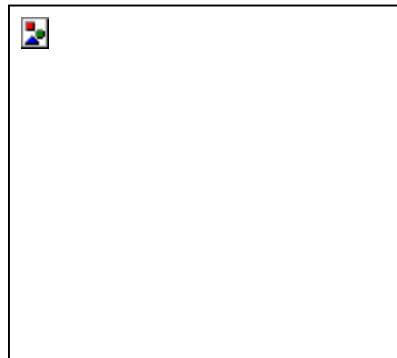


Cork Economic Monitor

March 2007



Cork City Council
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CONTENTS

	Page
Summary.....	1
1.0 NATIONAL TRENDS.....	3
2.0 LOCAL TRENDS.....	5
2.1 Population.....	5
2.2 Employment.....	5
2.3 Unemployment.....	6
2.4 Commercial Property/Land Values.....	8
2.5 Housing.....	9
2.6 Infrastructure.....	12
2.7 Amenity.....	15
2.8 Cultural Projects & Events.....	16
3.0 URBAN RENEWAL.....	18
3.1 Urban Renewal Scheme	18
3.2 Living Over The Shop Scheme.....	19
3.3 RAPID Programme.....	21
4.0 LOCAL AREA PLANS.....	22
5.0 OVERALL PROSPECTS.....	24

Summary

The Central Bank's first Quarterly Bulletin of 2007 reports that the outlook for the Irish economy remains generally good. The overall prospects for the domestic economy and Cork in particular remain largely positive. Consumer spending growth has picked up significantly over the past two years while the level of activity in the construction sector has remained very high. With the substantial increases in housing construction in recent years bringing the level of the housing stock (relative to population) close to that of a number of EU countries, some easing in the level of activity can be expected. The Irish economy is still exceptionally dependent on the building industry for growth and employment. While overall growth is expected to remain strong and unemployment low, inflation seems set to remain above the euro area average.

The key findings of the Cork Economic Monitor include:

- Between December 2005 and December 2006 the number of people on the Live Register in Metropolitan Cork decreased by 450 persons (-4.7%) a figure which compares favourably to the overall State figure of -0.28%.
- Retail performed strongly again in Cork in 2006. There is likely to be significant new activity in the city centre retail market over the coming years with a number of large-scale mixed use retail and residential developments proposed for the city. In Cork city centre, street improvement works were completed on Oliver Plunkett Street and new works commenced on Grand Parade. Site assembly continued in the prime retail areas. Construction of the new Cornmarket Centre is progressing well.
- The office market in Cork has been active throughout the year despite a shortage of good quality, third generation office space in the city centre. On the sales front, the tax-driven Blackpool Office Park has seen a lot of activity with mainly indigenous owner occupiers purchasing office suites at prices of €3,600 per sq.m.
- The number of commencement notices for 2006 is above that for 2005.
- The total number of new house registrations combined for Cork City & County in 2006 was 7,785. This was an increase of 1.4% on the 2005 figure of 7,745.
- National house prices in 2006 grew by 11.8% in 2006 - compared to 9.3% in 2005 according to the Permanent TSB House Price Index 2006 Review. The index reveals that the rate of house price growth moderated significantly during the year unlike the previous year when the rate of growth increased as the year continued. The average price paid for a house nationally in December 2006 was €310,632, up almost €33,000 on that recorded in December 2005. The average house price for Cork City in 2006 was €48,806 up from €306,117 in 2005.

- Cork City Council's housing construction programme to provide 1223 units by August 2008 is well advanced, with 211 units completed and a further 601 units under construction at the end of 2006.
- Work is underway on the street renewal scheme for Grand Parade. This scheme is due for completion in early 2008.
- €10 million has been allocated for Water and Drainage Schemes in the Docklands area under the *Water Services Investment Programme 2004 –2006*. A Feasibility Report has been prepared regarding water supply to the Docklands development area.
- Under the Blackpool/Shandon Urban Renewal Scheme 1999-2004 (now extended to 2008) 510 residential units are currently under construction and 286 units are completed. Under the Living Over The Shop (LOTS) Scheme, 2000-2004 (now also extended in certain instances to 2008), 80 apartments have been completed to date. Commercial uses were also permitted in a number of these developments.
- Cork City Council adopted the Blackrock Village Area Action Plan at its Council meeting in April 2006. Work on the preparation of an Area Action Plan for the Bishopstown and Wilton area of Cork City and the South Docks Local Area Plan is ongoing. An action area plan has been being prepared for the Coburg Street & St. Patrick's Hill area. A plan for the South Parish area of the City focusing on the tourism & heritage potential of the area is in preparation.
- The City Council has drafted its inaugural Heritage Plan. It is hoped that this will be fully adopted by the end of March.

The Cork Economic Monitor is available on www.corkcity.ie, or from Cork City Council on 021 - 492 4086/4317.

1.0 National Trends

1.1 General Economy

In recent decades the Irish economy has been transformed from being agrarian and traditional manufacturing based to one increasingly based on the hi-tech and internationally traded services sectors. In 2005, the services sector accounted for 66% of employment, industry for 28% and agriculture for 6%. The pattern of economic growth has become somewhat unbalanced in recent years with very strong domestic growth alongside, as indicated, a weaker export performance. Consumer spending growth has picked up significantly over the past two years while the level of activity in the construction sector has remained very high. With the substantial increases in housing construction in recent years bringing the level of the housing stock (relative to population) close to that of a number of EU countries, some easing in the level of activity can be expected. While growth is expected to remain strong and unemployment low, inflation seems set to remain above the euro area average.

1.2. GDP/GNP

Over the last decade, unprecedented economic growth has seen the level of Irish real GDP almost double in size. The Central Bank's first Quarterly Bulletin of 2007 reports that the outlook for the Irish economy remains generally good. The Central Bank is forecasting a GNP growth rate of 5 ¾ per cent (GDP 5 ½ per cent) for 2007. This rate of growth is only slightly less than the estimated growth rate for last year.

1.3 Consumer Price Index (CPI)

The increase in the Consumer Price Index (CPI) during 2006 was 4 per cent, up from 2½ per cent in 2005. The higher rate of CPI inflation was due in large part to the impact of higher mortgage interest repayments, which are excluded from the HICP measure of inflation. Higher interest rates and rising house prices both contributed to the increase in mortgage repayments last year. In other countries, these repayments are generally not included in measures of inflation. The CPI forecast for 2007 is 4½ per cent.

1.4 Housing Prices

The 2006 year-end edition of the Permanent TSB House Price Index - compiled in association with the ESRI - reveals that house prices nationally grew by 11.8% during 2006. This compares to annual growth of 9.3% in 2005.

House Prices nationally rose by just 0.1% in November 2006 – a reduction in the rate of growth for the sixth successive month. The last time a lower rate was recorded was January 2002. The figures further reinforce the view that the recent series of interest rate rises introduced by the European Central Bank (ECB) are having an impact on house price growth in Ireland. However due to the particularly strong growth in the first half of the year, the rate of growth so far this year at 11.7% is higher than was expected. It compares to 9.3% for the full year of 2005 and 8.0% for the same period last year (2005). However the year on year growth rates declined nationally and in all market sectors again in November, as it did in October.

The average price paid for a house nationally in December 2006 was €310,632, up almost €3,000 on that recorded in December 2005. The average house price for Cork City in 2006 is now €48,806 up from €306,117 in 2005.

1.5 National Development Plan (NDP) - significance for Cork.

The National Development Plan *Transforming Ireland- A Better Quality of Life* sets out the roadmap to Ireland's future for the next 7 years. The plan integrates strategic development frameworks for regional development, for rural communities, for all island co-operation & for the protection of the environment with common economic and social goals. Cork is one of the major designated gateways within the plan. The plan notes Cork's Docklands as an area offering significant potential for commercial and housing development. Investment priorities arising from the NDP include:

- Completion by 2010 of the M/N8 Dublin – Cork road to full motorway standard
- Development of an integrated public transport system built around the Green Route programme of improved bus priority,
- The re-opening of the Cork City- Midleton/Cobh rail service by 2008
- The development of commuter rail services on the Mallow-Midleton corridor.
- Pedestrianisation and similar urban renewal activity, building on recent progress in this area
- Enhancement of tourism, cultural & recreational facilities.
- Continued development of the City's R&D capacity such as the recently opened Tyndall Institute.

2.0 Local Trends

2.1 Population

Table 2.1a shows the population of Cork City in relation to Cork County & the State. Figures show the change from the 2002 census to the preliminary 2006 census figures.

Overall, Metropolitan Cork has experienced a 5.7% increase in population from 2002 to 2006. Cork City administrative area has shown a decrease of 3.2% which is somewhat in contrast to the increase recorded for Metropolitan Cork, Cork County and the State as a whole.

	Persons 2002	Persons 2006	Actual Change '02-'06	%Change 2002-2006
Total Metropolitan Cork	257,355	272,250	+14,895	+5.7%
Cork City	123,062	119,143	-3,919	-3.2%
Cork County	324,767	361,766	+36,999	+11.4%
State	3,917,203	4,434,925	+317,722	+8.1%

(Source: CSO 2006 Preliminary Census of Population)

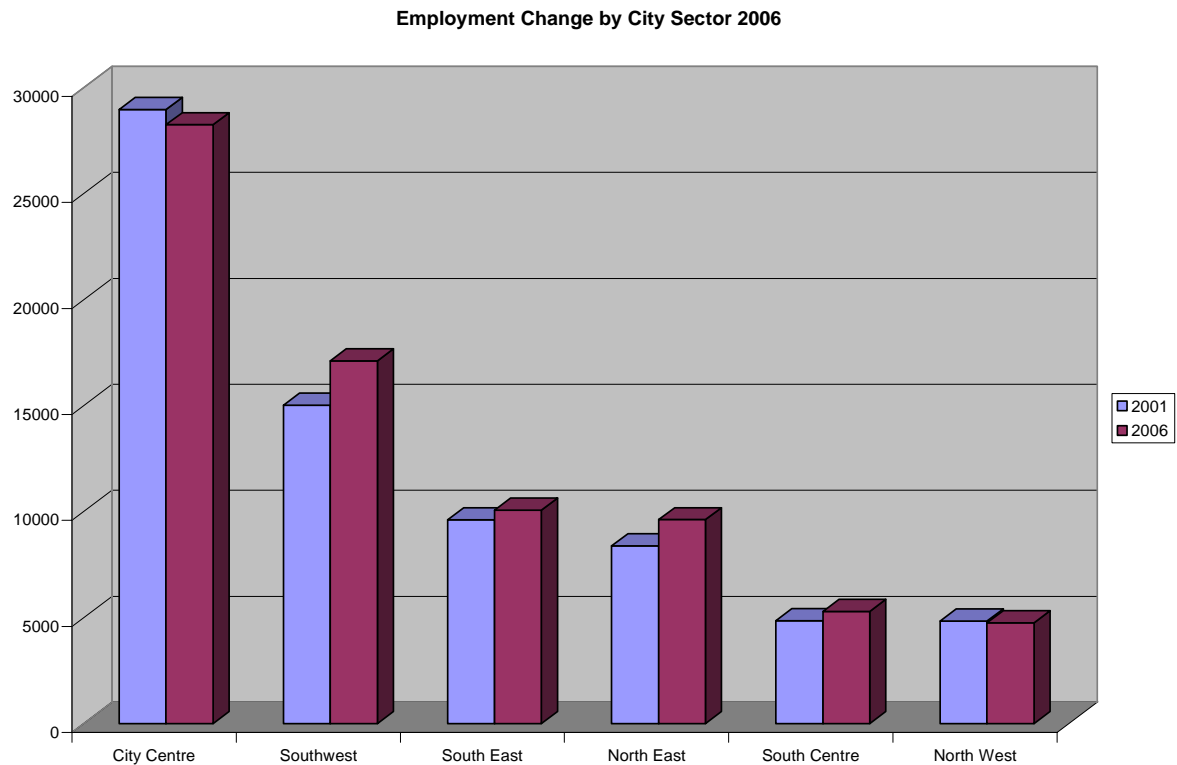
2.2 Employment

Nationally employment grew by an average of 86,700 persons or 4.4% in 2006. This compares with the average growth of 4.7% in 2005.

2.2.1 Cork City Land Use & Employment

Cork City Council completed the 5 yearly review of the Land Use & Employment Survey in 2006. According to findings of the survey, between 2001 and 2006, within the administrative area of Cork City Council, employment has grown by 5% overall to a total of 75,049. City-centre employment has decreased since 2001 by 2% (-725), but it is still the sector with most jobs as 38% of Cork City's workforce are employed here. This is partly due to the relocation of manufacturing and other traditional sectors.

Table 2.2.1a Employment Change by sector for Cork City 2001- 2006



2.3 Unemployment

Table 2.3.a shows the number of persons on the Live Register for Metropolitan Cork during the period December 1996 - December 2006. In the time period from September 1996, when the Live Register was at its peak in Metropolitan Cork (22,257 persons), to December 2006 there has been a 58.8% decrease in the number of persons on the Live Register. The numbers of unemployed have been relatively stable since late 2003, and figures revealed from December 2005 to December 2006 seem to follow this trend despite significant increases in the labour force over this period.

Table 2.3 a Live Register 1996-2006 Metropolitan Cork

Month	Year	Persons on Live Register
December	1996	21,294
December	1997	18,526
December	1998	14,729

December	1999	11,317
December	2000	9,193
December	2001	10,743
December	2002	11,072
December	2003	10,754
December	2004	9,451
December	2005	9,616
March	2006	9,728
June	2006	10,316
September	2006	9,456
December	2006	9,166

(Source: CSO)

Between December 2005 and December 2006 the number of people on the Live Register in Metropolitan Cork decreased by 4.7% (450 persons) as indicated in Table 2.3a above. This figure compares well to the national percentage figure of -0.3%

The following table, **Table 2.3.b “Classification by age and sex of Live Register 2005-2006: Metropolitan Cork”** gives a detailed breakdown of the overall Live Register figures from December 2005 – December 2006 by age and sex, comparing them to the national average in percentage terms.

	Met. Cork (Dec. 05)	Met. Cork (Dec. 06)	Met. Cork % Change	The State (Dec. 05)	The State (Dec. 06)	State % Change
MALE	6,189	5,811	-6.1%	92,392	92,499	+0.1%
under 25	1,096	1,040	-5.1%	17,322	17,495	+0.99%
over 25	5,093	4,771	-6.3%	75,070	75,004	-0.08%
FEMALE	3,427	3,355	-2.1%	63,441	62,890	-0.86%
under 25	670	630	-5.9%	11,672	11,619	-0.45%
over 25	2,757	2,725	-1.2%	51,769	51,271	-0.96%
TOTAL	9,616	9,166	-4.7%	155,833	155,389	-0.28%

(Source: CSO)

2.4 Commercial Property/Land Values

2.4.1 Retail

In Cork city centre, street improvement works were completed on Oliver Plunkett Street and new works commenced on Grand Parade. This has extended the street refurbishment scheme from St. Patrick Street on to Grand Parade and further to the junction with South Mall. Retail activity on St. Patrick Street remains quite strong. Vacancy levels are extremely low showing that the area is vibrant & attracting strong retail interest. Rents are holding at approx. €4,500 per sq.

Prime retail areas are experiencing continued progress. Construction of the new Cornmarket Centre on Cornmarket Street is well underway while the Academy St./St. Patrick's St. Retail Scheme is in the planning process. In the suburbs, Roches Stores departed from the Wilton Shopping Centre and the Shipton Group applied for a revision to a previous granted planning application in respect of Douglas Village Shopping Centre. The uptake of retail warehouse developments was strong with Phase 2 of Mahon Retail Park and Blackpool Retail Park fully let.

In 2006, planning permission has been granted by Cork City Council for a total of 15,951 sq.m of net retail floor area. This is a 30% increase on the net retail floor area granted in 2005 (12,259 sq.m).

2.4.2 Offices:

Newly built units in the City Centre show that demand for office space within the city centre is quite strong. Main new office developments include those recently completed under the restructuring of Lapp's Quay. South Mall has a small number of available office spaces to let showing that there is still availability within the centre for office use. The suburban office market has experienced substantial one-off lettings. At Cork Airport Business Park Amazon let 4,200 sq.m in one of the largest single lettings in the suburbs.

Permission was granted by Cork City Council for a total of 40,732 sq.m of office floor area in 2006.

2.4.3. Industrial:

Areas east of the city remain the main focus of activity with regards to new industrial space for example at Euro Business Park, Little Island, where sale prices rose from €2,160 per sq.m early in the year to €2,690 per sq.m towards the end of the year.

2.5 Housing

2.5.1 Local Authority Housing

Cork City Council's Housing Construction programme includes provision of approx. 1,400 social units & 1223 Affordable units. Progress on the provision of the affordable units by August 2008 is well advanced, with 211 units completed and a further 601 units under construction at the end of 2006.

A total of 792 housing units are to be provided by the voluntary sector. Targets as set out under the Affordable Housing Scheme are progressing well, and in 2006 a total of 235 units were completed, with a further 322 units under construction.

In the last Quarter of 2006, a total of 5 new schemes were introduced. These are Togher (72), Shanakiel (30), Fairfield (46), Atkins Hall, Lee Road (96), and Assumption Road (7). The schemes that were completed in 2006 are Casey's Land (Blackrock), Sunvalley Drive, St. John's Well (Phase 1), Wherlands Lane and Castle Ave. This equated to a total of 91 completed units. When combined with the number of completed purchases, the Council has provided a total of 153 Local Authority units to the end of 2006.

2.5.2 Private House Completions 1994 – 2006 for Cork City Council

Figures available for house completions for Cork City Council indicate a drop in the rate of house completions for Cork City. Figures for private house completions for 2006 are only available for the first 3 quarters of the year and therefore are not directly comparable to other years. The figure for 2006 stands at 582. The figure for the first 3 quarters of 2005 is 1,069. There has been a 45% decrease in the number of private house completions for the **first nine months** of 2006 relative to the same 9 month period of 2005.

Table 2.5.2a Private House Completions Cork City.

Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006*
Units	852	841	771	1,078	1,198	804	1,081	646	570	914	2,192	1,393	582

(* Figure for 2006 includes Q1, Q2 & Q3 only). (Source: DoEHLG)

2.5.3. Total House Completions 1994 – 2006 Cork City

Figures available from the DoEHLG Housing Database show total house completions for the year 2006 for Cork City is 1,065 which is a 36% decrease on the 2005 figure of 1,684 total house completions.

Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Units	978	966	859	1,132	1,266	1,006	1,186	752	812	1,053	2,364	1,684	1,065

(Source: DoEHLG)

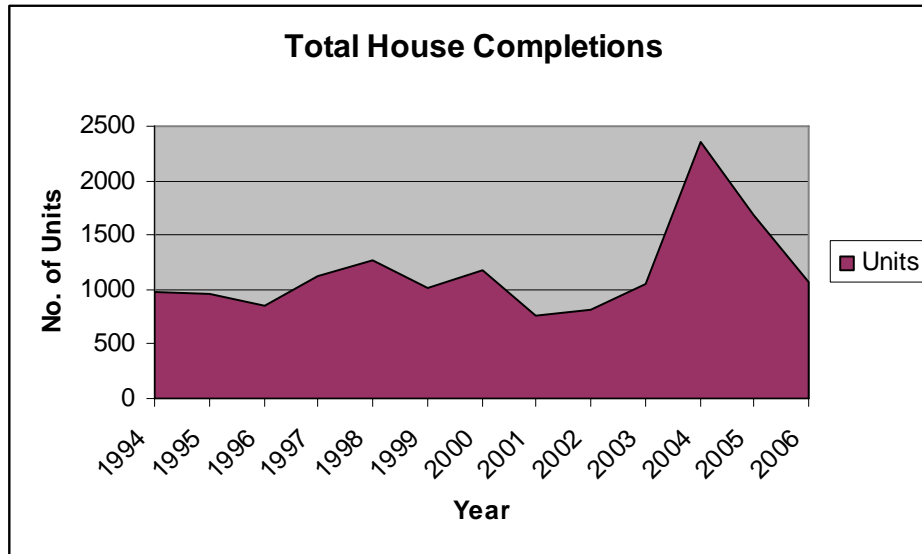


Table 2.5.3a: Total House Completions Cork City

2.5.4 Residential Commencement Notices:

The data available from the DoEHLG in relation to the number of residential commencement notices for 2006 is only available for the first 9 months of the year. Therefore data for 2005 has been compiled also for Q1, Q2 & Q3 of 2005. The table below shows both the commencement notices & the no. of units.

Table 2.5.4a: Residential Commencement Notices for Cork City. (Source: DoEHLG Housing Database)

Q1, Q2 & Q3	2006	2005
Residential Commencement Notices	130	95
No. of Residential Units Commenced	947	961

2.5.5 New House Registrations

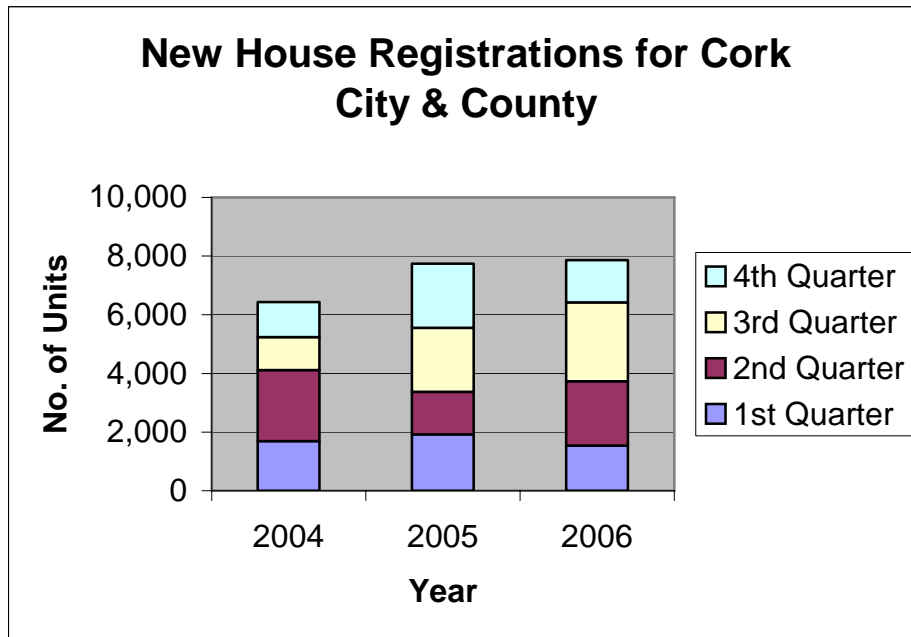
This section details the number of new houses registered under a building guarantee product, that is either HomeBond or Premier Guarantee. While not all new houses are registered under a building guarantee product, these figures serve as a useful indicator of future house building activity. The figures given include those for Cork City & County as separate figures for the City are not available. The total number of new house registrations in 2006 was 7,785 and this was a slight increase on the 2005 figure of 7,745. The 2006 figure represents a 1.4% increase from 2005. Nationally, house registrations totalled 66,649 up from a total of 62,284. This equates to a national increase of 7% over 2005.

Table 2.5.5a: New House Registrations 1994-2006 for Cork City & County

Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Units	1,966	1,895	2,712	3,037	3,266	4,174	4,424	2,957	6,004	5,827	6,425	7,745	7,857

(Source: DoEHLG Housing Database)

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



2.5.6 House Prices

National house prices in 2006 grew by 11.8% in 2006 - compared to 9.3% in 2005 according to the Permanent TSB House Price Index 2006 Review. This growth rate is a further increase on the 2004 figure which stood at 8.6%. The index reveals that the rate of house price growth moderated significantly during the year unlike the previous year when the rate of growth increased as the year continued. The price growth nationally in the second half of 2006 (3.8%) was less than twice the rate as in the first six months (8.0%).

Latest figures show national house price growth of 0.1% in January, unchanged from that recorded in November and December 2006. The year on year growth rate to January this year nationally was 10.6%, down from 11.8% in December last year. This is indicative of a slow down on house prices which is possibly set to continue in 2007.

Price growth for First Time Buyers (11.8%) in 2006 shows a more moderate growth rate than was the case for second time buyers (12.2%). The average price paid for a house nationally in December 2006 was €310,632, up almost €3,000 on that recorded in December 2005. The average house price for Cork City in 2006 was €348,806 up from €306,117 in 2005.

Table: 2.5.6a Average House Prices

Area (Unless specified, figure includes total City & County data)	1996	2003	2004	2005	2006	% Change 1996-2006
Cork City	€76,855	€243,766	€276,267	€306,117	€348,806	+353%
Cork County	€73,114	€18,038	€52,850	€84,355	€17,973	+334%
Average of Combined Cork City & County	€74,985	€230,902	€64,559	€295,236	€333,390	+345%
Dublin	€2,342	€307,343	€34,822	€68,576	€27,343	+362%
Galway	€2,588	€40,831	€67,920	€86,478	€14,801	+240%
Limerick	€72,940	€199,092	€17,208	€31,332	€54,557	+249%
Waterford	€4,609	€202,494	€29,873	€44,629	€71,324	+320%

Source: Permanent tsb Quarterly Review.(Q4, 2006)

2.6 Infrastructure

2.6.1 Transportation Schemes

a) Oliver Plunkett Street Redevelopment

The repaving of Oliver Plunkett Street and a number of adjacent streets is now complete. Traffic restrictions have been introduced on Oliver Plunkett St. to improve the pedestrian environment.

b) Shandon Street – Phase II

Works commenced in mid-October 2005 on public realm improvements in Shandon Street and are now completed

c) Barrack Street/Elizabeth Fort Scheme

There is an ongoing road improvement works scheme underway at the bottom of Barrack Street and at Elizabeth Fort.

d) Grand Parade Street Renewal Scheme

Work is underway on the street renewal scheme for Grand Parade. This scheme is due for completion in early 2008.

e) St. Luke's Public Realm Plan

A plan is currently being prepared for St. Luke's Cross/Wellington Road Area of Special Character. The primary focus of the plan is to improve the public realm at St. Luke's Cross and in particular to extend and enhance the pedestrian space at the Wellington Road/Ballyhooley Road/Middle Glanmire Road/Summerhill North junction. The plan will also include proposals to upgrade the existing lighting scheme to reflect the architectural character of the area.

f) Water Street Bridge

A feasibility report for the Water St. Bridge is completed. The bridge is proposed to connect the North and South Docks areas and is being reviewed as part of the South Docks Local Area Plan.

g) Kinsale Road Interchange

Works have been completed on the Kinsale Road Interchange.

h) Green Routes

An allocation of €10m has been made for 2007 to Cork City Council from the Department of Transport. This grant will allow the City Council to finish work on the Knocknaheeny Green Route and to continue construction on the City section of the Ballincollig/City Green Route. Work is scheduled to start on the Farranree/Blackpool Route in March 2007 and the Carrigaline/Ringaskiddy Green Route in Q2 of 2007. These schemes are programmed to be completed by mid 2008. Construction of the Ballincollig Green Route (County Section) is programmed to start in Q4 of 2007. Work is now complete on No.6 Grange/Frankfield to City centre, the No. 8 Curraheen to City centre, the Mayfield to City centre, the Airport to South Ring and South Ring to City centre Green Routes. Department of Transport funding has ensured that Cork City Council has been able to put in place this most important Public Transport infrastructure for the Cork Metropolitan Area.

i) Cork Suburban Rail Project

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

- Re-opening and operation of suburban services on the Cork to Middleton Line
- Provision of new services between Mallow and Cork
- Upgrading of rolling stock and frequency on the Cobh line as demand increases

A Railway Project Steering Group has been set up with representatives from the Local Authority, Iarnród Eireann and the Department of Transport and a Design Team has been put in place to implement the project.

A Railway Works Order, to facilitate the necessary engineering and development works, has been prepared by Iarnrod Eireann for Phase 1 of the Project and is awaiting Ministerial approval. The project is targeted for completion in 2008.

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

The City Council has prepared a development brief for the rail station site at Blackpool (Kilbarry) and is working with Iarnrod Eireann to pursue the development of a station at this location. Iarnrod Eireann is currently in the process of designing the new station and it is anticipated that the design will be completed in the next few months. A Planning

Application by CIE for the provision of a new Kent Station is expected in the next few months.

2.6.2 Water Schemes

(a) Cork Water Conservation Scheme

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

(b) Tivoli Industrial Estate Fire main

This scheme has been revised and contract documents have been prepared. The procurement of wayleaves for the pipeline, planning permission from Cork County Council and Part 8 planning is currently progressing.

(c) Cork Strategic Water Study

The Cork Strategic Water Study has been completed and approved.

(d) Docklands Redevelopment

€10 million has been allocated for Water and Drainage Schemes in the Docklands area under the *Water Services Investment Programme 2004 –2006*. A Feasibility Report has been prepared regarding water supply to the Docklands development area which recommends short-term and long-term supply solutions for water supply. A brief for the appointment of Consultants for the water supply has also been prepared and approved by the Department of the Environment Heritage and Local Government. A new protocol for the appointment of Consultants appointed post 1st January 2007 has been put in place by the DOEHLG and Consultants will shortly be appointed in accordance with same.

(e) Lee Road Waterworks Improvement

The Water Abstraction Order has been approved by An Bord Pleanála.

On the recommendation of the Cork City Council Workplace Partnership Committee a new procurement options report is currently being prepared for the Waterworks upgrade.

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

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

(g) Additional Reservoir Storage

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

(h) Non-Domestic Metering

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

(i) Assessment of Needs

An assessment of needs for Water Services Capital Works for the period 2007 to 2014 has been prepared and has been forwarded to the DOEHLG for approval. The main purpose of the assessment is to develop an overall strategic investment plan for water services over the medium and long term.

2.7 Amenity

The following table, Table 2.7a, gives a breakdown of City Council amenity schemes.

Location	Proposal/Scheme	Status
Mahon Park	Park, Children’s Playground, Multi Use Games Area (MUGA)	Completed. Open to the public.
Popham’s Park	Upgrading works including perimeter fencing, pathway & resurfacing, playground & MUGA	Completed.
Kilmore Road Park	Children’s Playground; perimeter railing, improved access. Proposed Basket Ball Court.	Proposed Basketball Court in 2007; all other works completed.
Bride Valley Park, Fairhill	Hard & soft landscaping	Due to commence Summer 2007
Marina Nature Park	Hard & soft landscaping, children’s adventure playground & educational nature park	Part 8 currently underway.
Meelick Park	Perimeter railings, children’s playground, tennis courts, upgrading paths.	Works due to commence Spring 2007.
Glen Amenity Park	Remedial landscaping: new car-park/entrance &	Works underway.

	upgrading path network.	
Bishopstown Park	Hard & soft landscaping , children's play area; MUGA, provision of dressing room facilities for pitch & putt, pitches.	Landscape Masterplan is currently being drawn up. Construction work on dressing rooms & pitches is ongoing & due for completion in June 2007.
St. Anne's Park, Shandon	Remedial landscaping	Proposed plan for the scheme has been prepared. Part 8 for the Park (2 parts) is progressing.
Fairfield, Fairhill	Perimeter fencing, perimeter path & street furniture to be installed	Works due to commence Autumn 2007
Military Cemetery	Creation of local park	Part 8 has been approved. Works due to commence Summer 2007
Mahon	Mahon Sports Project: grass & all weather pitches	Works continuing
Tory Top Park	Skate Park	Installed since July 2006
Mardyke	Skate Park	Part 8 has commenced.
Clashduv	Tennis Courts	Works due to commence June 2007.
St. Michael's Cemetery	New Car Park	Works nearing completion.
Angler's Rest, Carrigrohane	7 pitches & changing pavilion	Planning application submitted.

Table 2.7a: Amenity Projects.

2.8 Cultural Projects & Events.

(a) Heritage Plan

The inaugural Cork City Council Heritage Plan is currently being finalised. The Heritage Plan will cover a 5-year period and it is expected that the Plan will be completed by the end of March 2007.

(b) New Central Library

A new Central Library is to be provided at Grand Parade with contracts for its provision having been signed recently. The new Central Library will hold the largest collections of books, CDs, DVDs and other materials for children and adults in the city, the largest public library outside Dublin.

(c) Bishopstown Library

Bishopstown Library opened to the public in November 2006. With a floor area in excess of 1,100 sq. metres, Bishopstown Library located in the precinct of Wilton Shopping Centre is the largest of the six local libraries provided by Cork City Libraries.

(d) Montenotte Cork City Marathon

The outline route of Cork City's first marathon in 21 years was recently announced. The route has been kept as close to the city as possible to ensure maximum spectator involvement and will also feature a leg through the Jack Lynch Tunnel. The Montenotte Cork City Marathon will start and finish right in the centre of St. Patrick Street and cover points north, south, west and east in between.

(e) Cork Artists Awards 2006

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

3.0 Urban Renewal

3.1 Urban Renewal Scheme

The principle objective of the Blackpool / Shandon Integrated Area Plan is to bring about the rejuvenation of the area through a series of interrelated projects; both public and private. The Blackpool / Shandon Urban Renewal Scheme 1999 – 2004 (now extended to 2008), offers tax incentives for both residential and commercial development in seven sub-areas within the IAP area covering almost 30 hectares. In addition, incentives are available to owner-occupiers throughout the IAP area for the refurbishment of houses constructed before 1920.

The Finance Act 2006 further extended the scheme to July 2008 for projects already eligible under the scheme with particular emphasis on commercial/industrial developments.

The signs of rejuvenation can now be seen throughout the wider area. Many of the derelict and under utilised sites along Carroll's Quay, Thomas Davis Street and the Watercourse Road have been, or are in the process of being, redeveloped. The image of the area as an unattractive area for investment has been turned around. Traffic congestion has been effectively tackled while the Shandon area is currently undergoing a transformation through the actions of the Shandon Action Plan, which compliments the objectives of the IAP. The vast majority of applications under the tax incentive scheme have been residential investors. These include apartment developments and a number of town house schemes which will be attractive to a wide range of household types.

The primary function of the Blackpool / Shandon area as a housing area has been reinforced by the completion of the bypass and the development of a significant number of new residential schemes in the established housing areas along Watercourse Road and Thomas Davis Street. In contrast, the northern areas of the IAP area have seen substantial commercial, retail and industrial development over the past four years, helping re-establish the Blackpool Valley's commercial importance on the northside of the city. Progress to date and the status of developments is highlighted in the following tables.

Table 3.1.a: Urban Renewal Progress To Date

	January 2007
No. of Applications	77
No. Awaiting Certification	5
No. of Preliminary Certificates	32

No. of Full Certificates	28
No. Applications Refused	9
No. of Invalid Applications	3
<hr/>	
Total	77

Table 3.1.b: Urban Renewal Status of Development

	Jan '07 (valid apps)*	Est. Cost (€)
No. of Developments not yet commenced	1	9,154,825
No. of Developments with Work in Progress	21	86,726,186
No. of Developments Completed	43	178,801,846
<hr/>		
Total	65	274,682,857

Table 3.1.c: Urban Renewal Number Of Residential Units

No. of Residential Units	In Planning	Work in Progress	Completed	Total
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Houses / Apartments	44	514	286	844

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

3.2 Living Over the Shop Scheme (LOTS)

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

Currently developments under the LOTS Scheme benefit from an extension to the qualifying period to 31st July 2008 if a planning application has been submitted prior to 31st December 2004 or, if a planning application is not required for the work, 5% of the cost of development has been incurred before that date. Following a review conducted by consultants for the Department of Finance it was announced in Budget 2006 that the LOTS Scheme is to be continued in a 'more focused manner'. The Department of the Environment has indicated that a new scheme may be in place by mid 2007 but to date

has not released the specifics of this proposal. The current scheme is still running for existing qualifying applicants.

The Living Over the Shop scheme has been successful within the objectives set for it and has delivered value for money. It has acted as a catalyst for the refurbishment and conversion of unused accommodation for residential use and has also contributed to efforts to create a more vibrant, secure and enjoyable city environment. Progress to date is highlighted in the following tables:

Table 3.2a: LOTS Progress To Date

Progress to Date	January 2007
No. of Applications	40
No. of Preliminary Certificates	14
No. of Full Certificates	19
No. Awaiting Certification	3
Applications Refused / withdrawn	4
Total	40

Table 3.2b: LOTS Status of Development

	Jan '07 (valid Apps)*	Est. Cost (€)
No. of Developments in Planning	2	1,000,000
No. of Developments with Work in Progress	10	14,384,661
No. of Developments Completed	24	15,423,952
Total	36	30,808,613

Table 3.2c: LOTS Number Of Residential Units

No. of Residential Units	Proposed	Completed	
Total			
Apartments	71	80	151
Total	71	80	151

* 4 applications were refused with 1 withdrawn

3.3 RAPID Programme

Is being targeted towards forty-five of the most disadvantaged areas in the country under the *Programme to Re-Vitalise Areas by Planning Investment and Development* (the RAPID Programme) which sets out the forty five areas and how the programme is to be implemented up to 2006.

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

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

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

In June 2006, a national evaluation of the RAPID Programme recommended that the next phase of the Programme continue along seven emerging themes:

- crime and community safety
- health,
- family support
- youth support
- education
- employment and training
- physical environment

In early 2007, RAPID was again included in the new National Development Plan and is seen as a key Government Priority to address social exclusion and disadvantage. In March 2007, funding for four multi-use games areas was approved - in Mahon, the Glen, Knocknaheeny and Farranree.

4.0 Local Area Plans

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

Work is progressing on the preparation and completion of a number of Local Area Plans and Action Area Plans. These are as follows:

4.1 South Docks Local Area Plan

The South Docks Area was identified by the Cork Docklands Development Strategy, 2001 as having significant development potential, which would be crucial to the driving of development both in the Docklands area and the wider City Region. The area is strategically located within Cork City, lying within walking distance of the city centre and stretching from Albert Quay in the west to the Marina in the east and extending south of Monahan's Road.

The preparation of the South Docks Local Area Plan is nearing completion with a Draft Plan due for public display in April. This Plan will also incorporate an Infrastructure Strategy and a Landscape and Public Realm Strategy and will amplify and develop the existing planning framework, development policies and objectives contained in the *Cork Docklands Development Strategy 2001* and the *Cork City Development Plan 2004* and other relevant policies and material. In addition, the preparation of the Local Area Plan will involve consultation with key stakeholders and will act as a focus for moving the development of the area forward by providing clear guidance for the development and implementation of the agreed development strategy.

4.2 Bishopstown and Wilton Area Action Plan

Cork City Council has prepared a Draft Area Action Plan for the Bishopstown and Wilton area of Cork City. The Bishopstown and Wilton area is a mature and well-established residential suburb which also makes an important contribution to the employment, educational and healthcare needs of Cork City and the wider region.

The City Council's aim in the preparation of this plan is to provide an integrated planning and development framework for Bishopstown and Wilton that enables the future orderly and sustainable development of the area.

4.3 Blackrock Village Area Action Plan

Cork City Council adopted the Blackrock Village Area Action Plan in April 2006.

This *Area Action Plan* has been prepared to provide a strategy for improving the centre of Blackrock village. The village has tremendous potential given its existing assets, including its location fronting onto the River Lee and at the centre of surrounding residential areas, and its role as the physical, social and services focus for the surrounding village. The redevelopment of the former Ursuline Convent site also presents the opportunity to create a new Blackrock Public Park.

Key projects in the Action Plan include:

- **Blackrock Harbour** - the improvement of the harbour and its setting and the development of adjacent sites capable of providing much-needed local services, such as shops and cafes, as well as waterside dwellings;
- **Blackrock Park** – a new public park for the village to the front of the former Ursuline building, including the provision of an improved community centre;
- **Blackrock Harbour to Blackrock Castle Walkway** – along the edge of the water forming part of the Banks of the Lee walkway.

4.4 Coburg Street & St. Patrick's Hill Action Area Plan

An action area plan is being prepared for the Coburg Street & St. Patrick's Hill area to assist in the appropriate regeneration of this area.

4.5 South Parish Plan

A plan is being prepared for the South Parish area of the City. The decision to prepare a plan for the area is based on the objectives for the City outlined in CASP which identifies the South Parish as a "South Improvement Area" and the objectives of the City Development Plan. In addition the area's proximity to the City Centre, its importance as both a residential, commercial and tourist quarter and the changing nature of institutional uses in the area are also important considerations.

5.0 Overall Prospects

The overall prospects for the domestic economy and Cork in particular currently remain largely positive.

However, while the economy is currently performing strongly and is expected to continue doing so during 2007, certain areas of concern have been highlighted by the ESRI and the Central Bank. The Irish economy is now exceptionally dependent on the building industry for growth and employment. The continued growth in prices, well above the rate of inflation of most other wealthy EU countries, looks increasingly threatening. For example, an extreme or sudden US adjustment process, through its negative effects on the global economy, could result in a sudden loss of confidence, and thereby cause an abrupt fall in Irish house prices. A slowdown in the Irish housing market has been noted. Given the size of the construction sector, any collapse in building activity would affect the rest of the economy. It is therefore significant also that while Ireland ranks well in terms of investment, entrepreneurship and innovation, the Central Bank considers that there is room for increased competition in the services area and more innovation in R&D activity to promote better productivity performance. In particular, the ESRI identifies a need in the medium term for Ireland to move away from an excessive dependence on the low corporation tax regime.

The current upward economic trends in Cork City are a reflection of the chief strengths of the City and the wider Metropolitan area, namely a broad economic base, a highly skilled workforce and excellent higher education facilities. Retailing and offices are performed strongly within the City in 2006 and the trend looks set to continue for 2007. These factors, combined with a high standard of urban design, serve to enhance Cork's status as a "gateway" city.

The substantial physical improvement works undertaken in the City Centre have played a significant role in the enhancing the city as a place to live, work and visit. The challenge for Cork in the future will be to build on the existing infrastructure base and to manage the expected continued growth in a sustainable manner over the coming years.

The National Development Plan has also established a special Gateways Innovation Fund (GIF) to assist development of the Gateways in line with the NSS framework. An initial €300 million is being provided by the Exchequer for the years 2008-2010 from this Fund. This funding is intended to leverage significant additional funding from the private sector and/or other parts of the public sector so that the total quantum of investment will be more significant than the Exchequer contribution. It is envisaged that the Fund will finance local infrastructure such as urban regeneration projects, transport initiatives, in addition to those under Transport 21, and quality of life projects. A key consideration will also be the existence of close co-operation between Local Authorities in Gateway Areas.

Cork City Council will be co-ordinating the submission for funding for the Cork Gateway over the coming months.