment into further local improvements or affordable housing initiatives.

Infrastructure improvements leading to higher property values are also used to encourage additional private real estate investment into run down areas (Porter, 1995; Murphy, 2008). This was happening in the study area at the time of the Christchurch earthquakes with drainage, street surface and lighting upgrades recently completed, as well as extension of the historic tourist tram route through the area underway. Not everyone sees these types of developments as positive. Smith (1996) and Slater (2009) see gentrification as moving on from being a local anomaly to becoming a generalised global urban strategy and a real war against the poor in inner cities.

The above described collaborations of the public sector with larger scale developers are often characterised as second stage gentrification (see section 5.2.7) and it is possible Christchurch was moving into this stage when the earthquakes struck. Both Wellington and Auckland had progressed through first stage gentrification to second and third stage new build gentrification (Morrison and McMurray, 1999; Murphy, 2008).

### **5.2.6 Socio-cultural aspects of gentrification**

Socio-cultural or people-based aspects are often neglected but appear particularly relevant to the Lanes study area, and of particular interest is the type of people who found the inner city lifestyle attractive. Savage, Warde and Ward (1993 p. 70) describe the gentrified enclave as displaying “some distinctive cultural characteristics in their daily activities which constitute the reproduction of social identity and, to a variable degree, social solidarity”. This aspect will be expanded upon later in this chapter under the headings of new urbanism and creative classes.

As mentioned earlier, the urban culture and lifestyle existing in the Lanes pre-earthquakes is at odds with the majority of the Christchurch population who are resolutely suburban and conservative with respect to housing and shopping. This is evidenced by the clear success of new residential subdivisions and expanding shopping malls in the city over the last thirty years, coinciding with the commercial failure of new inner city apartment developments and declining CBD retailing activity.

Zukin (1989 p.174) makes the same observations about the USA, but goes on to say a small but “increasing number of middle-class people moved into certain cultural patterns, particularly an active appreciation of the arts and historic preservation which had previously been upper class domains”. She also discusses the increasing value associated with “eccentric spaces” that reflect bygone eras and add the romanticism of a way of life which has largely vanished (or can only be experienced overseas).

Some people also highly value raw space and the exciting nature of carving their own style into a space rather than receiving an already designed product. Many people find such places more flexible and interesting than post-industrial offices, apartments, suburbs and shopping centres, but they tend to be limited to non-child centred households. This resonates with the second characteristic of gentrification identified by Warde (1991 p.225) that is “Transformation in the built environment exhibiting some distinctive aesthetic features and the emergence of new local services”. There is a greater sense of place rather than function and an increasing trend to combine living and working space (or at least have them in close proximity) in a variety of architectural styles and configurations.

However, such a lifestyle choice is not typical in New Zealand, where most new residential neighbourhoods are increasingly tightly controlled by development restrictions, both imposed by planning rules, as well as developers trying to maintain a particular style and appeal to a narrow range of residents (presciently referred to by my twelve year old daughter as ‘fake neighbourhoods’ and others as ‘blandscapes’). Those who find the convention, isolation and restriction of the contemporary suburban neighbourhood most repugnant may well be those most attracted to the ‘edgy’ and sometimes quasi-legal urban alternative.

In many ways gentrification can be seen as a return to the mixed use of a location, for both economic and social reasons, typical of earlier cities before the influence of town planning and the zoning of activities into separate and distinct enclaves. It has led to the apparently successful revitalisation of a number of central city precincts (Zukin, 1989; Florida, 2002 and others). Recent examples closer to the Christchurch context in scale and/or culture include the Rocks area in Sydney and the Lanes area of Melbourne. But debate continues on how enduring or inclusive such revitalisation will be (Slater, 2009).

In all these cases the differentiation from the alternative and predominant suburban living experience is substantial and resonates with the third of Warde’s gentrification processes (The gathering together of persons with a putatively shared culture) or at least with shared class-related consumer preferences. It also reflects the work of Ley (1994), Lloyd (2002) and Florida (2002), Zukin, 1979, 2008, 2009) and socio-cultural and community network based theories.

Zukin describes a trend in the middle classes to believe that old buildings and old neighbourhoods are “authentic in a way that new construction and new communities are not” (Zukin, 1989 p.67). They have a sense of place, instead of space, and represent a rejection of modernist functionalism. These places change and grow organically but still “provide landmarks for the mind as well as the senses” (Zukin, 1989 p.68). She also comments that the domestication of the industrial aesthetic of obsolete industrial uses into new mixed uses encourages the adoption of an industrial style in the

interests of authenticity. It can also be seen as nostalgia for a simpler more authentic past. Peck (2005) expresses similar findings.

Other lifestyle issues discussed by Zukin (1989) include the writings of Bachelard in *The Poetics of Space* (1958) who said space can mean contradictory things to its inhabitants. Different people may feel at home in very different spaces and these space preferences can change over time. Tastes are also constrained by technology, materials and costs.

Zukin and Boddy highlight the glamorisation of the urban lifestyle through the media. Boddy (2007, p. 91) observes that the marketing material produced by developers strongly highlights design and lifestyle: apartments are typically described as “the ultimate in city chic” and great play is made of the access the developments offer to city-centre assets: a “thriving, cosmopolitan centre”.

Though Zukin was talking about large cities in the USA in the 1960s and 70s, and Boddy the UK in the 1990s and early 2000s, this phenomenon has gained traction more recently in New Zealand, accelerated by decreasing affordability of suburban housing, especially for first home buyers, and increasing familiarity of an urban lifestyle by generations who have lived and worked overseas (Dutton, 2003). Evidence includes the wide coverage of this style of building in New Zealand magazines like *Design Trends* and *Architecture New Zealand*.

The Lichfield Lanes study area represented a particular and somewhat unique concentration of lifestyle, architectural style and use of traditional materials which was restricted in terms of availability in Christchurch, especially at affordable rental or purchase price levels in the CBD. For those that aspired to a particular style of urban life and historic architecture there were limited alternatives – perhaps best represented by the nearby port town of Lyttelton. This was undergoing a similar revitalisation/gentrification process and was similarly devastated by the earthquakes.

Another positive aspect of urban living is the good social relationships between people in some intensively occupied neighbourhoods, as observed by Gans (1962) in *The Urban Villagers* and categorised by London and Palen (1984) under community networks theories. There is also the more recently emerging consciousness of the ecological benefits of adaptive re-use of existing resources and reducing commuting impacts by living, working and playing in close proximity.

### **5.2.7 Stages of gentrification**

The minority group with the socio-cultural preferences described above are often described as first wave gentrifiers (Ley, 1994) and have particular importance for the rebuilding of the Christchurch



city post-earthquake. If the very characteristics of the city that attracted this type of person to occupy CBD residential accommodation and establish and frequent business premises there have now been lost, what will the future hold for the only type of inner city revitalisation that was gaining traction?

A real possibility is a jump to third wave new build gentrification as described by Davidson and Leys (2010) and discussed by Murphy (2008) in relation to Auckland. While sharing the same predominantly suburban culture as Christchurch, inner city gentrification in its traditional form (including displacement) has been underway in Auckland for many years. This is most notable in Ponsonby (Latham, 2003).

Murphy (2008) identifies first and second wave gentrification – characterised by adaptive reuse, attracted by heritage building styles, smaller in scale, driven by individual gentrifiers and property developers - as now being supplanted by third wave new build gentrification. This is particularly evident in the inner city and harbour side areas of Auckland where good opportunities for small scale adaptive reuse are running out. He contends that neo-liberalism and new urban governance structures, including an increasing role of the state, created the conditions for this third wave new build and large scale gentrification phenomenon. The same type of process is evident in Wellington (Morrison and McMurray, 1999). As with gentrification generally – there is ongoing debate about the nature of this new build or third wave gentrification. Rerat et al., (2009) describe redevelopment of brownfields and other vacant inner city areas whereas Davidson and Leys (2009) and He (2009) extend the definition to include demolition and reconstruction, hybrid refurbishment and other types of re-gentrification.

Traditional gentrification described as “small scale and authentic” by Boddy (2007 p.90) is very different from the new build large-scale and often corporate processes described by Davidson and Leys (2010) and Murphy (2008). Only the first wave (and to some extent second wave) where local authorities and other developers become involved was working in Christchurch pre earthquake. It now appears only the third wave gentrification type will be a possibility post-earthquake, due to the destruction by the earthquake and CERA of the physical and social fabric in the Lichfield Lanes area. In fact the whole of the CBD is largely a redevelopment site.

A question to be addressed by this research is: will the same people (owners, developers and occupants) be involved or will the displacement – so typical of many gentrification processes but largely missing from the Christchurch experience previously, now apply to these first wave gentrifiers. Perhaps, as Boddy (2007) puts forward, the market for new city-centre apartments and for older renovated Victorian properties tend to differ.

A likely outcome appears to be displacement of those early colonists more attracted to the characteristics of first wave gentrification - be they aesthetic, social and/or economic in nature. What will they do and where will they go?

There is also the issue that existing owners and occupiers may wish to take part in third wave new build gentrification – but they may not be in a position to do so. Lack of capital and development expertise, insurance issues, business interruption, increased earthquake requirements, scale issues, exclusion by the corporate and public sector, may all preclude involvement.

There is also the possibility that the lack of economic viability for new build development that previously prevented the redevelopment of the Turners and Growers site still applies – perhaps to an even greater extent- in post-earthquake Christchurch.

### **5.2.8 Gentrification conclusion**

The literature addressing gentrification is very extensive, and is driven in many cases by different perspectives, ideologies, and research methodologies and reflective of the wide variety of differing circumstances in which the phenomenon may arise. As a result there is a wide range of conclusions as to the definition, causes, processes and outcomes of gentrification.

This brief review of the gentrification literature has identified major themes, some of which are useful in understanding the situation existing in the Lichfield Lanes area of Christchurch prior to the 2010 and 2011 earthquakes. They may also assist in interpreting, predicting and perhaps facilitating positive outcomes for the location post-earthquake.

It is clear that many authors consider displacement to be an essential feature of gentrification and even though it is, to date, largely absent from the Lichfield Lanes study area, it is worthwhile incorporating consideration of the phenomenon. The other three gentrification processes put forward by Warde (1991) are all present and greater understanding of them will help illuminate the Christchurch situation.

Of the five theoretical categories explaining gentrification proposed by London and Palen (1984) demographic-ecological, community networks and social movements groupings all appear to offer some explanation of the Lichfield Lanes situation, but the socio-cultural and economic-political categories appear at this stage to resonate most strongly.

In particular the rent gap theory associated with Professor Neil Smith (1987, 1996) and the consumption side theories of David Ley (1994) appear particularly relevant to the study situation.

In-depth studies of particular cases and their backgrounds, as in *“Loft Living”* by Zukin (1989), offer a particularly rich vein of critical thought applicable to the study situation. Common themes emerging from these studies are: that for some groups of society, new ways of living are emerging that represent a rejection of the suburban mainstream. These include the concepts of New Urbanism and Creative Classes which will be briefly discussed next.

### **5.3 New urbanism**

The literature discussed above has substantial overlap with the increasingly popular concept of new urbanism or neo-traditionalism. This idea first formed in the early 1980s around the earlier inner city research of Jane Jacobs (1961), Kevin Lynch (1960), Lewis Mumford (1962), William H Whyte (1956, 2012), and Jan Gehl (2011). Leading proponents of new urbanism were architectural firm Duany Plater-Zyberk and Company (DPZ), Peter Calthorpe, Elizabeth Moule, and Daniel Solomon. They advocated a rejection of conventional town planning practice, which long advocated separation of incompatible uses on the basis of zoning, and had resulted in typical post-war suburban, car-dependent, residential development.

While suburban development is clearly dominant and popular with consumers in much of the developed world, there have been concerns regarding how sustainable this model is in the face of increasing transport costs. More importantly, local authorities who usually also control development policy, bear the brunt of infrastructure costs, inefficiencies and public dissatisfaction with congestion that often arise as suburban sprawl grows. There is therefore a vested interest in models that promote more intensive development, such as new urbanism, smart growth or transit-orientated development.

New urbanism, and its close relation smart growth, advocate a return to the compact organisation of cities and towns typical of the early twentieth century, before the post WW2 rise of town planning and the growth of automobile use. This traditional city and town design (or lack of design) is still common in Europe and other older cities throughout the world but has been illegal in much of the developed world for the last fifty years (Ellis, 2002).

Important principles of new urbanism are identifiable centres and edges, public spaces, mixed uses, walkable distances, buildings built up to street frontages and lot boundaries, good public transport, compact development and the architectural style and variety of old cities and towns (Katz, 1994). These principles are detailed in the charter of a Chicago based group of enthusiasts entitled the Congress for the New Urbanism (CNU) established by Duany, Plater-Zyberk, Calthorpe, Moule, Solomon and Polyzoides in 1993 (Leccese and McCormick – CNU, 2000).

New urbanism has enjoyed substantial growth in popularity amongst planners and architects through the 1990s and into the 21<sup>st</sup> century, and is now formal policy in some jurisdictions (Steuteville, 1999 in Ellis, 2002). But, as with urban sprawl and gentrification, some people view new urbanism as a pejorative term whereas others simply see these terms as descriptive. New urbanism ideas have not been so popular with consumers, with only 20.8 per cent in a 1997 survey by Bookout (in Ellis, 2002, p. 271) in favour of this alternative. In a New Zealand context, intensification is also less popular and politically controversial (New Zealand Productivity Commission, 2012; Vallance, Perkins and Moore, 2004).

New urbanism has also been adopted by so many different parties and applied to such a wide variety of situations that it has become harder to define over time. For example, adaptive re-use, infill and inner city brownfields redevelopments that are similar to the Lichfield Lanes area have been labelled new urbanism, but so have new green field suburban or new town developments, such as Seaside, Florida, famous as the inspiration for *The Truman Show* movie. In Christchurch, the Pegasus development was touted as being new urbanist but could not be further apart in style, appeal and location from the Lichfield Lanes area.

There is a great deal of debate about how effective new urbanism has been in achieving its objectives in relation to density, efficiency, affordability, diversity, environmental protection, social interaction, aesthetics and culture (Ellis, 2002). The belief of CNU is that good design will achieve these objectives, but the empirical evidence varies, especially in relation to some of the objectives.

At the core of the debate is whether urban sprawl, a key focus of new urbanism, is a concern to be addressed or not. Villiers (1997) and Ellis (2002), review the extensive literature on both sides of this debate. As would be expected, they do not resolve such a major conflict but conclude new urbanism has at least reinvigorated debate about how cities should be planned and generated valuable and practically applicable principles. The movement does not yet offer a comprehensively applicable strategy for enactment or adequately address the large scale policy restructuring such a strategy would likely require. De Villiers found, for example, that many new urbanist schemes in fact had similar densities to conventional development. Similarly, efficient public transport can lead to linear cities and a reduction in density. But the alternative *laissez faire* sprawl cannot be considered a design in itself, but rather an outcome of earlier designs and the political and economic structures within which they are developed.

Aesthetics is another contentious issue. New urbanism is usually associated with a nostalgic style and has been criticised as an escapist return to an imaginary past, a falsification of history and a failure to confront reality (Davis, 1979; Stewart, 1988 both in Ellis 2002).

Others argue that it is conservative, reactionary and bourgeois (Lehrer and Milgrom, 1996). Some applications of new urbanism may lend support to this view, such as the heavily controlled new-build towns of Seaside, Florida and Celebration, Florida, the latter a Disney Corporation development. They are seen as false and twee caricatures of historic towns (Dutton, 1989 in Ellis, 2002), and lack the unexpected and unfamiliar that arise in real cities (Lehrer and Milgrom, 1996; Lightner, 1992 in Ellis 2002). Other applications have been far less controlled and gritty – particularly those involving inner city areas and adaptive re-use. The rebuilding of Berlin is used as an example by Ladd (1997).

A new urbanist argument is that it is not the individual quality of the majority of buildings that is important, but the way they fit together and the public spaces between them, plus the aesthetic impact of an occasional important building on a key site. The public spaces are seen as important in facilitating local social networks, without precluding wider networks and wider commuting.

One of the most important aspects of new urbanism is that spaces are dictated rather than uses, the opposite of traditional zoning. A criticism has been that new urbanist developments have not achieved the diversity of races, incomes and uses that have been aimed for (Shibley, 1998; Lehrer and Milgrom, 1996 in Ellis 2002). The popularity of some developments have been such that over time they have been priced out of the range of many potential residential occupants, even if “affordable” housing was originally intended.

Also, while the residential component may have been successful, it has often been difficult to make the commercial component, essential to the concept, viable (Robbins, 1998). In these cases the often espoused “live, work, play” in one location mantra fails to materialise, and developments become just another commuter suburb, albeit with a different architectural style and sometimes a higher density. The Pegasus development near Christchurch would be such an example. The counter argument is that while new urbanist developments may not have always achieved everything they had hoped, they have helped raise awareness and moved things in the right direction towards solving society’s greater problems (Pyatok, 1996; De Villiers 1997).

New urbanism advocates a participatory, people-based approach to urban design via the involvement of both professionals and local residents and businesses. The charette method is a common choice. Again, this represents a reversal of the top down, professional planner, politician or developer-led and place-based approach more typical in traditional town planning. Again, there are critics, but the outcomes seem to attract greater buy-in from the local community and better outcomes at the micro scale than top down approaches.

Sometimes new urbanism developments have been led or facilitated by local authorities and public good organisations with social development objectives, whereas in other cases these have been

private developer or public corporation (for example Disney) projects, accused of social engineering and commercial capture and marketing of culture. There have also been claims that new urbanism can involve over-planning and excessive restrictions, via both planning ordinances and private developer restrictive covenants - exactly the opposite of the largely unplanned “old city” urban environments that were originally envisioned as being recreated.

A related claim has been that new urbanism has been captured as a deregulating force by property developers, and that its application can boost returns via increased density and reduced compliance costs. It is interesting that the SoL Square development, close to and often compared to Lichfield Lanes, was trumpeted by its controversial and now bankrupt developer as a new urbanist development.

Another criticism is that the environmental protection benefits claimed for new urbanism are not always reflected in practice. For example, in a New Zealand context Montgomery (2000) found higher density can lead to greater environmental problems such as concentrating water runoff.

One of the founders of new urbanism, Andrés Duany maintains its role is practice based and practical, rather than theoretical and aims to straddle the world of the idealistic architect and the conservative developer (Duany, 1997).

This literature review cannot hope to traverse all aspects of, nor resolve the substantial debates and divergent developments occurring under the banner of new urbanism. It is clear though, that issues that some tout as new urbanism, (for example: intensification, public spaces, neo-traditionalism, loose planning, aesthetics, European style, old cities, social engineering, commercial capture, diversity, and community participation,) intersect with many of the other issues discussed in this chapter and the previous one, as well as the actual situation in Lichfield Lanes. This clearly illustrates how complex and inter-twined inner-city revitalisation situations are, and therefore the benefits of considering multiple points of view and different research approaches.

#### **5.4 Artists, creative communities, social and psychological dividends**

A recurring theme throughout all of the revitalisation, gentrification and new urbanism literature reviewed above is that inner city areas subject to these processes are often significantly impacted by the needs, desires and capacities of a group of people who differ somewhat from the mainstream. Zukin (1989) and also in her later work plus Ley (1994, 2003) and many other authors have identified artists seeking out cheap industrial space as a catalyst for revitalisation and gentrification. Dickenson

(2001) describes this as adaptive recycling by people who find gritty, historic buildings attractive, especially if they are flexible, spacious and low rent.

Similarly, Lloyd (2002 p.517) characterises artists and other creatives as first generation gentrifiers who generate trendy “neo bohemian” character in an area. The findings later in this thesis suggest the phenomenon is also filtering through, in the same way as other international trends, to the New Zealand situation.

Florida (2002,) Ray and Anderson (2000), Mokyr (1992) and others have termed this wider growing and influential group The Creative Class. Drucker (1994) and Machlup (1962) characterise them as knowledge workers, whereas Bell (1973) uses the post-industrial economy to describe this sector.

Florida (2002) describes this group as the emerging class of our time, consisting of scientists, engineers, architects, writers, artists, musicians, designers, educators, the gay and lesbian community and anyone else who uses their own creativity as a key factor in their economic activity. The key values of this class Florida (2002 pp.77-79) identifies are:

1. Individuality - bordering on quirky and eccentric,
2. A meritocracy – with a lesser emphasis on money and material possessions,
3. Diversity and openness to differences in people.

Although a (growing) minority, Florida asserts this group has the greatest impact on the economy of the USA via both its significant spending power, as well as its norm-setting capacity. As a result it is changing the fabric of US society.

Florida’s work is controversial, critics include Marcuse (2003) and Markusen (2006), but it resonates with many people and has been the basis of policy in some jurisdictions. It is based on data and observations that some cities in the USA have prospered while others declined – contrary to what would have been expected given conventional economic base analysis.

Similar findings on the presence of artists being associated with increasing property prices were found by Ley (2003). Florida put this difference down to the growing importance of creativity over economic efficiency, derived from Taylorist and Fordist principles which were the driving force of the industrial era. Florida contrasts the conservatism of the suburban domiciled ‘organisation men’ of the 1950s identified by Whyte (1956) with the creativity and diversity of places such as Greenwich Village identified by Jacobs (1961). The latter, and other locations such as the West Bank of Paris and parts of San Francisco, have long existed and always attracted creatives but Florida asserts the

dramatic growth and spread of this sector of society is the key influence on the significant changes occurring in many US cities.

Alongside the growth of the creative class Florida records the growth of the service class at the expense of the working class. Florida sees this as less significant however, as service class workers are poorly paid and therefore don't have the economic impact of the creative class. He also sees service class growth as being partially driven by catering to the needs and desires of the creative class, which includes a higher level of cultural consumption, supported by their ability to pay for these services.

While Florida's work is focussed at the city scale, there are some aspects that clearly resonate with what was happening at the neighbourhood scale of the Lichfield Lanes area. Tolerance of diversity is a key characteristic of the creative classes, and this was evident in the Lanes areas with ethnically diverse businesses and tenants. All strata of society were also represented from cheap student flats, to high end apartments, gay and straight brothels, to professional and healthcare offices, as well as bars, restaurants and retailers catering to a wide range of clientele.

The creative class, also described by Florida and Lloyd (2002) as neo-bohemians, or Brooks (2010) as BoBo's (bourgeois bohemians), often reject conservative mainstream values and lifestyles. They are more interested in individual style and unusual or innovative products and services. Again, as will be seen later, the Lichfield Lanes area was characterised by retailers and hospitality outlets that were significantly different from those offered in suburban malls or other conventional retail environments. There was also an emphasis on personal service and interaction with the business owners, again a characteristic of creatives identified by Florida and others. Retail transactions are not just about the product or service purchased but the whole experience, from anticipation and search, the richness of the shopping environment, interactions and ongoing relationship with the vendor, the satisfaction with the eventual purchase decision, to the relaying of the pleasurable experience to others with similar values.

In Jacobs' (1961) study of Hudson Street she found foot traffic on the street provided a venue for interaction by frequent random collisions of people and ideas. Short blocks, varieties in style and sizes and uses of buildings and the spaces between them, ethnic differences and 'public characters' (in Florida, 2002 p.42) all added to stimulation and generation of ideas. The availability of old and underutilised spaces provided a venue for new individualistic and creative enterprises. All of these factors existed in the Lichfield Lanes area pre-earthquakes and were frequently referred to by interviewees.



Ingelhart (1971) describes creatives as post-materialistic, they seek rich and diverse experiences, environments that stimulate innovation, they relish change and are willing to take risks to get what they want. They are tolerant of differences and not particularly materialistic. These factors were present in the Lichfield Lanes area and exhibited by the people that frequented the location. Florida, as well as Fussell (1983) in his discussion of X class, asserts that these people have differing priorities in their lives than those of earlier generations. Security is less important, as there is confidence they will always be able to access the basic needs of a comfortable life. Higher order needs, in terms of Maslow's hierarchy, are now the focus. Social interaction, self-expression and self-actualisation are priorities, as are flexibility and environments that will allow them to flourish in a multitude of different ways. Amabile (1985 p.393) observed "intrinsic motivation is conducive to creativity, but extrinsic motivation is detrimental".

Many of the business owners in the Lanes area reported similar priorities. Making money, efficiency and business growth were not the primary objectives; instead there was an emphasis on lifestyle values. It was not just a matter of getting the job done and going home, there had to be pleasure derived from doing the job itself. These are the characteristics of the creative class identified by Florida (2002) and many others including, Ingelhart (1971), Fussell (1983), Amabile (1985) and Fogel (2000). These people work harder and longer hours than other classes - not for the money, but for the challenge and pleasure derived from the work itself, and the pride and status afforded to them for their achievements by other creatives.

Another characteristic of creatives is their attitude to control – they resist it. They see planning as bureaucracy and institutionalisation stifling creativity. Instead they value sifting and synthesis, confidence in deriving new combinations, and rule breaking. Inevitably this can result in mistakes and sometimes scorn, but the subversive and nonconformist is seen as essential for creativity - the ends justify and reward the risks taken. This type of person is the antithesis of the conformist organisation man identified by Whyte (1956) as the dominant model for success in the first half of the 20<sup>th</sup> century.

Creatives reject the pre-packaged and tidy suburban and retail mall environments that cater for organisation men and are described by Florida (2002) as generic. Instead, they want self-expression, things on the margin, not a style dictated by marketing people. But creatives are not seeking complete revolution, rather they seek to meet their different-from-mainstream needs within the conventional economic system. As a result, it is important that developers recognise this growing sub-group of society, especially so because of their disproportionate spending power and style leadership.

But there is also concern at commercial attempts to co-opt bohemia (Frank, 1998; Zukin, 2001). New alternative cultures can be seen as just another aspect of capitalism – or co-opted as a new way to sell new things. It is a fine balance for developers to maintain. Minton (2003) describes the buzz to bland cycle, and Short (1989) characterises yupification. Something that is initially seen as ‘cool, can easily be over-commercialised and emptied of its authenticity. For example, this transition is seen in fashion brands and themed chain restaurants, using ‘hip’ new music in commercials, as well as ‘state of the art, sports stadia. Disneyland and Las Vegas are given as examples by Florida. He also notes “generic has a way of creeping in everywhere” (Florida, 2002 p. 187).

This has some overlap with gentrification and new urbanism discussed earlier and was exhibited in this study by the concerns over some of the ways the Lanes were developing, such as the tram line, and also the comparisons drawn with the similar, but more tightly managed SoL Square development nearby.

Florida argues that the success of future cities will no longer rely on traditional advantages of being close to natural resources or on transportation routes, or the more recent focus on creating business-friendly economic conditions and offering taxpayer funded financial incentives. Nor will they be attracted by the physical attractions most cities focus on building such as “sports stadiums, freeways, urban malls, tourism and entertainment districts” (Florida, 2002 p. 218) . Instead, they need to be pleasant places to live, especially for the creative classes who will both generate and spend their increasingly important share of the economy. Companies will then follow or be started by these people who are not looking for a job, but for “high quality amenities and experiences, an openness to diversity of all kinds and above all else, the opportunity to validate their identities as creative people”

These ideas have some similarity to the social capital ideas of Bourdieu (1979), Coleman (1990), and Putnam (2001) who maintain economic growth is associated with communities where people form and share strong social ties. There was some evidence of this in the Lichfield Lanes area, but Florida maintains it is not the traditional strong and long term social ties that are now so important, but weaker, more extensive and flexible social relationships. In fact, conservative social arrangements can work against economic growth and innovation.

These ideas also reflect the human capital ideas of Kotkin (2000), DiPasquale and Glaeser (1999) and Lucas (1990) in that there has been a movement in importance over time from the location of physical and organisational capital, to the location of human capital, and everything that might attract and support it. Effectively, society is taking over from the organisation, who earlier took over from the physical location in being the key attractor of talent. Education which, according to Glaeser and DiPasquale and Lucas, underpins social capital is highly personal and portable compared to other

forms of capital. Therefore, the means to attract, and especially retain social capital in the face of competition, becomes especially important.

The educated sector of society also has low natural growth, so it becomes even more important to retain what you have and to encourage immigration from other locations. As well as the low entry barriers for business often promoted, there also needs to be low entry barriers for people. In turn, scarcity of human capital leads to increases in its price and transfers economic power to the individual and away from the corporation. For these reasons, in-demand creatives do not have to put up with a lifestyle they do not find attractive, they will go to where they are valued, welcomed and supported. Adapting the terminology of Porter, Florida calls this creative advantage.

Also relevant is Lloyd and Clark's (2001) description of cities increasingly becoming entertainment machines. They see a shift from a producer city to a consumer city and a city's future dependent on being a good place for consumers to live. Oldenberg (1999 in Florida 2002 p.225-226) talks about "third places" within cities, neither work nor home, but "venues like coffee shops, bookstores and cafes where we find less formal acquaintances" which create the heart of a community's vitality. Similarly nightlife is an important part of the mix, even for people who rarely take part. A vibrant and varied nightlife is seen by Florida's interviewees as an indication a city "gets it". Also, as people increasingly communicate electronically at work, the release offered by an alternative form of interaction at the café, shop or bar becomes more important. All of these types of interaction were characteristics of the Lichfield Lanes area.

Authenticity was also raised by Florida's interviewees. It was seen as encompassing historic buildings, established neighbours, uniqueness, urban grit alongside renovated buildings, co-mingling of young and old, different ethnicities, incomes and lifestyles. This is the opposite to the blandscapes and generic associated with corporate chains.

Similarly, identity is important in the post-modern world. Where people are increasingly transient in their careers, they identify less with their employer (the opposite of the organisation man of Whyte) and more with what they do, a location and all they represent (Castells, 1997). Florida (2002 p.231) rolls these ideas up into what he terms "quality of place" comprising: "what's there, who's there and what's going on".

## **5.5 Satisficing**

As mentioned at the start of Chapter 4, most of the literature discussed above focuses on the situation in the USA. This is because the USA has a similar 'new world' culture and post industrial

revolution land development history to New Zealand, and it is also where a great deal of urban research has been carried out.

While there are many similarities to the USA (and other countries) there are also differences in scale, circumstances and culture in a New Zealand context. One aspect that is closely related to some of the lifestyle themes explored in this thesis, but further explains the attitudes and behaviour of many of the people interviewed in this research, is the concept of satisficing.

Satisficing is a concept earlier developed by Simon (1956). Contrary to traditional economic theory that people want to maximise their value, advantage or benefit, Simon proposes that, in many situations, individuals and organisations adapt well enough to just reach the minimum level only for satisfying particular needs or desires. This is particularly the case in complex situations where there are many different needs to be satisfied, and optimising one may limit satisfaction of others. Also, it can be difficult to identify an optimum output versus a sub-optimal but satisfactory one, and the extra effort required to optimise may be better spent on satisfying another need. Simon coins the term satisficing and states "Evidently, organisms adapt well enough to 'satisfice'; they do not, in general, 'optimize'" (Simon, 1956 p.129). And also, "A 'satisficing' path, (is) a path that will permit satisfaction at some specified level of all its needs" (Simon, 1956 p.136).

Simon's ideas regarding satisficing have subsequently been tested in many situations and found to apply. Of particular relevance to this thesis, satisficing has been widely discussed in the New Zealand business context in the work of Hofstede (1991, 2005, cited in NZTE, 2009), Rowarth and Parsons (2011), Whyte (2015) and others.

These authors claim that barriers to innovation and business growth and therefore economic growth and national welfare include a tendency for satisficing behaviour by many New Zealand business owners. Rather than continually trying to maximise wealth, many business owners "set their sights on achieving enough wealth creation to have the "3Bs – bach, boat and BMW" (a bach is a holiday house in New Zealand colloquial terms). "If small business owners are only in the business for the lifestyle, a growth mind-set may be lacking" (Whyte, 2015 p.5).

Business owners may want to grow a company but they balance this against the amount and type of work they would have to put in to achieve this growth. Often they have developed a lifestyle supported by their existing level of operations that they are not willing to compromise or risk in pursuit of further wealth. In effect, increased wealth above a particular satisficing level has diminishing value for them. A third of small business owners reported starting their business for lifestyle reasons (MBIE, 2014).

There are also external pressures to satisfice as expressed by Swartz et.al (2002 cited in Smale, 2013. p.65).

“Because many business owners, and their local community, find it difficult to separate the success or otherwise of the business from the owner, the possibility of risking the lifestyle that they have so carefully built up gets to their core sense of self, their standing in the local community, and their sense of purpose. This reinforces the satisficing tendency, which is further compounded by the finding that satisficers are likely to be happier than maximisers because they set lower standards against which to judge their circumstances”.

Satisficing behaviour tends to be more prevalent in small businesses where the owners are close to operations and also have substantial personal and family equity in the business. This has major implications for New Zealand where 97 percent of enterprises are small businesses (employing 0-20 employees, they employ 40 percent of the total workforce and contribute to over 30 percent of GDP) (MBIE, 2014).

There are also historic and cultural factors at work in New Zealand. New Zealander’s are fiercely self-reliant and independent with a jack of all trades approach, which means we do many tasks on our own. This affects many aspects of business, especially growth (Hofstede, 2005 cited in Smale, 2009). New Zealanders have a strong resentment of bureaucracy and the small size of businesses here results in a very personal engagement between owners/managers and bureaucracy, rather than through employed specialists that would be the case in larger firms. This results in an exaggerated perception and resentment of bureaucratic intrusion, but growth generally requires increasing interaction with bureaucracy.

New Zealander’s also are financially risk averse, reserved, egalitarian, short-term and action orientated and value the pursuit of discovery and adventure (Rowarth and Parsons 2011). This means that the struggle occurring in most cultures between creating more wealth and pursuing leisure tends to be won by leisure at a lower threshold of wealth in New Zealand than in most other countries.

Illustrating this situation in New Zealand, the top three motivators for being in business identified by Quinn (2007) were:

1. Put in place my own ideas and run it how I want
2. Work - life balance
3. Excitement of creating a business

Satisficing is a concept that resonates with the complex mixtures of different satisfactions associated with the creative classes discussed in the previous section. Research indicates satisficing also has particular application in a New Zealand small business context. Given this situation, and the importance for inner city revitalisation of small businesses initiated by and catering to the creative class, consideration of the impact of satisfaction needs to be carefully taken into account when attempting to encourage inner city revitalisation.

## **5.6 People Focussed revitalisation conclusion**

While different researchers have different perspectives on commonly observed phenomena, there is considerable overlap of concepts in the section above with those discussed earlier. From the literature reviewed, the power and wealth in Western society is moving from organisations towards individual people, and in particular educated and creative individuals. Also, the definition of wealth appears to be changing, encompassing far more than simply money and things, and extending to a much more complex web of higher order social and psychological satisfactions. This situation should be taken into account in any attempts at inner city revitalisation, but often is not. Property developments have long lives and they need to be able to cater to current needs as well as readily adapt to the changing desires over time of all the stake holders, be they consumers, business owners or developers.

## **5.7 Review of the literature in Chapters 4 and 5 - overall conclusions**

This review of the literature in chapters four and five has traversed a wide range of issues reflecting the complexity inherent in the revitalisation of inner city areas. In addition to traditional place-based physical and economic development focussed research, broader concepts including adaptive re-use, community involvement, perception change, networks and co-ordination, gentrification, new urbanism, creative communities, social and psychological dividends and satisficing all need to be considered to better understand the interwoven processes underway, both internationally and within the New Zealand case study that is the focus of this thesis.

The next chapter explains how research into these issues in the Lichfield Lanes area of Christchurch was carried out, and the following results chapters will link back to the empirical findings to the various theories canvassed in Chapters 4 and 5.

# Chapter 6

## Research Method

### 6.1 Introduction

This research was exploratory in nature as the situation under investigation in the Lichfield Lanes area was unique, had only recently occurred, and was still developing. For this, and the other reasons earlier discussed in section 1.4 of Chapter 1, a constructivist, interpretive and qualitative research approach utilising a grounded theory methodology was adopted.

The research focused on how and why the Lichfield Lanes area developed in the way that it did, what can be learned from this process, and how these lessons might be applied in future inner city revitalisation situations. The interruption of the well-established staged process of revitalisation and gentrification by a major natural disaster is a unique aspect.

I had no established and clear theory I wanted to test, more a general curiosity about how revitalisation took place. I also did not want to risk tainting my observations and interviews with a pre-determined mind-set. As I was moving from empirical observation in a case study situation towards tentative theory, rather than in the opposite direction, these were questions best approached inductively rather than deductively. There are also a multitude of ways in which the success of the Lanes may be construed, and similarly a wide variety of factors that can contribute to such success, and I wanted to be receptive to all these possibilities. As no two inner city revitalisation situations are the same, and they are always complex and evolving, what can be applied successfully in a different context may be limited. Rather than a unified theory, a broad theoretical framework was the research outcome most likely in line with the approach advocated by Levy (2006). These issues will be examined further in the results section, but the context, the nature of the issues investigated, the inductive approach and the research techniques adopted as a result, all led to the research findings of this thesis being generally narrative and qualitative.

Given this overall situation, social constructionism offered an appropriate research framework because it relies on the researcher understanding actors and institutions, and interpreting the situation(s) with which they are confronted. Collins (1983, p 88) notes different people have different viewpoints, and what counts as the "truth" can vary from place to place and from time to time.

This naturalistic research method involves an iterative process of exploration and inspection for content and relations of all types of data available (Blumer 1969). By listening carefully and analytically to the different actors in a social setting until "saturation" of concepts occurs, and

triangulating the results with other groups and other research techniques such as observation and examination of documents, the researcher will be able to identify common threads of actor interpretation. Thereby gaining an understanding themselves of how and why the situation is developing as the aggregate of individual and institutional decisions and actions. An alternative approach is to look for exceptions to the most commonly exhibited data and then account for this variation or revise the tentative theory. Results obtained in these ways can then be the basis for new theory to be tested and verified in subsequent research via more structured and quantitative approaches, if appropriate.

In summary, by adopting an exploratory and social constructionist approach I found the quantitative methodologies common in property studies were inappropriate for addressing the research questions arising in the unique circumstances of Lichfield Lanes. As a result my focus turned to qualitative research methods.

## **6.2 Qualitative research methodology: theory and technique**

Qualitative research is multi-focussed and involves researchers attempting to make sense of the experiences, actions and interactions of people in their natural settings. This is achieved through the recording of life stories, conducting interviews and making observations (Denzin and Lincoln (1994, p. 2). Wolcott (1994) describes this as qualitatively capturing multiple versions of multiple realities. For Jansick (1994, p 212) qualitative research is "holistic", involving a design that looks for relationships through face-to-face interaction with research participants. Jansick and Denzin and Lincoln (1994) emphasise the need to understand the natural setting so that the researcher can draw conclusions from the observations made.

Qualitative research methodology is now well documented and has a long history dating to the early 20<sup>th</sup> century<sup>1</sup>, but it has been rarely applied in a property development setting (Levy and Henry, 2003). Within the general methodological rubric there is a range of particular approaches emphasising differences in data gathering and interpretative technique. These approaches have been divided into several categories, namely: phenomenology, ethnography, biography, analytic induction, grounded theory and case studies. Each is explained briefly below, and this is followed by my assessment of their relevance to my study:

---

1 See for example: Blumer, 1969; Creswell, 1998; Denzin & Lincoln, 1994; Marshall & Rossman, 2014; Miles & Huberman, 1994, Stake, 1994; Weinberg, 2002; Easterby-Smith et al., 2002; Yin, 1994; Lofland et al., 1995.



*Phenomenological studies* are focussed on finding the essence of a situation despite its complexities, and reporting on the shared meaning for individuals of a concept or phenomenon. By comparing and reducing these individual interpretations it is possible to eventually arrive at the universal essence of that phenomenon (Creswell, 1998, p. 47-58). Creswell also notes that phenomenology has several assumptions namely:

1. That the researcher can only understand what is going on if they hear it directly from the participants.
2. That the questions the researcher asks participants will enable the participant to describe what is happening in their lives.
3. That the data will usually be gathered by observing or interviewing participants.
4. That analysis of the data collected will produce clusters of meanings, and may be very textual and descriptive, and;
5. Assists the reader to gain a better understanding of the experiences of the participant.

All of the points noted by Creswell were features of my research. Morse (1994) contends, however, that phenomenology is more appropriate for understanding the meaning of phenomena and may not elaborate how those phenomena have developed or changed. This has some resonance for my research as while there might be widespread agreement amongst interviewees that revitalisation is occurring and successful, there is less (but still some) agreement on exactly how this is occurring.

*Ethnographers* study the meanings of group behaviour, language and social interaction. Ethnography generally involves prolonged observation of a group, typically through participant observation in which the researcher is immersed in the day-to-day lives of the people, or through one-on-one interviews with members of the group.

*Biographical research* is the study of an individual's situation and experiences as told by the researcher or found in documents and archival material, and is primarily descriptive (Miles & Huberman, 1994).

*Analytic Induction and Grounded Theory* were inspired by the work of Blumer (1969) who in the 1930s developed the concept of *Symbolic Interactionism*. At its essence, *Symbolic Interactionism* holds that people act on the meanings things have for them. These meanings are derived from social interaction, but in turn these meanings are also influenced by an individual's interpretation of the situation. In this way social interaction forms human conduct. Blumer contends that it is important to bridge the gap between empirical observations of action and development of theory, and stresses

the need for researchers to have a rich and intimate familiarity with the context under study as well as a flexible approach to achieve this. Abstract data analysis aimed at verification may result in error without an in-depth qualitative understanding of the context.

Blumer's ideas were developed further, but in slightly different directions, by some of his students Lindesmith (1947) and Glaser and Strauss (1967). Lindesmith advanced *Analytic Induction* as the means to close the gap between observation and theory by examining qualitative data looking for exceptions to provisional theory. These exceptions would then require further examination and iterative revision to theory, until a universally applicable explanatory theory is arrived at. Therefore, developing and testing of theory occurred together, closing the gap identified by Blumer.

In contrast, Glaser and Strauss with *Grounded Theory* were more concerned with generating theory than testing theory, and comfortable with locale-specific theories and generating a broader theoretical framework. This could be tested or verified later. They did not require every exception to be examined and resolved and were satisfied when sufficient evidence was obtained to achieve "saturation" of a concept. They did, however, require a more systematic examination of the qualitative data obtained than either Blumer or Lindesmith.

*Case Studies* often incorporate and extend the techniques above and are described by Yin (1994 p.13) as "An empirical inquiry that investigates a contemporary phenomenon within its real-life context, especially when the boundaries between phenomenon and context are not clearly evident", and are appropriate for asking 'how and why' questions. Exploratory research carried out in a case study situation usually aims to generate inductively obtained generalisations which are eventually woven into a grounded theory of the phenomenon under consideration (Shaffir and Stebbins 1990). Wax (1971) points out that this form of research is ancient but became more popular and structured in the late nineteenth and early twentieth century as exemplified by the works of Charles Booth (1889), Bronislaw Malinowski (1922), Robert Park (1925) and Robert Redfield (1954).

Of these qualitative methodological approaches, biographical research, analytic induction and grounded theory, via a case study - are particularly appropriate to my study situation. In support of a diversity of approaches Denzin and Lincoln (1994) and Brewer and Hunter (1989) state that good qualitative research is inherently multi-method in focus, thereby adding rigour to the process.

Biographical research, analytic induction, grounded theory and case studies also became associated with what has since been termed the Chicago School of ethnographic observation based studies. The research in this thesis has some similarities with the ethnographic approach but also differs in that that such research tends to rely only on long term observation, and usually assumes the researcher has no impact on the situation being researched.

Qualitative and case study techniques have come in for criticism as being old fashioned, hard to defend, not easy to generalise from and inefficient compared to quantitative surveys, statistical testing and computer based analysis (Mays and Pope, 1995). The latter became popular during the 1950s and 1960s and remain the most common methodological techniques in property studies and some other social sciences.

Some of these criticisms of qualitative and case study techniques were resolved by the work of Glaser and Strauss (1967) and Glaser (1978) which established well founded techniques for qualitative research which they termed *Grounded Theory*. At the most basic level, *Grounded Theory* asks two questions: "(1) What is the chief concern or problems of the people in the substantive area, and what accounts for most of the variation in processing the problem, and (2) What category or what property of that category does the incident indicate" (Glaser, 1992, p. 4). *Grounded Theory* allows the data to show what is happening empirically - an inductive process, rather than the deductive process more associated with quantitative research and hypothesis testing. It ensures the findings are closely linked to reality, but at the same time facilitates the development of a theoretical framework that can be tested later with other techniques. "The research product constitutes a theoretical formulation or integrated set of conceptual hypotheses about the substantive area under study. That is all; the yield is - just a set of hypotheses!" (Glaser, 1992 p. 16).

Glaser intended grounded theory to be fully inductive and relatively unstructured and eventually this led to a split with Strauss who then worked with Corbin in publishing *Basics of Qualitative Research* (Strauss and Corbin, 1990). They added more structure to the grounded theory research process, suggesting that the researcher need not merely accept the research data, but should ask questions about it. They also suggested the addition of more structure to the research activity.

### **6.3 The relevance and usefulness of qualitative social research methods for post-disaster urban research**

For my research the perspective of Strauss and Corbin is helpful, as the post-disaster circumstances constantly changed and new questions arose during the research process. While I initially posed general research questions and identified potentially applicable theories in the literature, because of the uniqueness of the situation and its state of flux, the focus of the research, its implementation and therefore the research questions changed in emphasis as the research progressed. There is therefore a match between my situation, the research context and the application of a grounded theory research approach.

Data analysis within this approach is ongoing from the beginning of data collection through to the write-up of the findings (Miles and Huberman, 1994). It involves the process of constantly comparing and coding data resulting in the generation of nodes – or small theories – and then searching for common themes or links within and between these nodes, and thereby linking the data together to support higher level nodes or theories. As a result of this process of identifying and refining nodes and comparing them to other more and more refined nodes, theory begins to emerge, as well as an in-depth understanding of the situation.

This approach was particularly appropriate to the situation under study in the Lichfield Lanes area as there was no identified theoretical base for interpreting an earthquake interrupted adaptive re-use and gentrification process, and it was unclear at the outset what the ultimate research findings would “look like”. A field research or case study approach utilising qualitative methods was especially attractive to me as, in the words of Shaffir and Stebbins (1990 p.7), “field research is accompanied by a set of experiences that are, for the most part, unavailable through other forms of social scientific research”. My research draws on this and can be seen as field research or a case study, which is described by Blumer (1969 p.37) as “getting closer to the people involved in it [the field of study] seeing it in a variety of situations they meet, noting their problems and observing how they handle them, being party to their conversations and watching their way of life as it flows along”. I was enabled in this process by my well-established position as a property academic in Christchurch. In the next section I now turn to an elaboration of that position and its implications for the conduct of the research.

#### **6.4 My position in the research**

My long term knowledge and experience of the Lichfield Lanes area and Christchurch generally, as well as personal contacts with some of the owners and occupants, supported my understanding of the context and the issues raised but also introduced the potential for bias, which was recognised and managed. I acknowledge a personal attraction for the historic architecture of the lanes and the style of adaptive re-use more recently applied to these buildings by the developers. The nature of many of the businesses located within the precinct were also attractive and, as a result, I was careful to specifically consider the points of view of those with differing tastes. I also bring to the research a background in property development– though quite different in focus, style and scale to that undertaken here. In order to reduce any potential bias from that perspective I sought to clearly relay the voices of the interviewees throughout the research so that their points of view on all issues, rather than my own, were dominant.

In terms of sample members for the interviews, my position did not influence those chosen as all those able to be contacted and willing to take part were interviewed and this represented nearly all of the business owners in the Lanes area. Unfortunately, none of the residential tenants were able to be identified or contacted post-earthquakes, so this is a weakness of the research but not a bias. Rather the research should now be seen solely as an investigation of business owners and the developers, and their views on the revitalisation of the Lanes area. Regarding the approach to the interviewees, I knew two of them personally and via them was introduced to more business owners, who in turn introduced me to more, in a snowball effect. I also obtained a list of business owners from one of the interviewees and could check off people against this list. Initial approaches were made in person or by telephone, followed up by e-mails with details of the research attached.

My position as a researcher with an interest in revitalisation was disclosed to those interviewed and I could be seen as independent and neutral, relative to the interests of the business tenants, the developer, the City Council, CERA and other authorities. The timing and circumstances of the interviews also helped reduce potential conflicts of interest. The Lanes area had been destroyed and none of the respondents had business interests there any longer. As a consequence, the usual conflicts of interest between landlord and tenant, business and competing business, and developer and controlling authority were very much reduced. The result was surprisingly candid and detailed revelations from the interviewees regarding the people and events occurring in the Lanes.

In terms of the conduct of the interviews, I was aware that questions I asked could lead the responses in a particular direction so I was careful to use prompting questions as little as possible. If required I would couch the questions in neutral terms. For example, I opened the interviews with the question "tell me about your involvement in the Lanes". Later I sometimes said "what about Council or CERA" or "what do you think about the future of the CBD". Interviewees were surprisingly forthcoming and comprehensive in their responses and very little prompting was generally required.

## **6.5 Implementing qualitative social research in my Christchurch case study**

### **6.5.1 Human ethics committee approval**

As this research involved observing and interviewing members of the public, an application for approval from the Human Ethics Committee of the University was required following the stipulated process. Approval was granted subject to various conditions, these included:

1. not identifying members of the public raising questions at meetings observed without their consent

2. providing interviewees with a Research Information Sheet outlining the research and who to contact if they had concerns
3. obtaining completed consent forms from participants prior to the commencement of interviews
4. interviewees having the option to either be digitally recorded or have written notes taken
5. interviewees having the option to withdraw at any time and also choosing not to answer any question
6. interviewees having the option to delete quotations or comments that may lead to their identification
7. any interview to immediately cease should a participant show signs of distress and support to be offered via a support system previously put in place

A copy of the Research Information Sheet and Consent Form are included in Appendix A

Because of the physical, psychological and economic impact of the Christchurch earthquakes on the people involved in the research situation it was decided to defer commencing interviews until sometime after the earthquakes had subsided and people had the opportunity to get their lives back in some kind of order. This was especially important due to the subject area being within the CBD and the interviewees were therefore likely to have been present or near locations where the greatest loss of life and damage occurred. Earthquake-related disruptions to my situation and the operations of the University were also a factor in this decision, so interviews did not commence until 28 months after the initial earthquake and 23 months after the most devastating event of 22 February 2011. Even after this lengthy delay four “strong” rated earthquakes with a magnitude of over five were felt during the period during which the interviews were being undertaken, but by this time these tremors had become part of normal life in Christchurch.

### **6.5.2 Observation of public meetings**

In the intervening period research continued via gathering data on the history of the Lichfield Lanes location, identifying the people to later be interviewed, and by observation at various public meetings being held that had particular reference to the future of the part of the central city in which the Lichfield Lanes area was located. Participant observation would help identify what it was that those attending valued about the CBD prior to the earthquakes and what aspects were perceived as important to successful revitalisation and the future of the central city. These findings would help inform and contextualise the interviews to be carried out later.

Most of these meetings were convened by a variety of individuals and groups concerned about the future of this part of the CBD in the post-earthquake environment. I assessed that my observation at these meetings as a member of the audience was unlikely to cause any greater stress on those attending than they were already suffering, and in any case, they were choosing to attend these meetings of their own free will, aware that the issues raised would be disturbing. In addition, as these were public meetings the content could be recorded and reported by the news media in any case. Notes recording my observations were taken during the meetings and written up more fully immediately afterwards. Recording the actual meetings was considered, but rejected due to problems gaining consent, identifying who was speaking and potentially inhibiting the free flowing discussion during question and answer sessions that often provided the most valuable insights.

In total nine meetings were observed, at which presentations were made by fifteen different speakers, followed by extensive and often passionate discussion. The speakers included City Council staff, historians, developers, property owners, architects, engineers, lawyers, valuers, planners, financiers, academics, politicians and activists.

As time progressed, it became clear that the people attending these meetings were to be completely excluded from decisions and participation in the future of this part of the CBD by the various authorities now in control as well as by other circumstances, for example delays in settling insurance claims. The central government authorities controversially developed large scale plans to demolish many of the buildings in the CBD and compulsorily acquire 34 hectares of land clearing the way for a comprehensive rebuild of the city by major developers and government agencies. In contrast, many of the attendees at these meetings were small business owners, or the owners of small commercial buildings in the CBD, or those with an interest in the preservation of heritage buildings.

Understandably, participation in meetings (which effectively became protests at being excluded) dwindled, and the movement to be involved in the future of the CBD died out as people chose to get on with their lives and take up opportunities elsewhere.

It was initially intended that the results of this observation would form a separate results chapter, but because the participants were so varied and became disillusioned over time and largely irrelevant to the CBD rebuild, the meetings did not yield the expected data. There were some enlightening comments made though by both speakers and attendees, so these have been synthesised where appropriate into the analysis of the interview results in Chapters 7, 8 and 9. As a result the main data source for thesis has been my interviews, although this was unanticipated at the outset.

### 6.5.3 Interviews

While most of the common qualitative techniques described earlier in this chapter were used to some extent in this research, the main emphasis was on semi-structured interviews. This involved asking starter or open ended questions designed to get respondents to use their own words to explain the situation or tell their story. What they chose to mention first can indicate the relative importance of issues, and I sought expansion of responses in areas important to the research or identified by other respondents. In fact, often very little prompting was usually necessary with the interviewees keen to tell their story and give their interpretation. The objective was to generate possible explanations and examine relationships rather than test hypotheses.

In most cases these interviews also involved a type of “on the spot” Delphi technique whereby responses of previous interviewees to important issues were raised with interviewees to facilitate or expand on their own responses. This enabled some preliminary analysis at the same time as data collection, making the process more efficient. However, as was discussed earlier, this approach within grounded theory is controversial among researchers favouring a hypothetic-deductive research methodology.

The initial interviews took place in early 2013 coinciding with when the cordons around the CBD mentioned earlier were finally lifted. The bulk of the interviews were conducted in mid-2014. Thirty potential interviewees were identified initially via a list of contacts obtained from one of the business owners in the Lichfield Lanes area that, prior to the earthquakes, had helped coordinate joint marketing and other promotional events. Many of the contact details were by then incorrect as the list predated the earthquakes and all the businesses on the list had been either displaced, locally, within New Zealand or some overseas.

Most of businesses within the Lanes were on the list, and the vast majority of these were hospitality and retail businesses that had occupied ground level space immediately prior to the earthquakes. There were some upper floor office tenants included in the list, as well as the developers of the Lanes area, but it proved impossible to track down the few residential tenants occupying buildings in the Lanes prior to the earthquakes. Missing also were some businesses that had occupied space in the lanes earlier, but decided to leave for various reasons prior to the earthquakes. Interviewees were later asked to identify other people that should be interviewed and this helped track down some of these people.

By an intensive search process and utilising the Internet to find the names of businesses and business owners, current contact details were obtained for twenty three of these businesses. Of the remaining seven, one person had died, at least three owners had gone overseas after the



earthquakes and the remainder could not be traced or failed to respond to messages sent to what appeared to be valid e-mail addresses.

Appendix A to this thesis includes a copy of the e-mail sent out to invite interviewees to take part. Of the 23 invitations sent, 21 responded agreeing to take part and 18 interviews eventually took place. While it was initially anticipated interviews would take approximately thirty minutes, most interviews ended up taking close to an hour and some extended towards two hours. Interviewees seemed very keen to talk about the Lanes and their experiences and opinions, before, during and after the earthquakes. They seemed to find the process cathartic and therefore helpful to them as well as informative for me. Many spoke at length on issues relevant to the research with very little if any prompting. Prompting questions are listed in Appendix B

All the interviews were digitally recorded and subsequently transcribed verbatim. This proved to be a massive task due to both the length of the interviews and the speed at which some of the interviewees spoke. The benefit was the collection of a large amount of data, only some of which is used in this thesis. The major component omitted is the experiences of the interviewees in the minutes, hours and days immediately post-earthquake. Much of this is not seen as especially relevant to the property investment focus of this research and is an area researched by many others in Christchurch. But it would have been insensitive to try and stop interviewees talking about their experiences of this nature during the interview process.

None of the interviewees became obviously distressed during the interviews, though many were clearly unhappy with the way things had occurred and had concerns regarding the future of the city. None of the participants asked for their comments to be withheld, but some comments were not included because they could have been associated with particular people and may have been seen as insensitive, inappropriate or offensive.

The transcripts of the interviews were loaded into the NVivo software package in order to facilitate coding into nodes. Initially 34 nodes were identified, these were subsequently refined to 20 nodes (with sub nodes) and finally 13 major nodes or themes.

These major nodes or themes are listed below:

1. Gentrification and the inner city tram
2. Architecture in the High Street and Lanes areas
3. The Lanes: Offering a different experience to one found in a mall
4. Style and mix of the tenants in the Lanes area

5. Chaos, variety and personalisation of the Lanes buildings
6. Presence of owner operated businesses
7. Social and psychological dividends for business owners; they are not just in it for the money
8. Feelings of belonging to a community
9. Importance of residential uses
10. Bars and brothels, their impact
11. Importance of rent and lease terms
12. Business success factors.
13. Trade prior to the earthquakes and after September 2010

The 13 nodes identified above were further refined into three groups – each the subject of separate results chapters 7, 8 and 9.

As the issues arising from the interviews were numerous and interrelated and the responses of the interviewees nuanced, some guidance on interpreting these results is warranted. In Chapter 3, a model (Figure 3.2) was introduced, showing the complex relationships between factors impacting on CBD revitalisation. For further clarity, Figure 3.2 has been disaggregated at the start of each of the following results chapters to highlight the issues under consideration in that chapter. The model is then progressively re-assembled, showing the relationships to other results chapters.

**Chapter 7 - Physical and Economic Factors** can be equated to the most immediately obvious and place-based physical and economic factors which are in the square at the centre of the model (Figure 3.2).

**Chapter 8 – Social, Cultural and Stylistic Factors** examines people-based issues within the circles to left of the model (Figure 3.2), focussing on style, social and cultural factors.

**Chapter 9 - Legal and Political Factors** considers the legal and political factors in the circles to the right of the model (Figure 3.2) and their disconnection with the physical and economic factors and particularly the style, social and cultural themes to the left of the model and discussed in the previous two chapter.

Inevitably, this analysis is not a completely tidy process as some themes and nodes clearly span and interrelate with others in a complex fashion. However, in spite of this situation, when the diagram is

considered as a whole in **Chapter 10 – Discussion and Conclusion**, I argue that several clear and important theoretical contributions with wide application to successful inner city redevelopment can be distilled from this analysis.

## **6.6 Conclusion**

This research was exploratory and involved a unique and constantly developing case study situation. As a result, the research questions and the research techniques evolved over time and had to be sensitive to the circumstances of those involved. These factors drove the adoption of a social constructionist framework and a qualitative interview focussed method. A phenomenological and grounded theory approach was employed whereby common threads of actor understanding were identified in order to develop a picture of why the Lichfield Lanes area situation unfolded the way it did.

Essentially, I was asking what can be learned from the research situation and via further analysis, develop grounded theory that could have wider application and form the basis for further study via a more structured and possibly quantitative approach.

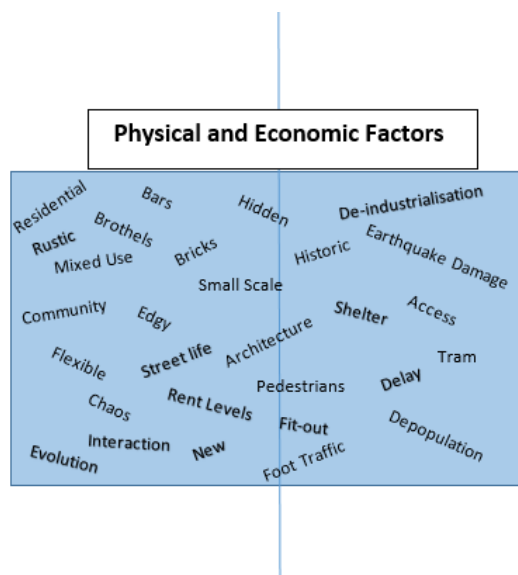


## Chapter 7

### Results-Physical and Economic Factors

#### 7.1 Introduction

There were a range of opinions amongst interviewees regarding important physical and economic or place-based factors that made the Lichfield Lanes area a success – or not. Many of these are shown at the centre of the model included as Figure 3.2 in Chapter 3 and the central part of this diagram is included below, in disaggregated form, for clarity and reference in considering the results that follow. The following chapters 8 and 9 will progressively add the other components of the complete model.



**Figure 7.1 Disaggregated central section of Figure 3.2**

Direct quotes from interviewees illustrating their opinions on these issues are examined under different headings below, and in places referenced back to the relevant revitalisation literature discussed in Chapters 4 and 5. Similarly, some of the issues raised by interviewees were also discussed in the public meetings that were the subject of participant observation. If this was the case, a summary of the discussion in that fora is also included. This chapter concludes with the perspective of the developer of the Lichfield Lanes area and observation of a remarkable level of agreement amongst the developer, interviewees and meeting participants, as well as congruence with prior research, on what it is that contributes to successful inner city revitalisation.

## 7.2 Historic appeal

An immediately obvious feature of this part of the city was the high concentration of in-tact Victorian and Edwardian era commercial buildings. These were predominantly two (and sometimes three) storey buildings with commercial frontages to High Street, whereas the parts of the buildings facing the lanes were either the rear access ways and service functions of the commercial premises facing High Street, or stand-alone buildings originally intended for warehousing, service or semi-industrial uses.

Only the ground floor areas (both historically and recently) had ever been used for retail purposes, with the upper levels used for office, service and storage uses in association with the premises below. In a few cases upper levels were used for residential purposes and in other cases housed brothels which often comprised both business and informal residential use.

As reported in Chapter 2 on the history of the Lanes, this area had been the higher value centre of the CBD when these buildings were built, but over time, the centre of the CBD had moved north and west, and with it, the economic pressure to redevelop buildings.

Therefore the pre-earthquake focus of the CBD was now 300 metres to the north west on Cashel and Hereford Streets where the Victorian era buildings were originally of a lower standard and in the main had been replaced over the last century with a variety of low, mid and high rise buildings of differing ages and architectural styles. Those Victorian era buildings remaining were often unrecognisable as such at ground floor level, with multiple refurbishments over the years leaving a modern glass frontage to the street.

This shift in the centre of gravity of the CBD was also discussed by both the historian and the City Council representative making presentations during the public meetings observed.

This previous history, and the character and variety this gave to the Lichfield Lanes area was expressed as an attraction by almost all interviewees, a few examples are included below:

Neil:

*That was perhaps the only street in Christchurch where just a couple of buildings had been altered since 1900. So the side that I was on that was all untouched and there were two buildings on the other side that hadn't been touched so...*

George:

*We certainly wanted to try and get an outlet in that lane area, that old warehouse, old Christchurch area...so we were looking at whatever was available.*

Kate:

*But I really was drawn to the area purely because it's an old part of Christchurch with a lot of history. I love those sort of warehouse buildings and how multipurpose they could be.*

This reflects the findings of Zukin (1989), Ley (1986, 1994), Florida (2002), Lloyd (2002) and many other authors discussed in Chapter 4, who found a certain group of people (sometimes termed the creative classes) are attracted to inner city historic areas which they see as authentic, exciting and different to the suburban mainstream. It is also reflective of the New Urbanists, also discussed in Chapter 4 and again later in Chapter 8, who hanker for a return to the style, chaotic organisation and mixed uses of old, European-style cities. Iconic, usually historic, key buildings are also a feature of new urbanism, along with the public spaces and concentrated street life often found in historic inner city areas. The planners and architects presenting to the public meetings also emphasised the importance of key buildings on important corners, and the contribution of public spaces and building variety.

As an example, the research of Moe and Wilkie (1997) and Dane (1988, 1997) discussed earlier, found historic buildings – their architecture, character and history, were a key asset in attracting new residents and investment to neighbourhoods in New Orleans and Pittsburgh.

As also discussed in Chapter 4, Ferguson, Miller, and Liston (1996), Porter (1997) and Mulkeen (1997) found the small sites and buildings associated with historic areas, along with fragmented ownership, were significant barriers to inner city redevelopment. This impediment also applied to the Lichfield Lanes area in the time leading up to the recent revitalisation and meant that the location was somewhat unique in Christchurch in terms of coherently reflecting an earlier style of architecture, without the later site amalgamation and insertion of many very different styles prevalent in what was now the centre of the CBD.

### 7.3 Architecture

Closely related to history is architectural style, and all of the interviewees said they were attracted by the general physical characteristics of the Lichfield Lanes area. Part of this was the historic Victorian and Edwardian architectural style, but it was more than just this. The building materials, prior industrial uses, intimate scale and mix of both spaces and occupants, came together in a unique blend seen as authentic and differentiating by the respondents. The industrial and rustic style and exposed bricks of the lanes were often mentioned and seen as a contrast to other retail areas. This difference from the norm clearly had an appeal to all of the interviewees as reflected in some of their comments below.

Bob:

*We looked at lots of places, all character buildings, all older brick buildings all in that sort of Manchester street area.... when you removed all the rubbish ... the bare bones of all those buildings kinda shone out.*

Gemma:

*Just the idea of it was just lovely....., but the place just looked so cool. It had these little rooms and all this brick and low ceilings. The whole area was just quite exciting.*

Helen:

*It was upstairs, I liked the rustic appeal. I could see that I'd feel comfortable and relaxed there..... I think all of that. I think that it just had a good feel. The architectural style because it was rustic.....*

Ivy:

*The physical spaces were charming I felt and they had character, they all had their own little quirks. I mean I loved the arched windows.*

Linda:

*My first ever experience down there was going to the Twisted Hop and that was when they first opened and I... I just thought it was amazing. The buildings were gorgeous, people cared about what their fit-outs looked like.*

All of the above comments reflect the findings of Smith, Joncas and Parrish (1996), Seidman (2001, 2004) and others, that targeting immediate visual impact via façade restoration of buildings is very important to initiate perception change. This can be followed by incremental building changes once owners recognise the value of building improvements.



The prevalence of old buildings in an area carries with it both a particular style, as well as an arrangement of both buildings and the spaces between them that is attractive. Even if new buildings are inserted, or old buildings adapted, their architecture and arrangement are influenced by that pre-existing. This results in a very different outcome to a designed-from -scratch development on a green fields site, such as a suburban shopping centre.

#### **7.4 Human scale, hidden, narrow lanes, edgy**

The narrowness and intimacy of the lanes, in contrast to the wide and traffic dominated streets nearby and more typical of Christchurch, was also a factor and reflective of new urbanist thinking. The Lanes were seen by interviewees as something of a refuge or oasis, offering the possibility of shelter from noise and weather and an “alfresco” CBD experience, especially in summer. This was seen as a marked contrast to the large scale and visually dominant “corporate” style of modern CBD retailing and, more especially, enclosed suburban shopping malls as revealed by the comments below.

Bob:

*Being tucked down a back street away from fast moving traffic so we thought it had potential for an outdoor seating area, it sounds crazy now but we thought people would kind of discover the area, you know, if they went down a back street they would think this is kinda cool.*

Dave:

*Little industrial laneways ...tucked away ... made for other purposes, not hospitality but ended up being perfect for it.*

As discussed earlier, the historic architectural style and in particular the intimate and varied indoor and outdoor areas this generates have been identified as important by authors such as Moe and Wilkie (1997), Dane (1988, 1997) and others. These environments lend themselves to bar type uses as patrons often seek a human scale environment and the ability to “bar hop” within a short distance to venues with different styles.

During the observation of public meetings exactly the same type of comments regarding history, mix of uses, scale and architectural style arose, both from invited speakers, in particular the architects, planners, historians and property owners, and also from many of those taking part in the general discussion.

A common observation was that the lanes were “hidden” and while initially a weakness it later became strength, allowing the area being “discovered” by customers. This was seen as a positive experience, promoting user loyalty and giving customers an element of surprise then exclusivity – being “in the know”, fashionable and discerning.

Ivy:

*Yeah, you walk along the shops and there is a sense of discovering something and I remember feeling really proud talking about my business and people would say, “where’s that?” and I say, “it’s (in the Lanes area),”*

Gemma:

*There was something romantic about narrow lane ways and probably still is... cos we loved just that laneway area anyway.... I went out with the girls and we stumbled across the Poplar Lane area .....we went in and I just instantly fell in love with it....those little areas were just exciting to us.*

This reflects Jackson (1984) who, along with many other authors, such as Jacobs (1961), Gehl (2011), and Whyte, (1980) talk about the narrow street as a public space blending domestic and public life - where interaction takes place. The street is no longer just a utility, (as is the case of the one way street system of Christchurch nearby), but its small scale encourages random interaction. Jackson saw cities tending towards returning to a medieval scale with a rejection of the squares and parks of the 19<sup>th</sup> and 20<sup>th</sup> century. This also ties in with the new urbanism movement and authors such as Duany and Calthorpe discussed in Chapter 5, who promote the somewhat chaotic arrangement of old cities as being more conducive to human interaction than the grand designs that have dominated in more recent times.

This resonates with Christchurch, where the once popular Cathedral Square lost popularity with the public, despite repeated and expensive redesigns over the last forty years.

Kate had an interesting observation on the differences in retail customers between Auckland and Christchurch. In Auckland, “finding the hidden” was a well-established retail ritual but it was new to Christchurch and made life more difficult for retailers.

*.... one of the first things I noticed is, in Auckland you’ve discovered somewhere after you’ve walked down three set of steps and you’ve gone over a couple of streets and you’ve gone through a building that you probably shouldn’t have ‘cos you couldn’t be bothered walking all the way round, and then you’ve gone up a dark dingy alleyway you’ve turned left and there’s this place you’ve discovered, and you tell all your mates about it, “oh this great brunch place or this great whatever,” and you really feel like*

*you have discovered this buried away hidden secret....and in Christchurch getting some of your friends to go down an alleyway is like trying to send fifty sheep in the same direction. Sometimes it happened but not so often, it was crazy.*

Cath:

*To be honest I hadn't been down the Lanes before, but my husband had been to the bar before and he said the area is up and coming.*

George:

*As people sort of became more interested in discovering new places then the Poplar Lane took off as well.*

Owen had an interesting story about introducing his business partner to the lanes area.

*And he was not convinced about Poplar Lane because the Poplar Lane he remembered was the Poplar Lane where people used to be robbed and so on. And I said to him, let's go out and walk and I will take you there, and when he like, came to the area, he said this is totally different from what I imagined, but he had never gone to Poplar Lane even being from Christchurch. He had not been to Poplar Lane in the last 10 years.*

This has strong parallels to Ferguson, Miller, and Liston (1996) and Porter (1997) who found the belief that limited markets and high crime exist in the inner city is a significant obstacle to new commercial activity, even when those conditions no longer exist in reality.

Three other interviewees mentioned that there were elements of excitement or even danger in the narrow lanes, especially in the early days of development. Bob was a first stage "coloniser" he commented on the early public perception of the area which his business was later instrumental in turning around:

Bob:

*Many people shocked when we said that was where we wanted to go, (they) said it's a dump and you're likely to get mugged going down that back street.*

Alan:

*Alleys (were) foreboding especially at night. So (the area was) very experimental as far as retailing and hospitality concerned.*

This attitude reflects the work of Moore (1999) and Grogan and Proscio (2000) discussed in Chapter 4. They found poor physical condition tends to attract disorder and criminal activity depressing rents and increasing vacancies, but often perception is worse than reality.

Lower values can also lead to less tax revenue and difficulty in raising finance. This can make refurbishment uneconomic but can also establish “rent gap” opportunities, as identified by Smith (1996) and discussed in more detail later.

An alternative viewpoint is put forward by Florida (2002). He maintains that members of the creative class are often attracted by difference, new experiences, the edgy and even risk. Inner city areas often display all these characteristics and thus are attractive to creative class members. Some of the interviewees’ comments above and in other parts of this thesis reflect these attitudes.

According to Suchman (1994) the Urban Land Institute emphasises using gateways and recurring design themes and symbols to redefine a previously blighted area and create a clear identity. While a consistent Victorian industrial motif was generally applied to the subject area, there was some concern at confusion over the “name” of the area. It was called both Lichfield Lanes (the Developer’s preference) and Poplar Lane by members of the public, and could also be confused with a similar but subtly different area nearby called South of Lichfield or SoL Square.

Though important, it was more than just the architectural style that attracted people to the Lanes area; it was the interaction with other visitors, business people and residents. This was well summarized by Owen below.

*And when I first decided on that, it was not because of the.... yes we liked the brick building and architecture yes we liked this..... but the true thing was business wise, we had parking nearby, but it was not there, we didn't like the shopping centre type of setup, it was pedestrian life, and it was pedestrian life what really appealed.*

## **7.5 Residential use**

In many studies, changes in the overall numbers and demographic profile of inner city residential dwellers have been influential in both the decline and revitalisation of inner city neighbourhoods (Ferguson, 2005; Bright, 2003; Grogan and Proscio, 2000).

As discussed in Chapter 2, the overall residential population of the Christchurch CBD has always been very small. It was a small component of the Lichfield Lanes area as well (but higher relative to the

rest of the CBD) but still considered an important and distinguishing component by almost all interviewees.

Helen and most other interviewees really liked the residential component and thought that this was an important aspect that was missing from Christchurch in comparison to other cities.

*I think that the residential side is fabulous. I really think that Christchurch to me - I'm not a Cantabrian, but what I have seen happening is when they let those big multi-national shopping malls in, those big malls, it almost made Christchurch like a donut city where everyone shops in their burbs and town was really quiet. I came from Dunedin and Dunedin's got that little hub, you know you've got the hills. I mean it's a tiny wee town. Yeah and Sunday was family day; you know I'm an old fashioned girl. It worked for me but so now shopping is on the outside; it's every day of the week but the city has lost something. So I think having the residential areas, having people living and shopping in there, brings a heart there, like it brings people there.*

Ed:

*Residential was good to have, added to colour, vibrancy, gentrification, tended to be the sort of people who added to it. Would have liked more. Too much development maybe bad, maybe losing character, student flats do add a certain character but to a point. Need a balance of character and classiness. Doing up flats etc. was only going to increase.*

Many respondents emphasised the benefit of having people living upstairs and frequenting the businesses below on a regular basis. The same perspective also arose frequently in the public meetings observed. Many authors agree, for example Dane (1988, 1997), Hebert et al. (2001), Seidman (2001), Suchman (1994), Waxman (1999) and other authors discussed in Chapter 4 advocate the transformation of an area by support for the growth of small businesses primarily catering for local demand.

Even if the actual spending was minor, the presence of regular customers added to street life and atmosphere as can be seen from the comments below.

George:

*I think also there was a mix of residential there as well, so that really helped with the atmosphere of the place and made it a working model..... And this is seven days a week because they lived on site. All we needed was to have a little corner shop as well..... It would have been really nice just newspapers and some fruit and that type of thing. It would have been cool.*

Gemma:

*It was a real community place wasn't it. The chaps who lived upstairs would come down to get a pizza.*

John:

*I think they were important because, even as the tenants didn't necessarily come down that much, and we did have a lot of the tenants come through to just look even if they didn't buy anything, they still had friends who came to visit them who might come a bit early who would maybe have a coffee at a café or come and have a look at the shops that were open..... I think the balance was very good for the residential, simply because it enticed people in for a different reason....*

Owen was convinced that the real foundation of the success of the Lanes area was the variety of uses and that upper level residential tenants were an especially important aspect.

*So there was that vibrancy that was happening, there was that mixed use, you had these little apartments for students – this type of thing, and you would have the bars at night and you would have the cafes, and the Japanese (sushi) and there was TRUE mixed use. And true mixed use there was um... a sustainable way of living, and people would just.... say this fellow lived in this apartment, just come down stairs, buy whatever he need to eat that moment, perhaps go and look a little bit at the shops, meet someone at a café, and come back – so there was a true variety and that was the first (in Christchurch).*

Dave also lived and worked in the area.

*The whole thing that was going on there was something we bought into a lot...I sort of lived there and worked there.... That was my community... and I was .... I was really, really passionate about it*

But Dave also raised the issue of conflict between uses.

*There was always a bit of a conflict up there with residential because of noise from bars..... tended to be students because they didn't mind the noise.... I live (in the area) and think, me personally, it's something you have to put up with. Landlords ..noise proofing they don't do enough of. Outside spaces don't use too much, need to be more aware of (noise) travels more. People realising they are all living there together and making it work.... Compromise really. The reality of mixed use isn't it.....that's why office and hospitality tend to go quite well together as bars get the clientele but no one for hospitality to bug later on....*

As this conflict between bars and residential uses had been mentioned by Dave, the potential for this was raised in subsequent interviews. Generally, it was not seen as a major problem for most residential tenants. It was a small number of people who moved in to the area who were not accustomed to central city living or who had unrealistic expectations of a mixed use area that caused the only problems. The following examples illustrate these conflicts.

Mike:

*And suddenly someone upstairs invested \$100,000 on an apartment – he wanted a higher class apartment. While up there you had other tenants, students or groups of other young people that wanted to live together, not in squalor, but they all had to squeeze themselves in together to manage those rentals..... When it was cheaper rentals, and they weren't necessarily transient people, but they would live there for a year or two and then grow up and move on. Not people investing hundreds and hundreds of thousands of dollars and then expect it all to fit around them.*

Gemma had similar experiences to Mike.

Gemma:

*Well they had a mixture of the styles of residential stuff. With the rented apartments, just the rented flats that student type people lived in, that was great 'cause it was their perfect environment, that urban living. The only issue that I can remember really was they had tried to create a very expensive apartment - really posh - and it was considered to be really cool to be living in the Poplar Lane area but they hated the loud noise.*

So it was the style of residential rather than residential per se?

*Absolutely, it was the style of residential. So you had people who had a romantic notion about living in the middle of a cool urban environment but they actually didn't like the reality of it....I've never really been able to understand why some of those people who got those apartments wanted to live there, because really they wanted quiet suburbia....*

Owen talked about the conflict of uses issue at length and thought it was related to New Zealand culture and unfamiliarity with what inner city living is really like.

*Not really [a problem], I think the problem is also an age range issue. If you talk to a 30 to 40 year old for example, European immigrant, we are used to living in streets that are actually crowded and we have bars downstairs, apartments upstairs an office down there, for us it's normal. So for us there's noise – so what – I mean it deals with the fact that the market itself*

*is changing because nowadays the population ..... I mean it's not going to be everybody's cup of tea, mixed use living and urban living, and it has never been... New Zealand you have this tradition of people wanting their ¼ acre situation, and therefore anything that is different, not that we have ¼ acre today, but the reality is that there is a new generation and I also see it in my circles.....say no – I would like actually for this age.... I'd like to actually be where the bustle is.*

Kate:

*As far as multiuse of people being there, I think it's essential, the multiuse, I think it's essential that people live there, and it takes a certain sort of person to live there because it's noisy. There's a lot of people who moved into the area and thought that they would love that, but on a day to day basis it wasn't for them. And that's a bit like the area in general. There'd be retail that comes and goes because it's just not for them.*

The comments revealed that central city living was only really suitable for a particular group of people who were used to or could tolerate noise, disturbance, mess and other factors, in return for a very different lifestyle to the suburban norm. It appears these people generally belong to or identify with the creative class identified by Zukin (1989), Ley (1994), Florida (2002), Llyod (2002) and other authors, as discussed in Chapter 5.

Of all the interviewees, Bob was the only dissenting voice as far as the pre- earthquake importance of residential use was concerned.

*Residential use wasn't important to us. Opposite us quite poor quality accommodation, tended to attract student types.....tenants couldn't afford quality accommodation, many certainly couldn't afford to drink in our bar. I think it was only in the last year or two the landlords saw the virtue of upgrading them.*

Fred the developer, also saw residential as an important component and had originally intended to live in the area himself.

*I said I would like to develop a building in the city with some retail cafes on the ground floor. Some apartments on upper floors and I would like to develop a couple of penthouses on the top floor and like to live in one.*

Fred was frustrated that his attempts to include more new apartments in the development of the Lanes had been thwarted by regulations and Council attitudes that precluded the economic



construction of appropriately designed and integrated units. These Council attitudes and processes are examined in more detail in Chapter 9.

## 7.6 Bars and brothels

The importance of the variety of uses to the success of Lichfield Lanes, as well as potential conflicts between uses, are also dealt with in other parts of this thesis, but issues associated with bars and brothels and their interaction with other uses was thought to warrant special attention. A specific question was put to the interviewees on this matter, but for the most part the responses were that any problems were minor and the contribution of these uses outweighed negative effects.

Linda did not think there was much conflict and that there was a symbiotic relationship between the bars and the retailers.

*I think you need to have a mixture. I mean it's hard for retailers, like we were small shops and it's hard not to have the foot traffic. But people travel for food and booze whereas perhaps not so much for giftware like we were selling....but the bars bring in the people more....that's the way I see it. I mean I would go to a bar more than I would go shopping.*

John:

*..a lot of the businesses were slow to adopt that understanding, but a lot of us understood that the bars were the main attraction to the area and SOL Square had had a similar attempt at doing a balance of retail and hospitality and it hadn't succeeded.*

Alan mentioned how the bars and brothels were amongst the early “colonising” businesses.

*Only Twisted Hop operating. Plus Cotters Lane tenants just moving in. Brothels also (were involved) early on.*

Neil had lived in the area a long time and did not see a problem with bars or brothels –if you were the right sort of person.

*No, definitely not in conflict. You got the odd grumpy. You know the worst trouble I ever had was being under a massage parlour and leaking spa pools etc. that kind of thing. But there was no real conflict. I lived there as well and around there, there had always been people, a lot of artists lived around there.*

Neil said the brothels and other 24 hour businesses contributed to safety- and gave an example from his own experience.

*Yeah, very important....So the red light area, having a massage parlour etc. makes it safe. And also the 24 hour garage across the road... um yeah there was an artist living next to me, her place caught on fire, there was quite a few fires down there, one of the drivers from the massage parlour pulled her out, so it is just people are on deck 24 hours, you know, and you'd be amazed about how many people actually live in those parlours, you know like there would probably be, because you know they never close, um 10-15 people living in each one . They're not meant to be, but they are, that is just the nature of the thing.*

Mike had similarly positive things to say about brothels and thought the patrons of the bars were more of a problem.

*We actually liked the fact that it backed onto the brothels, and in the mornings some of them were good customers, regulars....I thought that the prostitutes and other businesses actually looked after the area better than the patrons from a bar. You get people drunk on that many nights a week, they do stuff down the alleyways. Push things over and have fights, whereas before it was pretty safe at night.*

In contrast Helen thought the area had started to deteriorate in more recent times.

*And also there started to be a lot more debauchery around the area, which in some ways you could say was good, but it didn't benefit my business, so there was a lot more prostitution and there were a lot more drunk messes. You know it just started to get a bit shabby in that way as well.*

Ivy reported the same issues but did not see them as a major problem.

*Yeah, I never really felt that, it didn't bother me too much, I wasn't too affected. Other than times that we would be sweeping up broken glass and a bit of vomit and you know, bodily fluids from around the shop frontages.*

Overall, while the bars and brothels did create some real and also perception problems - in terms of the work of Ferguson, Miller, and Liston (1996) and Porter (1997), the contribution of these uses to foot traffic and street life were acknowledged. The same argument for mixed use is advanced by new urbanists discussed in Chapter 5 and the tolerance for diversity of the creative class identified by

Porter (1995) Florida (2002) and others, means the stigma sometimes associated with these uses may be becoming less pervasive in the more tolerant sector of society frequenting CBD locations.

The concentration of demand for these entertainment and hospitality services in a location close to the city centre, tourist accommodation and key transportation infrastructure reflects the first of the competitive advantages of a CBD identified by Porter (1995, 1997). Local demand from office workers spilling out onto the street in the evenings also reflects the second competitive advantage identified by Porter.

Also, the aggregation and adaptation cost barriers identified by Ferguson, Miller, and Liston (1996), Porter (1995) and Suchman (1994) that were mentioned earlier in this chapter are often less significant for conversions to bars and brothels, because of the small spaces required compared to other new uses. Similarly, the parking problems identified by Dane (1998) are less acute for alcohol related businesses, due to the success of anti-drink driving campaigns. Another related factor is the encouragement by the Christchurch City Council to concentrate entertainment type uses in the CBD, rather than the suburbs, reducing potential compliance costs identified by Porter (1995) as a result.

The catalytic effect of specific developments, as identified by Fernandes (1997) and Taub (1988), was also evident in the Lichfield Lanes area. The Twisted Hop brew bar was the ground breaking first development that critically changed perceptions, generated foot traffic and led to the establishment of further bars and other businesses. Without this bar it is doubtful the rest of the development would have eventuated. The "Square" created in front of this bar also became the important central focus and heart for the Lanes area, reflecting the findings of Suchman (1994), Toups and Carr (2000) and the Urban Land Institute referred to earlier. This is also an example of the importance of individual iconic buildings with corner locations interacting with public spaces, as identified by new urbanist authors.

Marketing, image and perception issues for revitalising areas have been examined by many authors (Dane, 1988; Gratz and Mintz, 2000; Suchman, 1994; Seidman, 2001; Smith, Joncas, and Parrish, 1996, Toups and Carr, 2000) and were discussed earlier. Bars and brothels by their very nature can have image problems and attempts were made to address these in the Lichfield Lanes development. The developer said bar operators were selected and encouraged to try and attract a more "mature" and "mellow" (terms used by several interviewees) clientele than some of the competing entertainment areas such as "The Strip" and "SoL Square". Mixing retail, food and some residential uses amongst the bars was hoped to moderate the worst behaviour. The brothels, while still existing, were encouraged to be discrete regarding their signage and activities, and over time the increasing levels of rent were squeezing out the less desirable brothel operators.

The following quote from Fred, the developer, emphasises that they were trying to attract a more mature clientele to the bars as they saw this as both minimising problems of conflict and being more economically sustainable over time.

Fred:

*One of the things we always said was that we wanted this area to be one that attracted an older age group.... um ....that we decided we did not want it to become the fashionable area because, having observed this thing over a long number of years we'd seen that areas that become fashionable tended to have a short lifespan and that that catered to a younger age group and they were out trying to find a mate, courting... and that they would then get to a stage where they would be starting a family and what have you, but then they weren't in the market. So we were looking for when they got past that, more sustainable, better, more secure income, you know they got on top of their mortgage - that sort of thing - that they would be a better clientele so that's what we had targeted, so when we went... um one of our colleagues thought that the youth market was so important and we kept telling no, that we did have some of that market there but it did not last very long. It was the ones that were there for the long term (they were after).*

This statement illustrates the conflict between catering for the desire for the new, exciting and fashionable of the high spending, young creative types identified by Zukin (1989), Ley (1994), Florida (2002), Lloyd (2002) against the realities of property development and investment which is an inherently inflexible and long term enterprise. The developers were trying to achieve a compromise by having a variety of bar styles, letting the bar owners create (and bear the cost) of their own, (sometimes idiosyncratic), fit-out, and the developers being relatively comfortable with a level of tenant churn, adaptation and redevelopment that was greater than usual. In this way the location remained vibrant and attractive, but not at the cost of the developers.

One of the problems of a place-based, rather than a people-based strategy as discussed in Chapter 4, is that there is less emphasis on this type of non-physical, social or psychological benefit see Lemman (1994), Rucker (2001 in Seidman, 2004) Florida (2002) and others. This is explored further in the next chapter.

## 7.7 Rents, lease terms and floor areas

Although the history, architectural style and other physical aspects already discussed were attractive to most interviewees, the fundamental economic factors of rental levels, lease terms and floor areas were critical in decision making for businesses in the Lichfield Lanes area. This reflects the findings of Smith (1987, 1996) and his “rent gap” theory being exploited by “pioneers” or “colonisers”, as discussed earlier in the literature review section. Similarly, Porter’s (1995, 1997) ideas regarding the competitive advantage of CBD’s, derived from infrastructure, density and local demand are relevant. The quotes below illustrate how important low rents were in getting the Lichfield Lanes area initially established.

Mike:

*The rent, cheap rent, it just had that dis-used feel to it where you could just make it something and get something happening, but they all survived because the rents were cheap and there wasn’t all that much expectation to do up, and then there was the guy who bought High Para and he turned that into really pretty cheap apartments. But that actually attracted us to the Poplar Lane part of it, like we were the first ones to put a business out there, and before that it was like, storage rental, so he was getting 80-90 bucks a metre, if that. We developed into a retail space just 150 m<sup>2</sup>, and a year later we rented some more space off him, and just after that we rented the rear (area). We were just sort of doing it week to week on the rear store area, but we eventually commercialised that and put a lease in place with him. With the rents being cheap we slowly did little bits; we didn’t need to economically do a big flash fit-out to make the business.*

Alan:

*Price was certainly at that stage attractive – that was deemed lower rental at that time – that’s what attracted people to start with..... Looking back what went into, little retail spaces....Their viability ultimately proved to not be.....Whether that was a rental thing or the lack of foot traffic for the area, because it needed a profile to attract that foot traffic.*

Bob:

*Very good value rent in retrospect. But big risk because of (the) long lease with six year renewals, (it was a) commitment, an investment-retirement thing.*

Neil:

*Oh HUGELY important yeah, yep really important cheap rents.*

Owen:

*Yep, yep actually, because before the earthquake actually there was a lot of vacant space throughout the whole city. It was actually pretty down and it was a little bubble as price, so it did look a lot, this one was not only good, competitive.*

Ivy:

*Well for me, for us going in as a brand new business that wasn't important, that was crucial, because we didn't, as I said, we were doing it all on very limited capital and it allowed us to take a risk. And also, it wasn't just the rent....we were able to negotiate just a one year lease, and then roll over to another one year lease, which was really important for us because we didn't want to put ourselves in a position of committing to more than that. .... Relatively small spaces, relatively affordable rents, so I think it attracted a lot of people like myself who were independent business owners..... So for a new business starting out I think it was fantastic, the combination of the low rent, but in a pretty high profile part of town, and I feel like the nightlife helped us.*

Cath:

*2007 started business there. Hadn't planned on town but came across this...saw place for lease, very reasonably priced, thought the area was quirky and loved it so it just worked. Thought town would be too dear to lease but wasn't (as expensive as anticipated) as off beaten track (and) didn't have street frontage....Good size for what I wanted about 43-45 square metres. New venture (for me), something I had been thinking about for a long time, been in retail for a long time. Brand new for me so didn't obviously want to go too crazy on a place that was renting very expensive you know. Style of area important... character important for the business, new style doesn't really suit (my business). Rent had gone up since 2007 but it wasn't a big problem.*

Other interviewees had similar comments regarding rents.

As indicated by the quotes above, it was not just the rental levels but also the small areas available, short lease durations possible, and the flexibility to adapt and grow on a “do-it-yourself” basis.

But over time, the developers were increasing rents significantly as tenants turned over and the area became perceived as more successful. Those entering the development later were paying high rents on a per square metre basis for the very small floor areas in some shops. This may have been a combination of few comparable small floor area spaces available, lack of professional advice, and, according to several interviewees, the naivety of first time business owners who only considered if they thought they could afford it at the time, (not comparing current market rent levels, or the prospect of future increases).

John made extensive comments on the rent situation applying shortly before the earthquakes. He felt both tenants and landlords were inexperienced and not taking into account long term viability. In some cases he felt there was an agency problem with individuals benefiting from regular tenant turnover. The stepped rental increases used tempted tenants in with initially low rents, only to have them increase automatically to unsustainable levels over a number of years, without commensurate increases in foot traffic and retail turnover.

John:

*Oh, insane [rental levels later]. They were easily double [the rent] what was available in High Street. When I was working there... I went through everyone's details on what we were paying and the reason is, I said to the other businesses is, look we're getting ground down here because we're doing everything so individually, and we can look at what we're paying on our leases and look at this as negotiating fairness.... and every year they [the developers] were looking to tighten the screw somehow.*

Bob:

*Rents went up a lot, went from \$250 per m2 to latterly \$400 per m2 in about 5 years. Owing to area becoming a destination. Lack of retail was a negative, too much hospitality, created a bit of an imbalance I felt. Should have been more retail in there.....landlords put rent up too much.....some landlords trying to extract as much rent as possible.....*

The rent was not an issue initially for Kate as she also only needed a very small area. But over time it became a problem and she wanted more control of her destiny.

*Ummm... probably initially [not a problem] because I did actually grow out of that space. Prior to the earthquakes I was actually looking for a bigger space because we needed it. But initially it was a perfect size and even though if you look at square metreage rates in the city, we were paying [a] premium, but if you don't need a lot of space it was actually affordable. For a lot of bigger stores it wouldn't have been enough and they would see that as being expensive per square metre rate. And we only had small spaces and that's probably what drove me a bit crazy towards the end, was that we didn't have enough space and I needed to expand the range and things like that...Prior to the earthquake I was looking for another space anyway, and I was actually looking at buying a building but all those came down.... Yeah, in the city. I didn't.... the rents were going up in my space and I .... so I wasn't prepared to be paying more rent for a bigger space down there because I did feel at that stage that we weren't being looked after. And we weren't being looked after because they are small spaces and I just thought the rents keep going up and nothing is being given back.....but we got pretty disheartened when it became too commercial , and the rents became too high, all of a sudden an expectation on the retailers. ....the metreage was way too high and those little shops....*

Mike, another early tenant made extensive comments on increasing rents over time.

*So once we'd established that rear shop suddenly there was an expectation for us to pay retail rentals on it, suddenly we were forced to pay High Street rents on it when there was nothing happening, no foot traffic. We kept moving the storage areas around, depending on what the landlords were doing, but we got pretty disheartened when it became too commercial , and the rents became too high..... Some of them were first time retailers that struggled to understand the commercial reality – necessity to walk before you can run. Some of those little shops that were opposite us– the meterage (rent) was way too high and .....everyone looked at it as being pretty cool and quaint but those shops were changing owners so readily, only one or two of them survived from the beginning to the end. They looked at a weekly rental amount, but they only had 10m<sup>2</sup> so yes \$400 bucks a square metre. It becomes quite a struggle.*

Mike observed that misleading comparisons of rental levels between small and large areas were made to ratchet up the rents demanded.

*....suddenly we went from paying \$100 m<sup>2</sup> on High Street to paying \$300.*

*Yeah, once [the developers] had a monopoly over the area they could force...ratchet the rentals up against each other. There is nothing wrong with competition in a marketplace, especially with landlords, as they keep each other on a level playing field, but as soon as they were gaining \$400/m<sup>2</sup> for those little shops our landlord was suddenly using it as a market rental for valuations on a bigger area.*



Neil had lived through all the changes in the area and believed the actions by the City Council in gentrifying the area, as well as the actions of the building owners and developers, contributed to increasing rents. His extensive comments on gentrification are included in the next chapter, but a brief extract relating specifically to rents is included below.

*.... Where I was in High Street I got a 250% rent increase and it's just not viable, you can't have. And then you have a succession of businesses that can't make a go of it ..... well you know how much he's asking for it and you know that the tenant is not good, because if they were good they [would know they] wouldn't be able to afford that rent, they wouldn't agree to it.....Because a lot of people going out of business had never been in business before.*

But for more experienced hospitality tenants rents were a secondary consideration.

George on rents:

*That was probably secondary more than anything.*

Gemma:

*It was more just the style and the concept.*

It was clear, as bars became more popular and turnover increased, the developers were ratcheting up rents. This concerned some other types of businesses that did not enjoy the same high margins, repeat business and snowballing growth in popularity common in successful bars.

Like Neil, Gemma, was conscious that for retail businesses rent levels were more critical to survival:

Gemma:

*Down Poplar Lane again I think a couple of them did okay. Retail is not our business and we don't really know how you make money from it. We certainly as a community tried to do things to stimulate the day time traffic, with the market and with just trying to do any kind of events to help that along, but I suspect that the rents were too high for them.*

Fred, one of the developers, acknowledged that there were some problems with tenant selection and affordability of rents, but saw this as part of a learning exercise for both landlords and tenants. In

some ways he saw the area as a “business incubator” giving a chance for start-up businesses, and this position also did have support from some of the other interviewees.

Fred:

*Umm, what we always saw (was) that the area would allow people to start a business, cut their teeth in business and find out if they wanted to be in the sort of business they were in, retail or hospitality or whatever, and if they got to the point where they did not fit in they would grow into and go to other areas of the city. So in some ways it was an incubator for people to cut their teeth on and see if they could be successful. I think there were some businesses that um were there um because the rent was cheap and that was a start for them. Some of them I don't think were appropriate.*

These comments reflect the findings discussed earlier of Rauch (1996) and Bates (1997) on the difficulties facing small business survival. Many of these traders do not have the economies of scale discussed by Porter (1995) and DiPascale and Wheaton (1996) and cater for niche or fickle markets, often without the access to capital to adapt at short notice. The comments also reflect the rent gap theory of Smith (1987, 1996) in that low rents initially attract businesses, but overtime the very success of some (if not all) of those businesses narrows the rent gap, attracts further capital and squeezes out or deters the original “colonist” or “pioneer” types of businesses.

## **7.8 Foot traffic and trading hours**

The level of foot traffic frequently came up in interviews and during the observation of public meetings. There were varied opinions over whether it was sufficient or not, but the fact that most of the businesses reported they were doing well or OK prior to the earthquakes would indicate it was at least sufficient for survival.

Generally, the hospitality outlets were happy with their foot traffic but concerned regarding the retail shops, for example Gemma’s and Alans’s comments below:

Gemma:

*I think it was always going to be a struggle for retail in those shops. And it's a shame. I just don't think we had a big enough population of people actually walking past, 'cause traditionally people still went to the malls if they wanted to go shopping....*

Alan

*What went into little retail spaces ultimately proved to not be viable. Whether that was a rental thing or lack of foot traffic due to need for promotion?*

Dave and Donna thought neighbouring but contrasting hospitality businesses were very important in generating foot traffic and creating a destination, but like others they thought retail struggled:

Dave:

*It was a proper community up there....we had the German bar there, and then the Russians next to him....and Twisted (Hop), Vespa, Mitchell's all interacted with each other a lot and worked together... hey we're all paying for rubbish here why don't we work together... combine rubbish bins.....marketing together....started working as a group ... Worked because all the bars were very different, it's great to have a lot of different spaces in the same spot..... Had to be a destination..... as not so much a thoroughfare.....Retail never took off in the area. Turnover not as high as hospitality and they rely on foot traffic more. Retail competing with malls - parking, shelter from bad weather. Being in city is sometimes part of brand/edginess so want to be there.*

Linda (a retailer) saw her foot traffic as coming from two main groups, the high end/ fashionable customers who generally worked in the area and also students from the Polytech nearby. But she also emphasised the contribution the hospitality outlets made to her business in terms of attracting foot traffic.

*And I mean, my customers had always been around the area, higher end clients....No, I would just say ultra-fashionable people, those were kind of my customers.*

I asked, "Do you think there was sort of a connection between the attractions of that location for that type of person and your business, so there was sort of like a fit?"

*Yeah, absolutely, but then we also catered to the students at Polytech that had \$10 to spend. It was very variable, the clientele we would have....but the bars bring in the people more...that's the way I see it. I mean I would go to a bar more than I would go shopping. ....the people go to the food places first and then go, "let's go for a wee wander." I think you need to have a mixture. But people travel for food and booze whereas perhaps not so much for giftware like we were selling. Absolutely. There wasn't a week that went by that people didn't say, "On Friday night I came past your store on the way to the pub and looked in." And then the shops start to build a rapport with people and I guess that's how the relationship starts.*

Cath also mentioned people working in the area and the Polytech students.

*Going good up until the earthquakes, building up a clientele, steady business, tourists helped....a lot of my business was probably people who worked in the area, or the Polytech. Saturdays were quite busy.*

Neil also said that the Polytech students added some street life to the area.

*The other thing that was important to the area was um the Polytech students that didn't spend any money walking into town, which gave you foot traffic the whole time, but reasonably colourful foot traffic as well so the place was fairly vibrant you know.*

Owen thought the area had a vibrancy derived from street life and contrasted the Lichfield Lanes daytime foot traffic to that of the nearby South of Lichfield (SoL Square) development.

*It was a mix of factors, the first the area was having a certain vibrancy that was important for particular businesses to want to be there....I was looking for office space throughout the whole of Christchurch, but I already liked that area, and the reason I liked it was there was a life, you would walk down it and would see people coming from one direction to the other and there's was life among the whole lane. (The building owners)...they didn't own the activities, which was a point of difference from SOL Square, in the other site (Sol Square) the Landlord company owned the real estate and the businesses...and when I first decided on that (the Lanes Area) it was, not because of the - yes we liked the brick building and architecture... yes we liked this, but the true thing was business wise, ..... it was pedestrian life, and it was pedestrian life what really appealed.... in fact if you were to walk SOL Square during the afternoon, the majority of it was DEAD.*

Ed felt the area lacked foot traffic but did feel he benefited from the large, stylish and long established furnishings store nearby.

*Liked the lane for its aesthetic feel/atmosphere. Not a savvy business (decision) - no traffic flow, fledgling area, too edgy. Tiny (floor) area but attraction of McKenzie and Willis (a large furniture retailer) close by. Similar (style) building and customers. Convenient (location) ...struggle to get new clients though, but worked for people who knew of them already. Not much foot traffic. Very small shop and window.....loved community. Good to have association with town, image.*

Kate was one of the early retailers and had an interesting comment on the differences between Christchurch and Auckland shoppers in terms of finding new areas and changing their shopping patterns.

*There was a little bit of activity (when Kate started up) but not real activity as far as retail is concerned. I'm from the North Island and what I loved about Christchurch is that people have great loyalty and therefore that sometimes does not create that.... going off their normal beaten track and trying to find something different. They will go to their same place and have their route that they do... whereas in Auckland...Yeah! And in Auckland if... the difference in Auckland is that anything new, everybody's there!... but the loyalty is not there, because the next new one, everyone's down there!*

Kate also thought retailers in the Lanes had to be a destination in themselves and not rely solely on passing traffic.

*I think definitely it's a destination. So if you've got a product that people come to (you for) you'll be fine, but if you're relying on foot traffic no. I'm talking about Poplar Lanes as it was. There's people who would come there for hospitality and just walk straight by your shop and never even realise it was there. So we had a really strong clientele and we built that up over time.*

Kate saw as evidence of this the fact that when some retailers moved out of the Lanes into High Street they saw increased turnover with people not aware they had previously existed in the lanes nearby.

*It was quite interesting cos ...they moved their businesses to High Street... they found that foot traffic was much higher in that short time they were there and also that they had customers come in and say, "oh my goodness, this is a lovely new shop," and they'd say, "well actually no we're not new, we've come from Poplar Lanes," which you could actually see from their shop down into the Lanes, they said, "oh I've never been down there," and these are local people from Christchurch and they'd never been down the Lanes and thought they were a totally new shop.*

John commented on the CBD de-population as a result of the September earthquakes and the particular effect that had on retail compared to hospitality businesses.

*Westpac tower still had tenants evacuated I believe, that was calculated at about 300 potential clients that were over the other side of town, so the depopulation from surrounding businesses had had a huge impact on retail*

*Bar side was definitely affected but nowhere near as profoundly and in some cases the average amount of drink per person was definitely up. But retail in particular, the people who came out during lunch breaks or people who were wandering into other retail businesses were closed and it slowed down hugely.*

CBD depopulation post-earthquake also arose during the public meetings. It was felt critical that the government lead the way by directing government departments to re-occupy the CBD as soon as possible. Also, the conference centre and bus exchange were seen as early priorities to ensure people did not “get used to having no CBD”. There was widespread cynicism this would actually occur with the result that Christchurch could become a “doughnut city” with most new development taking place outside the CBD.

In contrast to most of the above comments, Ivy found her retail business did surprisingly well up until the earthquakes. The nature of her business especially benefited from being close to the bars.

*So it all just kind of happened quite quickly and I think we were surprised by our, pretty much almost immediate success, in terms of people coming in the door. We spent very little money, we really didn't advertise or market at all and I put that down to the unique position that we had in town....I think that we were maybe in a bit of a unique position from some of the other retailers, in that I wasn't that reliant on foot traffic. It certainly was really helpful to be opposite McKenzie and Willis. McKenzie and Willis.... kind of mothers would go in and see the shop and tell their daughters, I think us having that frontage to Tuam Street was a bit of an advantage, but we had a website and you know (our customers) are very computer savvy and they research and they Google and we made sure we were sort of optimised. We had a really good, pretty informative website and then they'd be like, "right I want to go to that shop".....We used to get a lot of Council girls actually who would drive down Tuam street to the Council building....."where is it? ....Oh Poplar Lane," and they'd go there..... I think when we weren't known initially it really helped us that foot traffic, people working and on their lunch breaks and wandering round ....so that was really good, but after a year or so we had enough of a generally known presence that people would have found us. So for a new business starting out I think it was fantastic, the combination of the low rent, but in a pretty high profile part of town, and I feel like the nightlife helped us....Yeah, my perception was that, you know, girls would say that they got drunk with their boyfriend and would kind of slow down going past the shop....Yeah, so I liked it, it helped us. We got a whole other set of potential customers.*

During the observation of public meetings issues relating to foot traffic also came up. Activation of the streets and public spaces by pedestrians was seen as critical, but large expenditure on buildings and other infrastructure does not guarantee this outcome. The residential uses discussed earlier as

well as Polytech (and other tertiary) students were seen as important, as well as markets and other temporary events and buildings in generating street life.

Most of these findings reflect the work of Porter (1995, 1997) and Gratz and Mintz (2000) in both the importance of foot traffic to retailers and the symbiotic relationship between retail, tourist, entertainment and office uses, and the transportation infrastructure that serves these uses.

John also talked about better aligning retail business hours to those of the hospitality outlets.

*It was a common comment was that there was a difference in that part of town to most of the other established areas. Like if you went to another part of town and the listed hours were until 5.30 or 5.00 that was it, that was when that area shut down... and everyone cut their losses whether it was a good or bad day and disappeared off home.... whereas in Poplar Lanes a discussion might be had like... what do we do over Christmas and we'd all sit down we'd go, "hmm we might as well do something," so we might do something tiny so putting up lighting and that.....but things happened because....people....there was always someone willing to do something.....so we were very lucky in that. But yeah, it was a funny sort of area, and it's something the whole city needs to look at.*

Linda also commented on opening hours.

*Oh yeah. I remember one summer I trialled staying open till 7.00 on a Friday and we had good business.*

Kate recognised the potential for different hours but lamented the lack of organisation in this regard.

*We just kept normal shop hours so we weren't open in any late evenings. That was probably one of its downfalls, there was no real strong body of people.... It started to happen near the end of our time in Poplar Lanes, where everyone would talk together and retail would be on a level with hospitality but....they were very much separate entities because hospitality.....they're working on a different level, different time of day, different clientele often...*

Helen compared the trading hours situation to Dunedin.

*So when I came to Christchurch I remember thinking oh I can go and do some shopping on Friday night, but shops are closed on Friday and I was just like astounded. Why are they closed? And then the drinking starts. It took me a while to get my head around that, because I had traditionally, all of my life, left shop gazing to Friday; it's a nice day to do it.*

Again these findings reflect earlier work discussed in Chapter 4 by Mulkeen (1997) in relation to trading hours, and by Houstoun (2003), Waxman (1999), Mitchell (2001), Rucker (2001 in Seidman 2004) and many others, regarding the advantages shopping malls have in relation to ensuring the co-ordinated behaviour of individual retailers. Similarly, the commercial real estate based strategies, the Main Street Programme and community based revitalisation programmes, also discussed in the literature review, have at their core co-ordination amongst stakeholders for the common good.

Helen talked about how businesses generated foot traffic for each other.

*So when I'm working in Poplar Lanes it brought people from the outside into the city; so my clients would come to me ..... then they'd go and do shopping, they'd sit down and have a coffee, they'd go down and have a manicure. Especially my people from outside and people with plenty of money would come to me and spend quite a lot of money in town that week and they'd do it every week. So that's what a small business like mine brings.*

Ivy did not open late but thought retailers did benefit from passing bar patrons looking in the windows then returning on another occasion.

*And the combination of having the nightlife that sort of extended the visibility, I think, of the retail (shops) that were primarily just open business hours during the day. We would always have lights on and things. And we would commonly arrive at work and they'd be little face marks and little fingerprints on the glass, and I would hear this all the time, girls would say that they'd gone for a drink or something at night and they'd looked in the window. So I think that mixture of cafes and bars and retail shops just all worked really well together and it really just very quickly seemed like a real community of people.*

## **7.9 The developers' perspectives**

The developers were well aware of nearly all of the physical and economic factors discussed above. They had "discovered" the area themselves and also been inspired by overseas areas and new urbanist ideas as illustrated by the following comment.

*Fred:*

*.....I've often said that if I had wanted to buy a beautiful building I would not have bought a single building there, except perhaps with the exception of the ANZ Chambers building on the corner. But it wasn't about that, it was about the creative potential of an area. that had the atmosphere that both (his partner) and I had seen in our travels and probably was quite unique in New Zealand in fact.....Of course you have got to remember that these*



*buildings had originally been factories and warehouses, they weren't retail commercial spaces with the exception of the ones that were on High Street. What I learned about was how to work within what you had, and you needed to do that to be economic, so that became the ethos of what we did. We didn't want to overpower the building or do something that didn't fit in with the building.... so we had to keep the feeling of the building there, though we would make lots of modifications, we kept the envelope intact, the look of it intact. We did have one firm of architects that got involved in one project and, but I think they stuffed it up.....basically, they just wanted to make it too grand and that wasn't what this area was about, it was about working with the buildings, those quirky little spaces, the corners and things.....and we had to do that because we did not have a shit load of money to throw at it, we had to do it out of revaluing the buildings and generating more value, to borrow more to do the next stages.*

## **7.10 Conclusion**

This chapter focused on the physical and economic factors that the business owners within the Lichfield Lanes area, as well the developers of the area, considered important to successful revitalisation. While these participants in the process were largely unaware of the extensive research on inner city revitalisation, their comments and actions reveal a prescient understanding of many of the issues commonly raised by researchers as being important to success. In summary these include:

- The history and architectural style of the buildings.
- The importance of low rents, foot traffic and street life for successful new businesses.
- The interest generated by the discovery process, quiriness of style, human scale and variety of spaces.
- A certain level of new experience and risk associated with industrial grunge, rustic and somewhat chaotic locations.
- A rejection of the mainstream and commercial manipulation and a positive association with cosmopolitan overseas experiences or life styles.
- The symbiotic relationships between different businesses.

The following Chapter 8 will move on to consider some of the style, social, cultural and community-oriented aspects of the Lichfield Lanes area in more detail.



# Chapter 8

## Social, Cultural, Stylistic and Community Factors

### 8.1 Introduction

A recurring theme throughout the inner city revitalisation literature is that inner city areas are often significantly impacted upon by the needs, desires and capacities of a group of people who differ somewhat from the mainstream. This approach is often termed “people- based”, and an important group of these people are often characterised as knowledge workers or the creative classes as examined in Chapter 5. This chapter deals with these people-based factors affecting inner city revitalisation, which are often related to style, culture, social and community interaction, and are shown to the left of the diagram (Figure 3.2) in chapter 3 that provides an overall “map” of this thesis.

As in Chapter 7, a disaggregated version of this model is shown below (Figure 8.1), but now with these “people-based” issues within the circles on the left, overlapping with each other as well as the “place-based” physical and economic issues within the central box that were examined in the previous chapter.

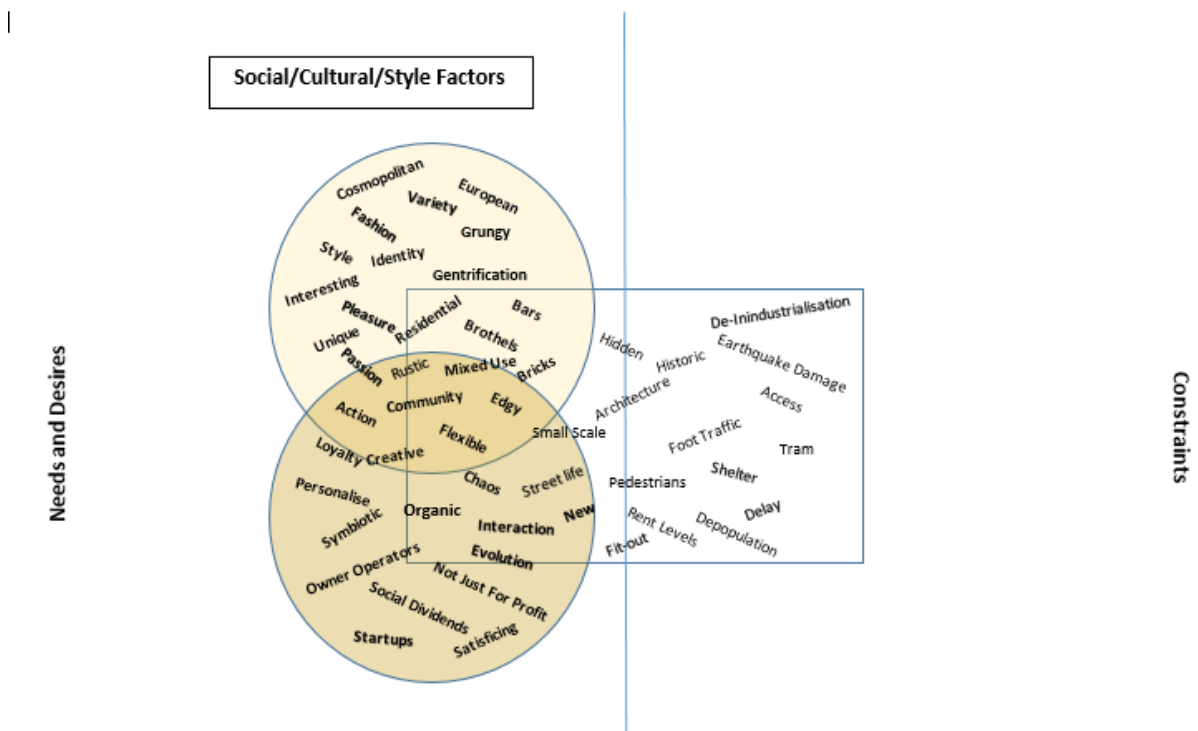


Figure 8.1 Disaggregated left side of Figure 3.2

As mentioned earlier in this thesis, all aspects of inner city revitalisation overlap and interrelate in complicated ways, and those examined here are no exception. But issues of style, and especially social and community interaction and diversity of culture, are not usually given the same depth of consideration as the physical and economic factors discussed in the previous chapter. It is asserted here that this is a mistake. The comments from interviewees examined below as well as issues discussed in the post-earthquake public meetings observed, show it is these less tangible and difficult to identify and measure factors that are often most critical in stimulating and maintaining successful inner city revitalisation. In particular, it is these factors that differentiate the total CBD “experience” from competing suburban malls and also appeal to a particular, but influential, type of person which can help offset some of the disadvantages that CBD locations otherwise may suffer.

## 8.2 European style

A complex combination of physical, economic and social factors including historic buildings, architecture, narrow lanes, variety of uses, street life and organic development processes all contributed to what many saw as a “European” style to the Lichfield Lanes area. Many interviewees had travelled overseas or were immigrants themselves. They were attracted by the area because its eclectic style reminded them of international experiences. They wanted to recreate and build upon the “European” physical aesthetic provided by the intimate arrangement of the Victorian and Edwardian era buildings in this location. They also wanted to incorporate the atmosphere of street life and small scale, personal service orientated businesses they felt was typical of European cities (also reflected in inner Melbourne). This was a type of experience not otherwise available in Christchurch and illustrated by the comments that follow.

Alan:

*When they moved in....never been to (the area before)... main streets only previously, but going down (the) alleys inspired by bricks etc. European look. The old brick and the European look of the area, I guess, (was what) attracted us in the early stages.*

Dave:

*It was a very un-Christchurch take on Christchurch....hospitality that wasn't based around the TV screen... the customers a lot of them were people who had been overseas, seen what's available ... said it's just like Melbourne – you know – we wish!... Christchurch did have that built character the same as somewhere like Melbourne, the industrial laneways....*

Helen:

*You could see that the vision was that they wanted something similar to what was going on in some of the areas of Melbourne - I think that was the original vision, because of the brick and it reminded, yeah.*

George:

*And the sort of intimacy with the lanes. We've seen a bit of that in Europe really, haven't we?*

Gemma:

*Yeah. And in the UK, we went on a trip to the UK and we just loved the little small bars that cropped up... and could really see a parallel with what was happening in Christchurch. There were the two pockets and they seemed to be the place to be. It was the future of hospitality*

Kate:

*I really liked that, I mean, it's interesting because I've travelled a lot, around the world for many years, and I've always loved looking for the nooks and crannies, more creative parts of the city and it's normally those sort of areas. The older areas and smaller stores that are normally cheaper to pay rent for a lot of more creative people.*

Neil had similar comments on the cosmopolitan style.

*Nah here was a German guy, yeah he was a hard case..... and the Russian guys were labourers for one of the building guys so their wives opened it up. So it was very cosmopolitan.*

Owen, who is from Europe made extensive comments on this international style aspect.

*If you think about it a lot of people take an airplane to go to Europe and they go to the Amalfi coast and they go to these places, and they say ahh how beautiful it is you see how.... well... what happened in those environments actually, was variety was allowed. And so how character came up - because variety was allowed, so when they come back and land back in NZ, why do we have to think differently?.....that old warehouse,*

*again a European thing, I said this is the perfect place for a covered market. A twelve hour covered market..... That was going to be the next stage because, for us imagine all of a sudden now, because the covered market is a very European thing. That's another thing there's a lot of Kiwis abroad who come back, and especially of that age range between 25- 40 that say mmm, we actually want to have some movement.*

The developers were also inspired by Europe as can be seen from the quote below from Fred.

*So I went down to the area and had a good old snoop around and went down the little service lanes and around the area to see what was there and round the area to see if it was the right area to get involved with. I got really quite excited about it because I could see that really it was like a lot of things I had seen overseas.....*

*I walked down a little service lane that was at the back of Cotters Electrical. And I said "look at this it is fantastic" it is like a little bit of Europe and of course it was built by our ancestors who were all immigrants and had all come from Europe pretty much, and he said "you are right, this is just like Melbourne", the lanes in Melbourne as he has lived in Melbourne for a number of years.*

The European style of the Lanes area pre-earthquakes, and the contrast to the US style suburban malls dominating retailing in Christchurch, also came up in several of the presentations and much of the discussion observed in the post- earthquake public meetings. There was a desire expressed to re-create the atmosphere of the Lanes and a concern that the top down and corporate approach emerging for the CERA led rebuild programme would prevent this occurring.

This issue of a different atmosphere for revitalised areas, in part generated by lifestyle and ethnic differences from the mainstream, is a recurring theme in the literature (Grogan and Proscio, 2000). The literature revealed this type of European or old city experience was widely valued in other locations by the economically important and powerful knowledge workers and creative classes identified by Machlup (1962), Drucker (1994) Florida (2002) and others. The intensity and variety of old buildings and public spaces found in old European cities is also integral to many interpretations of New Urbanism as discussed earlier.

### 8.3 Style and the contribution of variety, change and tenancy mix

Many of the people interviewed commented on the particular style and mix of tenancies as being significantly different from those offered in a suburban mall or typical CBD retail environment, reflecting the work of Hernandez (2001). The same issue came up frequently in the observation of public meetings, both by a variety of speakers, as well as in the associated discussion. In particular, descriptions such as funky, edgy or eclectic were often used, which resonates with the findings of Florida (2002) and the other new urbanist writers discussed in Chapter 4. There was also the combination of a variety of hospitality outlets with different target markets, plus retail, residential and in recent times, a weekend market, and this combination was seen as unique.

Many authors have commented on this importance of establishing a unique identity for a commercial area in order to change negative perceptions and differentiate the area from shopping malls and other competing retail centres (Dane, 1988; Smith, Joncas, and Parrish, 1991; Suchman 1994; Waxman, 1999; Gratz and Mintz, 2000; Toups and Carr, 2000; Seidman, 2001 plus others). This was clearly evident in the Lichfield Lanes area and followed the findings of many of the above authors in being associated with historic buildings, key landmarks, specialized retail niches and ethnic composition.

Kate was a relatively early tenant and helped develop the style of the area.

*.....and I could see that it could be an interesting and eclectic area over time and I wasn't afraid to just set out and see how it evolves.....there was a little bit of activity but not real activity as far as retail is concerned..... C4 was down there which interested me because I really like the idea of a working space and I hoped that that was what the area would become; a place where people are actually working on a product and selling at the same time. So they were roasting in the Lane and they were retailing in the Lane. So that created a lot of activity which I really enjoyed...., but I know (the developers) really wanted that whole eclectic... you know, paint your door whatever colour, because I think that's what creates interest when you go down there, you don't want a uniformed look that has no real independent character of who's inside... put things out in the street you know. It just creates interest.*

As reported via other quotes in this thesis, Owen though variety was especially important for success.

*.... the first thing was a vibe, there was a vibrancy, a vibrancy was made because there was variety of use. There was variety of businesses, they were small businesses....when it was again its variety, variety, gives so much to a city life. I mean when everything starts being the same.....*

Neil, Ivy and other interviewees made similar observations.

Neil:

*The combination of people that were there, the businesses, the fact that they owned the business, they were interesting, you know the stuff that they had was interesting.....so all reasons that fed on each other that made it work.*

Ivy:

*There was some really well established businesses nearby as well and there were some businesses that complimented mine. And you knew that there was a lovely mix of stores because the rents were... Relatively small spaces, relatively affordable rents, so I think it attracted a lot of people like myself who were independent business owners. They were the types of stores that you don't see in the malls, you don't see in what's even now become like the Restart. It's not the high end thing, it's more, people who're having a go and sometimes had quite interesting services or products that they're offering and you know there was just a lovely mix that seemed to work really well. You know you could go along to a lovely little florist and there was a place to buy you know pretty smelling soap and things. There was a place where you could get your hair cut and buy sushi and have lunch of course there were nearby coffee shops.*

The style of the area was also a primary attraction to John.

*If I'm honest I spent a lot of time in the Twisted Hop ... I spent a lot of time there and I really had hoped to open something there. I'd even spoken to (the developers) about other premises that weren't ready, and then one day I walked past where a shop was, that I'd never noticed before and it had a for lease sign in the window, and so it ticked all the boxes, it was exactly in the environment I wanted, it even had a business there so there should be some hopeful foot traffic for the new business....*

Ed talked about the differences between tenants in the Lanes area.

*Variety of really good tenants with Mitchell's and Twisted Hop... world class precinct.....Loved community. Good to have association with town, image. Needed some clothing retail to attract female 30-50 demographic. Lots of bars not much retail (but) NZ stuff. ...really high quality drew people in.... niche markets but worth going to. Losing the Lanes was a big loss for Chch, was a massive asset.*



There was a variation in opinion amongst interviewees where some thought more control over the tenancy mix was desirable, whereas others felt it was the lack of control that contributed to the eclectic style and evolution of variety over time.

John:

*It was very cleverly crafted if you look at the bars. The only thing they really competed with one another on was coffee. They never really competed on anything else, their food ranges were generally quite different, you know. You could go to Hagen's for German produce and beverages. You could go to Vespa bar for, I mean they argued towards Italian but they weren't, they were your DB Export type of market. Mac's brew bar when it was Red Jacks had a very good whiskey selection, as a brew bar it was really just Mac's. Mitchellis had a smaller range of beverages available, and the Twisted Hop was a brew bar which brewed its own on premises, and you know even Isbar had Russian vodkas, they didn't just have standard ones. Each place had its own little niche, even round the corner, the Brazilian you know, Bar Beliza, they had Caipirinas and you know, wood fired pizza. And each place had such a difference, there were people who loved and hated each area. You know you might have a friend who loved going to Isbar for the vodka but hated Bismarck ....and you know despised Twisted Hop because they didn't like the flat English ales, but thought Mac's brew bar was fine..... You know it was funny there was always one place you could find and that was the good thing. You could take 20 people into Poplar Lanes and it might take you four bars but you could find one place where all 20 of them were happy.*

Dave made similar comments regarding the variety and differentiation from SoL Square and the Strip.

*Neighbours were important. German bar, Russian bar, Twisted Hop, Mitchellis all worked together, joint rubbish and marketing. Worked because all different, variety of places in the same spot. Not SoL Square or The Strip but same idea of the cluster. Everyone had their own exciting thing going on.*

However, the retail component was not as well planned according to some.

Bob:

*Lack of retail was a negative, needed less hospitality, more retail.*

As a result, there was also a case where one retailer established three different small shops then sold off two of the businesses to others once established, ensuring compatibility and creating something of a coordinated retail destination that they did not think the developers were delivering.

Linda was also critical of some of the tenant mix choices made by the landlords and gave the credit for some of the style of the area to this retailer who subleased stores to retain control.

*If it hadn't been for her, very different shops – she really had a vision of what she wanted to go in there..... for what should be down Poplar Street. It looked cute, they were all in line with each other. But that should really be a landlord's.....*

In light of the above comments regarding tenancy mix and foot traffic, one of the developers, was asked the following question: “Some have said it was working really well for the bars and hospitality, but that for the retail down there it struggled because it did not have the daytime foot traffic. Do you agree with that?”

Fred's response:

*Yes I would, I absolutely agree with that, and I was very aware of that and at the time of the earthquake we were developing the northern end of Poplar Street to have some retail there so a balance at either end of the street for the retail, and I had some other plans in my, well I'd sketched things up for further retail development because we did, we were aware that it had got to be a bit of a night time destination, with a bit of retail and we needed to get a balance of the night time and daytime retail sort of thing so we were working quite actively um at that - unfortunately there was an earthquake that buggered the party.*

Clearly the lanes developers were adopting a strategy of small local businesses rather than national chains. As discussed earlier in the literature review, there are mixed views on what is an appropriate strategy. Seidman (2004) highlights the benefit of small businesses, but Waxman (1998) and Hernandez (2001) discuss the benefits of a “mixed” approach. Ferguson, Miller, and Liston (1996) and Porter (1997) believe rebuilding to attract key large anchor tenants is important. Porter also emphasises a strategic location close to key transportation infrastructure, entertainment and tourist centres. The Lichfield lanes area had this, but did not have the local market demand generated by significant residential use that Porter also identified as an important competitive advantage. The scale of the Lichfield Lane project, as well as the retail situation applying generally to Christchurch pre-earthquake, probably did not favour a national chain strategy, but it is interesting that post-

earthquake, this appears to be an important component of the CBD rebuild strategy as is discussed in Chapter 9.

In some ways the above quotes reveal the developers were semi-consciously and iteratively engaging in the tenant mix determination process that is pivotal to shopping mall success. The earlier literature review discusses research from a variety of authors (Dane 1988, 1997; Suchman, 1994; Waxman, 1998;) indicating a larger set of stores with niche and unified marketing can expand the customer base by attracting shoppers from a larger catchment. But not all of these retailers can afford the same level of rent (Dane, 1988; Waxman, 1998; Gittell and Thompson, 1999). Viable niches for inner-city commercial areas include arts, culture, and entertainment as well as restaurants, clothing and accessories, ethnic markets, and health services. Many of these niches are also particularly appealing to the “Creative Classes” discussed by Florida (2002) and others. All of these were present in the Lichfield Lanes area.

#### **8.4 New, off beat and edgy**

Similar to the issue above, new, unusual and even risky experiences are valued by the creative classes and knowledge workers identified by Machlup, Mokyr, Porter, Florida and other authors discussed in the earlier literature review chapters. These people don’t want conventional products and services, and have substantial spending power. Though usually in the minority, they are often seen as style leaders influencing others. As a result, they can be pivotal in establishing a new area as the place to be, but their need for constant new stimulation and reinvention can run contrary to the conventional desire for long term, low risk, stable property investment. This can prove a challenge for inner city revitalisation.

As an example, Bob wanted to establish a new style of hospitality outlet not seen in Christchurch before and as an early tenant was important in establishing the whole style of the Lanes area.

*Particular about way we ran things and our values e.g. quality beer, not mainstream, good service. Made a point of difference from other bars - public really like that. Massive growth in craft beer recently. Craft beer had been popular in England for a while. We were newcomers to town and thought must be people who want that in Christchurch”. (We) differentiated from other bars because they didn’t offer what they wanted.*

Linda talked about the excitement of the new.

*It was new. It was exciting. I remember my first ever experience down there was going to the Twisted Hop and that was when they first opened and I... I just thought it was amazing. The buildings were gorgeous, people cared about what their fit-outs looked like. And people were really passionate about what was going on there. So that's what I was drawn to. It was new and exciting and it was just so what Christchurch needed. I mean it was casual. Looking back now I think.... well (the Lanes) was different to the High Street.....I mean, my customers had always been around the area, higher end clients ...no, I would just say ultra-fashionable people, those were kind of my customers. But then we also catered to the students at Polytech that had \$10 to spend. It was very variable, the clientele we would have.*

Ivy:

*.... I felt a little bit smug about being in that area. There was a, I don't know if cache is the right word but yeah there was that quality of cool.... And you know I'd go into C1 which was you know a pretty cool café and there I'd feel a little bit cool because I had the shop next door. But cool without being kind of intimidating and having that, exclusive... .... the fact that you had the slightly grunge factor of C1. We didn't have the Merivale ladies coming down so much. Sometimes they'd come down with their daughters ..... but it was I think a slightly, kind of slightly hipster market that the Lanes seemed to cater for, and it doesn't seem, you know that's gone, that was it, there's nothing else...*

Linda reported that a customer thought the area was so cool she wanted to keep the area hidden – and exclusive to herself as much as possible – hardly good for the business owners!

*.....but she told me in June that she never ever once told any of her friends about my store. Yes, she said "when people asked me I would just lie or tell a little white lie". And I was like sweet.... but hey.... but to think that she treasured what we had was amazing.... but financially it's not good!*

The “edgy” style of the Lanes area also came up frequently in the public meetings. There was concern and scepticism from those attending that, while the authorities controlling the rebuild expressed a desire for a similar style and atmosphere for the new “Innovation Precinct” as that previously existing in the Lanes, the controls they were exercising over development were having the opposite effect.

The risk of being perceived as contrived is one of the key risks developers and local authorities need to be acutely aware of. This is also tied in with gentrification (discussed in Chapter 4, and later in this chapter) and that creative types attracted to a particular location typically react adversely to being controlled and manipulated. This aspect has been investigated by Dutton (2003), Short (1989), Lightner (1992), Frank (1998), Zukin (2001), Minton (2003) and many others.

Despite the opinions of some of the tenants, the developers considered they did have, an admittedly loose, vision regarding the marketing and style of the area. Fred said that since the earthquakes there has been frequent contact with him from a wide range of people from all over the country and further afield, expressing their appreciation of the area.

*I am absolutely amazed so many people know it (the Lichfield Lanes area) and indeed how many people said they have enjoyed it and said that was their favourite place they used to go.*

## **8.5 Gentrification**

Gentrification was considered in detail in the earlier literature review and it is clear that the Lichfield Lanes area was undergoing a form of gentrification, though not perhaps completely typical in nature. A difference in this case study to a more typical gentrification process, is there was no large scale movement of middle classes back into the Christchurch CBD, nor a process by which middle-class people took up residence in a traditionally working class area, changing its character. It is true that the creative middle classes were the target market for the hospitality and retail uses developing in the Lichfield Lanes area as per Bounds and Morris (2006), but residential movement into the area was relatively insignificant. Also, there was no displacement of a long standing and significant residential population. If anything, residential use was increasing from a zero base in some of the previously industrial buildings and remaining relatively stable in the upper levels of previous commercial premises. There was a desire expressed by the interviewees for more residential use but, as is discussed in the next chapter, City Council and central government legislation, policies and attitudes were inhibiting such growth.

The study area also did not exhibit the reduction in heterogeneous character of a community to a more economically homogeneous community as described by Brydson (2008). In fact the opposite was true, with the Lanes area exhibiting a much greater variety of uses, occupants and incomes than is typical in suburban and central city New Zealand. This added appeal to the creative classes and also reflected the objectives of new urbanists also discussed earlier in Chapter 5.

Over the last two decades the Lanes area did exhibit the characteristics of de-industrialisation, then growth of white collar and especially service employment in a previously, largely abandoned, semi-industrial location. This reflects the work of Ley (1986) and Hamnett (2003).

Gentrification can also involve the conversion of old industrial and commercial buildings to mixed uses, including shops and entertainment venues as well as residences. These may cater to a more affluent or wider base of consumers, making businesses and property redevelopment more viable as found by Bounds and Morris (2006). This in turn attracts further investment again, increasing the appeal to more affluent consumers and decreasing the accessibility to the poor and eventually even the initial gentrifiers (Hackworth, 2002; Ley, 1994; Zukin, 1989).

This is close to the situation applying in this study area and it is clear there was a perception amongst some interviewees that “colonist” or “pioneering” businesses, that were first stage gentrifiers in the area, were being forced out by increased rents and values as discussed in Chapter 7. A subtle change in the culture of the area was occurring as a result. For some this was eroding the initial appeal of the area associated with the diversity and edginess of the uses so valued by Porter (1997), Florida (2002) and the new urbanists. But many other interviewees still commented on the creativeness, variety and bohemian style of the people occupying the Lanes – all commonly associated with the creative class, new urbanism and gentrification processes.

This is evidenced by the comments of those interviewed included below, as well as in other sections of this thesis, especially those dealing with rents and leases, chaos, variety and style.

Neil was one of the long term residents and business owners and had observed changes over many years. Some of his comments are repeated elsewhere illustrating particular aspects – but the lengthy passage below paints a vivid picture of the evolution of the study area over the last twenty years and is a clear example of gentrification in action.

*High Street at that stage you wouldn't touch with a 40 foot barge pole because all the shops were empty. Like there were retail shops there with like clothing factories in (them)..... it was just empty, empty, empty you know ....Early 90's yeah, 7-8 years in High Street. .... (a well-known person associated with the sex trade) parents were running the second hand shop, and again the whole street was empty you know. There was so many shops there, so it was like necessity you had to move there, it was close (to the CBD).... When I moved there, no one would move there, there were businesses shutting down. There was a deli across the road from Watsons that was quite cool, an old butchers shop that closed down, there were shops empty everywhere you know... The Para building; so that was the start of the Para apartments...Um and then when I started up there, other little antique shops started up.... There were lots of shops that sprung up down there because of it and um the area got really good. They were all owner operators you know, from Cotters, Alices, everything, that was the*

*beauty of the area, it was all owner operators. If you wanted to go and talk to somebody about something you could talk to the boss rather than some shop person...The residential for a start was quite shitty cos they used to have parties, but it did sort of get gentrified, but what happened wasn't Para (apartments) that caused that but it was um the Council that decided they would tidy up the street, painting all the fronts. (A major residential landlord) was there but when he was there it was all shit tenants, like you bought an empty shell. There were drug busts there, there were massage parlour girls living there, cos there is a lot of parlours in this street. So then the Council came along and said they would paint all the tops of the buildings, and we had a few meetings about it and um, (the major residential landlord) was there, but none of the (commercial) landlords turned up. It was only tenants and I thought, yeah it's a really good idea, my input at the meeting was I think it's a good idea, but if it happens then our rents will go up and eventually we will be chased out of here, you know. Like the writings on the wall once this starts, gentrification kicks you out. So that's exactly what happened. Where I was in High Street I got a 250% rent increase and it's just not viable, you can't have. And then you have a succession of businesses that can't make a go of it, just like the Para building had a succession of businesses that just like..... He (the landlord) say's "oh I've got a really good tenant", well you know how much he's asking for it and you know that the tenant is not good, because if they were good they wouldn't be able to afford that rent, they wouldn't agree to it.....So it was like living in a really good part of Auckland or Wellington, the art galleries around there, all the artists would pop in so you've got (names of various well known artists) , shitloads of well-known new Zealanders...*

The Council representative at the public meetings also referred to this initial gentrification initiative via façade repainting in a “heritage palette”. He said this project was very much a result of teamwork between the Council and key property owners, but it was clear from the interviews this was not the opinion of many others.

Owen also talked about the attractiveness of the location to artists, a common finding in relation to early stages of gentrification.

*... but in reality a lot of people like artists, and so on would WANT to live there with no problem....*

Mike had a similar story to Neil. He was an early “colonist” and had seen the area change, not necessarily for the better in his opinion.

*Back then it was really dead, the ground floor was really empty all the way up to the mall. All the way up High Street there was very little. There were a few things lower down High Street. It just had that disused feel to it where*

*you could just make it something and get something happening. But then that had the opposite effect as I'm probably quite a bit negative about what happened down the Lanes. I didn't actually like what happened in there. Which is part of the reason we moved..... and then the Council came along and saw things were happening and they wanted to put cobblestones in and restrict parking, then they wanted to restrict truck access, there was talk of turning it into pedestrian only – all that stuff ... Yeah but some of it was just over (the top) you know that fountain thing! ...I mean some of the other retailers were pushing for that, but that didn't help us at all.*

So you decided to move out before the earthquakes? Because of the rents? Or the changing character? Or?

*Change. ...it was a combination of stuff, we had outgrown the room that we had. We didn't want to or couldn't afford the rentals to increase that space because it had all been reduced down.... When we first started there was a cool community down High Street, like I said, a few businesses re-started the business association, tried to get something happening. Back then there was some talk of turning Tuam Street into a one way and they all protested and got together when they had a common cause. I didn't really get that sense for some of what was happening down the alleyways. By then there was a few others that had been forced out of High Street due to the rentals – so they'd moved on.*

As can be seen above, Mike felt more recent “improvements” had made the area a little twee and it had lost some of its original character. This reflects the work of Dutton (2003), Lightner (1992) and Lehrer and Milgrom (1996) and described as “buzz to bland” by Minton (2003) and “yuppification” by Short (1989). In addition, this can be seen as reflecting the commercial capture of bohemian ideas put forward by Frank (1998) and Zukin (2001).

Ed had also seen the changes occurring to the Lanes Area and moved on to another location.

*Liked the lane for its aesthetic feel and atmosphere..... Too much development maybe (was) bad, maybe losing (its) character. Student flats do add a certain character but to a point. Need a balance of character and classiness. Doing up flats etc. was only going to increase (as the area became more gentrified).*

John was also well aware of the various transitions this area had been through over history as a result of changing economic circumstances. His comments resonate with the rent gap theory of Neil Smith as a catalyst for change in use, as discussed in Chapter 4.

*If you look at what that area originally was, and how it changed, and it had to throughout the history of the city. I mean for God's sake the trees in*



*Hagley Park were growing there as a nursery, and then it became this industrial area and (then) the buildings that were purpose built became purposeless and they devalued to the point where someone found a purpose for them by buying them cheaply and so forth. It was a part of town that you know things adapted for.*

Dave and Donna moved in during what they termed the “second wave” (which usually ties in with the second stage of gentrification identified by Zukin (1989), Murphy (2008) and in other studies, where initial colonists start to become displaced).

Donna:

*What was appealing was that we were the second wave and it was a bit more developed. C1 was in there as well as the Twisted Hop, Vespa Room was onto its second owner. Rent was cheap, more viable, more attractive.*

Dave also commented on the failure of the tenant he replaced:

*Didn't do so well, as a bit too early for Christchurch. Coffee was the big thing. Based her idea on a place in San Fran and it didn't work for Christchurch.*

Churn in tenants as a natural process by Linda:

*Which, maybe that's just how it always happens. I mean I don't know, I can only talk about what we've experienced down the Lane, but I guess there were little shops like this all over. And then that would close down after so long and then a new one would pop up, maybe that's just what happens.*

Like Dave, John was part of the second stage gentrification and also commented on the previous tenants of his space. He said they were not catering for the right market and were accepted by the developers solely on the basis they would pay the rent. As a replacement tenant he had the advantage of pre-existing foot traffic and fit-out left behind. He also said, as reported elsewhere in this thesis, that this area gave edgy, up and coming businesses a chance for a foothold in the CBD, something not usually on offer from more experienced developers in established retail areas. This again reflects the ideas of Florida (2002) and others, including new urbanist theories.

Fred, one of the developers, was well aware of the gentrification process and the value that could be extracted by adapting obsolete buildings to different and widely varied uses at relatively minimal

cost. He saw, at the start, the potential of these buildings to offer businesses and customers something very different from other areas in the CBD.

*It was in 2001 I recall. And so then I said another section there is an opening between two buildings and beyond that there is a garage – we could take that out. That would connect this little lane through into Poplar Street. Then we would need to get a connection in through to High Street so we would have flow from there, not only from the south end there at Tuam Street, but we had something in the middle. Then we had the opening from this little lane and Poplar Street out onto Lichfield Street. .... Everybody thought we were nuts buying on Lichfield Street, as being a one way street (it) has been in a state of slow death ever since the one way street was put in. But we saw the potential of the Lanes rather than Lichfield (street) so I guess that's how it started..... It wasn't something we planned out in great detail for a start, we just worked building by building as we acquired them so it was an organic process.....Of course you have got to remember that these buildings had originally been factories and warehouses; they weren't retail commercial spaces with the exception of the ones that were on High Street.*

The above comments support the theory of different stages of gentrification identified by Zukin, Murphy and others, and discussed in Chapter 4, whereby different groups that contribute to the gentrification process are sequentially replaced as capital is invested, rents and values increase and, as a result, the style of the area subtly changes over time. This revitalisation and re-imaging has the potential to generate substantial development profits for those involved.

It can be seen in this case study there was a significant reinvestment of capital in the Lichfield Lanes location in recent years, after many decades of dis-investment. At the time of the earthquakes the area appeared to be on the cusp of further change, with the developers working on further building conversions and the Christchurch City Council extending a historic tram line through Poplar Street – the main axis of the Lanes area. This tram line was one of the most significant investments and most controversial changes underway at the time of the earthquakes, and generated polarised views amongst the interviewees as elaborated on below.

## **8.6 The historic tram line**

Routing the tourist tram through the area was seen as being contrived and in-authentic by some interviewees, reflecting the work of Dutton (2003), Lightner (1992), Lehrer and Milgrom (1996) Minton (2003), Short (1989) and others. It also presented a major physical problem because of business disruption and danger to pedestrians.

Kate:

*When I was in there it was very much kerb and channel. This was before they started to actually develop the area and cobble it and bring in the tram, which I was dead against, the tram..... I actually preferred it before with its kerb and channelling kind of in its raw state. I kind of liked the raw state of it and I think when you start...it becomes a bit too twee....the tram just epitomises that twee, and I knew that it wouldn't have any (good) effect on our businesses and I felt that it was a real hindrance to the buildings. I felt the buildings, with the constant movement of the trams over time would actually damage them, and I talked to people about that....And I felt that the tram was just something that people would always be aware of, coming out of the shops, because it was so close. And there was always children in my shop and they would run out of the shop and with the tram and the noise people would always be a bit cautious. I didn't like the whole idea, and it would just be a thoroughfare and people would go through and not get off. They might get off to have a beer or a coffee or something but I didn't see how it was actually giving anything to the city.....I just think money was badly spent. That could have been spent... I think they're just trying to create a Melbourne. It didn't add to the area I don't think. That tram that ran down New Regent Street.... See to me New Regent Street is a bit twee. It's just overdone, overworked and it's lost something.*

Linda had already left the Lanes before the earthquake, largely due to the tram project.

*I was really troubled with the tram...I was very against it. The only reason I was against it was purely financial for us retailers. I mean it was so hard for them. As a city I think it as a great idea but I also have huge problems with how much the tram costs.... The way we would have liked it to work would be, "well ok, let's hop on, pay \$2 and go to that bar down there for our after work drinks this week..... But it wasn't going to work like that. And how many tourists buy (the retailers products)? That was my other thing. And I hate to say it, although I feel guilty now, cos I did always want to go on the tram, but I've lived here all my life, well most of my life and I've never been on the tram...Yeah, I mean I just financially I was terrified of what that would do to us.....just the tram. I mean that was 10 months! (of construction)..... If the tram hadn't have been going down there I think I probably would have signed down Poplar Street for another 3 years .....*

Ed had similar concerns.

Ed:

*Issues with parking (due to the tram). Constant battle with Council. Could park down lanes. Tram coming in a worry. Want to be able to drop in/pick up close to premises. People will walk a certain amount.*

Many interviewees saw the tram (and some other street improvements) as being driven by the City Council and inappropriate for the area. During the observation of the public meetings it was also clear that the tram line project was being largely driven by a few enthusiastic Council employees. The wishes of businesses in the Lanes and the developers regarding the tram were largely ignored, as is explored further in Chapter 9.

This situation could be seen as reflective of the third wave (new build) gentrification discussed by Zukin, Murphy and others referred to earlier, typified by local authorities (and others) getting involved, often adding features seen as out of touch with the character that made the location interesting to first and second wave users.

The tram line development can also be seen as another example of what Short (1989) termed “yuppification” or a further illustration of the commercial capture of bohemian ideas put forward by Frank (1997), Zukin (2001) and others, as discussed in Chapter 4.

There is also the issue that change may be desired, but that the direction and rate of change can appeal differently to different people. This leads to the major unresolved debates regarding gentrification, new urbanism and other trends as examined by Leherer and Milgrom (1996), Davis (1979), Stewart (1988) as cited in Ellis (2002), and many others discussed earlier in this thesis. What appeals to one group may alienate another, as was seen with the tram line development and Lichfield Lanes upgrade. Developers and local authorities have to be acutely aware of getting the balance right.

## **8.7 Community**

There was a very clear theme in the interviews regarding feelings of community, co-operation and loyalty amongst the different retailers and residents in Lichfield Lanes. These feelings, which also extended to regular customers of the businesses, helped generate behaviour, activities and events that were very important to the success of the Lichfield Lanes area.

This type of situation again reflects new urbanism and social capital ideas discussed earlier, where there is a movement back towards the close relationships evident in old cities built on the European model of mixed uses evolving in close proximity.

When asked “what do you think was making it work down there?” Neil immediately responded.

*One, the community thing yeah.....but everything – it is such a community.  
Just yesterday – there is three parking wardens I still see from 7-8 years ago,*

*one of them was in here yesterday reminiscing about the street. The parking people!! Yeah, yeah they used to look after us and we would look after them – you know what I mean? You don't abuse them – you are friendly to them. ....It was a real community feel in there, like everyone knew each other, and then people would come and go but um, across the road in the café, everyone pretty much got on in the whole street. It was not like living in the suburbs where everyone does not know your neighbours, cos everyone knows their neighbours yeah.*

Gemma said the developers intended to create a community feeling and it became a self-fulfilling prophesy, people were taken into the community and recognised the benefits, both socially and economically.

*A decision had been made that you would have a community of people and it didn't matter who they were; they would fit in and they would make it work.*

Ivy:

*So I think that mixture of cafes and bars and retail shops just all worked really well together and it really just very quickly seemed like a real community of people .....it was. And so there were people I saw more often than my family, more often than close friends, and you've seen them every day or most days for the last couple of years.....*

George:

*It was a good working community wasn't it?*

Owen expanded on the symbiotic relationships.

*And the other situation is that we were all businesses backing up each other. There was, Mitchell's, it was a case, we had all our business cards at Mitchell's. We all would have come downstairs (there) for meetings. My clients I remember, we might have a meeting upstairs and then coffee downstairs at Mitchell's.*

Ivy had a similar story of co-operation.

*And it all really worked, and we would do things. Like I remember one day we were (doing a marketing promotion) and we invited girls along to have a glass of champagne and I was doing little goody bags like a fashion show*

*.....and so, again I had bugger all money to spend on doing that kind of thing, but I went along all the businesses and, didn't exactly ask for things for free but I said, "well this is what we're doing and you know we'll promote you a little bit," and I'd buy, you know little (items from the other retailers) or you know whatever it was, and put them in the bags. ...and people just really referred to each other.*

As did John.

*But there was a huge, huge benefit to the fact that if someone walked in to buy a coffee at Mitchell's they'd be told there was a bookshop around the corner. If someone walked into the bookshop they'd be told there was a bar around the corner that sold calamari if they liked seafood.*

Helen also illustrated how businesses chose to not directly compete but rather complement each other.

*I went around the corner because there was already a woman that I knew that was doing [a particular type of business] and to see what she was doing and to make sure that it didn't affect her business as well, and we saw that we were both doing slightly different things, so it was fine. Hers was already established and she said that we could work together; like I could refer people to her and vice versa because we're different.*

John went on to explain in some detail how the community spirit and activities evolved over time as a result of constant informal talking amongst the business owners. Initially the bars worked together to deal with rubbish and cleaning issues, later this started to cover other activities.

*..... there was all these colourful characters who had these little businesses who were fighting alone but at the same time wanted to be part of something. And that's where it differs from the rest of the city.... We had this beautiful opportunity where just prior to the February quake we had every single retail business in that area a member of the Poplar Lanes Business Society ..... We explained the benefits and we explained that, you know, we may not see an immediate return on the time and effort but the cross-promotional opportunities were there..... George summed it up perfectly, "if someone's walking down Poplar Street then every single business has the opportunity to run out and tackle him, and (if) by the time he's reached the end of the street he hasn't pulled \$20 out of his pocket,.....".*

John also talked about owners frequenting each other's businesses and the importance of sharing marketing ideas and referring on customers.

*We all tended to wander around each other's business regularly ..... and these were capable people, because we all had different businesses there was no restriction on sharing of knowledge. So at times one of us might pick up a promotional idea that didn't work for that person but it could be particularly pertinent to someone else, so we'd talk about it all the time and it even became very visible to other businesses just how connected we were to one another.....*

John could not understand how some of the businesses continued to operate, but there was always a friendly culture and willingness to offer suggestions

*It was a really friendly culture..... We just collaborated so much....Just everybody spoke about each other, and most of the central city businesses didn't have that. You'd walk in there and they'd be so focussed on only selling their own wares that their neighbour wouldn't be willing to help them, and we had that. It was a common comment was that there was a difference in that part of town to most of the other established areas .....There was always someone willing to do something..... So we were very lucky in that. But yeah, it was a funny sort of area, and it's something the whole city needs to look at.*

Not everyone saw the community interaction in such a positive light. Kate saw real cooperation amongst all businesses only really emerging relatively recently. Earlier she felt co-operation had only been focussed on the hospitality businesses and the other retailers had been somewhat left out.

Kate:

*That was probably one of its downfalls, there was no real strong body of people.... It started to happen near the end of our time in Poplar Lanes, where everyone would talk together and retail would be on a level with hospitality. But there was very much a separate.....they were very much separate entities because hospitality, and I've worked in hospitality for many years, they're working on a different level, different time of day, different clientele often ....so to amalgamate something where we had shopping hours, and you really had to do that with High Street as well, it couldn't just be the Lane*

Mike and Alan had a similar view, full co-operation and co-ordination was relatively recent.

*The casual but committed community feel, not only applied between businesses, but also to how some retailers interacted with their customers. This was seen as part of their differentiation from other forms of retail and important to success.*

Linda:

*But yeah, community, our customers were amazing. They were so sick of being in malls and thought that what we were doing was amazing and you create relationships with them.....but also we treated our customers so special. It wasn't just the kind of service that you would get anywhere. On a Friday we would give them a glass of wine! ..... We would all sit out there from like 4.00 on a Friday sitting and drinking bottles of wine. Which is probably not the most professional but that's how we formed such strong relationships with the community. I mean it was casual.*

Helen:

*And then they got that French market in which was trying to get that village feel. So they were trying to make something happen....The thing that Poplar Lanes did offer me was a community that I could market myself in. So when I work at home I'm very isolated because I'm working at home and I'm the sort of person that will talk to my neighbours and things.... It allowed me to do that face to face marketing so I could just go and hang out at the café's when I wasn't busy and talk to people which was really good ..... Well I think that for me part of what it is about working for the community, in the community, is that those small businesses do bring people into the larger businesses. So when I'm working in Poplar Lanes it brought people from the outside into the city; so my clients would come to me ....and then they'd go and do shopping, they'd sit down and have a coffee, they'd go down and have a manicure. Especially my people from outside and people with plenty of money would come to me and spend quite a lot of money in town that week and they'd do it every week. So that's what a small business like mine brings.*

Kate made an interesting comment relating to trade after the September earthquake that illustrates the type of relationship she had with her customers.

*I was incredibly busy, I think it as the Saturday we reopened and just people coming back into town and saying, "oh thank goodness you're still here." It's almost like I know that the shop itself was like a lot of peoples touchstone, it's like your favourite place to come, it's like having your favourite café and thinking oh my god it's gone and it's like my lovely place I love to go to see and spend time at and talk to those people, cos that's a big part of that as well. So we had a lovely day, everybody just coming in to see that it was ok and to see that it was still there.*

Ed was moving out of the Lanes because the location did not suit his business, but he really missed the community feel and association with the city. He also commented how another business there



had earlier said to him about how important it is to have the right feel to a space and to be passionate about the atmosphere.

*Was a real community. Had its moments..... (we) were going to shift out anyway, lease coming to end in February. Loved community. Good to have association with town, image. Losing the Lanes was a big loss for Chch, was a massive asset.*

Some of the activities generated or co-ordinated by the community of retailers were not necessarily about generating profits, but building the spirit and profile of the location.

Gemma:

*A lot of the things that we did as a community were all about building the area up as opposed to making lots of money, because obviously that goes hand in hand. The French farmers market was just lovely and we all put a lot of time and energy into that type of thing, and it probably didn't really make anyone a huge amount of money but it just leaves a really fond memory; all sorts of bits and bobs that happened there. If it hadn't have been knocked over by the earthquakes it would have grown into just such a cool little area. It was lovely wasn't it? It was a pleasure to work there.*

Owen also talked about further developing the market and moving it into one of the empty buildings. It is interesting that no mention is made of generating profits – but rather generating community and movement through the area.

*That old warehouse, again a European thing, I said this is the perfect place for a covered market, a twelve hour covered market. So we spoke to the landlords for an idea and as the pieces were setting we were eager to manage the market, and to get the tenant. Because we had a market, the French market, so they found that people actually love the French market. So again, word of mouth – community. And then the landlords arranged a meeting with the Council as well. That was going to be the next stage because, for us imagine all of a sudden now, because the covered market is a very European thing. And we said this is a very good opportunity to have something happening even more, you know, more movement happening.*

Some interviewees differentiated the community feel of Lichfield Lanes from that of the nearby SoL Square development mentioned earlier. This was a lanes development that was somewhat similar in style, in terms of being adaptive use of old brick buildings, but very different in its management style

and target market with a very dominant developer, who also owned many of the individual businesses.

Gemma:

*So we loved that community a lot more than SoL Square which was maybe a bit more pretentious and fast business, and probably a bit more arrogant; whereas Poplar Lane just had some real appeal to it.*

## 8.8 Owner operators

One of the key success factors for the Lichfield Lanes area that came up in many of the interviews, and is closely related to the style and community factors discussed above, was that the businesses were operated and staffed, or at least closely supervised on site, by the owners of the businesses. This is seen as a distinct contrast to typical retail and hospitality outlets in the wider CBD and suburban malls, which are usually part of multiple outlet corporate chains that employ managers, and often minimum wage shop assistants or casual bar staff. The remarkable variety of uses and innovative styles in the Lanes area was also seen to be largely driven by the passion and commitment of entrepreneurial owner operators.

Porter (1995, 1997) identified exactly this type of situation as one of the competitive advantages of CBD locations. Seidman (2004) also emphasised the important contribution of small locally owned businesses.

Dave:

*And if I could put my finger on what was really special about Poplar Lanes, compared to the other ones (areas), it was they all owner operators.....and I think you get a character from an owner operator which you don't get from absentee owner(s). One person's...or a group of people's passion and they're there all the time and they are the face of this and they.....you just can't beat an owner operator for personality that puts into a tenancy.*

Neil:

*They were all owner operators you know, from Cotter's, Alice's, everything, that was the beauty of the area, it was all owner operators. If you wanted to go and talk to somebody about something you could talk to the boss rather than some shop person .... HUGELY important.....the combination of people that were there, the businesses, the fact that they owned the business They were interesting, you know the stuff that they had was*

*interesting; the number of films that were shot in that street, movies, videos. There's always something happening.*

Kate:

*The people also were mainly owner operators and I really liked the idea that people... that old school way of knowing the owners of businesses, and also having that personal connection with them. And as far as a consumer coming into a store I found ... that people really enjoyed knowing and connecting with an owner and having a rapport with them and also that created I suppose loyalty..... And I found that was probably the way that we survived, was through loyalty from our customers, because that's what they were looking for as well. So that very boutique and very personal service ..... and those people that were loyal to you were those people that don't really go to the malls because that's exactly how they feel, that they're just a person in a sea of people just dealing with people that are doing their job. They're looking for something different and they're looking for that old school way of people interacting with each other, that the owners are there because they're passionate about what they're doing and it's personal.*

Ed:

*Owner-operators. Good because it's authentic. ....Just something authentic, mixture of people ... passionate people.*

Ivy:

*I guess that would be a distinctive feature was that yeah, they were owner operated. And sometimes people had some part time staff as well, as they could afford them or as the business demanded it, but general speaking the bulk of the hours were being done by the owner. So you certainly get the passion and the level of service and those sort of things. ....Yeah, and you could do that with a genuine sense of enthusiasm because you knew the owner. Makes me very nostalgic talking about it!....I think it attracted a lot of people like myself who were independent business owners.*

As elsewhere in this chapter, interviewees drew comparisons with other parts of the CBD. The owner operator status of the businesses in Lichfield Lanes was seen as an important distinction.

Owen:

*.....and the other thing was that they were, you see, the landlords. They owned the real estate ONLY. They didn't own the activities, which was a point of difference from SoL Square in the other site ....the Landlord Company owned the real estate and the businesses...*

Kate drew a distinction with the High Street stores.

*And most of those High Street stores were not owner operators they had (a) manager....*

Because the businesses were owner operated, the owners had the opportunity to experiment, monitor what was happening, minimise potential conflicts and maximise symbiotic relationships. There was scope for quick initiatives and decision making as the owner operators were both dedicated and could commit. For example John experimented with different opening hours (discussed earlier) and other promotional initiatives in conjunction with his neighbours.

The small, owner operated businesses as well as the relatively small holdings of the building owners also came up frequently in the public meetings observed. Those attending clearly saw this situation as important in delivering the style and variety of the Lanes area, and making it an interesting and vibrant location for customers. Clearly, the rebuild authorities had a different view, with a requirement for large redevelopment plans of at least 7000m<sup>2</sup> in floor area, and a desire for corporate tenants. This is dealt with further in Chapter 9.

## **8.9 Start-up businesses**

For many of the owners this was their first time in business. Helen liked both the style and the people and saw it as a great place to start her business.

*I just thought it felt good and looked good and the people there were nice and I thought that it would benefit my business being there really. I hadn't even had a business; I'd just started up really. It'd be a good place to start a business.*

Ivy recounting how she got started in business.

*So I thought all I can do is be really nice to people. And weirdly enough that worked, so we went from you know, a start with nothing behind us to, well when the earthquake happened, I had just got to that point of thinking, it's been two years and we're doing really well..... It was just all worked out. We'd worked so hard to get you know, the kind of hours you do when you're new in business, and (when) I wasn't in the shop, I was at home researching things on the internet so ...*

New and unconventional businesses as well as personal interaction with their creators are all seen as appealing to the creative classes, as discussed in Chapter 5 and earlier in this chapter.

There were a variety of perspectives on this “new in business” situation. Some thought new, edgy and innovative styles, products and services could be offered and the passion and commitment of start-up businesses was part of the success of this area. Others believed the new operators (including themselves) were naïve, attracted to the area by the style and low initial costs, but taken advantage of by the developers and agreeing to too much rent or other onerous lease terms, quickly driving their costs to unsustainable levels.

Another perspective was that a certain amount of tenancy turnover was to be expected in very small start-up businesses, and the constantly changing experience this generated for shoppers was part of the appeal of the Lanes area. Again change is seen as appealing to creative classes by many authors as discussed earlier. Reasons for business failure prior to the earthquake included: it was the wrong offering; timing problems, rent increases, disruption by the tram line construction or a more general lack of foot traffic.

Kate subscribed to the latter view but was also critical of the landlords.

*...there had been a bit of retail coming in and leaving, as it does. People try it and if it works it works and if it doesn't it doesn't. Might not be their clientele.... one thing that upset me was the choice of tenants that the landlords made and knowing that they wouldn't survive. Me knowing they wouldn't survive in that area, and they didn't, and the turnover was exhausting at times because you sort of think 'augh'.. You know and it's really sad for the person who's gone in there and put money into setting up something and it's just not responsible. That's what I thought.*

Fred – the developer’s perspective is as follows.

*Umm... what we always saw (was) that the area would allow people to start a business, cut their teeth in business and find out if they wanted to be in the sort of business they were in, retail or hospitality or whatever. And if they got to the point where they did not fit in they would grow into and go to other areas of the city. So in some ways it was an incubator for people to cut their teeth on and see if they could be successful.....I think there were some businesses that... um were there.... um because the rent was cheap and that was a start for them. Some of them I don't think were appropriate.*

Because many of the businesses in the Lanes area were in the start-up phase and owner operated, they were inherently at the micro-end of the business scale. As identified by the Ministry of Business Innovation and Employment (MBIE, 2014) many New Zealand businesses are in this category and this creates both opportunities and problems. One problem discussed next is balancing the different needs of small business owners when people have complex and evolving lives, as identified by Simon (1956) in his concept of satisficing.

### **8.10 Not in it for the money, social dividends and satisficing behaviour**

An interesting finding from the interviews was that many business owners were not overly concerned about making lots of money – in contrast to common perception. They did need to make a living, but their total return or “dividend” from their investment and efforts in their business was much more complex. This dividend incorporated aspects such as relishing the challenge of building an enterprise, the self-determination benefits of being self-employed, the value of the physical environment, the enjoyment of social interaction with other nearby businesses, customers and the wider public, and pride in the business owner’s achievements and the contributions they were making to the city. All these characteristics are again reflective of the creative classes discussed in Chapter 5.

These mixed means of achieving satisfaction fit neatly into the satisficing concept established by Simon (1956), and discussed in more detail in the literature review. As also mentioned earlier, satisficing has been identified by recent research as being particularly applicable to small businesses in a New Zealand context, (Smale, 2009; Rowarth and Parsons, 2011; Whyte, 2015 and others). The comments from those interviewed below clearly show this phenomenon was also playing out in the Lichfield Lanes area.

Ivy:

*.....kind of for me the shop too was always more than a business. It was about having, you know, a satisfying, happy experience and it's hard to replicate that. It was just a magical little spot and I did feel like we were characters in a book or something. We all had our little quirks and...Like a Maeve Binchy novel or something.... being written about the various people and ... some were borderline alcoholic, some were slightly crazy... .....I felt, it's sort of funny talking about this..... I haven't probably said this stuff to other people but.....like, I felt sometimes like I could be, I could leave my life behind and go drive up there. And I'd be sweeping outside and I'd feel like a character in the book *Chocolat*, where she has a chocolate shop. I sort of felt like something rubbed off on me from being a part of that.*

The above quote very clearly resonates with the work of Schwartz et.al (2002, cited in Smale 2013) discussed earlier, whereby small business owners derive a substantial sense of self-worth from their association with their business.

Ed also spoke to an un-business-like approach to business.

*Everyone very passionate about what they do....opposite of a mall. Not about trends. People who had an on-going passion....dream. Not necessarily business plans or models but enthusiasm and some "make it work".*

Dave:

*It's never going to make heaps of money – that type of business.*

John gave a remarkable example of actions that might be considered unusual for a business, not related to making money, but from which he clearly gained some other satisfaction, and likely only to occur in an owner operator situation.

*There were times when I actually met tourists in the shop, and when I was finished we'd actually go and jump in a car and show them around town. Just because they're nice people and they couldn't find anything to do.*

## 8.11 Conclusion

In this chapter people based issues seen to be important to successful inner city revitalisation were examined and these focussed on style, culture, and individual and community social interaction. These are shown in the circles to the left of Figure 3.2. People attracted to CBD locations and their inherent lifestyles are often different from the suburban majority. It was found, as in prior research, that the Christchurch CBD needed to differentiate itself from competing suburban retail competition in order to be successful.

The more European style and feel of the Lichfield Lanes area was a significant attraction to all interviewees, and was also raised in the public meetings observed. This style involved physical aspects such as architecture, scale and density, but additionally the vibrant street life, variety of uses and inhabitants, culture, eclecticism and social interaction that are also typical of old European cities. Tied in with this style was the predominance of small, local, owner operated and often start-up businesses - a stark contrast to the large scale corporate tenants that dominate suburban malls. This return to older patterns of urban development is also advocated by new urbanists.

The creative class discussed in Chapter 5 often value new, unusual and offbeat experiences, and the style of the Lanes area was attractive to this economically important group. Too much control, commercial capture of culture, and gentrification can repel these people though, so a fine balance has to be maintained. Community, co-operation and loyalty were also very important to interviewees and interestingly extended to relationships with customers, as well as between competing businesses. Another interesting finding was how many business owners were motivated by non-financial and social returns, reflecting the satisficing behaviour identified by other New Zealand researchers.

The following Chapter 9 moves on to consider the importance of the legal and political factors influencing the development process in the Lichfield Lanes area.



# Chapter 9

## The Development Process, Legal and Political Factors

### 9.1 Introduction

The observations of post-earthquake public meetings and the comments of those interviewed, (already included in Chapters 7 and 8), shed some light on their views of the influence of legal and political factors on the process of both inner city revitalisation and recovery from the Christchurch earthquakes. This chapter looks at those issues in more detail and in particular the somewhat chaotic redevelopment process that characterised the Lichfield Lanes area leading up to 2010.

Returning again to the map of this thesis introduced as Figure 3.2 in Chapter 3, the disaggregated version below (Figure 9.1) now adds two more circles to the right, relating to these legal and political factors associated with local and central government and other external agencies. As in the previous chapter, these circles overlap with each other and also with the physical and economic issues discussed in Chapter 7 within the central box. But an important observation is the lack of connection between many of the people-based factors discussed in Chapter 8 and shown in the circles to the left, with the legal and political factors shown in the circles on the right of the diagram.

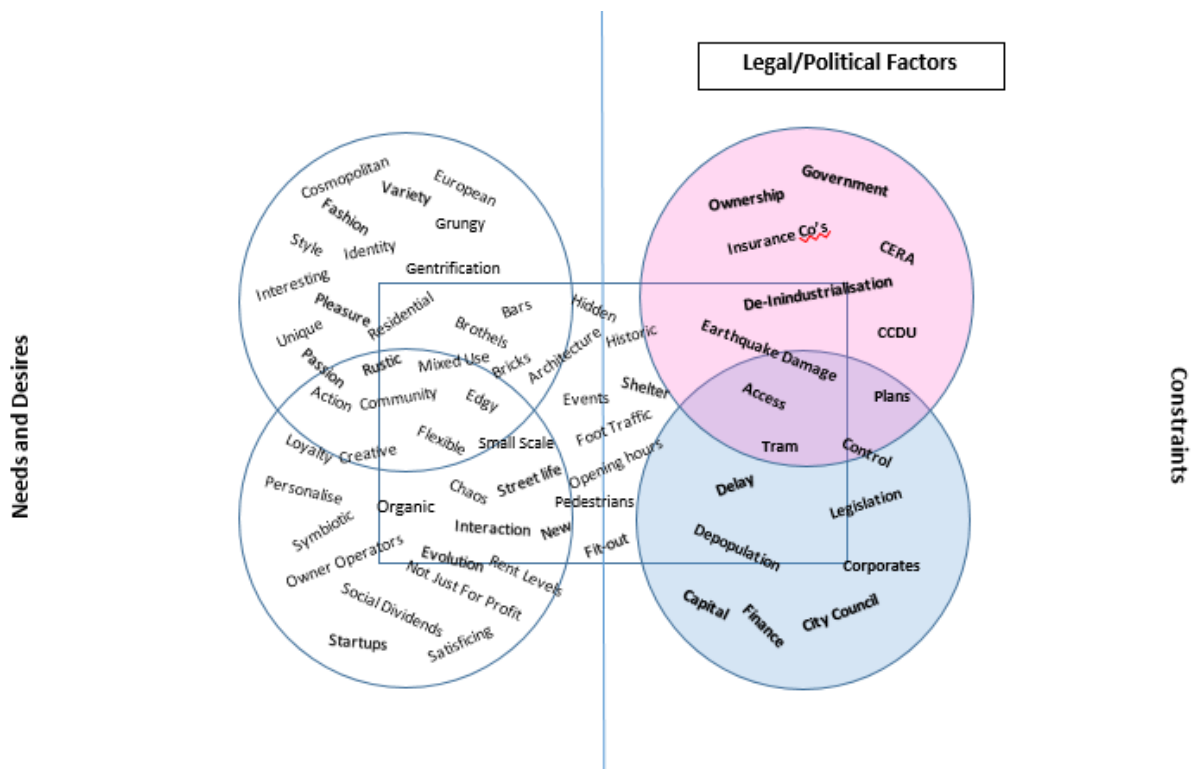


Figure 9.1 Disaggregated right side of Figure 3.2

Prior to the earthquakes of 2010/2011 the principal agencies involved in CBD revitalisation were the Christchurch City Council and, to a lesser extent, central government via legislation such as the Resource Management Act 1991 and the Building Act 2004. Post-earthquake these agencies were still important, but important planning and control functions were taken over by the Canterbury Earthquake Recovery Authority (CERA) and their subsidiary which focussed on the CBD – the Central City Development Unit (CCDU). Also important was the influence of the Minister for Earthquake Recovery, as well as insurance companies via the requirements of their policies for settlement of earthquake claims following the Christchurch earthquakes.

## **9.2 CBD revitalisation and the development process**

This research found there appears to be a fine balance between enough town planning and co-ordination to facilitate revitalisation and too much prescription and control, which can eliminate character and variety, and deter investment. As discussed in the literature review chapters, Porter (1995) and Hebert et.al. (2001) comment on the problem of heavier regulatory impacts in CBD areas, compared with green fields suburban sites, encouraging development of the latter at the expense of the former. Suchman (1994) advocates simplification of regulation as a key CBD revitalisation strategy. Frieden (1990) and Kaplan (1995) similarly advocate local authority partnerships with developers, which have been successful in the USA. Unfortunately, simplification and co-operation did not seem to be occurring to any great extent in the Lichfield Lanes area or the wider Christchurch CBD pre-earthquakes. Even worse, an extreme version of a top down, centrally planned approach was put in place post-earthquakes.

## **9.3 The developer's vision of an "organic" development process**

The developer's comments below outline their revitalisation initiatives and the strategy underpinning the development process. The developers felt they had an overall vision but were following an "organic" approach to development for aesthetic, financial and practical reasons. Starting in the early 2000s, the development of the Lichfield Lanes area proceeded piecemeal, gradually gaining value, momentum, public and official recognition as time passed and incremental improvement and redevelopment took place.

Fred:

*So I had sort of mapped out how a network of lanes could be configured. I said "look here this is a concrete block building, It is amongst all the brick*

*buildings, it doesn't fit here. If that was taken out it would create a little courtyard". And so then I said....., "another section there is an opening between two buildings and beyond that there is a garage – we could take that out. That would connect this little lane through into Poplar Street. Then we would need to get a connection in through to High Street so we would have flow from there, not only from the south end there at Tuam Street, but we had something in the middle".....Then we had the opening from this little lane and Poplar Street out onto Lichfield street and I said "look, there is a little courtyard on the other side of this brick fence".... Everybody thought we were nuts buying on Lichfield street, as being a one way street (it) has been in a state of slow death ever since the one way street was put in, but we saw the potential of the lanes rather than Lichfield (street) so I guess that's how it started.....It was a closely held business with investors that were known to us. And they put equity into the buildings, which enabled us to purchase other buildings, which allowed us to aggregate the buildings that we needed to put together this little lane network.*

After a period of acquiring properties "under the radar", to ensure they had sufficient control of the development area, the developers contacted the Christchurch City Council. They were surprised to find the Council had some years earlier commissioned a leading architect to assist with inner city revitalisation, and he too had identified the potential of this area.

Fred:

*At this stage we probably had about six buildings, something like that, and then (a council employee), he said "did I know Ian Athfield (a high profile architect) had done a project on that area for the Council a few years prior?" and I said "no I didn't" ... I had no idea....people were always rabbiting on about Bedford Row (a similar inner city area) and how wonderful that was going to be um.... but I did not realise..... I had never seen the plan, we had just looked and saw the possibilities of it. So he said "would you like a copy of it?" "Yeah, it might be useful!" So,...so he went off and printed off a copy and drawings and what have you of it.... and um.... I took it back to the office and was looking through it and ....God this is pretty much what I had seen in the potential of this area... um .... So we then got engaged with the Council realising they had shown some commitment to this area.... I think the key to what Athfield had done to this area was um.... the Council had asked him to identify where revitalisation of the east side of the city should start from and he had studied the whole east side of the city.... and he had identified this area (and) Bedford Row as being where that should start from.*

The importance of a thought-out strategy for inner city revitalisation was emphasised by Houstoun (2003), Waxman (1999) and Mitchell (2001); and Rucker (2001 in Seidman 2004) raised the same issue in relation to the Main Street Programme, discussed earlier in the literature review. The developers of the Lanes had a somewhat unusual strategy in relation to the type of tenants they

were trying to attract and the way the development was marketed and progressed. The developers clearly wanted to distinguish their project from the more typical processes followed, as illustrated below.

Fred:

*There were some people we just turned away because they just wanted too big a space. We didn't want that, we wanted.... sometimes we compromised and very often it didn't work when we did.... you know, sometimes if we stuck to what our original plans were it could have worked even better.....Northlands Mall had been through one of its many redevelopments and we had noticed the amount of advertising they had done to say the mall was open. We said we did not want to do that and wanted the thing to grow organically. We wanted people to discover it and feel like they had discovered somewhere special..... Because of the narrowness and the quirky little lanes, somebody could go there and have a cup of coffee, a drink or a meal and go away but still have the feeling that they hadn't seen it all..... And that would attract them back, and of course word of mouth is the best advertising and they would tell their friends "Have you seen this place you must go down there for lunch" and so they would bring others down. So we did not advertise – not one piece of advertising did we do.*

The developers themselves were well aware of the lack of planning to the development. They saw it as a strength and point of differentiation, again resonating with the work of many of the authors previously discussed. As will be seen later in this chapter, this “organic” approach was also popular with tenants and their customers.

Fred:

*Well, I think it was because we were doing the project it wasn't something we planned out in great detail for a start .... We just worked building by building as we acquired them so it was an organic process. What I learned about was how to work within what you had, and you needed to do that to be economic. So that became the ethos of what we did; we didn't want to overpower the building or do something that didn't fit in with the building so we had to keep the feeling of the building there.... Though we would make lots of modifications, we kept the envelope intact, the look of it intact. We did have one firm of architects that got involved in one project but I think they stuffed it up. Basically, they just wanted to make it too grand and that wasn't what this area was about. It was about working with the buildings, those quirky little spaces, the corners and things, and we had to do that because we did not have a shit load of money to throw at it, we had to do it out of revaluing the buildings and generating more value, to borrow more, to do the next stages.*

## 9.4 Business owner's views on chaos, variety and the organic development process

The architecture and variety of building shapes and sizes was also seen to encourage a somewhat chaotic but innovative approach to the use of buildings by the businesses that occupied them. This was seen as important to the character of the area, as expressed by Dave and others.

Dave:

*Loved style of buildings... huge part of it..... Exposed brick, run down, appeals.....even the way the buildings were modified and adapted is really appealing to me... compared to a straightforward "concrete box" you might go into now. I like the spaces that are weird and quirky .....When designing it....it's a lot more challenging and rewarding I think....Space dictates how you tend to behave with it a bit more... Lack of old history in Christchurch so we clung onto that..... Industrial buildings tended to be umm....that helps with when you go through retrospective earthquake strengthening....all that sort of stuff...(originally) built to have tonnes and tonnes of cloth gantried up....I like the constraints of old areas.....buildings having to fit around each other. Area grows organically. Just don't get that with new buildings where everything is nicely designed.... I think dysfunction and chaos is underrated.*

Alan:

*I think it was very much evolving.....Seen as cluster of some businesses.... just an idea rather than reality. Just evolved... there was a concept but very loose and just grew organically....I think that is ultimately what made it work. That was certainly an attraction for us, it wasn't regimented, a formulation at all.*

Mike:

*..... Making do with what we've got. We've been pushed into here – but its working.*

Helen:

*There was a whole lot of things chopping and changing there all the time. And then they got that French market in which was trying to get that village feel. So they were trying to make something happen. It was chaotic and organic.*

Owen made comprehensive observations of why he thought the chaotic development process of Lichfield Lanes seemed to work – in this case in relation to generating true mixed use:

*...exactly, some people say chaotic because it is not the conventional way it has been done before where you have properties that have been fenced.....and a little building, but in reality it was .....mixed use, TRUE mixed use can stick out ..... Yes it was chaotic, but not really THAT chaotic because you have a totally different way of mixed use encouragement. And yes, it was not only mixed use by plot to plot, but mixed use within the building.....*

George saw the varied mix as important and felt the area had a different style from the nearby South of Lichfield development.

*You had your operators like (a hospitality operator). It was just a whole eclectic bunch of people whereas SoL Square was more contrived, manufactured type lane area.*

The literature is divided on the benefit of adapting old buildings to new businesses. Inner city areas often initially have a supply of vacant and underutilized real estate with low land costs and building rents. While this real estate can suit some uses in its existing form, the condition and costs associated with its adaptive re-use for other functions can be an obstacle to new investment (Ferguson, Miller, and Liston, 1996; Porter, 1997; Suchman, 1994). In contrast, other researchers have found it less expensive and more feasible to rehabilitate existing building stock than to build new (Rucker, 2001 in Seidman, 2004). This latter viewpoint was generally seen to be the case by the developers and tenants of the Lichfield Lanes area, and there were additional spin-off benefits in terms of variety and style, in addition to cost savings.

Having to fit into existing, oddly shaped, historic buildings stimulated creativity in terms of building use, layout and fit-out. Most tenants had the freedom to construct their own fit-out without much direction by the developers and, in some cases, this extended to carrying out structural improvements at their own cost. Again, this was generally seen in a positive light, even though the developers stood to benefit, as represented by the quotes below.

Gemma:

*We loved the hands-off approach that the landlords took. Actually not suggesting that they were amazing landlords, because in some ways they were too hands off, but we just enjoyed the fact that we could take the lease and be in this little area.*

Owen:

*We were alive because we were small businesses, and yes the landlord would allow us to rent the place and allow us to do betterment. So once we could do betterment that allowed them to increase the real estate value and at the same time it would allow us, small businesses, some freedom.*

Kate was also a coloniser or pioneer, especially as far as retail (as opposed to hospitality) was concerned. She valued the creative freedom, and also observed the changes occurring and tried to steer them in the right direction, as far as she was concerned.

*I went into the area knowing that I had to create what my idea was. I wasn't gonna be relying on the land owners to be helping me to create that. I knew that at the very beginning, there were little promises but I wasn't expecting them to be pouring in money to promote it or fixing up the buildings and doing all sorts of stuff. I just knew that I had to create my thing, and I over the years took on three shops in a row so that I could have a bit of control of the feel of what I thought the area needed.....Yes, yes and they were pretty raw in their state as well, they just had lined walls and partitioned off areas. Umm, I know for myself that was the biggest part that attracted me to the area... was that I could create what I wanted, not what somebody else dictates to me, and so that's exciting for me. It might not be exciting for anyone else who might not want to be involved in that.....very organic, yeah. And I loved that.*

This ability to present their own identity and values via their business and not be controlled is an important characteristic of the creative classes identified by Florida (2002) and others, as discussed in Chapter 4.

Sometimes there was criticism that the developers were disorganised, and desperate to take on any tenant without much analysis as to their compatibility or chances of survival, but it meant businesses could also readily adapt and change (and in some cases die out and be replaced by something else, as per Bates (1997)).

Linda:

*Yeah.... It was, it was chaotic and I think everyone that was down there was passionate about it and wanted it to... Absolutely because as horrible as it sounds the landlords didn't have the vision. I mean they wanted it to be cute and quirky but then there was talk of them putting in like an Internet café. And still to this day think it should be regulated.*

Mike had a similar viewpoint. Initially the chaos suited him, but he felt pressure on the developers to lease space was compromising the vision.

*....we kept moving the storage areas around, depending on what the landlords were doing, Yep, it wasn't organic to me it.....It got taken over by developers.... in their interests really. It was predominantly to lease space, rather than let retailers grow, and adapt and do it for themselves. Things would get created and developed, and then it was like we need a tenant, who's going to take that space.....*

Helen made a similar point regarding the developers.

*.... it wasn't the fact that they were chaotic, they were wanting to .....spend as little money as possible so hence the chaotic-ness of it.... Was often frustration at the misinterpretation of deals.... nothing was in writing. Some people would say that they were rogues, and then at times you could see that the vision was that they wanted something similar to what was going on in some of the areas of Melbourne. (Regarding tenant turnover).... Yeah they'd be in there for a short time and you'd sort of go well that's a good business and the people are really lovely, but why that business. So the landlords didn't seem to be very fussy about who went in, just more of, maybe.... need the money in the bank. I don't know if that was their thinking, logic or not.*

Helen was still in the Lanes at the time of the earthquakes but had observed the changing character and economic impacts of the GFC, and was considering moving on when the earthquakes struck.

*I actually got there at probably one or two years and then the recession hit. So it was already sort of moving along and then C1 Café moved in there which perked it up a bit. ....Well it was a good place for me to get started. At the beginning I really, really enjoyed it. Before the earthquake I was really ready to move out of there, partly because I think because of the recession. And it was happening all over town that a lot of businesses were starting to fall over, really quickly. So the original image of there being a sort of a certain genre of business or a certain style had started to change, and the businesses that they were getting in were a bit scrappy some of them....*

As discussed in Chapter 8, tenant turnover was seen as an unfortunate but somewhat natural process by Kate and John, but along with those above, they were getting frustrated at the frequency of turnover.



Another aspect of the “organic” development process was that tenants appreciated that they could construct their own fit-out, often using their creativity with recycled materials, in keeping with the style of the building and their businesses within it. This kept costs down and was seen as a stark contrast to the generic, professional fit-outs seen, and usually required, in other retail areas such as the malls.

Ivy:

*We had very little capital behind us, we had literally.... it was the smell of an oily rag scenario. We furnished it with, you know, beg, borrow, Trademe, everything.*

Mike:

*We didn't need to economically do a big flash fit-out to make the business....It has to be sustainable, and the necessity isn't suddenly to invest a whole lot of money into flash fit-outs and over the top marketing and branding.*

Owen:

*The fact was we could actually improve it ourselves. So, you know, when you are a creative person, some other people will charge say \$10,000 for a renovation, you can do it for \$4,000 because you know what materials you buy> You do it yourself so there's, I did my office woodwork, with my partner for 2-3 weeks we sand the floors, seal the bricks for no dust. You had that capability and ability to um, of improving, tailor made to your needs, so that made the cost.....and the cost was lower, and you knew that those betterments were. Many of those things were going to be for the benefit of the landlord, because if you ever left there is something left. But that is something you happily take on board because you are the one that is using that space every day.*

John:

*So a tenant might come in and spend quite a lot of money on the fit out and go out of business shortly afterwards.*

As pointed out by Owen and John above, the turnover of tenants led to re-usable fit-outs being left behind in some cases, easing the barriers to entry of the next start-up business with limited capital, as illustrated by Gemma.

*The bar was there. Some people had come along and they'd obviously taken the lease on the site and they'd installed sort of a very quick cheap bar, but because of the character of the building they'd been able to get away with it.*

However Kate did not want this to happen to her again.

*Yeah, and I really thought well if I'm going to be doing another big fit out I really want it to be my building. I didn't want to be lining somebody else's pocket and then keep having an increase in rent every year.*

Again, reflecting the findings of Hernandez (2001), John made the comment that businesses that were unconventional could potentially find a place to try out their concept. He related the story of a bar that would not have found a place in a more typical development.

*.....couches that were so old and scungy Dunedin students wouldn't use them to set them on fire, and they all got chucked out in various disarray with drums of fire going. So that, you know, the students who wanted to look as homeless as possible could really complete their look, and it became a successful bar! ..... There were many successful landlords around town that if you'd gone to them and said, "ok I'm going to put a bunch of bars up and throw in some really old couches and put some fire barrels in and then we're going to make a bar out of it," most landlords would have looked at you and gone, "yeah nup, no you're not, we'll get someone else." So I mean, it did adopt a lot of free style you know.*

As expressed in Chapter 4 and 5, this is the sort of edgy and experimental environment attractive to the creative classes identified by Florida (2002) and others. Similarly, the "organic" development process used in the Lanes differentiated this area from other CBD developments, which were seen as more contrived and controlled, and could be seen as examples of commercial capture of culture in terms of the work of Frank (1998), Zukin (2001) and others. The creative classes that find inner city areas attractive often rebel against such control and commercial capture. Gemma, George and John made comments illustrating this issue.

Gemma:

*We actually much preferred Poplar Lane to SoL Square because it was more natural and it was more about all the people working together.*

George:

*Poplar Lane was probably a bit more organic (than SoL Square).*

Gemma:

*Yes it was cooler.... (re SoL Square) it was a bit too contrived and you were either in the gang or out of the gang. There wasn't any room for normal people; whereas Poplar Lane was all about the normal person.*

George agreed:

*You had your operators like (one of the tenants). It was just a whole eclectic bunch of people whereas SoL Square was more contrived, manufactured type lane area.*

John:

*Well if you look at SoL square, where it succeeded and suffered was, there was a dictator, it was like a sort of benevolent Chinese dictator..... and everybody had their place, which made it quite a powerful engine, but it started off with a boom and declined as people found it less appealing.... Whereas Poplar Lanes was... it was able to be reactive, you know, these businesses that worked together.*

Neil:

*Yeah, yeah it was part of it I reckon...um if [a particular well-known developer] was there or [another well-known developer] it [Lichfield Lanes] would have been completely different.*

The comments above relating to the organic or chaotic development process by many business interviewees, as well as by the developers themselves, strongly resonate with the “muddling thru” ideas of Lindblom (1959). The details of the ideal solution are elusive and vary with the situation so a process of successive comparison and evolving policy takes place. Different views from different stakeholders may be incorporated at different times. Also, progress is made on those initiatives that stakeholders can agree on – even if they individually have different objectives as a result of those initiatives. Those initiatives where agreement is more difficult may be stalled.

The development process is also simplified by proceeding via marginal changes. This can accommodate the “watchdog effect” of stakeholders preventing adverse effects early, or carrying out mutual adjustment to minimise effects. Quinn (1980) has a similar outlook in discussing logical incrementalism. This concept fuses together strategy formulation, planning and implementation of strategy. Both formal and informal decision-making processes are used at the same time, dealing with political realities.

The comments of the developer, included earlier, indicate he was taking this sort of incremental and ad hoc approach. This approach can be good for involving communities in the development of places, solving problems as they occur, experimenting and taking up new options, or fine tuning. It is also the way many knowledge workers and members of the creative class operate. But it is at odds with traditional systems-based approaches to strategic planning, and the way most large organisations, such as local authorities, operate.

## **9.5 A different experience from that of a mall**

A recurring theme amongst interviewees previously alluded to was that they wanted the Lichfield Lanes area, and the businesses within it, to offer a very different customer experience to that found in more typical CBD retail locations, and especially that found in a shopping mall. The mall experience was seen to be too uniform and manufactured, and their operation too controlling. This was both in terms of controlling the customers via marketing, shopping centre layout, promotions and tenancy mix but also in terms of controlling the retailers via corporate culture, lease terms and operational rules. It was not just the customer experience they wanted to differentiate from a mall, but also that of being a business owner.

Again, Florida and others associate such rejection of control and desire for novel experiences with the creative classes.

Ivy:

*...they were the types of stores that you don't see in the malls, you don't see in what's even now become like the Restart. It's not the high end thing.... That's true because that can end up feeling a little bit manufactured I guess. And that's right, maybe that's the inviting factor about it.... It was the sort of shopping personally that I would like to do. To have, I don't like using the word boutique too much because I think it's got implications of exclusiveness, and maybe expensiveness, and it wasn't like that, but boutique in the sense of small and individualised.*

Linda:

*But yeah, community, our customers were amazing. They were so sick of being in malls and thought that what we were doing was amazing, and you create relationships with them.*

Owen:

*.....we didn't like the shopping centre type of setup. It was pedestrian life: and it was pedestrian life what really appealed.*

Dave:

*Even modified/adapted buildings really appealing, as opposed to basic "concrete box" you might go into (in a mall).*

Helen thought a CBD location offered "dressing up" as a benefit.

*The (city) centre works for Dunedin and it gives you the sort of village feel. And Wellington is similar; it's still got some suburban suburb things but it's got this kind of really heart to it, whereas Christchurch had lost that to the malls. Yeah and it gave you somewhere to get dressed up to go, and you can get dressed up in your lovely designer clothes that you've just bought down the road and feel like you're something. You know? You know it's one point of view. But if you go just to the mall or the burbs there's nobody to show your status off to.*

George and Gemma found both suburban malls and other parts of the CBD to be unappealing. Like many creatives, they also thrived on developing their businesses and did not want artificial constraints on this aspect:

Gemma:

*....unlike the strip which holds absolutely no interest to us at all.... it's soulless.....It was more just the style and the concept; and it was just that you really wanted to move and to grow in the business, so we were probably a bit stale with just the one business. We had so much energy between us to sort of move and grow, that we really just wanted to be part of something that was exciting.*

These comments reflect the findings in the earlier literature review that the “Main Street” approach to revitalisation can have a greater chance of acceptance than business improvement districts and especially, centralised retail management strategies. The latter in particular, while providing clear benefits, is often seen as too similar to a mall management model. Small business owners resist sharing control, information, complying with operational rules and co-ordinated leasing and tenancy mix. They voice concerns that they are trying to achieve a different experience to the homogenised and regulated retail environment of malls, so why should they use a similar model (Stokvis and Cloar 1991; Waxman 1999). The Main Street strategy is less regulatory, able to be tailored to local conditions and more based on consensus and cooperation. The key points of the Main Street Programme - organisation, design, promotion and economic restructuring, were all evident in Lichfield Lanes, but some interviewees said they could have been developed further.

Another comment from John included earlier was that the developers allowed or even encouraged the types of business that would not be contemplated in a typical shopping mall. These were often small start-up businesses, low capital owner-operators or unconventional in some other way. This is raised by Dane (1988) in her review of the Main Street Programme. She highlighted the benefits of CBD locations and the differences in the large inner-city consumer market that can include immigrant entrepreneurs, ethnic markets, and the multicultural character of many urban neighbourhoods.

All the above factors combined into a shopping experience particularly well aligned to the customers interviewees were trying to attract and the products and services they were selling. The retailers saw their customers as looking for something very different from the mainstream offerings dominant in suburban shopping malls. This reflects the work of Porter (1995, 1997) discussed earlier, in terms of the competitive advantage of inner cities. It also resonates with the work of Teaford (1990) and

Levine (1987), in that rather than tackle suburban malls head on, the approach should be to try and differentiate and reposition the CBD to compete more effectively.

Porter (1995) and Hebert et al. (2001) comment that inner-city locations may have higher costs and more heavily regulated business environments than suburban locations. These higher costs can be operational such as: local authority rates, utilities, parking, insurance and security. Or they may be development related, such as increased development and compliance costs, more extensive development regulations and contributions, higher construction costs, the logistics of building in a busy and dense urban environment, clean-up costs, and the time and expense of engaging in the planning process and securing support from community groups and other affected parties.

The Lichfield Lanes development “flew under the radar” for some time in regard to the above, but leading up to the earthquakes it was coming in for more official scrutiny and involvement, not all of which was welcome.

## 9.6 Christchurch City Council involvement

As illustrated and discussed in Chapter 8, the City Council was seen as introducing gentrification to this part of the city. This was seen as a positive by some, a negative by others and a complicated mixture of costs and benefits by many. The historic tram line, perceived as being driven by Council enthusiasts, generated especially polarising views. Many interviewees as well as people attending the post-earthquake public meetings felt this was imposed upon the Lanes despite objections.

Kate saw City Council consultation as a sop:

*It's probably more the Council listening to the business owners that was an issue. I mean (the Council representative) he came at the stage when the development had already been decided upon. I mean they'd go through their little checklist of let's ask the business owners... but I think at the end of the day it didn't really matter, they were going to do what they thought should be done. And I know the developers weren't really on board with the tram line and they were annoyed and they weren't all keen on it.*

Alan had a more balanced view and could see both sides of the debate over the tram line, but he agreed that the decline in trade after the September earthquake was more due to the impact of tram line construction, than earthquake damage.

*All go (after September), there was a definite downturn mainly due to the tram installation rather than earthquake..... Well, the tram: there were pros*

*and cons, some people were for it, some very much against. The little retailers were very much against because the tram tracks ran straight through their doorstep and inhibited access ... they did not see a huge benefit. But hospitality engaged it enthusiastically, and the Council. The tram was point of enthusiasm by Council..... Before that the Lanes generally seen as a positive idea, but (the City Council) did little at a practical level. Did not want to commit.*

As Alan points out, generally speaking the hospitality businesses were less physically impacted by, and more positive about, the tram development than the retailers. But both groups saw the tram as primarily an expensive tourist ride, rather than a genuine means of public transport. They did not think it would deliver significant customer numbers to their businesses and felt the substantial public capital involved could have been better spent on alternative infrastructure.

Mike had left the Lanes area by the time tramline construction started but still had similar comments regarding Council initiatives and restricted access.

*...And then the Council came along and saw things were happening and they wanted to put cobblestones in and restrict parking, then they wanted to restrict truck access, there was talk of turning it into pedestrian only – all that stuff – I mean some of the other retailers were pushing for that, but that didn't help us at all..... Yeah, we sort of wanted industrial, sort of semi industrial.....*

A lengthy quote from Neil illustrating the progress of gentrification was included earlier in Chapter 8. He also recognised much of the residential usage was technically illegal and often brothel related, but said the City Council turned a blind eye.

*....cos there was a lot of (massage) parlours in this street. Yeah mine was (illegal), but I managed to pull my one off, because my place had been a massage parlour. I was living in the old shop as well. The place had been a massage parlour; they had not had a building inspector in there for thirty years because it had been a massage parlour. So they had no fucking idea what was there at all..... Quite a few people I knew who used to flat there over the years. Street kids that lived in the freezers that were out the back in that alleyway, by the butcher there.....*

Mike also reflected on the illegal nature of some of the residential uses.

*Of course, yeah, yeah, and to me it was better early on. Like when we started the café there were other wee apartments up High Street, and they weren't formal apartments, they hadn't been seen to by the Council, but*



*they were living spaces and you would get 7-8 students living up there..... It gave us the opportunity to employ them part time as they were in the area and didn't need full time work, you need all that to sustain a business like this..... Yeah, absolutely.*

John also talked about "unofficial" initiatives taking place in the Lanes.

*And it was the same in terms of the retail; where Saturday they had a market, which was an unofficial market..... and they decided to set up this market and getting the permits was damn near impossible because it was public road down there. So they came up with this idea that they'd just set it up and then after you've got it running for a while it's easier to apply for the permits, but they wouldn't market it anywhere in case it got shut down....*

Owen, Ed and others thought national legislation and City Council attitudes made it difficult for the developers to build their vision.

Owen:

*Yeah, yes, yes. If you think about it, a lot of people take an airplane to go to Europe and they go to the Amalfi coast and they go to these places, and they say ahh how beautiful it is you see how ....well...what happened in those environments actually was variety was allowed. And so how character came up... because variety was allowed so when they come back and land back in NZ, why do we have to think differently? When it was again it's variety, variety gives so much to a city life. I mean when everything starts being the same.....For example, they had certain apartments there that still could not be consented as apartments, because the legislation would not allow those spaces that were loft types. They still would not comply for living, but in reality a lot of people like artists, and so on, would WANT to live there with no problem. So whoever it was thinking, let's say the conventional way of legislation.....yes it was chaotic, but not really THAT chaotic because you have a totally different way of mixed use encouragement, and yes it was not only mixed use by plot to plot but mixed use within the building.*

Ed agreed.

*Council made development hard, so some potential spaces just languished. Residential mix would help as don't want to have empty during evenings.*

The same issues came up in the public meetings where multiple speakers felt attitudes amongst some Council employees, as well as national legislation, made it particularly difficult to include legally

compliant residential uses. The bulk of demand for inner city living was seen as coming from students and young people, with limited income. The provision of basic “New York loft style” apartments where occupants could cheaply stamp their own style on the accommodation was seen as important. This was occurring (often illegally) to some extent prior to the earthquakes. If fully compliant apartments were built, the purchase prices or economic rents were usually too high to attract more than a few older residential occupants. As a result the mix of uses was not ideal.

One speaker (an engineer) pointed out that as well as generating street life and customers for businesses, apartments created uses for parts of buildings otherwise difficult to lease, and could produce earthquake strengthening benefits, lower insurance costs and make redevelopment easier to finance. A related issue that came up in the public meetings was that Council needed to be more flexible in their approach for parking, for example permitting “off-site” but nearby provision, for example rented spaces in parking buildings, rather than requiring parking to be included in development proposals.

Several attendees commented that it was easy for the Council to draw up plans, the difficult part was building a development and making it work.

## **9.7 Criticism of excessive planning**

The above comments are again reflective of the ideas of new urbanists and other authors discussed in Chapter 5, who advocate for mixing up uses that have in recent times been separated by the zoning based planning of local authorities. Interviewees often expressed frustration at what they saw as unnecessary conservatism, as well as conflicting objectives within the Council itself and with national legislation.

Wildavsky (1973 p. 128) is critical of planners in this situation. He states there is no agreement what planning is, and that “planning fails everywhere it has been tried”. While planners believe they are solving problems, they are overcome by complexity and end up believing writing a plan is planning – whereas actual “performance” or outcomes should be the measure of successful planning. Planners stand between actors and society, and planning relies on the efforts of others to achieve outcomes. He believes power, politics and planning are essentially the same and are about governing and future control by selective resource allocation.

All strategic planning needs vision and overarching objectives, but Schon (1971) found systems approaches can drive out attention to mission and creativeness via excessive comprehensiveness, prescription and control – exactly the things bureaucracies, such as councils and government are

built upon, and “creatives” rebel against. Similarly, Taylor (1984) emphasised the balancing act between centralisation and bureaucracy and innovation and entrepreneurship. The latter inherently involves lack of accountability (for details rather than results) and many costly mistakes – and is therefore an anathema to public sector officials. This analysis explains the conflict apparent in this case study (and many others) between the risk-taking and innovative developers, businesses and customers who were attracted by the opportunities, risks and style of Lichfield Lanes against the more conservative local authority and central government planners, regulators and politicians.

Property development, especially in this context of adaptive reuse of inner city buildings, can be seen as a “wicked problem” in the words of Rittel and Webber (1973). In contrast with science and engineering situations, the problem is not easily definable. The complexity of the situation often means “to find the problem is the same as finding the solution”. The problem is not “solved” but “re-solved” over time by iterative action. The churn of tenants in Lichfield Lanes discussed earlier is an example. In addition, resolution does not depend on true vs. false information – there are multiple and unknown solutions dependent on time and circumstances. These require good vs bad judgements and these in turn have consequential follow on effects. This means the appropriate solutions can be dependent on the analyst’s world view – as can be other stakeholder’s opinions of the analyst’s solutions. This helps explain the conflict and varying beliefs in what was appropriate action between different parts of the City Council, the developers, and individual business owners in this case study.

Both Mumford (1962) and Molotch (1976) liken the city to a machine - a complex interaction of different parts, all with a role to play. Mumford charts the history of cities over centuries and records audacity and risk taking as always being significant, but observes more recent trends of runaway expansion blowing apart cities, defying control and resulting in a chaos of invention rather than the earlier exhibited unified leadership. Again, this could explain what it is about certain CBD locations that appeals to the creative class identified by Zukin (1989, 2001), Ley (1994), Mokyr (1992), Lloyd (2002), Florida (2002), the new urbanists and others.

Molotch (1976) also talks about the common interest in city growth as being a unifying force amongst disparate interests. While a lot of actors compete at one level, they often are capable of strategic coalition and action at a higher level for mutual benefit.

This appears to apply to the Lichfield Lanes area pre-earthquakes. The lack of growth in CBD retailing over the last forty years was widely seen as a common problem and retailers were willing, (for the most part), to work to publicise the Lanes area for common benefit. As discussed by Houston (2003), Waxman (1999) and Mitchell (2001), it is possible for businesses otherwise in competition, as

well as heritage groups, local authorities and developers to work together to combat the impact of suburban malls.

Molotch (1976) also highlights that any piece of land is an aggregate of local interests linked to personal wellbeing, and these interests are not necessarily tied to legal ownership or monetary aspects. Again, this observation applies to the Lichfield Lanes area, with many of the comments examined in previous chapters illustrating the aesthetic, community and psychological benefits derived from visiting and working in this location. Also, it was observed that many of those attending the post-earthquake public meetings did not have a financial stake in the area, rather an emotional and social connection to the location.

Local government, and in particular the planning department, is where Molotch sees competition amongst competing interests played out. Though implicit, growth or “boosterism” is the dominant agenda item for local authorities and this is achieved by the political distribution of land use. Often, more explicit symbolic policies disguise this fundamental growth agenda and its transfer of economic benefits to a few key players.

The post-earthquake compulsory acquisition of property by CERA discussed in the next section and the passing on of aggregated sites to developers could be seen as a clear example of this process playing out in Christchurch. This was certainly the view of the post-earthquake situation for many interviewees, who saw many previously existing small businesses and land owners being displaced by a small number of large and politically well-connected parties.

## **9.8 Post-earthquake recovery, City Council, CERA and the CCDU**

As can be seen above, up until the time of the earthquakes the development of Lichfield Lanes was seen as evolving in an unplanned, experimental, organic or even chaotic way by many of the interviewees and including the developers. This was generally seen as a strength and point of strong differentiation from other retail locations in Christchurch, even if the appearance of the development was slightly run down or grungy at times.

Most speakers and attendees observed at the public meetings also talked about this flexible and loosely planned aspect as a strength of the Lanes and important in any post-earthquake redevelopment. The eclectic mix of uses that resulted from this process was seen as very important in creating a draw-card in the CBD, and the changes in tenancies that occurred over time meant the area would constantly evolve providing interest for repeat customers. There was acknowledgement that greater co-ordination amongst land owners and some flexibility by authorities in regard to

planning and compliance would be necessary in the post-earthquake rebuild. It was felt important to quickly establish temporary buildings and short term markets before people lost the will or desire to re-energise that part of town, and shoppers got used to not having a CBD – and the different experiences it offered.

In contrast, planners, politicians and lawyers speaking at the post-earthquake meetings repeatedly said land owners in the Lanes area needed to quickly prepare professional quality, detailed development plans for the whole area if they wanted to play a part in the rebuild of this part of the CBD. Effectively, this would “put a stake in the ground” and perhaps help exclude other parties from trying to do the same in this, or a different location in the CBD. These speakers thought the vision for the Lanes area that existed pre-earthquakes and had again been proposed for the rebuild at post-earthquake meetings would be well received by the CCDU, but professionally developed plans were also necessary.

Attendees generally accepted this recommendation, but in subsequent meetings it appeared to be impossible for individuals to agree on a way forward in this regard. This may have been due to financial constraints, as many owners had yet to settle their insurance claims, but it also appeared to involve other issues including: a variety of people with different interests inconsistently attending meetings, a variety of opinions regarding the future of the Lanes area, conflicts over relative financial stakes in the outcomes, and personality clashes.

Due to the concentration of the CBD office and retail uses provided for in the “100 day plan” announced post-earthquake by CERA, much of the discussion at the post-earthquake public meetings centred on the potential to use previously commercially zoned land for high density residential uses. This was seen as essential to create a viable new CBD, but concerns were often raised about affordability, especially given the difficult soil conditions and seismic strength issues developers now faced. An increased residential component was seen to help resolve financing and insurance obstacles, but fire rating between units, Council attitudes to dealing with cross-legal boundary consents and the Unit Titles Act were perceived as problems. There were also serious concerns raised by how attractive to residents a CBD location would be if it was going to be a “building site” for many years to come, with few other amenities, compared to the pre-earthquake situation. While CERA were maintaining a 5-10 year period for full implementation of their rebuild plan, led by priority “anchor projects” such as a new convention centre, and a Justice and Emergency Precinct, most people attending the meetings thought it would be more like 10-20 years before the plans were realised, if at all.

Concerns were also expressed by some over the relatively high number of bars compared to other use types, which had been present in the Lanes area prior to the earthquakes. People did not want

the same situation to reoccur in the rebuild, as had been the trend observed previously in nearby Sol Square, where initial retail uses were replaced with more bars, or “The Strip” where only bar-type uses were contemplated. One of the speakers at these meetings, a planner, said the new regulations within the “100 Day Plan” put forward by the CCDU were quite restrictive in terms of noise and would effectively prohibit the types of bars and entertainment venues in the rebuilt CBD that were previously important to the success of the Lanes area. There were concerns that bars that had decamped to the suburbs post-earthquake may not return to the CBD given these new restrictions, (which did not apply to their existing locations).

There was also disappointment the CCDU “100 day plan” did not take the opportunity to plan for the relocation of parts of Canterbury University back into the city to generate street life, demand for student accommodation, and other education related services. Some thought this may still be able to be accommodated in the proposed, but somewhat vague, “Innovation Precinct”.

The post-earthquake meetings also discussed the proposal by CERA to erect a 50,000 seat football stadium adjacent to the Lanes area. Most attending saw this in a negative light. They did not see stadiums generating regular foot traffic (in fact the opposite) and the peaks of traffic associated with major events would overwhelm retailers and hospitality outlets with undesirable customers. The negative outcomes of the existing Dunedin stadium were quoted, and given these, attendees thought there was little chance of this stadium actually being built, especially given other priorities for government and local authority finances.

These public meetings also revealed fragmented ownership was seen as a barrier to redevelopment by the regulatory authorities. This appeared to be the thinking behind the decision by CERA to require a minimum floor area of 7000m<sup>2</sup> for any post-earthquake rebuild proposal in the CBD “red zone” area under their control. This may not only have been for redevelopment convenience but also, as was discussed by engineers presenting to the observed meetings, because seismic strength can be far more effective and cheaper to include in larger “squat” buildings. Buildings of this shape can also generate useable floor area and servicing (e.g. lifts, heating, fire protection) efficiencies. The total construction cost savings could amount to 50%, with an additional seismic strength benefit of 25% due to improved shape, i.e. roughly square, squat and stand-alone structures, rather than historic narrow and relatively tall buildings abutting each other and liable to “pounding” damage in an earthquake.

Sadly, most owners of the relatively small land areas and buildings still standing in the Lanes area after February 2011 felt this minimum floor area ruling effectively precluded them from being involved in the CBD rebuild. Their only option was then to accept the government offer for their land, and any insurance pay-out they could obtain for their buildings. They also thought large floor area

buildings would not recreate the special character previously existing and important to the future appeal of the CBD. They were pleased to hear engineering solutions were available to retain historic facades and attach them to new buildings, but doubtful regarding how often this would be done.

As the meetings progressed, it was reported by people attending that developers were now aggregating properties from those willing to sell, with a view to putting forward a comprehensive development proposal to CERA. Also, mixed messages were being received from the CERA regarding the acceptability of a development plan prepared by the existing owners. In addition, a report was made that the Minister of Earthquake recovery was becoming annoyed with some of the existing land owners and was not confident they had the capacity to take part in redevelopment of the area. As a result, it was anticipated CERA would compulsorily acquire properties from those not prepared to sell and eventually hand them on to the larger scale developers. These factors appeared to eventually kill off the enthusiasm of those previously involved in the Lanes area, to continue the struggle to be involved in the post-earthquake rebuild.

## 9.9 The Tannery development

“The Tannery”, (a suburban brownfields retail and hospitality redevelopment of an old tannery) was frequently mentioned by interviewees as the closest embodiment of the spirit of the Lichfield Lanes area still left in Christchurch post-earthquakes, albeit in a non- CBD location and a little more contrived and twee. The passion of the developer and his policy of only selecting owner operators as tenants was again seen as important. To date the development appeared to be successful – against the odds, given locational disadvantages in an unattractive and smelly former industrial area, without an obvious retail catchment.

Kate said some of the tenants displaced from the Lichfield Lanes areas by the earthquakes were asked to contribute ideas to, and be part of this new development.

*And I know that Poplar Lanes (tenants) were sort of called in, ..... to the Woolston Tannery very early on after the earthquakes, and we had a meeting there with the architect and the guy that owns it....and at that stage they had a plan, a physical drawn plan, but they didn't have an idea. He didn't have an idea of what would work at that stage and I think he brought us in because he must've enjoyed the Lanes. I know the architect used to be one of my customers. He used to enjoy it around there, and he said to me, what would you like to see here and I said well, in my experience what I would like doesn't necessarily mean what other people would like and it doesn't mean what would work either. And I told him what I thought would be lovely to see, and that is that he was so lucky to have this property that had housed all these buildings that were all intact. And it would be lovely to have all these people who were of course owner operators and*

*people that were in a lot of working spaces so people that were working within a space and very specialised level and a lot of creative people that are coming in, and creating that community again.*

Others also liked what was proposed and hoped it would work.

Ivy on The Tannery:

*.....and if we were going to be restarting our business anywhere (The Tannery) would certainly be on my radar. But at the same time I feel it's almost so fancy that it's almost getting into that line of slightly intimidating. Like I think if I was going down there as a customer I'd think, "What am I wearing?" you know? right before I went down. Whereas the Lanes had a slightly rough edge to it...*

Ed also commented on The Tannery development.

*Cassel's thing (The Tannery)...hoping it will work. Would have said no way but Cassel has passion and money. Needs someone of his passion and funds. Could be really cool. Risky though. Hard to know what's going to drive Christchurch? Someone has to do it but it will be about money at the end of the day.*

Linda was concerned over the rent vs retail turnover relationship in the new Tannery development, and the ongoing viability of small retailers.

*Haha, ummm... I think it's beautiful. But it troubles me from a retailer's perspective, and only from a retailer's perspective. I can't imagine us going in there and turning over what we would need to. ...Yeah, and the demographic. People travel there but I would have major concern myself. I would say the developers are fine. The people leasing spaces though, that's tricky.*

## **9.10 The future of the Christchurch central business district**

Regarding the future prospects for the Christchurch CBD, there were unanimous feelings amongst the interviewees that retail rents would be too high for the types of businesses previously occupying the Lichfield Lanes area.



Kate:

*I thought that.... It's a tough one because from, I'm only going with what I think will happen in the city, and all I think is that the amount of..... because all of it is basically starting from scratch. It'll all be new builds, it'll all have to be earthquake strengthened up to the current code therefore it's all going to cost a lot of money therefore the rents are going to be high and all those interesting nooks and crannies for the creatives will be out of their reach...*

Alan:

*We were hopeful to go back to that area, we loved the area we were wedded to the area....initially told would be partially demolished.... Our building still intact, gave us hope for the future....later told there would be a full demolition.....that was the final straw – no hope at all of going back....CERA announced compulsory purchase of properties.... No future at all for us there. Could foresee rents would be beyond what we could afford because it would all be new buildings and landlords would need return on these and they also would not fit in with our image or our affordability either.*

Helen:

*I've looked recently and I would (go back to the CBD), but the rents are just what stop me. I don't have a high earning business and I do not want to give all of my money to the landlord.*

Cath:

*Would be tempted if similar area (in the CBD) came up (but) suburban area easier for parking, etc. Have a clientele who prefer it in suburbs. Parking a major concern, a lot of feedback about that. People will probably follow her, and have done, but still important to her. In suburbs (you) don't get tourists but get others. Location hasn't affected business. Probably grown. Holiday time shuts, however in town didn't (shut in holidays) because got tourism. Price in town would concern me, small businesses can't afford (the rents) .....If the people who work in city aren't there clientele is less. If not as many businesses - less customers. Wouldn't go back at this stage as not enough businesses to support mine. Need other things to be happening in order to get business in city. Offices in town provide lots of customers. City might have less small retailers as small places can't afford rents. Could end up being all government departments. Idea of a mix of apartments, boutiques, cafes, green spaces and produce markets really appeals.*

Mike had extensive comments on the rental viability of a rebuilt CBD.

*Yeah, I can't see how a new city where everything is being built from scratch and the rentals are going to be so high – it's not going to have the same personality. It only attracts a very, very minimal clientele. You go to Wellington and for years you get small pretty run down places up the top end of Cuba street and old buildings that have been converted into very, very basic living quarters, but they could afford them, and you have more people there. Whereas you go build a palace and you get two people living there, with their little dog, who want to take up 500M2, and probably not want to associate with the general public.*

So what do you think the future of the city holds?

*I don't know .....I don't have a lot of faith in it, it's just the expectations of rentals ... it's not that everyone.....it's not all about money ..... in some ways it is ... Because the more everyone is spending on developments and buildings the more returns the landlords have to get, and that limits the type of people at the top of the pyramid who can get in.....I can't see any of the businesses that used to occupy High Street or any of those outer streets from the CBD being able to afford to occupy them. Nah, it's going to be way too expensive, and too contrived. And look at the buildings being built now and they are all very glass and concrete, 2-3 stories high and that has their limitations as to the businesses they will attract. But neither do you want people building like a Hollywood movie set – Trying to recreate New Regent street somewhere else or trying to make a reproduction of an era, because that's gone – it has to be modern.*

Linda was keen to return to the CBD but due to rent, could not see it happening for a long time.

*Not any time soon. I am very reserved about it. I almost think what will happen is because the developers are putting so much money into things they have to get a return. The rents are too high. I mean if you look at how long it took to get High Street to be what it was, it was a complete turnover of, you know retailers. It was ever-changing. So I think personally what will happen is people will go in, some of them will realise that they can't afford it so they'll leave and it will just keep happening till they lower the rents to a more realistic.....If people.... I wish there was a developer similar to The Tannery guy doing something in town that wants different retailers, but at the end of the day the bank doesn't care who goes in there. The bank just wants to know that they're getting top dollar for a brand new shop. But those doesn't create communities or desirable locations.*

## 9.11 Conclusion

Owen makes an appropriate comment to conclude this chapter, and the results section of this thesis, where he emphasises that the important contributors to the pre-earthquake success of the Lichfield Lanes area were not just the buildings or the design of the area, but a more complex combination of factors. He was contacted post-earthquakes by the Christchurch City Council for his view, as a former CBD business owner, on what was important about buildings for a successful rebuild of the city.

Owen:

*I have to mention I got a call from the Council after the earthquake, and they were doing interviews of former business owners.... "Ok, what would a building need to have for you to move back to the city?" And they were focussing all the questions on the BUILDING, and the building needs to be this or that, and I said "Halt .... I understand you have a whole set of questions. My point is many of us did not move there because of the buildings, we moved there because of a whole combination".....Of which (there) was a whole infrastructure, the sidewalks were nice, the road .....there was an identity, there was a whole lot of things, the bank was close, the office of the accountant was close, so there was walking distance from several things. That was the main thing..... but in reality it was .....mixed use, TRUE mixed use...some people say chaotic because it is not the conventional way it has been done before (in New Zealand) where you have properties that have been fenced, land fenced and a little building, but in reality it was.....mixed use, TRUE mixed use.*

In many ways this quote encompasses the overall findings of this research. Essentially, central and local government are usually overly focussed on planning and controlling physical infrastructure. In turn, traditional developers focus on economic returns from land and buildings, and are often in conflict with government. Neither of these groups are usually sufficiently engaged with the social, cultural and stylistic factors that make the CBD a place attractive to a range of people – especially the type of people who are looking for something very different from the strictly planned and controlled environments of post-industrial suburbs and suburban malls. These are the people, by their presence, activities, preferences, interactions and spending power, that make the CBD interesting and vibrant. It's not just about the buildings.



# Chapter 10

## Discussion and Conclusions

### 10.1 Introduction

This final chapter brings together the research results from the previous three chapters and the earlier review of the literature in chapters four and five. The aim is to answer the research questions introduced in Chapter 1 and expanded upon in Chapter 2. The key research questions are summarised as:

1. What were the factors making the Lichfield Lanes area of Christchurch a successful example of inner city revitalisation prior to the devastating 2010 and 2011 earthquakes?
2. Were the success factors applying to the Lichfield Lanes area pre-earthquakes applicable and important in the post-earthquake rebuild of the Christchurch Central Business District?
3. As the earthquakes destroyed the characteristics that first attracted the gentrifying 'colonists' to this part of the Central Business District (CBD), did they abandon their attempts to revitalise this part of the inner city and move to new locations with similar characteristics?
4. Alternatively, were these 'colonists' resilient and adaptable entrepreneurs, and was their emotional and financial investment in this location so strong that they adapted to the new reality created by the earthquakes and reshaped their aspirations, intentions and activities?
5. Was the scenario in 4 above a desire of these 'colonists', but external factors prevented such an occurrence?

The curtailment by the 2010 and 2011 earthquakes of the gentrification and adaptive re-use process then underway in Christchurch generated the specific research questions above, but even more important and of wider applicability is the following question.

6. What can be learned from this Christchurch case study, in terms of property development strategies, that can be employed in other situations to arrest or reverse the commonplace decline of central city areas?

This question is important because inner city areas worldwide face significant social, economic and environmental problems as a result of de-industrialisation, neo-liberalism, demographic and technological change and intense suburban competition. Many authors claim these forces are fundamentally changing the function and form of many inner city locations.

Below is reproduced Figure 3.2, which was introduced as an overall guide to this thesis in Chapter 3. At the start of each of the results chapters, this diagram was disaggregated in the interests of improved clarity, but is now reassembled to give the full picture. This diagram includes most of the important factors raised by this research in answering the above questions, but more importantly, shows the complex interrelationships as well as the critical disconnection between some of them.

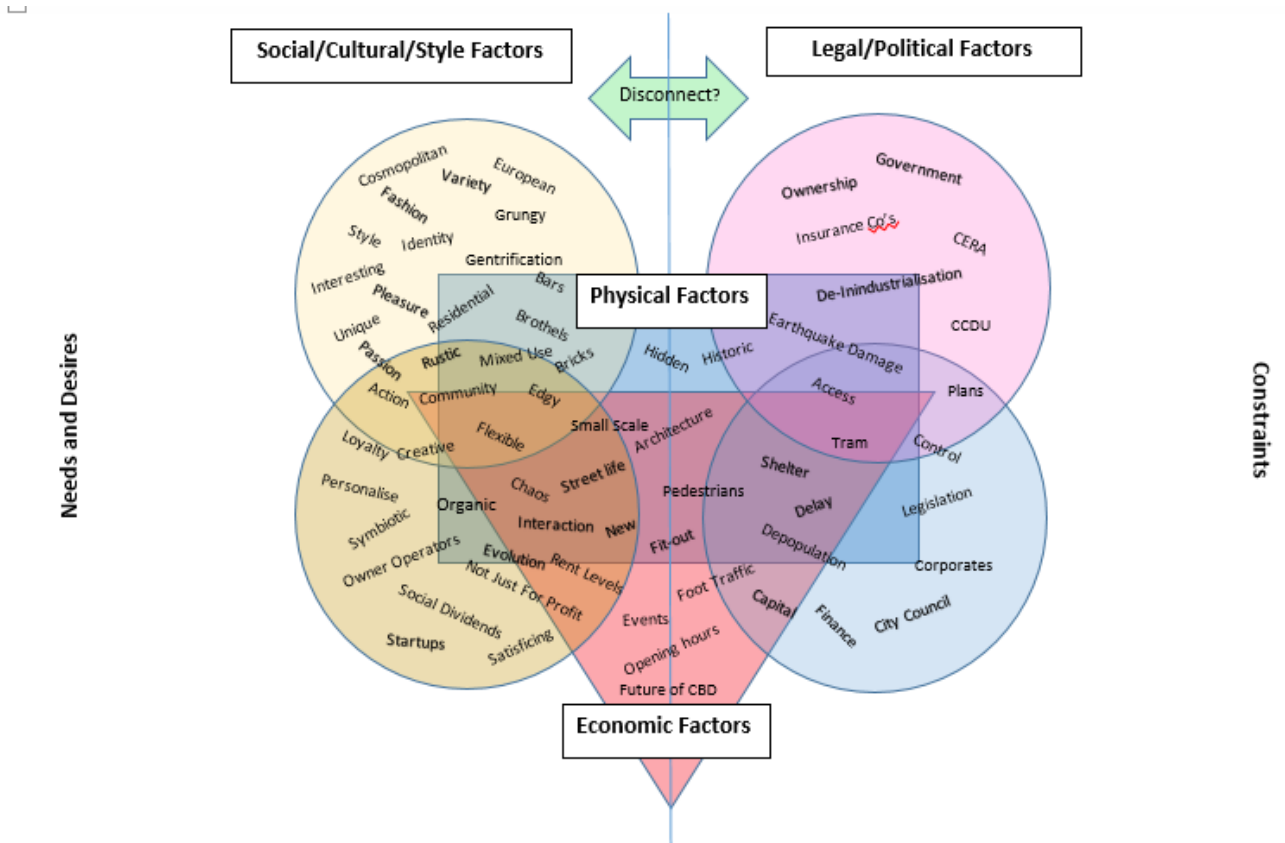


Figure 10.1 Complete Figure 3.2 diagram reintroduced

In this chapter I first discuss the complexity of inner city districts and the unique combination of factors that makes generalising revitalisation approaches from a specific situation to broadly applicable principles especially difficult. The applicability of gentrification concepts and the importance of affordable residential accommodation is then examined, followed by what the future may hold for a rebuilt Christchurch CBD. In all cases local and central government involvement have critical influences.

The next four sections deal with the key findings of this research that have wider implications for inner city revitalisation. At the core of the issue there is a clash between the predominant culture of regulatory and planning authorities, and the culture of people who are attracted to central cities by

their somewhat chaotic or even risky character. Developers are caught in the middle of this conflict. I postulate that successful CBDs increasingly cater to a niche market differentiated from the suburban mall experience, and therefore an inverted mall development approach should be followed. This is not occurring in Christchurch post-earthquake.

I then conclude by revisiting the research questions and discussing the limitations of this case study and the opportunities for further research in this important field.

## **10.2 Brick soup – a unique combination of revitalisation success factors**

The previous three chapters of results show a remarkable level of agreement amongst the interviewees regarding many of the factors they saw as important to successful revitalisation of a CBD area, in this case Lichfield Lanes. There was also a substantial degree of alignment with much of the research literature relating to revitalisation discussed in Chapters 4 and 5, even though none of those interviewed, apart from the developer, appear to have had much in the way of prior knowledge of revitalisation approaches.

One of the key issues that came up over and over in the analysis of the interviews was the importance of variety – of all aspects - to the success of the Lichfield Lanes area. This variety of uses and floor size, having to fit into existing oddly-shaped buildings and the different and often edgy and innovative style of many businesses, led to a visitor experience markedly different from the much more uniform “corporate” atmosphere of most CBD retail areas, and especially suburban shopping malls. A unique set of circumstances gave rise to this phenomenon.

Many people are familiar with the story of stone soup, where a wise old woman espouses the magical properties of a stone that is placed in water and heated, and produces a wonderful soup. The story then unfolds whereby the old woman persuades the person to whom she is demonstrating the stone’s properties, to gradually add small amounts of many different ingredients which are, in reality, those that ultimately what produces the delicious final product.

The situation in the Lichfield Lanes areas of Christchurch has strong parallels to this story, and also explains why recapturing the pre-earthquake success of this part of the city will be very difficult in future rebuilding attempts. It also illustrates why successful CBD revitalisation anywhere is difficult, or often fortuitous rather than planned.

The brick, industrial, Victorian and Edwardian style architecture can be seen as the initial “stone” – a relatively simple “ingredient” but the immediately obvious physical foundation for the initial

establishment and later success of the location. The attractiveness of this material and style is evident in the myriad comments from virtually every person interviewed for this research. Examples of these comments appear throughout this thesis. The Lichfield Lanes area as a whole could also be conceived as a suitably sized “pot” for cooking in. Large enough to have a marketable identity and become a destination within the city, but small enough to retain community feel, a sense of ownership and co-operation amongst the occupants of the area.

The other, less obvious but still essential economic ingredient, is the “heat” provided by the initially low rents in this area reflecting the rent gap theory of Smith (1996), discussed in Chapter 4. Low rents as “heat” may seem counter-intuitive, but science tells us that boiling point can be achieved by reducing pressure as well as adding energy. The low rents can be seen as helping the “brick soup” get started via attracting innovative uses and start-up businesses – stylistic ingredients that typically would not find their way into more conventional CBD recipes. Later the rent “heat” was turned up and other sources of “energy” added, such as increased foot traffic, capital expenditure by developers and tenants, encouragement by the City Council and coordinated marketing. Again, these important issues were explored earlier.

Many other important social “ingredients” were progressively added to the “brick soup”. These include:

- The strong community spirit and loyalty amongst businesses and their customers.
- Increasingly mixed uses, both within the area and within individual buildings.
- The organic and somewhat chaotic way uses were incorporated into buildings and changed over time.
- The narrow lanes and small retail spaces, conveying an intimate scale and European feel, plus shelter from winds lacking in other central city and suburban environments.
- The prevalence of owner occupiers and their passionate engagement with their customers and the area.
- The absence of a “corporate” over designed and imposed regime to both the construction and operation of the area.
- The freedom of occupants to create their own, sometimes quirky and highly variable adaptation of the buildings to their needs.



- The overall vision of the developers, but also their ability to adapt, change and permit tenant individuality.
- The cosmopolitan nature and variation in socio economic category of occupants and visitors to the area. The latter included both young and older people frequenting the bars, students, tourists, prostitutes, business people, artists, shoppers, a variety of legally and illegally housed residents, the weekend market patrons, lunchtime office workers and others.

All these factors were all examined in detail earlier in this thesis, and as discussed in the literature review, are often common to areas undergoing gentrification, revitalisation and adaptive reuse.

In answering research question one above, and shown at the centre of Figure 3.2, individual physical factors important to successful revitalisation are well established and reasonably easy to identify. What is more complex is the inclusion of, and interactions between, legal, political, economic, social, cultural and stylistic factors and the physical environment. As stated by Beauregard (2005), inner city areas are complex “thick markets” and similarly in the words of Rittel and Webber (1973) a “wicked problem”. This interaction will be discussed further in the rest of this chapter and is represented by the intersecting circles in Figure 3.2.

### **10.3 Gentrification and City Council involvement**

The process of cooking the “brick soup” above can also be likened to the well-established sequential waves of gentrification where, early on, the ingredients are cheap and simple but over time more expensive and exotic ingredients are increasingly added to the mix. These “spicy” ingredients are often not to the taste of those who first sampled the “soup”.

The involvement of the City Council in the Lanes area was seen as an example of this gentrification process where the “taste” of a location changes over time and alienates some people. In this case study, Council involvement was seen as belated by some and inappropriate by others, contributing to unwelcome gentrification. While there was an early attempt in the 1990s to encourage a unified design and vision for the High Street area using the expertise of architect Ian Athfield, and involving different building owners, this largely lapsed into inaction and was buried in the City Council files until the Lichfield Lanes developers independently came up with a similar concept and drove it forward. Thereafter, the concept gained support over time from planning and heritage factions within the City Council, but this did not extend to the regulatory arm, who were seen by interviewees as a significant impediment to economic building improvements and adaptive re-use.

The processes initially underway in this location were clearly first wave gentrification in character and, at least initially, in spite of rather than because of political direction. Later, and nearby on the vacant former Turners and Growers site, the Christchurch City Council attempted to initiate a joint public/private, large scale “new build” or third wave gentrification project with an out-of-town developer, but this failed to eventuate. There have been other examples of the Christchurch City Council attempting to engage in entrepreneurial property development activities with a view to inner city revitalisation (similar to those in Auckland described by Memon et.al., 2007 and Murphy, 2008), but with a notable lack of success.

The extension of the tram line through the Lanes area by the City Council generated particular differences of opinion amongst interviewees. Some, more often the hospitality venue owners, were mildly enthusiastic, but most of the retailers had either strong reservations or were vehemently opposed to this proposal. Consultation over the tram extension was regarded as a sop. Often businesses objections were on safety and financial grounds, but in addition there were concerns raised that this was another example of in-authentic and twee gentrification being forced on the area by the City Council, and undermining the unique style of the location that was important to its success.

Gentrification, as widely discussed in the literature and in concert with this case study, can be viewed in both positive and negative terms. A key common negative, that was not apparent in the Christchurch situation, is the displacement of central city residents. However there was some evidence of sequential displacement of businesses as the development moved through the different waves of gentrification, identified by Ley (1994) and Murphy (2008) and others. The earthquakes effectively completed the process of transition to completely new-build or third wave gentrification, and the very different character that stage inevitably produces. This was something of an anathema to the first-stage pioneer or colonising gentrifiers who were already becoming disillusioned with what they saw as inappropriate second wave gentrification prior to the earthquakes. They saw the rebuild as inevitably creating a shopping mall type environment in the CBD, and it therefore losing its differentiation and competitive advantage, in terms of the work of Porter (1995, 1997).

This accelerated gentrification process combined with increased central planning provided some of the answers to research questions two, three, four and five. While still considered very important, interviewees did not see the critical factors that earlier made the Lanes area a success being incorporated in future plans for a rebuilt CBD. As a result, many did not envisage a future for their types of businesses in the CBD, and went looking for alternatives such as The Tannery development.

## 10.4 Residential use and legislation

Another area where there was debate was the inclusion of residential uses in the Lanes area. Most of the increase in Christchurch residential density has not been in the CBD but via small scale townhouse development in the surrounding inner suburbs (Vallance, Perkins and Moore, 2005).

Almost everyone interviewed agreed CBD residential use was very important and more was desirable. The debate centred on what type of residential use was most compatible with the other uses in the Lanes area, in particular the bars. The feeling was that many New Zealanders were not familiar with inner city living and had unrealistic expectations regarding the levels of noise, mess and anti-social behaviour they might have to put up with in a location like the Lanes. These expectations were most likely to be misaligned amongst the older and wealthier people who could afford to buy or rent a “legal” new-build apartment. In common with many CBD situations internationally, for example that examined by Zukin (1989) in New York, much of the residential accommodation in the Lanes area was of questionable legality, but still attractive to younger and more tolerant occupants who were looking for low rents and being close to nightlife, work and other CBD amenities. They may also have had experience of such environments overseas. These residential tenants valued “raw space” and being able to cheaply stamp their own style onto it. They also occupied parts of buildings that might otherwise have no use, and as well as paying rent and providing custom for nearby businesses, added to street life and provided security benefits.

The interviewees felt that attitudes amongst some (but not all) City Council staff, and importantly national legislation, for which Council was responsible, made it especially difficult to successfully include appropriate and affordable residential accommodation in CBD revitalisation projects. In turn, this made it more difficult for other uses, particularly inner city retail, to be successful. Some interviewees felt Council staff knew this, and turned a blind eye to illegal residential occupation when they could. But adaptive re-use often triggered insurmountable compliance issues designed to protect the people, who were actually more than willing to take the risks they were being protected against. Then additionally they were unable to afford the increased costs that this unwanted protection inevitably drove into rents.

The post-earthquake rebuild was anticipated to make it even less likely that the very important success factor of affordable residential accommodation would be able to be included in the CBD. These findings again helped answer the research questions relating to the future of the central city.

## **10.5 The future of the Christchurch central business district**

Returning to the “brick soup” analogy, an important factor in the case of the Lichfield Lanes area is that the usual soup cooking process has been interrupted by an earthquake. The pot of “ingredients” has been knocked over and the pot broken. The initial “brick” has been lost. The previous local “cooks” have been excluded from the kitchen and a new team of professional “chefs” put in charge, but they are arguing over which size and type of pot to use and the appropriate recipe. The economic “heat” was turned off for a long time and when finally reignited was far too “hot”. Many of the important local “ingredients” have been lost and cannot be replaced, and those that can will not be able to be combined in the same proportions or cooked at the same temperature. The new chefs are also keen to include even more exotic, expensive and imported “ingredients”.

In these circumstances, if a new pot of soup can be created at all, it will certainly not have the same flavour, and will be completely unpalatable to many who previously enjoyed the “brick soup”. Some people are not prepared to contemplate tasting the new soup as for them it clearly includes unacceptable ingredients and/or cooking practices.

What all this leads to is a widespread belief amongst all those interviewed that what has been lost in the Lichfield Lanes area cannot be recreated in a rebuilt Christchurch. Given the centralised and corporate approach to the CBD rebuild being taken, many see the inevitable style that will emerge as being incompatible with their business and personal aspirations.

The discussion in this chapter so far goes a long way towards answering research questions one through to five above, in that, even before the earthquakes, some businesses felt gentrification was forcing them out of the area. The destruction, demolition, exclusion, centralised planning and markedly increased costs in the post-earthquake environment has drastically accelerated and exacerbated the situation. Most of the interviewees no longer see a place for their businesses, or others like them in a newly rebuilt CBD.

The next four sections of this chapter address the wider considerations of research question six, which examines what can be learned from this case study, in terms of property development strategy, that has wider application to inner city revitalisation.

## **10.6 Chaos is under-rated and the antithesis of council and corporate culture**

An important area of debate amongst interviewees and potential conflict with City Council and central government processes, was the somewhat unplanned, organic or even chaotic way in which the Lichfield Lanes redevelopment progressed. As can be seen in the results chapters, this was seen

as a strength by many interviewees, and a conscious strategy by the developers for a variety of reasons. It was certainly a differentiating feature of the Lanes compared to most conventional property development processes, and could be one of the factors that was pivotal to its success.

The concerns raised by some tenant interviewees was not so much that the development was loosely planned, but at the degree of chaos and the perceived deviation at times from the developer's overall vision, whether due to expedience or desperation. This most clearly applied to the selection of businesses to go into vacant spaces in the development. In contrast, other interviewees saw this turnover of tenants as a natural process and the fit-out they left behind could ease the entry of new start-up businesses, contributing to a changing experience for visitors via interest and variety.

What is most important is that inner city areas must have the capability to adapt and change over time and evolve, reflecting the collective thinking and experimentation of a revolving cast of characters. This all contributes to city life and differentiation from suburban conservatism.

## **10.7 The disconnection between regulators and users**

A finding at the heart of this thesis and shown in Figure 3.2 is the disconnection between the way regulators operate and what they perceive to be the important physical outcomes desired by the users of a revitalised CBD, and the way businesses and their customers operate, and their harder-to-quantify and more eclectic but very important psychological desires. No amount of planning and physical infrastructure will make a CBD successful if it does not provide what the people that will use it want, and can afford.

This is not so much conflict over objectives, but rather conflict over process. It is not that Council and other regulatory authorities do not want to achieve the same ultimate result of a lively, vibrant, socially interactive, cosmopolitan, economically successful, and aesthetically pleasing location. It is just that the processes they choose, or are obliged to follow, are inconsistent with facilitating some of those outcomes. For example, detailed, restrictive and slow planning processes run contrary to variety, change, personalisation and constant evolution. Protection and aversion to risk favoured by legislation run contrary to innovation, excitement, action, risk, affordability and inclusion.

The physical factors found important to CBD revitalisation are shown in the blue box at the centre of diagram in Figure 3.2, and about many of these there is little debate. These include historic architecture, human scale, variety of uses and floor areas, shelter from the weather, access, events, foot traffic and the excitement of the discovery of hidden areas.

The political and legal environment, represented by the circles to the right of Figure 3.2, include the agencies of City Council, CERA and CCDU, as well as insurance companies, other corporates and their financiers. These are most often focussed on the physical factors at the centre of the diagram. Their concerns are control, via legislation, regulations, policies and plans. They see their exercise of control as in the public (as well as their own) interest. But the interviewees often found the economic factors represented at the centre of the diagram, for example the importance of affordable rents, CBD de-population and delays in decision-making, but more especially the social/cultural/stylistic factors in the circles to the left of the diagram, were not adequately taken into account by these agencies. This is understandable, as the physical and even the economic factors are easy to quantify and control – but as we move to the left of the diagram, more qualitative factors come to the fore. These types of issues depend more on social interactions and personal viewpoints and judgements, which the regulatory authorities have a great deal more difficulty dealing with, and so often avoid.

The same sort of split occurs in the research literature between the advocates of place-based and economic revitalisation strategies such as Smith (1996), Porter (1995, 1997) and others discussed in Chapter 4, and more people-orientated advocates such as Lemman (1994), Ley (1994), Waxman (1999, 2000), Florida (2002) and others discussed in Chapter 5. But this debate is un-resolvable as both approaches are necessary for real success. Techniques such as those of the new urbanists and the Main Street Programme, which attempt to span a whole range of factors, have been perceived as successful in a range of applications. They also have their critics, but a parsimonious and tidy model of inner-city revitalisation cannot be developed for such a highly complex and dynamic situation.

There are similar conflicts afflicting property developers and the development process. Developers can sometimes be viewed as “the meat in the sandwich” between the desired overall outcomes for a successfully revitalised area as expressed in the more esoteric social, cultural, and stylistic factors (on the left of Figure 3.2) and the “harder” physical, economic, financial, legal and political constraints (to the centre and right of the diagram), within which the developers have to operate. Even within the development community itself, there is a split between the adaptive re-use practitioners and the predominant new-build businesses (or first and third wave gentrifiers, in terms of the work of Murphy, 2008). The former are usually more comfortable with risk and uncertainty, but constrained by legislative compliance, capital availability and the conservatism of lenders. The latter can have potentially easier access to funds and less risk and compliance issues – but face having to accede to the leasing pre-commitment and tenant covenant requirements of conservative financiers. This conservatism may mean some types and sizes of tenants, as well as building designs, are precluded from consideration, as appears to be happening in the rebuild of the Christchurch CBD. Given these constraints these new projects inevitably become similar to other new build suburban developments and so do not have the distinctive characteristics and differentiation from the norm so

often desired by the creative, fashionable and wealthy sectors of society, seen by many authors as very important to the future of a CBD.

## **10.8 The central business district – is it now a niche market?**

This leads onto the decision of whether catering for the masses or catering to important niche markets is the best choice for CBD revitalisation. Porter (1995, 1997) and others discussed earlier advocate that differentiation from the suburban experience is part of the competitive advantage of CBDs and helps offset some of their other disadvantages. Ley (1986), Zukin (1989), Florida (2002), Hamnett (2003), the new urbanists and many other authors discussed in Chapter 5 and the results chapters, argue that the function and nature of central city areas are undergoing a fundamental change, which may further accelerate given rapidly changing technology and social behaviour.

Lloyd and Clark (2001) contend that cities are becoming predominantly entertainment machines attracting relatively affluent people with particular tastes and requirements that are somewhat different from the mainstream. Florida characterises these influential style leaders as the creative class and emphasises their need for excitement, change, diversity and individuality in their lives, and this extends to what they want from their environment. In particular, they reject control, commercial manipulation and the conservative, which are often represented by corporate style retail development. They are also post materialistic (Inghart, 1971) and seek personal interaction and rich experiences, rather than maximum consumption at the lowest price.

This process of change towards a niche market was clearly underway in the Lichfield Lanes area leading up to the time of the earthquakes. It appears post-earthquake that an almost complete reversal of process has taken place, with conservative regulatory authorities and corporate developers taking control and largely replicating the suburban mall model in the rebuilt CBD. In this way they are tackling head on ruthless competition from suburban malls that are already well established, professionally run, well financed and in many ways better matched to the needs of the majority of Christchurch society. They have also effectively excluded those niche market players previously contributing to making the CBD a unique destination. It remains to be seen if this new CBD revitalisation strategy will be successful, but the subjects of this research have serious doubts.

## **10.9 Inverted mall development**

My research has found that if a CBD is to appeal to the economically powerful knowledge workers or creative classes mentioned above, then the principles widely adopted for successful suburban retail

mall development need to be applied in an almost completely inverted manner for successful CBD revitalisation.

Features of a typically successful shopping mall usually include the following; newly built (or rebuilt), spacious, fully enclosed, carefully designed and strongly regulated retail spaces. These are combined with a strategically positioned tenancy mix of established, professionally run businesses within a carefully analysed suburban residential catchment, incorporating substantial car parking and a professional marketing campaign. The developers are usually experienced, well financed and ruthlessly use any means to inhibit potential competition. Town planning practice within typical local authorities often seeks to limit suburban mall development, which only reinforces the strength of existing players and locations.

Virtually all of these characteristics were completely absent or applied in reverse in the Lichfield Lanes area.

The buildings were predominantly early 20<sup>th</sup> century brick warehouses with minimal new-build adaptations constructed only to facilitate access, operations and legislative compliance. There were clearly parts, especially residential, that were illegal, but “under the radar” of the authorities. The spaces were partially open, narrow, rustic and sometimes grungy, and at times perceived as dangerous. Many of the retail spaces were very small, but this helped new businesses become established with low total monthly rents and operating expenses, even if rental rates per square metre eventually became relatively high.

Buildings were largely un-designed and practical in nature, and authentic in terms of being predominantly adapted industrial buildings. Those design elements and materials that were added built upon this texture. The developers did exercise some design and tenancy mix control, but within a relatively broad and organically evolving vision, often strongly influenced by the financial necessity to minimise expenditure and attract new tenants. These financial constraints also led to the developers encouraging or requiring occupants to fund and carry out their own fit out and other improvements. This led to an eclecticism in design and execution that was part of the appeal of the area. The necessity of fitting into an existing and often compromised building envelope at minimal cost led to character that is difficult to replicate. As one interviewee said “chaos is underrated”.

There were concerns over tenant turnover, but some saw this as inevitable for the start-up businesses that predominated and something that contributed to the vibrancy of the area. Comments were made that failing businesses often left behind fit-out that eased the start-up of subsequent businesses and/or provided windfall benefits for the sometimes struggling undercapitalised developers.



Many of the business owners were seeking more than a financial return. They were post-materialistic satisficers and did not always seek to make a lot of money but instead, or in addition, valued highly the community feeling and a form of psychological or social return on their investment – both monetary and in terms of time and ideas. Many businesses also saw their customers as not just simply seeking products and services at the lowest cost, but wanting to really enjoy the complete shopping experience. This could include the ambience of the architecture, the thrill of “finding” a hidden spot in the city with some degree of exclusivity, to ability to have a coffee, dine or socialise in the evenings all in the same environment with like-minded and cosmopolitan people. Importantly, this experience also included the personal interaction with enthusiastic and sometimes eclectic business owners.

This is in stark contrast with the “corporate” retail experience in malls, or the wider (and seen to be failing pre-earthquake) central city retail areas. Again and again, interviewees mentioned the owner operator factor as being crucial to the success of the area. The CBD catchment was also seen as being very different from that of a mall situation. There were a lot of young people moving (and living) in the area. They were not seen as big spenders, but added to the vibrancy. There was also the lunchtime and after-work businessperson trade; something not prevalent in the more family-orientated malls. Some customers were seen as very keen to reject the retail mall experience and also the boisterous style of evening entertainment prevalent in nearby SoL Square and on the Oxford Terrace “strip”. More “European” was often a descriptor, not only reflecting the architecture but also the small-scale, personalised shopping experience and the more relaxed and “mellow” entertainment offering.

The businesses themselves generally operated in an atmosphere of co-operation rather than competition. When shopping malls were first established in NZ in the 1960s they often had representative merchants associations to co-ordinate marketing, manage promotions and deal with other problems. Over time these have fallen out of favour, with malls usually now requiring defined financial contributions for marketing and promotional activities that are carried out on a unilateral basis by professional mall management. In many ways, the situation in the Lanes was a return to the merchants’ association co-operative model. The comments of those interviewed indicated some successes with this arrangement, but also raised some of the political problems and differing contribution/versus benefit issues that led to malls moving away from this model.

In conclusion, if CBD revitalisation of the type seen as successful in the Lichfield Lanes situation is to be enacted, the complete opposite of conventional suburban mall development principles need to be followed.

## 10.10 Research limitations, and conclusions

A primary objective of this research project, and the reason for the grounded theory approach utilised, was to try and extract from this unique case study situation in the CBD of Christchurch some theoretical approaches to inner city revitalisation that may have wider application in other locations.

The research method employed involved investigating the Lichfield Lanes case study in depth via extensive interviews with key participants, as well as historical research and observation of events as they unfolded in the media and public meetings. These research activities were carried out before the revitalisation literature was reviewed in depth, so as not to prejudice the findings with prior knowledge.

The 34 nodes initially generated by the Nvivo analysis of the interviews were eventually distilled down to 13 major themes. These themes were then compared to the research literature to determine what aspects of previous research were confirmed by this study, where differences arose, and what new insights or theories were emerging.

This approach generates a wealth of data, only a small part of which is analysed in this thesis, but it does have its limitations. As a case study, it is inherently limited spatially and temporally and the unique impact of the earthquakes places further potential limitations on the ability to generalise from this study. Another limitation was that only business owners were able to be interviewed as residential tenants proved impossible to track down. An enhancement would be to interview staff of the regulatory authorities and businesses outside of the Lanes area for their views on the revitalisation of this location. This could be a future research project.

In contrast to the foregoing, the uniqueness of the situation was also a strength of the research approach. The circumstances of the case study were unlikely to be repeated and therefore important to research. That all of the businesses and the developers were dispossessed from the location by the authorities also appeared to generate a forthrightness and comprehensiveness in their responses that may not have occurred if they still had business interests in the location.

In answer to research questions one and six, many of the findings of earlier researchers in relation to broadly applicable success factors for inner city revitalisation were confirmed by this study.

These include:

- The importance of preserving and building upon historic architecture and the interesting and eclectic spaces this creates.

- The contribution a wide variety of businesses and other uses, particularly appropriate residential accommodation, make to generating street life and the pedestrian flow so important to the success of CBD retail precincts.
- How important affordable rental levels and suitably sized floor areas are in attracting an appropriate mix of retail uses to an area, and the dangers of uniformity of use that only focussing on business types (often bars) that can pay the most rent inevitably brings.
- The importance of co-operation between businesses to create and then effectively market and manage an identifiable precinct that has a coherent style and ambience that differentiates the location from competing suburban malls.
- CBD locations have both inherent advantages and disadvantages that must be recognised and dealt with appropriately.

In answer to research question two, while the above success factors were still seen to be very applicable, they were not being given adequate attention in the rebuild of the Christchurch CBD.

In answer to research questions three, four and five, gentrification of inner city areas is seen by some as a pejorative term and as a description of an inevitable process by others. Prior to the earthquakes the Lichfield Lanes area exhibited some, but not all, of the characteristics commonly associated with gentrification. Those interviewed believed third stage new build gentrification would be accelerated and exacerbated by the post-earthquake rebuild, with the result there would be no future in the CBD for their style of business. As a result most business owners sought opportunities elsewhere.

## **10.11 Contribution to theory and future research opportunities**

Key findings of this thesis that open up opportunities for future research include the following:

### **10.11.1 Different experience to a mall.**

Many interviewees talked about the importance for successful central city revitalisation of the experience for visitors being quite different to that of a suburban mall. The literature also includes a great deal of, sometimes controversial, discussion of the importance of knowledge workers, the creative classes and other high influence minorities on a vision of the future CBD as primarily an “entertainment machine”. Future research could examine the situation in other cities to determine if being different to a mall and attractive to this minority group of creative style leaders is as influential as this research suggests.

### **10.11.2 Chaos is underrated**

Related to the above, chaos in the development process is seen as an anathema to regulatory authorities and some developers, but valued by many of those interviewed in terms of the style, identity, interest, and the valued opportunities it gave their businesses and their customers . Future research could examine whether organic, loose, and flexible, or otherwise less than typically regulated development processes are associated with successfully CBD revitalisation in other locations and in different circumstances.

### **10.11.3 Legal/political and social/cultural/style disconnect**

Another finding of this research was the disconnection between the physical focus of legal and political agencies against both economic issues, and more especially, the social, cultural and style aspects most important in making the central city attractive to people. Places are interesting and economically successful because they have characteristics that users desire, and these characteristics are not necessarily what regulators think people should have, or indeed regulators can easily provide. Future research could examine this disconnection in other CBD areas undergoing revitalisation, both successful and unsuccessful, in order to try and determine the veracity of this proposition.

### **10.11.4 Satisficing and rejection of the corporate model**

Many of the business owners interviewed had complex conceptions of success that differ from the usual corporate model of maximising profit and growth. Rather than making a lot of money the desire was often enough profit to survive, combined with social and psychological returns such as feelings of community with both neighbours and customers, pride in the establishment, style and integrity of their business, satisfaction in helping revitalise the local area and the wider city, and making a contribution to a vibrant CBD economy. These characteristics resonate with the satisficing literature reviewed, which seems to particularly apply to New Zealand society, so an interesting research avenue would be to see if these motivations and perceptions of success are also prevalent in similar revitalising areas internationally.

## **10.12 Concluding remarks**

The word cloud included in Chapter 3 identified “people” as the most commonly used word in analysing the results chapters. This reinforces much of what has been said throughout this thesis - it is **people** and understanding what they really want from a central city, and how that might be

changing that is most important to successful CBD revitalisation. The rest of the process inevitably follows on from this difficult and often neglected conclusion.



## Appendix A

### E-mail Message Sent to Interviewees

Hello,

I am not sure if this is the correct e-mail address, but wondered if you operated one of the businesses in the “Lichfield Lanes” area centred on Poplar and Ash Lanes prior to the Christchurch earthquakes?

I am a friend of [one of the business owners in the Lanes area] and also Associate Professor of Property Studies at Lincoln University. I am carrying out research into what was behind the perceived success of the revitalisation of this area preceding the earthquakes and what has happened to the businesses that were located there since?

If you are the appropriate person, it would be a great addition to the research to interview you and gain your perspective. Would agree to this?

Any reported findings would be anonymous.

The attached document outlines the research in more detail and if you have any concerns or questions I am happy to discuss these with you at any stage.

If you know of other people I could interview, that information would also be appreciated.

You can contact me via this e-mail or by phone on \*\*\*\*\* (work) \*\*\*\*\* (home) and \*\*\*\*\* (mobile).

[Attachment on the following two pages]

Lincoln University

*Faculty of Environment Society and Design*

**Research Information Sheet**

You are invited to participate as a subject in a project entitled

***Lichfield Lanes Area – The Impact of the Christchurch Earthquakes***

The aim of this project is to understand if the physical, economic and social situation that existed in the Lichfield Lanes area prior to the earthquakes was important in attracting investors and businesses to the area.

Post-earthquakes the physical, economic and social situation is totally different. What will the investors and businesses do now? Will they abandon their attempts to revitalise this part of the inner city and move to new locations? If so do these new locations exhibit similar characteristics to pre-earthquake conditions in the study area?

Alternatively, will these businesses and investors adapt to the new situation created by the earthquakes and reshape their aspirations, intentions and activities so that inner city revitalisation still occurs – but in a different form or on a different timescale?

Is the scenario above a desire of the investors and businesses, but external factors are preventing such an occurrence?

Your participation in this project will involve being interviewed by the researcher regarding your business operations and experiences in the Lichfield Lanes area both prior to, and after the Canterbury earthquakes of 2010-2011. Estimated time commitment is 30 minutes per interview.

As a follow-up to this activity, you may later be asked to comment on the interviewer's interpretation of your interview as further data is collected and analysed and the preliminary findings of the research formulated. You may be asked for a second interview if new circumstances develop or your earlier response needs clarification or explanation in light of the preliminary research findings.

In the performance of the tasks and application of the procedures no physical risks have been identified. There is a small risk that some people may become emotionally distressed recounting their experiences. If this occurs it will be handled with sensitivity and the interview terminated if that is the wish of the interviewee. The advice of the university councillor will be obtained in such circumstances or if other emotional risks become apparent.

The results of the project may be published, but you may be assured of your anonymity in this investigation. The identity of any participant will not be made public, or made known to any person other than the researcher, his or her supervisors and the Human Ethics Committee, without the participant's consent. To ensure anonymity the following steps will be taken: All recordings of interviews will be kept secure in locked cabinets or on password protected computer systems to which only the researcher will have access. Transcripts of recordings or other data will be identified by a code, to which only the researcher will have a key. If there is any risk that the interviewee maybe able to be identified by the nature of their comments, and these comments are proposed to be published, then the researcher will obtain the express consent of the interviewee to the publication of their comments.



The project is being carried out by *Associate Professor John McDonagh*  
**Commerce Faculty/Property Group**

*Commerce 005*

*P O Box 84*

*Lincoln University*

*Lincoln 7647*

*Christchurch*

*New Zealand*

**p** +64 3 325 3838 extn: 8307

**e** [john.mcdonagh@lincoln.ac.nz](mailto:john.mcdonagh@lincoln.ac.nz)

**w** [www.lincoln.ac.nz](http://www.lincoln.ac.nz)

He will be pleased to discuss any concerns you have about participation in the project.

*Supervisors*

***Professor Harvey C Perkins***

Director of Transforming Cities: Innovations for Sustainable Futures

Professor of Planning, The University of Auckland, NZ

Adjunct Professor of Human Geography, Lincoln University, NZ

*Room 906, Building 804 Fisher International Building*

*Waterloo Quadrant*

*National Institute of Creative Arts and Industries (NICAI)*

*The University of Auckland – Te Whare Wānanga o Tāmaki Makaurau*

*Private Bag 92019, Auckland 1142, New Zealand*

**t:** +64 9 373 7599 ext 86956

**m:** +64 21 822 126 (internal ext 60280)

**f:** +64 9 923 4343 (external) 84343 (internal)

**w:** [www.transformingcities.auckland.ac.nz](http://www.transformingcities.auckland.ac.nz)

***Dr Jacky Bowring, Associate Professor of Landscape Architecture and Head of School,***

*School of Landscape Architecture,*

*Faculty of Environment, Society and Design,*

*P O Box 84,*

*Lincoln University 7647,*

*Christchurch, New Zealand*

**p** +64 3 325 3838 extn: 8439

**e** [jacqueline.bowring@lincoln.ac.nz](mailto:jacqueline.bowring@lincoln.ac.nz) | **w** [www.lincoln.ac.nz](http://www.lincoln.ac.nz)

***Head of Department***

*Gary Steel*

*Senior Lecturer*

*Faculty of Environment, Society and Design,*

*F807 George Forbes Memorial Building*

*P O Box 84,*

*Lincoln University 7647,*

*Christchurch, New Zealand*

**p** +64 3 325 3838 extn: 8784

**e** [Gary.Steel@lincoln.ac.nz](mailto:Gary.Steel@lincoln.ac.nz) | **w** [www.lincoln.ac.nz](http://www.lincoln.ac.nz)

---

The project has been reviewed and approved by the Lincoln University Human Ethics Committee.

## Consent Form

***Name of Project: Lichfield Lanes Area – The Impact of the Christchurch Earthquakes***

I have read and understood the description of the above-named project. I understand that I can decline to answer any question and can choose to have the audio interviews digitally recorded or alternatively interview notes taken. Should there emerge a risk that I could be identified by the nature of my comments, the researcher will obtain my consent to the publication of those comments.

On this basis I agree to participate as a subject in the project, and I consent to publication of the results of the project with the understanding that anonymity will be preserved. I understand also that I may withdraw from the project, including withdrawal of any information I have provided up until the end of 2013 when it is anticipated writing up of the final report will take place.

Name: \_\_\_\_\_

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

## Appendix B

### Interview Prompting Questions

This research used a semi-structured interview technique.

Interviewees were asked to fully describe their involvement in the area in their own words. There was as little prompting as possible, but the questions listed below were used as prompts when necessary to keep the interview going and ensure important aspects were covered.

#### **Prompting Questions:**

How and when did you become involved in the Lichfield Lanes area?

What attracted you to the area?

Was the price/style of buildings/size/other businesses in the area important?

What was the nature of your business/investment in the area?

How were things going in the period preceding the earthquakes?

What happened after the September 2010 earthquake?

What happened after the Boxing Day 2010 and February 2011 earthquakes?

How have things developed for your business/investment since then?

What has happened since that time?

Do you still want to be involved in the central city?

If you have gone/will go somewhere else – what will you be looking for?

What do you think about the way the central city is developing now?

How do you see the long term future for this part of the central city?

Do you have any comments on the policies and approaches of the City Council, CERA or the CCDU in the context of central city re-development?



## References

- Amabile, T. M. (1985). Motivation and Creativity: Effects of Motivational Orientation on Creative Writers *Journal of Personality and Social Psychology*, 1985.Vol.48. No. 2, 393-399
- Andersen, D. (2014). High Para Apartments Development. On *High Street Stories*. Christchurch. <http://www.highstreetstories.co.nz/stories/12-high-para-apartments-development>
- Art Deco Trust. Retrieved from <https://www.artdeconapier.com/History/Earthquake+Information.html>
- Athfield, I. (1998). *Christchurch Heritage – A New Life. A study by Athfield Architects Ltd*. Christchurch: Christchurch City Council.
- Atkinson, R. & Bridge, G. (eds). (2005). *Gentrification in a Global Context: the New Urban Colonisation*. Routledge: London and New York.
- Avery, P. (2007). 14 Born Again: from Dock Cities to Cities of Culture. *Tourism, culture and regeneration*, 151.
- Bachelard, G. (1994). *The Poetics of Space*. 1958. Trans. Maria Jolas. Boston: Beacon.
- Backhouse, M. (2013, September 23). Christchurch red zone finally lifted. *New Zealand Herald*.
- Ball, P. (2014, November 19). Gentrification is a natural evolution *The Guardian*, Retrieved from <https://www.theguardian.com/commentisfree/2014/nov/19/gentrification-evolution-cities-brixton-battersea>
- Balsas, C. J. (2004). City centre regeneration in the context of the 2001 European capital of culture in Porto, Portugal. *Local economy*, 19(4), 396-410. doi:10.1080/0269094042000286873
- Bates, T. (1997). Response: Michael Porter's conservative urban agenda will not revitalize America's inner cities: what will? *Economic Development Quarterly*, 11(1), 39-45.
- Beauregard, R. A. (1986). The chaos and complexity of gentrification. *Gentrification of the City*, 35-55.
- Beauregard, R. A. (2005). The Textures of Property Markets: Downtown Housing and Office Conversions in New York City. *Urban Studies*, 42(13), 2431-2445. doi:10.1080/00420980500380345
- Becker, H. S. (1986). *Writing for Social Scientists: How to Start and Finish Your Thesis, Book, or Article* University of Chicago Press.
- Becker, H. S. (1998). *Tricks of the trade: how to think about your research while you're doing it*. Chicago, Ill: University of Chicago Press.
- Bell, D. (1973). *The Coming of Post Industrial Societies*: Basic Books, Inc., Publication, New York.
- Blumer, H. (1969). *Symbolic interactionism: perspective and method*
- Boddy, M. (2007). Designer neighbourhoods: new-build residential development in nonmetropolitan UK cities - the case of Bristol. *Environment and Planning A*, 39(1), 86-105. doi:10.1068/a39144
- Bookout, L. (1997). Building community in America's suburbs. In U. I. Institute (Ed.), *ULI on the Future: Creating More Livable Metropolitan Areas* (pp. 4-11). Washington, DC: Urban Land Institute.
- Booth, C., & Reeder, D. A. (1984). *Charles Booth's Descriptive Map of London Poverty, 1889*: London Topographical Society.
- Bounds, M., & Morris, A. (2006). Second wave gentrification in inner-city Sydney. *Cities*, 23(2), 99-108. doi:10.1016/j.cities.2005.09.001
- Bourdieu, P., & Passeron, J. C. (1979). *The inheritors: French students and their relation to culture*: Univ of Chicago Pr.
- Brewer, J., & Hunter, A. (1989). *Multimethod research: a synthesis of styles*. Newbury Park, Calif: Sage Publications.
- Bright, E. M. (2003). *Reviving America's forgotten neighborhoods: An investigation of inner city revitalization efforts* (Vol. 13): Psychology Press.
- Brooking, A. (1996). *Intellectual capital*: Cengage Learning EMEA.
- Brooks, D. (2010). *Bobos in paradise: The new upper class and how they got there*: Simon and Schuster.
- Brydson, N. (2008, May 23). Brooklyn, The Borough: A Case of Gentrification. *The New York Observer*, Retrieved from <http://www.observer.com/2008/brooklyn-borough-16>
- Butler, J. S. (1996). Entrepreneurship and the advantages of the inner city: How to augment the Porter thesis. *The Review of Black Political Economy*, 24(2-3), 39-49.
- Buzar, S. Hall, R. Odgen, P.E. Hall, R. (2005). Households Matter: the demography of urban transformation. *Progress in Human Geography*, 29, 413-436.
- Buzar, S. Hall, R. Odgen, P.E. (2007). Beyond Gentrification; the demographic reurbanisation of Bologna. *Environment and Planning A*. 39: 64-85
- Cameron, S., & Coaffee, J. (2005). Art, gentrification and regeneration—from artist as pioneer to public arts. *European Journal of Housing Policy*, 5(1), 39-58.
- Cash, S. (2001). "Landlords put a squeeze on Brooklyn artists. *Art in America* 89(3), 39–40.
- Castells, M. (1997). *The information age: Economy, society and culture. Vol. 2, The power of identity*: Blackwell.
- Coleman, J. S. (1990). *Foundations of social capital theory*
- Collaborative, C. S. (1984). *Colorado's Main Street Experience: A Program Evaluation*. Boulder, Colorado USA.

- Collins, H. M. (1983). An empirical relativist programme in the sociology of scientific knowledge. *Science observed: Perspectives on the social study of science*, 85-113.
- Commission, N. Z. P. (2012). *Housing affordability inquiry*. Wellington, New Zealand  
New Zealand Government.
- Corbin, J. M., & Strauss, A. L. (2008). *Basics of qualitative research: techniques and procedures for developing grounded theory*. Los Angeles, Calif: Sage.
- Christchurch City Council, (2012). *Central City Recovery Plan*. Retrieved 21 November, 2016, from <http://www.ccc.govt.nz/the-council/plans-strategies-policies-and-bylaws/plans/central-city-recovery-plan/>.
- Crawford, M. (2004). *The world in a shopping mall* (p.14). na.
- Creswell, J. W., &. (1998). *Qualitative inquiry and research design: Choosing among five designs*: Thousand Oaks, CA: Sage.
- Curran, W. (2007). 'From the Frying Pan to the Oven': Gentrification and the Experience of Industrial Displacement in Williamsburg, Brooklyn. *Urban Studies*, 44(8), 1427-1440. doi:10.1080/00420980701373438
- Dane, S. G. (1988). *New directions for urban main streets*: National Main Street Center, National Trust for Historic Preservation.
- Dane, S. G. (1997). Main Street success stories.
- Davidson, M & Lees, L. (2010). New-Build Gentrification; Its Histories, Trajectories, and Critical Geographies. *Population Space and Place*, 16(5), 395-411.
- Davis, F. (1979). *Yearning for yesterday: A sociology of nostalgia*: Free Press.
- Dickinson, J. (2001). Monuments of tomorrow: Industrial ruins at the millennium. *Critical Perspectives on Urban Redevelopment*, 6, 359-380.
- DiPasquale, D., & Glaeser, E. L. (1999). Incentives and social capital: are homeowners better citizens? *Journal of urban Economics*, 45(2), 354-384.
- DiPasquale, D., & Wheaton, W. C. (1996). *Urban economics and real estate markets* (Vol. 23): Prentice Hall Englewood Cliffs, NJ.
- Drucker, P. F., & Drucker, P. F. (1994). *Post-capitalist society*: Routledge.
- Duany, J. (1997). The Creation of a Transnational Caribbean Identity: Dominican Immigrants in San Juan and New York City. *Ethnicity, Race and Nationality in the Caribbean. San Juan: Institute of Caribbean Studies, UPR*, 195-232.
- Dutton, P. (2003). Leeds Calling: The Influence of London on the Gentrification of Regional Cities. *Urban Studies*, 40(12), 2557-2572. doi:10.1080/0042098032000136219
- Dutton, T. A. (1989). Cities, cultures, and resistance: beyond Leon Krier and the postmodern condition. *Journal of Architectural Education*, 42(2), 3-9.
- Easterby-Smith, M. T. (2002). R. and Lowe, A.(2002). *Management research: An introduction*, 2, 342.
- Ellis, C. (2002). The new urbanism: Critiques and rebuttals. *Journal of Urban Design*, 7(3), 261-291.
- Fainstein, S. S., & Gray, M. (1996). Economic development strategies for the inner city: the need for governmental intervention. *The Review of Black Political Economy*, 24(2-3), 29-38.
- Falconer, G. (2015). *Living in Paradox: A History of Urban Design Across Kainga, Towns and Cities in New Zealand*: Blue Acres Press.
- Ferguson, B. W., Miller, M. M., & Liston, C. (1996). Retail revitalization. *Economic Development Commentary*, 19(4), 4-13.
- Ferguson, G. (2005). *Characteristics of successful Downtowns: Shared Attributes of Outstanding Small & Mid-sized Downtowns*. Unpublished manuscript. Ithaca, NY: Cornell University Civic Fellows Program.
- Ferguson, R. F., & Stoutland, S. E. (1999). Reconciving the community development field. *Urban problems and community development*, 33-75.
- Fernandes, D. J. (1997). *Catalytic Development on the East Boston Waterfront: An Analysis of Development Opportunities for the Former Deran Candy Factory*. Massachusetts Institute of Technology.
- Florida, R. (2002). *The Rise of the Creative Class and how it is transforming work, leisure, community and everyday life*: Basic Books.
- Fogel, R. W. (2000). *The fourth great awakening and the future of egalitarianism*: University of Chicago Press.
- Frank, T. (1998). *The conquest of cool: Business culture, counterculture, and the rise of hip consumerism*: University of Chicago Press.
- Frieden, B. J. (1990). Center City Transformed Planners as Developers. *Journal of the American Planning Association*, 56(4), 423-428.
- Friesen, W. (2009). The demographic transformation of inner city Auckland. *New Zealand Population Review*, 35(1), 55-74.
- Fussell, P. (1983). *Class: A walk through the American status system*: New York: Simon and Schuster.
- Gans, H. J. (1982). *The urban villagers: group and class in the life of Italian-Americans*. New York: Free Press.

- Gates. (2014, April 30). tourists returning but more needed. *The Press*. Retrieved from <http://www.stuff.co.nz/the-press/business/9990845/Tourists-returning-but-more-needed>
- Geertz, C. (1993). *The interpretation of cultures: selected essays*. London: Fontana.
- Gehl, J. (2011). *Life between buildings: using public space*: Island Press.
- Gibson, A. (2011, October 26). Kiwi in line for big payout on quake-damaged office tower. *New Zealand Herald*.
- Gittell, R., & Thompson, J. P. (1999). Inner-city business development and entrepreneurship: new frontiers for policy and research. *Urban problems and community development*, 473-520.
- Glaser, B. G., (1978). *Advances in the methodology of grounded theory: Theoretical sensitivity*: Mill Valley, CA: Sociology Press.
- Glaser, B. G., & Strauss, A. L. (1967). *Discovery of grounded theory*. Mill Valley.
- Glass, R. (1964). *London: Aspects of Change* (Vol.3). MacGibbon & Kee.
- Grant, G. (2003, May 14). Piazza development for central city site. *Christchurch Star*, p. 1.
- Gratz, R. B., & Mintz, N. (2000). *Cities back from the edge: New life for downtown*: John Wiley & Sons.
- Grogan, P. S., & Proscio, T. (2000). *Comeback cities: A blueprint for urban neighborhood revival*: Basic Books.
- Haarhoff, E., Beattie, L., Dixon, J., Dupuis, A., Lysnar, P., & Murphy, L. (2012). *Future Intensive: Insights for Auckland's Housing*
- Hackworth, J. (2002). Postrecession Gentrification in New York City. *Urban Affairs Review*, 37(6), 815-843. doi:10.1177/107874037006003
- Halpern, R. (1995). *Rebuilding the inner city: A history of neighborhood initiatives to address poverty in the United States*: Columbia University Press.
- Hamnett, C. (2003). Gentrification and the Middle-class Remaking of Inner London, 1961-2001. *Urban Studies*, 40(12), 2401-2426. doi:10.1080/0042098032000136138
- Hasse, A., Steinfuhrer, A., Kabish, S., Buzar, S., Hall, R., Ogden, P. (2009). Emergent spaces of reurbanisation: exploring the demographic dimesnion of inner city residential change in a European setting. *Population and Space*. 16. DOI: 10.1002/psp.603
- Heather, B. (2011, October 22). Pop-up shopping centres sign of new start [news p.4]. *The Press*.
- He, S. (2009) New-build gentrification in central Shanghai; demographic changes and socioeconomic implications. *Population and Space*. 16. DOI: 10.1002/psp.603.
- Hebert, S., Vidal, A., Mills, G., James, F., & Gruenstein, D. (2001). Interim assessment of the Empowerment Zones and Enterprise Communities (EZ/EC) Program: A progress report. *Office of Policy Development and Research, available online at: www.huduser.org/Publications/pdf/ezec report. pdf.*
- Hernandez, M. M., &. (2001). *Impact of Commercial Development on Inner City Revitalization: An Analysis of Projects in Boston*. Doctoral dissertation, Massachusetts Institute of Technology.
- High Street Fashion (2005, May). *Avenues* (Christchurch,N.Z.) n.15. p. 61-63.
- Houstoun, L. O. (2003). *Business improvement districts*: Urban Land Inst.
- Hoyt, H. (1939). *The Structure and Growth of Residential Areas in American Cities*, Washington D.C.: Federal Housing Administration.
- Hutching, C. (2012, April18). Christchurch Council plan thrown out [News p.14]. *National Business Review*. Retrieved from <https://www.nbr.co.nz/article/christchurch-council-plan-thrown-out-ch-117079>
- Inglehart, R. (1971). The silent revolution in Europe: Intergenerational change in post-industrial societies. *American political science review*, 65(04), 991-1017.
- Jackson, J. B. (1984). The American public space. *The Public Interest*(74), 52.
- Jacobs, J. (1961). *The death and life of great American cities*: Vintage.
- Jansick, V. J., & N. K. L. Denzinm, Y S. (1994). *Handbook of Qualitative Research* London: Sage.
- Jenks, M., Burton, E., Williams, K., & Symes, M. (1997). The Compact City: A Sustainable Urban Form? *Land Use Policy*, 14(3), 215.
- John, L., & Lofland Lyn, H. (1995). *Analyzing social settings: A guide to qualitative observation and analysis. Belmont, CA: Wadsworth.*
- Kaplan, M. (1995). Urban Policy: An Uneven Past, an Uncertain Future. *Urban Affairs Review*, 30(5), 662-680.
- Katz, P., Scully, V. J., & Bressi, T. W. (1994). *The new urbanism: Toward an architecture of community* (Vol. 10): McGraw-Hill New York.
- Keating, W. D., & Krumholz, N. (1999). *Rebuilding urban neighborhoods: Achievements, opportunities, and limits* (Vol. 5): Sage Publications.
- Kennedy, M., & Leonard, P. (2001). *Dealing with Neighbourhood Change: A primer on Gentrification and policy choices*: The Brookings Institution Center on Urban and Metropolitan Policy.
- Kern, L. (2009). Genteringreurbanisation: women and new build gentrification in Toronto. *Population and Space*. 16. DOI: 10.1002/psp.581.
- Keyes, L. C., Schwartz, A., Vidal, A. C., & Bratt, R. G. (1996). Networks and nonprofits: Opportunities and challenges in an era of federal devolution.
- King, M. (2003). *Penguin History of New Zealand*: Penguin UK.

- Kotkin, J. (2000). *The New geography: How the digital landscape is reshaping the American landscape*: New York: Random House.
- Ladd, B., &. (1997). *The ghost of Berlin*: Chicago: The University of Chicago Press.
- Latham, A. (2003). Urbanity, Lifestyle and Making Sense of the New Urban Cultural Economy: Notes from Auckland, New Zealand. *Urban Studies*, 40(9), 1699-1724. doi:10.1080/0042098032000106564
- Law, J. (2004). *After method: mess in social science research*. New York: Routledge.
- Lees, L. & Ley, D. (2008) Introduction to Special Issue on Gentrification as Public Policy. *Urban Studies*. 45(12) 2379-2384, November
- Le Heron, R., & McDermott, P. (2001). Rethinking Auckland: local response to global challenges. *Promoting Local Growth*, 365-386.
- Leccese, M., & McCormick, K. (2000). *Charter of the new urbanism*: McGraw-Hill Professional.
- Lehrer, U. A., & Milgrom, R. (1996). New (Sub) Urbanism: Countersprawl or repackaging the product\*. *Capitalism Nature Socialism*, 7(2), 49-64.
- Lemann, N. (1994). The myth of community development. *New York Times Magazine*, 9(1), 27-31.
- Levine, M. V. (1987). Downtown redevelopment as an urban growth strategy: A critical appraisal of the Baltimore renaissance. *Journal of Urban Affairs*, 9(2), 103-123.
- Levy, D. (2006). Qualitative methodology and grounded theory in property research. *Pacific Rim Property Research Journal*, 12(4), 369-388.
- Levy, D., & Henry, M. (2003). A comparative analysis of US, UK and Australian published property research methodologies and methods. *Pacific Rim Property Research Journal*, 9(2), 148-162.
- Ley, D. (1986). Alternative Explanations for inner-city gentrification: a Canadian assessment. *Annals of the Association of American Geographers*, 76, 521-535.
- Ley, D. (1994). Gentrification and the politics of the new middle class. *Environment and Planning D: Society and Space*, 12(1), 53-74. doi:10.1068/d120053
- Ley, D. (2003). Artists, Aestheticisation and the field of Gentrification. *Urban Studies* 40: 2527 DOI: 10.1080/0042098032000136192
- Lightner, B. C. (1992). Design review: a critical evaluation. *Cities*, 9(4), 280-287.
- Lin, S., Giovinazzi, S., & Pampanin, S. (2012). Loss estimation in Christchurch CBD following recent earthquakes: validation and refinement of current procedures. *Symposium conducted at the meeting of the Proceedings of 2012 NZSEE Conference*, Christchurch, NZ
- Lindblom, C. E. (1959). The science of "muddling through". *Public administration review*, 79-88.
- Lindesmith, A. R. (1947). Opiate addiction.
- Lloyd, R. (2002). Neo-Bohemia: art and neighborhood redevelopment in Chicago. *Journal of Urban Affairs*, 24(5), 517-532.
- Lloyd, R., & Clark, T. N. (2001). The city as an entertainment machine. *Critical perspectives on urban redevelopment*, 6(3), 357-78.
- Logan, J. R., Molotch, H. L., Fainstein, S., & Campbell, S. (1987). *The city as a growth machine*
- London, B., & Palen, J. (1984). *Gentrification displacement and neighbourhood revitalisation*. Albany: State University of New York.
- Lucas, R. E. (1990). Why doesn't capital flow from rich to poor countries? *The American Economic Review*, 80(2), 92-96.
- Lynch, K. (1960). *The image of the city* (Vol. 11): MIT press.
- Machlup, F. (1962). *The production and distribution of knowledge in the United States* (Vol. 278): Princeton university press.
- Malinowski, B. (1922). *Argonauts of the western Pacific*. New York: Dutton.
- Marcuse, P. (2003). Review of *The rise of the creative class* by Richard Florida. *Urban Land*, 62(8), 40-41.
- Markusen, A. (2006). Urban development and the politics of a creative class: evidence from a study of artists. *Environment and planning A*, 38(10), 1921-1940.
- Marshall, C., & Rossman, G. B. (2014). *Designing qualitative research*: Sage publications.
- Mason, C. (2014). The Demolition of the Wiltshire Building. On *High Street Stories*: Heritage New Zealand. <http://www.highstreestories.co.nz/stories/7-the-demolition-of-the-wiltshire-building>
- Mays, N., & Pope, C. (1995). Rigour and qualitative research. *BMJ: British Medical Journal*, 311(6997), 109.
- Ministry of Business Innovation and Employment (MBIE) (2014). *The Small Business Sector Report and factsheet*. Retrieved from <https://www.google.co.nz/url?sa=t&rct=j&q=&esrc=s&source=web&cd=2&cad=rja&uact=8&ved=0ahUKEwjY34egwuHJAhXDI6YKHW7oAnsQFgggMAE&url=http%3A%2F%2Fwww.mbie.govt.nz%2Finfo-services%2Fbusiness%2Fbusiness-growth-agenda%2Fsectors-reports-series%2Fthe-small-business-sector-report-and-factsheet&usq=AFQjCNEVd8RfxdOIhkz80AGxho3Dbpljw&sig2=IH-gfz1cDebTjbnkmh9Ctw>
- McDonagh, J. (1997). Demand/supply analysis for the tourist hotel market. *New Zealand Valuers Journal* (November), 16-26.



- McDonagh, J. (2007). Theories of urban land use and their application to the Christchurch property market. *Land Economics Reader*. Lincoln University.
- McDonald, L. (2004, April 27). Lively Vision. *The Press*, p. 12.
- McGuigan, J. (1996). *Culture and the Public Sphere*: Psychology Press.
- Memon, A., Davies, T. G., & Fookes, T. (2007). Institutional arrangements for metropolitan government and strategic planning in Auckland. *New Zealand Geographer*, 63(1), 43-54. doi:10.1111/j.1745-7939.2007.00089.x
- Miles, M. B., & Huberman, A. M. (1994). *Qualitative data analysis: a sourcebook of new methods*. Beverly Hills: Sage Publications
- Miles, S. (2005). 'Our Tyne': Iconic Regeneration and the Revitalisation of Identity in Newcastle Gateshead. *Urban Studies*, 42(5-6), 913-926. doi:10.1080/00420980500107326
- Minton, A. (2003). Northern Soul: Culture. *Creativity and quality of place in Newcastle and Gateshead: Published by Demos & RICS*.
- Mitchell, J. (2001). Business Improvement Districts and the "New" Revitalization of Downtown. *Economic Development Quarterly*, 15(2), 115-123. doi:10.1177/089124240101500201
- Moe, R., & Wilkie, C. (1997). *Changing places: rebuilding community in the age of sprawl*: Henry Holt & Company.
- Mokyr, J. (1992). *The lever of riches: Technological creativity and economic progress*: Oxford University Press.
- Molotch, H. (1976). The City as a Growth Machine: Toward a Political Economy of Place. *The American Journal of Sociology*, 82(2), 309-332. doi:10.1086/226311
- Molotch, H. (2008). Telling About Society Howard Becker, Telling About Society (Chicago, University of Chicago Press, 2007). *European Journal of Sociology*, 49(3), 439. doi:10.1017/s0003975609000162
- Montgomery, R. L. (2000). Urban ecology and new urbanism: Today the world, tomorrow Lincoln? researcharchive.lincoln.ac.nz
- Moore, M. H. (1999). Security and community development. *Urban problems and community development*, 293-337.
- Morrill, R. L. (1978). Population Redistribution, 1965-75. *Growth and Change*, 9(2), 35-43.
- Morrison, P. S., & McMurray, S. (1999). The inner-city apartment versus the suburb: Housing sub-markets in a New Zealand City. *Urban Studies*, 36(2), 377.
- Morrissey, P. (1993). *A study of the commercial office property market in New Zealand 1981-1991*. Lincoln University, Christchurch. Retrieved from <http://hdl.handle.net/10182/3453>
- Morse, J. M. (1994). Designing Funded Qualitative Research. In N. K. a. L. Y. S. Denzin (Ed.), *Handbook on Qualitative Research* (pp. 220-235). London: Sage.
- Mulkeen, M. L. (1997). *Merchants and business district revitalization: a case study of Codman Square*. University of New Hampshire.
- Mumford, L. (1962). *The Skyline: Mother Jacobs' Home Remedies*: FR Publishing Corporation.
- Murphy, L. (2008). Third-wave Gentrification in New Zealand: The Case of Auckland. *Urban Studies*, 45(12), 2521-2540. doi:10.1177/0042098008097106
- New Zealand Trade and Industry. (2009). *Playing to our strengths: creating value for Kiwi firms*. Wellington: NZ Government Retrieved from <http://www.nzte.govt.nz/features-commentary/In-Brief/Documents/playing-to-our-strengths.pdf>
- Oldenburg, R. (1999). *The great good place: Cafes, coffee shops, bookstores, bars, hair salons, and other hangouts at the heart of a community*: Da Capo Press.
- Park, R., Burgess, E. W., & McKenzie, R. D. (1925). *The City*. Chicago: University of Chicago Press.
- Peck, J. (2005). Struggling with the creative class. *International journal of urban and regional research*, 29(4), 740-770.
- Perkins, H. C., & Thorns, D. C. (2012). *Place, identity and everyday life in a globalizing world*. Basingstoke [England]: Palgrave Macmillan.
- Porteous, D. (2012, October 29). Planning for Dunedin of the future. *Otago Daily Times*.
- Porter, M. E. (1995). The competitive advantage of the inner city. *Harvard Business Review*, 73(3), 55-71.
- Porter, M. E. (1997). New strategies for inner-city economic development. *Economic Development Quarterly*, 11(1), 11-27.
- Potter, S., Becker, J., Johnston, D., & Rossiter, K. (2015). An overview of the impacts of the 2010-2011 Canterbury earthquakes. *International Journal of Disaster Risk Reduction*, 14, 6-14.
- Putnam, R. (2001). Social capital: Measurement and consequences. *Canadian Journal of Policy Research*, 2(1), 41-51.
- Pyatok, M. (1996). Neighborhood development in a democratic city: toward a 'real'urbanism. *Arcade, design Journal of the Pacific Northwest, Seattle, Fall*.
- Quinn, A. (2007, April 12). Consumer Insights Group, NZ Inland Revenue Department, untitled presentation, *Symposium conducted at the meeting of the The Fifth Symposium of the New Zealand Centre for SME Research: Building Synergies Through Partnerships*, Wellington, NZ.

- Quinn, J. B. (1980). *Strategies for change: Logical incrementalism*: Irwin Professional Publishing.
- Rauch, J. E. (1996). *Trade and Networks: An Application to Minority Retail Entrepreneurship*: New York: Russell Sage Foundation.
- Ray, P. H., & Anderson, S. R. (2000). The cultural creatives: How 50 million people are changing the world.
- Redfield, R., & Singer, M. B. (1954). The cultural role of cities. *Economic development and cultural change*, 53-73.
- Rerat, P., Soderstrom, O., Pigué, E., (2010). Guest Editorial, New Forms of Gentrification: Issues and Debates *Population and Space*. 16. 335-343.
- Richards, G., & Wilson, J. (2007). *Tourism, creativity and development* (Vol. 10): Routledge.
- Rittel, H. W., & Webber, M. M. (1973). Dilemmas in a general theory of planning. *Policy sciences*, 4(2), 155-169.
- Robbins, E. (1998). The New Urbanism and the fallacy of singularity. *Urban Design International*, 3(1-2), 33-42.
- Rowarth, J., & Parsons, A. (2011). Enabling innovation. *New Zealand Science Review*, 68, 19-23.
- Rucker, D. G. (2001). *An evaluation of the Main Street Approach as a strategy for conventional economic development*. University of Cincinnati.
- Ryan, B. D. (2000). Philadelphia's Center City District and the Privatization of Public Space. *Projections MIT Student Journal of Planning: Remaking Crisis Cities*.
- Savage, M., Ward, K., & Warde, A. (1993). *Urban sociology, capitalism and modernity*. New York, NY: Palgrave Macmillan.
- Sawicki, D. S., & Moody, M. (1996). Déjà-vu all over again: Porter's model of Inner-city Redevelopment. *The Review of Black Political Economy*, 24(2-3), 75-94.
- Schon, D. A. (1971). Beyond the stable state: Public and private learning in a changing society.
- Schwartz, A. (1998). From confrontation to collaboration? Banks, community groups, and the implementation of community reinvestment agreements. *Housing Policy Debate*, 9(3), 631-662.
- Seidman, K. F. (2001). *Wanted: Solutions for America Final Research Report: Boston Main Streets Program*.
- Seidman, K. F. (2004). Inner City Commercial Revitalization: A Literature Review. *Fannie Mae Foundation*.
- Shaffir, W., & Stebbins, R. A. (1990). *Experiencing fieldwork: An inside view of qualitative research* (Vol. 124): Sage Publications.
- Sharpe, Marty. (2011, March 25). What Napier can teach Christchurch about earthquake recovery. *Dominion Post*.
- Shaw, K. (2002). Culture, economics and evolution in gentrification. *Just Policy: A Journal of Australian Social Policy*(28), 42.
- Shaw, K. (2008). Gentrification: what is it, why it is and what can be done about it. *Geography Compass*, 2(5), 1697-1728.
- Shaw, K.A. & Hagemans, I.W. (2015) Gentrification Without Displacement and the Consequent Loss of Place: The Effects of Class Transition on Low-income Residents of Secure Housing in Gentrifying Areas. *International Journal of Urban and Regional Research*, 39(2), 323-341.
- Shibley, R. G. (1998). The complete New Urbanism and the partial practices of placemaking. *Utopian Studies*, 9(1), 80-102.
- Short, J. R. (1989). Yuppies, yuffies and the new urban order. *Transactions of the Institute of British Geographers*, 173-188.
- Simon, H. A. (1956). Rational choice and the structure of the environment. *Psychological review*, 63(2), 129.
- Simpson, T. (2010). *Customs and tariffs - Tariffs and the GATT*. Retrieved 16 November 2016, from <http://www.teara.govt.nz/en/customs-and-tariffs/page-4>.
- Slater, T. (2004). North American gentrification? Revanchist and emancipatory perspectives explored. *Environment and Planning A*, 36(7), 1191-1213.
- Slater, T. (2009). Missing Marcuse: On gentrification and displacement, *City* 13(2-3), 292-311.
- Slater, T. (2011). Gentrification of the City, in *The New Blackwell Companion to the City* (pp571-585). Blackwell Publishing Limited.
- Slater, T. (2014). There is Nothing Natural about Gentrification. Retrieved 17 October 2017, from [http://www.newleftproject.org/index.php/site/article\\_comments/there\\_is\\_nothing\\_natural\\_about\\_gentrification](http://www.newleftproject.org/index.php/site/article_comments/there_is_nothing_natural_about_gentrification)
- Smale, T. (2009). Playing to Our Strengths: Creating Value for Kiwi Firms.'. *New Zealand Trade and Enterprise*.
- Smale, T. (2013). Why understanding national culture is necessary in order to understand innovation performance. *New Zealand Science Review* 70(3), 62-67.
- Smith, K., Joncas, K., & Parrish, B. (1996). *Revitalizing downtown*: National Main Street Center, National Trust for Historic Preservation.
- Smith, N. (1987). Gentrification and the rent-gap. *Annals of the Association of American Geographers*, 77(3), 462-465.
- Smith, N. (1996). *The new urban frontier: gentrification and the revanchist city*. New York: Routledge.
- Smith, D.P. & Butler, T. (2007). Conceptualizing the sociospatial diversity of gentrification: to boldly go into contemporary gentrified spaces, the 'final frontier?' *Environment and Planning A* 29:2-9.
- Steehan, M. H., Andrew Sachdeva, Sam. (2012, February 22). 100-day action plan for city centre. *The Press*.

- Stewart, K. (1988). Nostalgia—a polemic. *Cultural anthropology*, 3(3), 227-241.
- Stokvis, J. R., & Cloar, J. A. (1991). CRM: Applying Shopping Center Techniques to Downtown Retailing. *Urban Land*, 50(4), 7-11.
- Stoutland, S. E. (1999). Community development corporations: Mission, strategy and accomplishments. *Urban problems and community development*, 193-240.
- Strauss, A. L., & Corbin, J. (1990). *Basics of Qualitative Research: Grounded Theory Procedures and Techniques*. London: Sage.
- Suchman, D. R. (1994). *Revitalizing low-income neighborhoods: Recommendations from ULI Advisory Services Panels*: Urban Land Inst.
- Taub, R. P., &. (1988). *Community capitalism: Banking strategies and economic development*: Boston: Harvard Business School Press.
- Taylor, B. (1984). Strategic planning—which style do you need? *Long Range Planning*, 17(3), 51-62.
- Teaford, J. C. (1990). *The rough road to renaissance: Urban revitalization in America, 1940-1985*: Johns Hopkins Univ Pr.
- TeAra Encyclopaedia of New Zealand. Earth, Sea, Sky. Retrieved from <https://teara.govt.nz/en/historic-earthquakes/page-6>
- Thomas, J. M. (1996). Rebuilding inner cities: Basic principles. *The Review of Black Political Economy*, 24(2-3), 67-74.
- Toups, C., & Carr, J. H. (2000). Reimagining Distressed Communities: A Strategy to Reverse Decline and Attract Investors. *Building Blocks 1 (1)*.
- Vallance, S., Perkins, H. C., & Moore, K. (2005). The results of making a city more compact: neighbours' interpretation of urban infill. *Environment and Planning B: Planning and Design*, 32(5), 715-733.
- Van Crielingen, M. (2009). Gentrifying the reurbanisation debate, not vice versa. The uneven sociospatial implications of changing transitions to adulthood in Brussels. *Population and Space*. 16. DOI: 10.1002/psp.582.
- Vegara, A. (2001). New Millennium Bilbao. In E. Marshall (Ed.), *Waterfronts in Post-Industrial Cities* (pp. 86-94). London: Spon.
- Walker, C., & Weinheimer, M. (1998). Community Development.
- Warde, A. (1991). Gentrification as consumption: issues of class and gender. *Environment and Planning D: Society and Space*, 9(2), 223-232.
- Wax, R. (1971). Doing fieldwork: Warnings and advice. *Chicago and London*.
- Waxman, A. (2000). Why Improve Neighborhoods? Shifting the Goals of Inner City Neighborhood Commercial Revitalization. *Projections MIT Student Journal of Planning: Remaking Crisis Cities*.
- Waxman, A. A. P. (1999). *Utilizing economic theories of retail to revitalize inner-city neighborhood business districts: the case of Uphams Corner Main Street*. Massachusetts Institute of Technology.
- Weinberg, D. (2002). *Qualitative research methods* (Vol. 5): Blackwell Publishing.
- Whyte, R. (2015). Constraints to innovation in New Zealand: an exploratory study. Small Enterprise Association of Australia and New Zealand Symposium conducted at the meeting of the 28th Annual SEANZ Conference Proceedings Melbourne
- Whyte, W. H. (1956). *The organization man*. University of Pennsylvania Press.
- Whyte, W. H. (1980). *The social life of small urban spaces*
- Whyte, W. H. (2012). *City: Rediscovering the center*: University of Pennsylvania Press.
- Wildavsky, A. (1973). If planning is everything, maybe it's nothing. *Policy sciences*, 4(2), 127-153.
- Wilson, J. (2005). *Contextual Historical Overview of Christchurch City*.: Christchurch City Council. Retrieved from <https://www.ccc.govt.nz/assets/Documents/Culture-Community/Heritage/ChristchurchCityContextualHistoryOverviewFull-docs.pdf>
- Wilson, J. (2007). *City and Peninsula*. Christchurch: The Christchurch Civic Trust/The Akaroa Civic Trust
- Wilson, W. J. (1996). *When Work Dissappears; The World of the New Urban Poor*. New York: Random House.
- Wolcott, H. F. (1994). *Transforming qualitative data: Description, analysis, and interpretation*: Sage.
- Wong, R. Q.-L. (2000). *An analysis of community-based organizations' efforts in small business assistance: a case study of the CDC Community Business Network*. Massachusetts Institute of Technology.
- Wright, D. J. (1999). Saving City Neighborhoods. *Rockefeller Institute Bulletin*.
- Wright, D. J. (2001). *It takes a neighborhood: Strategies to prevent urban decline*: SUNY Press.
- Yin, R. K. (1994). Discovering the future of the case study method in evaluation research. *Evaluation practice*, 15(3), 283-290.
- Yin, R. K. (2009). *Case study research: design and methods*. Los Angeles, Calif: Sage Publications.
- Young, E., S. (2010). Cabbages Legacy of the Lanes [Magazine article]. *NZ Today*, 33(March/April), 110-115.
- Zielenbach, S. (2002). *The art of revitalization: Improving conditions in distressed inner-city neighborhoods*: Routledge.
- Zukin, S. (1987). Gentrification: culture and capital in the urban core. *Annual Review of Sociology*, 129-147.
- Zukin, S. (1989). *Loft living: culture and capital in urban change*: Rutgers University Press.

- Zukin, S. (1990). *Structures of capital: The social organization of the economy*: CUP Archive.
- Zukin, S. (1993). *Landscapes of power: from Detroit to Disney World*: Univ of California Press.
- Zukin, S. (2001). *How to create a culture capital: reflections on urban markets and places*
- Zukin, S. (2008). Consuming Authenticity. *Cultural Studies*. 22(5), 724-748.
- Zukin, S. Trujillo, V. Fraser, P. Jackson, D, Recuber, T. Walker, A. (2009). New Retail Capital and Neighbourhood Change; Boutiques and Gentrification in New York City. *City and Community*. 8(1) 47-64.