

# **Gentrification Interrupted**

## **– Impacts of the Christchurch Earthquakes on Inner City Revitalisation**

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### **Abstract**

The purpose of this research is to examine the impact of the Christchurch earthquakes on building owners and tenants in an area of the CBD that was undergoing revitalisation and gentrification prior to the earthquakes. The methodology encompasses a comprehensive, long term case study of the area involving observation, interviews and document analysis. This paper reports preliminary findings based on the initial interviews, also informed by observation of public meetings and newspaper reports. Findings include early commitment by some businesses to a rebuild of the area in the same style, but over time this has declined as delay, demolition, insurance problems, public safety and engineering concerns, political and planning changes and other emerging issues have made participation by the original owners and tenants impossible or uneconomic. It is early days in a long term rebuild process and this study focuses on only one area of the city, but it appears similar problems have arisen in other parts of the city and potentially apply to other locations and other types of disasters. No other examples of such a complete and total interruption of a CBD revitalisation or gentrification process in a modern economy have yet been identified, but as the research progresses it will seek to uncover any such examples, should they exist, and draw comparisons. In any case this case study will represent a unique and important contribution as to what may happen in such circumstances.

### **Keywords:**

revitalisation, gentrification, CBD, disaster, earthquake, colonisers, case study, Christchurch, rebuild

### **Introduction**

As with many other cities, retailing in the central business district of Christchurch, New Zealand has suffered since the 1970's as competition from suburban shopping malls has intensified. The CBD developed an entertainment and office focus, but retained a concentration of retail uses that were somewhat differentiated from the usual mall retail offering. Some of the more eclectic retail and hospitality businesses were concentrated in the south east quadrant of the city in an area of previously underutilised and decaying semi industrial buildings. This area of narrow lanes had been identified in the mid 1990's 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.

### **Earthquakes of 2010 -2011**

On the 4th 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 affected 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 were a very large number of aftershocks, some quite strong, but the perception was 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 – the day after Christmas, a public holiday known as Boxing Day – and popular for retail sales, an aftershock of magnitude 4.91 and centred directly under the CBD of Christchurch hit. This caused further damage, more extensive because of its proximity to the city and the weakening of some buildings by the earlier 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 at this time of year. 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 catastrophic 6.3 magnitude earthquake centred 6.7 km south east of the central city struck. This was very shallow and had particularly strong vertical accelerations. 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. Infrastructure was also destroyed with major disruptions to water, electricity, sewer, port and airport and roads. Considering the level of building damage casualties were relatively low with 185 fatalities.

The entire CBD was cordoned off by the army (it remains so over two years later) and all businesses and residents forced to leave the CBD immediately post earthquake on safety grounds. Over two years later major disruption continues. Some residential and suburban business premises have been repaired or rebuilt but the central city has really only seen demolition to date.

### **The Research Location**

The focus of this research is the area in the vicinity of Ash Street and Poplar Lane – often also described as Lichfield Lanes as they (and other narrow lanes) are south of a major east-west arterial one-way street in Christchurch, named Lichfield Street. Prior to the earthquakes, this location was characterised by bars and restaurants, and retail outlets of an “alternative” or “bohemian” style , plus a limited amount of upper floor residential and office uses occupying a mixture of late 19<sup>th</sup> and early 20<sup>th</sup> century, 2-3 floor commercial buildings. The area is now virtually clear of buildings following demolition forced on owners, either by decree of central government on safety grounds, or by the economic forces of insurance payouts and massively increased repair costs. While owners and occupiers initially vowed to eventually rebuild and return, many have set up elsewhere in the city or abandoned Christchurch altogether.

### **Pre Earthquake Photographs**





**Current Photographs**





## The Research Questions and Methodology

The findings reported in this paper are part of a comprehensive and lengthy case study examining how and why this area was developing up until the earthquake and how, why and where it may go in the future. While the research has a property development focus – it is impossible to divorce the consideration of economic property development and investment aspects from the social sense of place concepts that are inherent in any developer enhancing the built environment for use by city residents and visitors.

The research questions to be answered include:

As the physical characteristics that first attracted occupiers and developers to this part of the Central Business District (CBD) have largely been destroyed by the February 2011 earthquake, will they now abandon their attempts to revitalise this part of the inner city and move to a new location?

Does this new location exhibit similar characteristics?

Alternatively, are these “colonists” such resilient and adaptable entrepreneurs, and is their emotional and financial investment in this location so strong, that they will adapt to the new reality created by the earthquake 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 second option above a desire of the colonists, but external factors are preventing such an occurrence? For example; the inadequacy of insurance payouts fatally depletes financial capital, inability to insure and/or finance any repair or redevelopment, or the stigma and depopulation of the CBD post earthquake reduces the demand available in the market to such an extent that their businesses are no longer viable.

## The Research Literature

Many of the tenants and property owners in the study area can be characterised as “colonisers” “pioneers” or early stage gentrifiers. These are businesses that see opportunities – where others do not and tend to be 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.

This type of situation has been the subject of widespread research and a review of the literature and its application to the Lichfield Lanes situation was outlined in an earlier paper by one of the authors - presented at the 2012 Pacific Rim Real Estate Society Conference in Adelaide (McDonagh 2012).

In summary, this found first stage gentrifiers can be compared 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 “colonisers” soften and populate the environment and provide shelter to less hardy arrivals. 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. They saw opportunities in new locations 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 or incompatibility. Either way, they were prepared to take risks, rely on their own entrepreneurship and eventually pave the way for less adventurous followers.

In the usual course of events these early occupants would gradually be replaced by higher rent and value businesses in a process spanning many years – but the earthquakes represent a massive interruption or perhaps halt to such a process. The research aims to find out what will be the outcome in this unique situation. This may reveal a lot about the nature of the actors and processes involved.

### **Preliminary Research Results**

This research is ongoing and this paper only reports preliminary findings based on extensive one on one interviews with six business owners from the subject area. Observations from attendance at post earthquake public meetings held in relation to the future of this part of the CBD, as well as analysis of news media and other relevant information available in the public domain also informed the analysis.

A wide range of issues have arisen from these sources, but for this paper the focus has been on examining the research questions outlined above at the most fundamental level. These are dealt with under the sub headings below. Some parts of the analysis include comments from interviewees that are individually identified to illustrate their responses, but their real names are not used in the interests of confidentiality. Not all interviewees addressed each issue to the same extent, but this preliminary level of analysis has already indicated some strong themes.

#### **What was the attraction of the Lichfield Lanes area pre-earthquake and how did people become involved?**

All of the interviewees were attracted by the general physical characteristics of the Lichfield Lanes area. Typical comments included - “loved buildings – a huge part of it” “character buildings” “quirky”, “ style and character important for my business”, “the opposite to a mall” “ the run-down-ness the patina”.

The exposed bricks were mentioned by several for example;

Alan “The old brick and the European look of the area, I guess, attracted us in the early stages“.

Bob “We were looking at all character buildings, all brick buildings in the Manchester street area” ....  
“The “bare bones of all those buildings kinda shone out”

The narrowness and intimacy of the lanes in contrast to the wide and traffic dominated streets nearby was also a factor. A related common observation was that the lanes were “hidden” and while initially a weakness it

later became strength, the area being “discovered” by customers and this seen as a positive experience and promoting user loyalty.

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”.

Two tenants mentioned that there were elements of excitement or even danger, especially in the early days of development.

Bob “Many people rather shocked when we said that is where we would like to go, said it’s a dump and I you’re likely to get mugged going down that back street”.

Dave “A dark alleyway off a dingy dark alleyway”.

That the uses existing or becoming established were less conventional or “edgy” was mentioned frequently and also that the uses were mixed but complimentary, and appealed to a particular demographic. The location evolving in an unplanned, experimental, organic or even chaotic way was seen as an attraction by all interviewees, even if the surface was slightly run down or grungy.

Alan “I think it was very much evolving, there was a concept but it was very loose and principally it just grew organically and ultimately I think that was what made it work”.

Dave “I think dysfunction and chaos is underrated”.

Another related and common comment was that it was possible for businesses to stamp their own personality on their buildings. The owners were keen to find tenants for empty buildings and for tenants to carry out work on these buildings to fit their use - as long as uses and changes were loosely in tune with the rest of the uses. Having to “fit into space” and have “doors going nowhere” was seen by tenants as challenging but rewarding, bringing elements of surprise to the location.

Dave “I like the spaces that are weird and quirky much more challenging and rewarding, space tends to dictate how you behave within it a bit more. Much better than a new and perfect building”.

Some of the later “second wave” arrivals commented on the style and particularly the “atmosphere” and “community feel” that had by then started to become established.

Dave “Bought into the whole thing”, “lived there and worked there – that was my community really, really passionate about it - lifestyle thing”. “All had exciting things going on – don’t get from absentee owners. One persons passion and commitment to neighbourhood, take on joint responsibilities, dedication”.

For most interviewees the upper floor residential component of the area was seen as positive comments including; “Residential good to have, added to colour, vibrancy, gentrification”. “Residential mix would help as don’t want to have (upper floors) empty during evenings”.

But there was an alternative viewpoint. For some bar owners the conflict of their operations with residential uses was a concern. The view was expressed that residential use in this type of area was only suitable for some and there had to be a degree of tolerance and consideration on all sides.

Bob “Office and hospitality go quite well together as bars get the clientele but no one for the hospitality to bug”. (Residents) “tended to be students because they didn’t mind the noise”. “Noise is something you have to put up with in a city but Christchurch not used to this”.

Dave “It was always a bit of a conflict up there with residential”. “I think it is just something you have to put up with in the city residentially”

Another common theme was that the study area reminded people of central city locations overseas in central Europe and Melbourne and that foreign people were involved, for example; “overseas people helped the area bringing in colour, passion variety” and “different market, customers probably travellers and from overseas too”.

Dave “there were the Germans there, the Russians next door, Mitchellis, everyone all interacted a lot”.

Donna “we don’t have much history in Christchurch ... we really clung onto that” “We were all so different ..., it is great to have more than one place, it is great to have a lot of places in the same spot... it had to be a destination. They all had their own fun things going on.

Most tenants said they were business novices, and made decisions on aesthetic and emotional basis rather than being economically “savvy”. The “feel” was very important. Two interviewees commented along the lines that the secret to the success of the area was the “commitment of the owner operators” to make it work, it was their “thing” or “ongoing passion and dream – not necessarily business plans or models but enthusiasm and need to make it work”

Dave “If I could put my finger on what was really special about Poplar lanes compared with the other ones it was that they were all owner operators. You get character from owner operators that you don’t get from absentee owners”.

Rental levels were initially important for all respondents.

Alan “The price certainly was attractive at that stage, that was deemed lower rental at that time and so that’s what attracted people to start with”.

Dave “The rents got to be cheap if you’re running that type of business” “They were nothing like you would be paying in any other commercial environment in the city”.

Cath “I hadn’t really planned on setting up in town but came across this place for lease and it was very reasonably priced and thought the area was very quirky and loved it so it just worked for me in the end”.

But there were concerns that as the area became more successful rents were being ratcheted up and this was seen as a threat to tenant survival

Bob “Very good value rent in retrospect but nearly doubled in 5 years – victims of own success”.

Cath “Rent subsequently went up but was able to cope”.

Increasing rent was particularly a problem for retail tenants who had not had a commensurate increase in daytime foot traffic and thus turnover. The bar owners expressed the concern that, while they were able to afford increased rents, higher rental levels would drive out retail, reducing variety and daytime life in the lanes. Later arrivals to the area also did not have the benefit of the initially low rents

### **How were things going prior to the earthquakes?**

The interviewees were a mix four hospitality uses and two retail shops. All but one of the interviewees said things were going well for them prior to the earthquakes. They were aware this was not the case for all of the

businesses in the Lichfield Lanes area though. Some pioneers in the area found it difficult at the start due to the location being unknown.

Bob "Slow at start, new concept, stuck to values and new concept – not mainstream but quality focussed point of difference from others".

Hospitality uses dominated and drew people in and made them aware of the smaller number and smaller floor area of retail uses. The fully mixed use concept was seen as an ideal rather than a reality by some respondents. Retail across the wider traditional areas of the CBD was already seen as struggling pre-earthquake.

Dave "Retail never really took off, the turnover is not the same as hospitality – you rely on foot traffic a lot. That's why malls do so well" ..... "That's the big thing as well retail is competing with Westfield mall, Shirley mall – they'll give you free parking when the weather is miserable they're covered – in the central city you have all these disadvantages".

Ed, who had already decided to leave the area before the earthquakes, still loved the location for its feel.

Ed "Was a real community World class precinct, transformative loved community and association with town, and image of area".

But it was not a good location for his particular business. He struggled to get new clients due to low foot traffic. Rent was going up but not turnover. Some nearby retailers that had been complimentary and attractants had moved out. Another suburban location was established and working better so Ed's lease was not to be renewed.

But not all retailers saw were so negative.

Cath "Going well, building up a clientele, steady business, tourists helped , a lot of my business probably people that worked in the area or the Polytech, Saturdays were quite busy – a lot of people tended to go in there on the weekends some days during the week would be quiet but others make up for it you know".

It was mentioned there were really two markets – the daytime retail and evening hospitality/entertainment. The former struggled due to low foot traffic and visibility while the latter was doing well. The weather conditions also meant business was seasonal. The mix of entertainment options was seen as a loose and still evolving concept with the need for flexibility and fitting into compromised buildings part of the success.

Dave "Constraints of old areas and uses having to fit around each other good. Area grows organically, don't get that with new developments where everything is "designed" neighbours very important, similar clientele but subtle differences, all worked together, variety of options in the same destination, not so "corporate" – all owner operators, committed to values".

By the time of the earthquakes the area had become very well known and seen as attractive and differentiated from other entertainment areas

Alan "It attracted a certain clientele it was very mixed, it wasn't like The Strip..... more mellow and probably more eclectic in its mix of people probably leaning towards the older age group".

It was so successful that some operators were considering establishing similar businesses in different locations and cities. Others planned expansion into adjacent buildings but were held up pending earthquake strengthening.

### **What happened after the September 2010 earthquake?**

All the respondents reported that the September 4th earthquake had relatively minor effects. Short closure periods and loss of some stock was reported but typically businesses had great enthusiasm to get going again with statements like

Alan "Enthusiasm to get things going again, came through survived".

Donna "We weren't too badly, we lost stock but the building was fine, the Boxing Day earthquake got us worse, more stock lost and cracks in the building."

Ed "Buildings strengthened and stood up well, able to keep trading OK but town went dead for a couple of weeks".

Cath confirmed quieter trading after September and put this down to a drop off in tourist numbers.

The response to the September earthquake by council staff was seen as generally appropriate with disruption by the construction of the historic tram line through the area, then underway, a greater problem than the earthquake.

### **What happened after the Boxing Day earthquake?**

For two of the hospitality interviewees the Boxing Day earthquake had minimal effect, they were closed for the holiday and trading was back to normal after they re-opened. For the others, damage to adjacent buildings and the resultant cutting off of access by cordons was the main problem. One hospitality business reported greater stock losses than the September earthquake and slow trade on New Year's Eve- typically a very busy night for the area. The perception was that through January and February trade in the Lichfield Lanes had started to build up again due to summer street markets in the area and other joint marketing initiatives by the businesses.

### **What happened immediately after the 22 February 2011 earthquake?**

All the interviewees were very surprised by the February 22 earthquake. They thought they had been through the worst and things were calming down and returning to normal. The event itself was very scary.

The interviewees were also surprised how well their buildings stood up and that they and their customers survived considering the amount of shaking in the earthquake. Alan's response was typical.

Alan "Scary event, surprise survived all that was happening. Did not realise how bad it was, our building stood up, when walked out it became apparent things were grim. Sirens, streets covered in bricks particularly Poplar Lane – principally parapets, looked worse than actually was, pleased with buildings, intact no cracks and could have opened next day if cordons had not gone up and obvious other surrounding damage, very apparent going outside just how bad things were, made survival all the more relevant".

Cath "Was in town had two customers in there stayed in the building and just waited for it to stop, and like a very surreal moment really. Tried to lock but left open and just walked with another girl that had a shop. Building stayed ok but there were bricks out in front coming down".

Dave was the only person in the building as his business was closed at that time of day. Their building stood up well, but he was very nearly killed as a neighbouring taller building collapsed and part of it fell through the roof directly where Dave had been sitting moments before.

Ed was not in the Lichfield Lanes area at the time of the earthquake but in the city nearby. He went back to lanes and saw a lot of bricks in the street from fallen parapets, but found the building he occupied “looking pretty sound”.

In the days and weeks after the February 22<sup>nd</sup> earthquake the business owners did not know what to do and became increasingly frustrated at being locked out of the area. They felt there was a breakdown in communication between official bodies and those affected by the earthquake. They appreciated this was a disaster on a massive scale and authorities were struggling to cope. Initial responses were seen as appropriate but as time passed they felt they became increasingly bureaucratised and inefficient.

Alan “*Nothing* happened over next few months, complete lockdown, no access no feedback, nothing – just no-man’s land. Frustration at not being able to get in or help clear up. Total frustration really. Still people being looked for, bodies to be picked up – went on for some time total lockdown – strange looking back”.

Bob ““After earthquake did not know what to do, thought things would go back to normal. Did not realise would not be able to re open”.

Dave “We went into this period of mourning to start with and then there was that period of trying to get back in to try and get the stock out, but no one was getting anywhere at that time. By the time we got back in the place had been looted so hard there was nothing of value left. I still think that is the story that hasn’t been told – that looting. It can only have been contractors or the army”.

Cath “For the first week had no idea what I was going to do, went home for three weeks, knew I was not going to stop so I would have to find somewhere else to go as I was happy with the way things were going. Where I was going to go was the thing”.

Ed “Impressed with government initial response for some people, but then no real assistance, bureaucracy got in the way, information was hard to get concerning getting in there etc. but maybe as much as you could expect in the situation”.

It took several months to become apparent to the interviewees that they may never be able to restart their businesses in this location and they became desperate to retrieve essential business documents and equipment. It also became clear that they needed access for assessment and decision making by their insurers. This became more urgent as the term of their business interruption cover neared expiry. The co-operative relationship that previously existed with some landlords deteriorated, especially when the insurance company of one of the main landlords failed. Tenants felt some of the landlords abandoned the area or were uninterested in assisting tenants for their own reasons.

Comments below illustrate the frustration with what interviewees perceived as pointless bureaucracy.

Alan “Trying to get access hard thing. Intent on getting (access) to evaluate things, queuing up at various points to get info – not forthcoming. CERA set up at that stage - trying to get info. Communication with anybody just not happening so very soon just gave up and sat back waiting understanding authorities trying to do best”.

Cath “Managed to get back into the shop in April for about an hour”. Difficult access lots of hassle got some bookwork out, got back in again months later for some fittings.

Ed “Lost stock. Took months and months to be able to get in to get stock out. CERA etc. saying go in on this date and then pulling out. No simple system to get in contact with someone”.

Bob “Getting back in very frustrating, need to fill in seven page application form from CERA, structural engineer, safety plan, plus supervision (by engineer), landlord permission. Went back in in June, evidence of theft. Initially laid off casual staff but months later told by the insurance company to lay off remainder as not going back”.

Access for loss assessment and decisions on the future of the buildings became critical to settle insurance claims as illustrated by the comments below.

Dave “Major hassle getting stock out – a lot of it had been stolen – a major (theft) operation, trucks and trailers would have had to been used (to transport) so much was stolen. No (public) access so clearly an inside job. By the time back in nothing left. Insurance a struggle but worked out in end, good broker. Had to get building demolished to get full payout but landlord wanted to save. Period of limbo when we were talking to everyone then the day CERA put it on the knocking over tomorrow list”.

Alan regarding insurance “Can’t remember how long before even approached insurance company. Once we talked to insurance company - because our situation was unknown, still a business there? Buildings intact? Unknown? Then realisation that we may not get back. But because our building was still there and intact, probably for 18 months, thought we would be able to go back. Sometime after, our insurance company keen to settle claim, a bit of toing and froing before any sort of access to building, as outcome of use of that had bearing on insurance situation. Six months into situation before realisation that (our) loss of income (would be) beyond 12 months in insurance policy”.

Donna “In order to get the replacement insurance payout we had to go through and think of absolutely everything we owned (in the demolished building) even down to individual light switches, light bulbs, locks on doors, we had to remember the whole lot, tense relationship between different landlords, and tenants - insurance situation of landlords a major factor as some of (tenants) own expense in earthquake strengthening unrecoverable after the earthquake (due to landlord’s insurance situation)”.

### **How have things developed over the last two years?**

The two retail tenants could move on with relocating their businesses relatively easily, although one said business turnover was terrible for 18 months post earthquake. They are both now operating from suburban locations and doing well.

Cath would consider going back into a CBD location eventually as she believes she is missing out on the tourist market, but is concerned that small retailers would not be able to afford the rents in a rebuilt city. Also that appropriate mix may not be there and parking could be a problem again, and deter her loyal customers who are now used to a suburban easy parking environment. There is also the concern the CBD working population needs to be rebuilt as a base of potential clientele.

By August 2011 Bob had decided to do something different. His business was restructured with partners going separate ways. He would have liked to re-establish in a similar location but this was not available so went for the best alternative option – a new building in a suburban location. With a new building he sees a conflict between atmosphere and practical considerations but some people were loathe to go into old buildings post earthquake, but they now seem to be but relenting.

Dave faced a similar situation finding it difficult to find a building or site to lease. His business was restructured and the remaining partners wanted to do something different from their previous business but also stay in CBD rather than follow the flight to suburbs. They had a further restriction in that their loss of business insurance cover required them to re-establish a business in the same sector if they were to receive a full

payout. Town planning issues were a major barrier and there were some false starts, but eventually a site was obtained and a new business established that is now going very well. As a result of this process Dave and partners feel they have been a part of the Christchurch rebuild and a catalyst for growth in their area of the CBD.

Alan was very committed to the area and as his building had been earthquake strengthened and was undamaged he held on hoping to be able to return to the location. Eventually this proved impossible as outlined below.

Alan "Hoped to go back, loved and wedded to area. When told area partially demolished but our building would remain – hopefully we still could continue and character of area would be retained. Little time later after partial demolition told of full demolition and need to get all our stuff out so that was the final straw – no hope at all of going back. Sometime after that CERA announced area would be compulsorily purchased, divided city into zones – no future at all for us there. Could foresee rents would be too high for us in any new buildings and landlords would need a return on these and they also would not fit in with our image or business affordability. Hard to recreate character – it grows organically rather than being planned. There will be something (in the CBD) and it will attract a certain group but not the group that was attracted to our sort of buildings and our business. There is not going to be a lot of choice or variety".

Alan then decided to seek an alternative suburban location with the same essential character.

#### **What assistance was there for this area both pre- and post earthquake?**

Interviewees said there was some enthusiasm from the city council for the development of the area before the earthquakes, but assistance was limited and inconsistent. The relationships between the council and the developers/landlords were seen as "difficult".

Alan "The only council activity we saw was beautification in terms of flowers and they did some planting, but they did not maintain that, and the council did not do clean ups down the street or anything, I'd say there was minimal council involvement at that stage".

After the lanes area had been running successfully for some years, the council upgraded the street surface and lighting and later decided to extent the historic tourist tram route down through the Lichfield Lanes area. The reaction to this amongst the business owners interviewed was mixed.

Alan "The tram - there was pros and cons – some were for it some very much against, the little retailers very much against because the tram tracks ran right through their doorstep and the tram inhibited access from both ends" .... "but hospitality embraced it pretty enthusiastically". The council buy in was pretty enthusiastic".

Several interviewees observed that there were differences in the attitude of the council depending on who you spoke to. One was told they could not carry out a particular activity by a council officer, they contacted the Mayor to complain and the decision was reversed. Another had issues with parking enforcement in relation to loading. Council were seen as both a positive and negative influence, and it would have helped if council were more proactive e.g. helping people organise events, making it easier, providing more information.

Bob "Council made development hard, so some potential spaces just languished".

The interviewees all reported no offers of help after the February earthquake. Everyone was in shock initially and then officials had other priorities, so people were left to fend for themselves. The following comments from Alan indicates the difficulties

Alan "Information was not forthcoming. Hard work – (information) never volunteered – had to seek out the information. Like boxing with shadows. Hard to get any information at all. But once established communication with certain individuals there seemed to be a sympathy and willingness to help but (this) was hindered by landowners, who did not seem willing to make access easy. Willingness within CERA organisation but seemed to be butting head against wall. Access needed engineers, and it was hard to get access to engineers and there was nothing offered through the authorities – had to organise themselves. People were sympathetic, but problems with systems. People (in authority) did not seem to know what to do, (we) got shunted from one person to another. Just never happened"

Dave "Wore people down – most people just wanted to get their stuff out, finish and move on, but there were 2-3 who wanted to try and recover (the) situation".

There was a perceived level of paranoia of the authorities over safety and an unwillingness for people to take personal responsibility in relation to risks within the cordon.

Alan "I understand what (the authorities) tried to do – need some law and order – but needed to enable people to take some responsibility on their own backs and do something and the city would have been able to get up and rebuild much, much quicker had people been able to do their own thing".

An example was given of a historic building just outside the cordon whose owner was therefore able to get access and save the building. The unnecessary destruction of undamaged buildings was seen as setting back the chances of recovery in the CBD. Other interviewees had similar comments on post-earthquake prospects for the CBD.

Cath "Central city proposals, city plan etc. going slowly. Does need to go quicker, money could be used more wisely. Everyone has different opinions though. Sooner things start happening, the better, because people settle into suburbs and get used to living without CBD – complacency".

Ed "Losing the lanes was a big loss for Chch, was a massive asset".

Cath again, "I would love to see them develop that sort of area again in the city and have some character, it would definitely attract me again but what scares me is the leasing cost which will be a major concern for small businesses."

## Conclusions

Interviewees' responses demonstrate a shared attraction to the architectural style of the buildings in the case study location. A combination of factors including the heritage value of the Victorian and Edwardian era buildings, and the "authentic" feel of exposed brick construction materials contributed to this being perceived as a unique setting within the city. This age, style and materials reminded people of European cities and inner Melbourne which was seen as attractive and appropriate for the types of businesses to be established. There was also the finely grained division of the block by pedestrian-friendly lanes. The resulting small tenancies and human scale of the buildings was a marked contrast to the surrounding car dominated and high speed one way streets. The area was seen 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 more intimate scale of entertainment and retail was in marked contrast to the "corporate" style of modern CBD retailing and especially enclosed suburban shopping malls. Another aspect was that the area needed to be "discovered" giving customers an element of surprise then exclusivity – being "in the know", fashionable and discerning.

Especially in the early stages of development the area was also seen as funky and edgy, which was appealing to some. There was enthusiasm for this feel to be maintained and a key was seen as the somewhat unplanned and chaotic process of development. Important factors were having to “fit in to” existing buildings along with the somewhat organic, loose and emerging vision of the developers as well as their financial constraints. This led to tenants doing a lot of their own building work, resulting in an eclectic style which reflects an undesigned, organic approach to development.

As the area developed, the emerging community of tenants was also seen as an attraction. A special atmosphere of cooperation emerged between complementary and committed owner-operated businesses. The involvement of foreign business owners was an important component in establishing “the feel”. There were mixed views on the residential component of the area. Some saw it as beneficial – others felt there were compatibility problems.

The initial, relatively low rents were very important but some tenants saw this benefit reducing over time as the area became successful. Increasing rent was not too much of a problem for the hospitality businesses, as their turnover was increasing, but it was seen as a problem for retail businesses that had not enjoyed a commensurate increase in daytime foot traffic. For some retailers very small floor areas reduced this impact, but it was a concern for all, as the mix of both daytime retail and evening hospitality uses was seen as an important aspect of differentiation of the area from other parts of the central city.

All but one of the businesses were trading well up until the September 2010 earthquake, and even that event produced only minor effects. There was a general feeling of “we got through that OK” and surprise at how well the buildings stood up. There was enthusiasm to get going again.

The Boxing Day earthquake effects were also relatively minor with only one business experiencing significant stock losses and access difficulties. All reported quieter trading though, and by February 2011 business had started to recover on the back of various area initiatives.

The February earthquake came as a major shock, both in terms of its scale and that people thought they had already been through the worst. Interviewees were surprised that they survived and that their buildings stood up, considering the scale of the shaking, but it was immediately apparent there was very serious surrounding damage. After several weeks of not knowing what to do, frustration started to set in over lack of access to buildings and what was seen as poor communication and increasing bureaucratisation by officials.

There was a varying elapse of time amongst interviewees before it became clear that they would not be able to return to the area and rebuild their businesses. Generally the retail tenants accepted this first, but the hospitality businesses, who had substantial investment in the buildings themselves, hung on in the hope that the area could be rebuilt. Problems were compounded by a conflict of interest with the building owners (whose insurers had failed) over the future of the buildings. Eventually, an acceptance of the situation occurred along with a profound sense of loss and then a desperation to finalise insurance claims, so people could get on with their lives.

All but one of the interviewees (who had decided to leave the CBD before the earthquakes) would have returned to the central city if this had been possible. Three of the businesses have re-established in suburban locations and are now doing well. Another is awaiting the completion of a development with some similarities to the Lichfield Lanes area, but in a suburban brown field location. They will re-establish their business there. Another has established a temporary business on the fringe of the CBD and is looking to establish a slightly different business in the CBD as soon as they can access a suitable site or building.

All interviewees were concerned that the rebuild of the CBD is going to take a very long time. They were also unsure if there would be a place for their type of businesses, or if their businesses would be viable in the face

of CBD depopulation and the increased rents needed to justify the construction of new earthquake resistant buildings.

Assistance from the City Council prior to the earthquakes was limited and inconsistent. Some parts of the council were enthusiastic but others made life difficult. After the earthquakes no assistance was forthcoming and there were serious concerns that delays and conflicts between various authorities and paranoia about safety had severely impeded recovery.

Official plans for a rebuilt city have eventually been drawn up but these involve radical changes and compulsory acquisition which are seen as discouraging investment. There was hope that the CBD would eventually be rebuilt into something interesting but great sadness at what was seen as the unnecessary demolition of heritage buildings and lengthy delays that have seen businesses displaced to the suburbs. Most interviewees could now be seen as having a "wait and see" attitude rather than being actively involved in the rebuild of the CBD.

As this research progresses its value as a unique opportunity to examine the values and motivations that influence inner-city 'colonisation' is becoming clear. While the devastation of the earthquakes presents a major challenge, it is also revealing the aspects of precincts which are most vulnerable to change, and what elements are more robust and enduring. Through tracking the shifts over time, as the area responds to the quakes, the relationships between built form and character will also become clear, as it is impossible to recreate the 'vibe' that had contributed to the pre-quake streetscape.

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