Central City

Key Information	Why is this Useful?	What is Happening?
Number of businesses.	This can be used to measure the vitality of the Central City as well as confidence in the local economy.	↓ The number of businesses in the Central City decreased by just under 1 per cent between 1997 and 1999.
Total work-force.	This provides insight into the number of people who regularly work in the Central City. This group has a major impact on the Central City economy as well as resource use.	↑ The total work-force in the Central City increased by 1.2 per cent between 1997 and 1999 from 30,780 to 31,170 .
Amount of retail street frontage.	Retailing is one of the Central City's major attractions. Information relating to the amount of retail shop frontage can provide insight into the level of street life or activity.	● In January 2000 retailing accounted for 45 per cent of the 17.2 kilometres of shop frontages in the Central City.
Office rental vacancy level.	This can be a measure of economic growth or decline.	↓ The rate of office rental vacancy decreased from a peak of 30.6 per cent in 1993 to 19.2 per cent in 1999.
Total business floor space.	This measures the total amount of floor space available for business activity in the Central City.	● In the year to June 1999 the Central City commercial zone comprised approximately 1,643,000m^2 of commercial floor space.

Other Related Sections: The Built Environment, Urban Amenity, Transportation, Economic Activity and Business Confidence, Businesses, Employment and Unemployment.

Businesses and Employment[14]

Christchurch's Central City has one of the largest commercial areas in New Zealand. Containing a mixture of office, retail, service, entertainment and tourist activities, it has the highest concentration of businesses and employment in the City. As such it plays an important role within the local and national economy.

In 1999, 3,983 businesses operated in the Central City zone (see Appendix 2: Figure 1 for boundaries). They accounted for 17 per cent of total businesses City-wide at that time. *Property and business services* (1,722) was the largest industry group in the Central City followed by *retail trade* (540) and *finance and insurance* (374).

Overall, the number of businesses in the Central City decreased by 24 or 0.5 per cent between 1997 and 1999 (Table 3.12). City-wide, the total number of businesses increased by 3.6 per cent.

Workers are major supporters of the Central City, particularly in relation to daytime trade and after-work activity. In 1999 the Central City had a workforce of 31,170 people. This was 1.2 per cent higher than in 1997 and represented 20 per cent of the City's total work-force at the time.

Sixty eight per cent (21,140) of Central City workers worked full time in 1999, although this percentage had declined since 1997. The reduction in full-time employment was offset by an increase in part-time employment, reflecting City-wide trends.

In 1999 the greatest number of workers was employed in the *property and business service* group (7,600). This was followed by r*etail trade* (3,950) and *accommodation, cafes and restaurants* (3,100) (Table 3.13).

Retailing in the Central City

While continuing suburban development has had an impact on retailing in the Central City, the latter is still the prime retail area in Christchurch. In 1999, 16 per cent of retail businesses (540 business units) were located in the Central City zone. At the same time 3,950 Central City workers were employed in the *retail trade*, a high proportion (40 per cent) of them working part-time (Tables 3.12 and 3.13).

Christchurch City Council's Survey of Central City Ground Floor Land Use showed that at January 2000, *retailing* accounted for 45 per cent or 7.7 kilometres of the 17.2 kilometres of shop frontages[15]. *Service* and *food/entertainment* each accounted for a further 22 per cent (3.8 kilometres). The remaining shop frontages comprised vacant premises which totalled 1.9 kilometres (11 per cent of the total) (Figure 3.14).

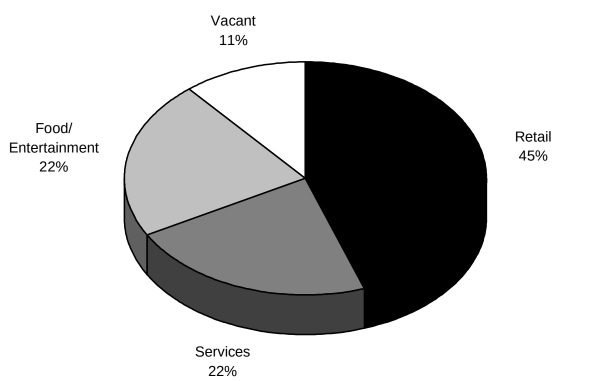
[14] Long–term trend data has not been provided because of changes in the Business Frame coverage.
[15] For the purpose of this, survey shop frontage includes only Retail, Service, Entertainment/ Food and Vacant premises.

Table 3.12 Total Number of Businesses in the Central City Zone

Type of Business*	1997	1998	1999
Agriculture, Forestry and Fishing	16	16	14
Mining	4	5	6
Manufacturing	138	130	130
Electricity, Gas and Water Supply	5	6	8
Construction	36	35	32
Wholesale Trade	207	201	195
Retail Trade	586	576	540
Accommodation, Cafes and Res-	198	205	217
Transport and Storage	94	98	87
Communication Services	34	36	31
Finance and Insurance	418	407	374
Property and Business	1,637	1,713	1,722
Government Administration and	72	80	75
Education	50	60	67
Health and Community	186	190	196
Cultural and Recreation	92	87	82
Personal and Other Services	234	215	207
Total all Industries	4,007	4,060	3,983

**Australia New Zealand Standard Industrial Classification (ANSIC).*
Note 1997 coverage for 1997, 1998 and 1999 years. See also note for Table 3.1.
Source: Statistics New Zealand, Annual Business Frame Update.

Fig 3.14 Shop Frontage in the Central City Zone by Land Use



Source: Christchurch City Council, Survey of Central City Ground Floor Land Use, 2000.

The survey highlighted the different customer focus of key areas within the Central City. 'The Strip' on Oxford Terrace is notable for high numbers of restaurants, whereas Cashel Mall and Colombo Street south of the Square are predominantly retail. This reflects Christchurch City Council planning policies and initiatives to promote various parts of the Central City to different user groups. It may also reveal a tendency for similar businesses to cluster together in specific areas.

Vacant Office Rental Floor Space

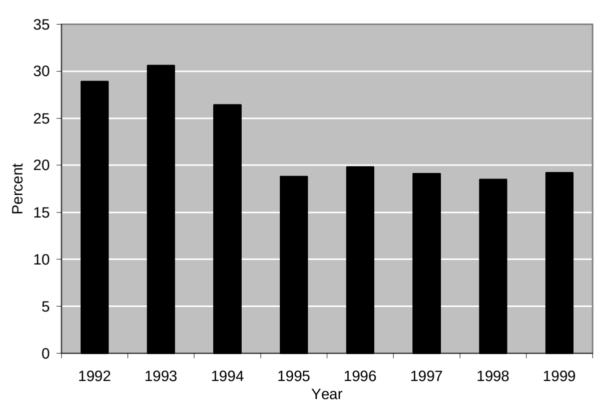
The level of office rental vacancies in Christchurch's central business district decreased considerably during the 1990s. Fright Aubrey's 1999 Inner City Office Rental Market Survey found that the overall office rental vacancy rate stood at 19.2 per cent or 77,778m^2. This was a substantial reduction from the peak of 30.6 per cent (136,500m^2) recorded in 1993. The 1999 survey results were similar to those recorded since 1995, indicating that the fall in vacancy rates had levelled off (Table 3.14 and Figure 3.15).

The reduction in vacant office floor space last decade was aided by conversion projects which saw office blocks transformed into hotels and, to a lesser extent, apartments. This also resulted in a drop in total office rental accommodation from a peak of 440,000m^2 in 1993 to 405,828m^2 in 1999 (Table 3.14).

Latest survey results in 1999 showed that office vacancies in 'A grade' or superior buildings continued to drop and accounted for 12.8 per cent of floor space in this category. This was an improvement on the 1998 figure of 14.1 per cent and well below the 1993 high of 45.6 per cent (Figure 3.16).

In 1999 the 'north-west' fringe of the CBD again recorded the lowest vacancy rate by a considerable margin (9.3 per cent of total vacancy within that area). This reflected the appeal of lower density development, ample car parking, ease of access and pleasant park and river views (Figure 3.17 and 3.18).

Fig 3.15 Level of Office Rental Vacancy in the CBD



Source: Fright Aubrey, Inner City Office Rental Market Suvey.

Table 3.13 Total Employed the Central City Zone

Type of Business*	1997 Full-time	1997 Part-time	1997 Total Work-force	1998 Full-time	1998 Part-time	1998 Total Work-force	1999 Full-time	1999 Part-time	1999 Total Work-force
Agriculture, Forestry and Fishing	9	9	18	18	12	30	6	12	18
Mining	12	-	12	25	0	25	30	0	30
Manufacturing	1,270	425	1,695	1,190	450	1,650	1,220	325	1,540
Electricity, Gas and Water Supply	373	35	408	263	50	310	233	30	270
Construction	230	15	245	365	12	380	185	12	200
Wholesale Trade	1,100	215	1,315	1,090	130	1,230	870	145	1,000
Retail Trade	2,610	1,700	4,310	2,480	1,680	4,160	2,350	1,590	3,950
Accommodation, Cafes and Restau-rants	1,290	1,635	2,925	1,260	1,690	2,940	1,200	1,905	3,100
Transport and Storage	915	188	1,103	920	265	1,200	685	125	820
Communication Services	1,559	256	1,815	1,379	336	1,710	1,338	236	1,570
Finance and Insurance	1,970	395	2,365	2,030	460	2,490	2,030	440	2,470
Property and Business Services	4,630	2,070	6,700	4,990	1,960	6,950	5,180	2,420	7,600
Government Administration and De-	1,880	340	2,220	2,110	490	2,600	2,350	250	2,600
Education	285	166	451	325	216	540	345	196	550
Health and Community Services	1,170	915	2,085	890	805	1,690	930	775	1,700
Cultural and Recreation Services	980	538	1,518	1,060	622	1,680	1,095	1,172	2,260
Personal and Other Services	1,190	375	1,565	1,030	370	1,400	1,080	410	1,500
Total all Industries	**21,500**	**9,280**	**30,780**	**21,420**	**9,570**	**30,990**	**21,140**	**10,030**	**31,170**

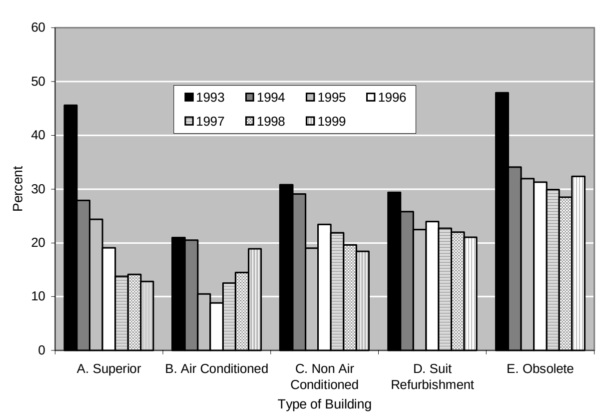
**Australia New Zealand Standard Industrial Classification (ANSIC).*
Note 1997 Business Frame coverage for 1997, 1998 and 1999 years. Also see note for Table 3.2.

Table 3.14 Office Rental Floor Space and Office Floorspace Vacancy in the CBD

Year	Vacant Floorspace	% Vacant	Total Floorspace
1992	127,160	28.9	440,000
1993	136,500	30.6	446,000
1994	115,500	26.4	437,673
1995	76,000	18.8	404,083
1996	78,916	19.7	400,591
1997	76,344	19.1	399,290
1998	74,414	18.5	401,561
1999	77,778	19.2	405,828

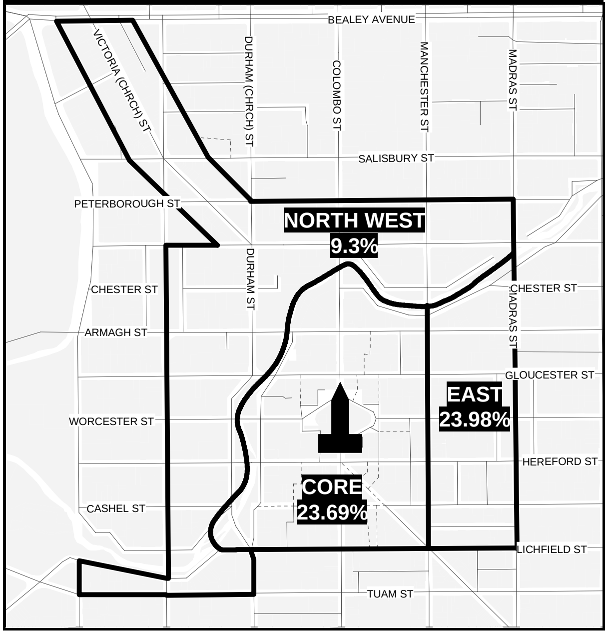
Source: Fright Aubrey, Inner City Office Rental Market Survey.

Fig 3.16 Office Rental Vacancy by Type of Accommodation



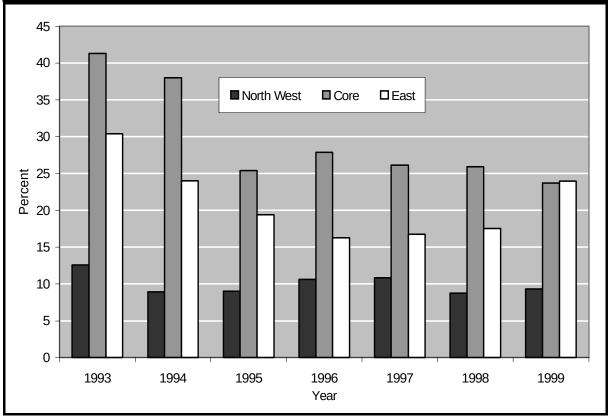
Source: Fright Aubrey, Inner City Office Rental Market Survey

Fig 3.17 Office Rental Vacancy by Location, 1999



Source Fright Aubrey, Prepared by Christchurch City Council.

Fig 3.18 Office Rental Vacancy by Location



Source: Fright Aubrey, Inner City Office Rental Market Survey.

Central City Commercial Floor Space[16]

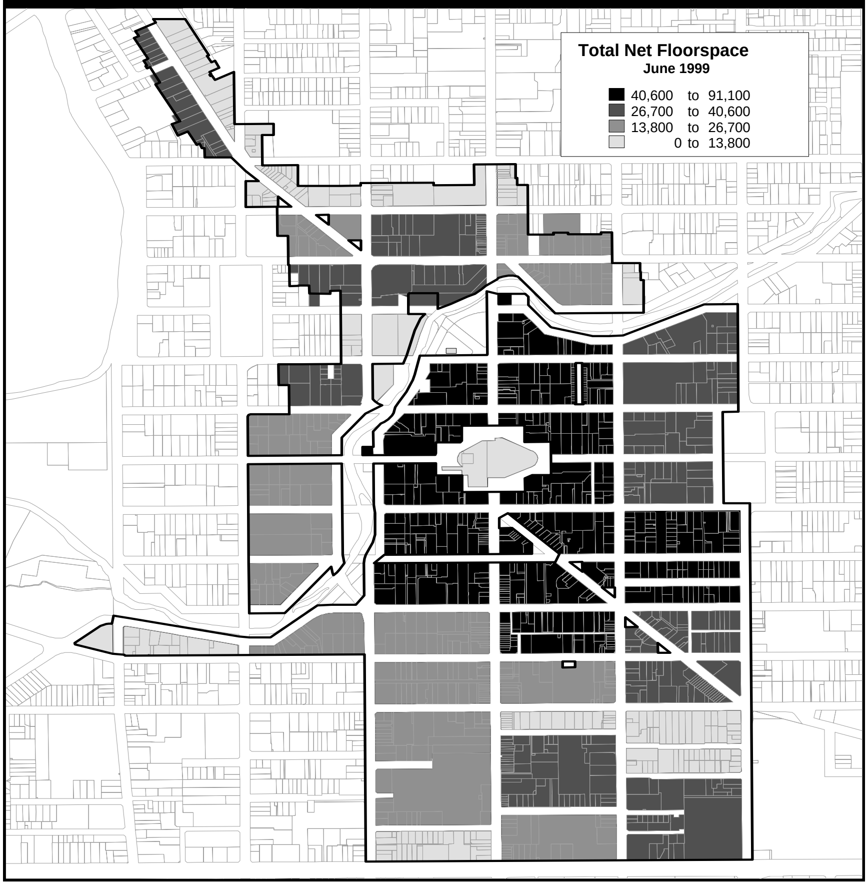
In June 1999 the Central City zone comprised approximately 1,643,000m² of commercial floor space. This was the largest concentration of business floor space in Christchurch and was greater than the combined floor area of all the City's major suburban shopping centres.

Business floor space was mainly concentrated in the area immediately surrounding Cathedral Square and in the blocks to the south. These comprise substantial retail areas at ground level and large amounts of multi-storey office accommodation (Figure 3.19).

A considerable amount of new business floor space was built in the Central City commercial zone during the 1990s. This included additions to existing premises and new developments. Activity peaked in 1998 with consents issued for nearly 76,000m². Much of the floorspace at that time was attributable to the multi-storey Farmers building located north of the Square.

During 1999 Christchurch City Council issued building consents for 9,343m² of new floor space within the Central City commercial zone. The majority of this was built south of the Square and mainly comprised additions to existing retail premises and new retail developments such as the former Arthur Barnetts Department Store now called The Crossing (Table 3.11b).

Fig 3.19 Central City Zone Business Floor Space



Source: Christchurch City Council, Building Consent Records.

[16] Floorspace in the central and suburban commercial zones is collected from building consent information listing additions or demolitions of floorspace in the zones. The data is then summarised to provide annual figures.