



New Beginnings

Christchurch CBD: Evolution from an Earthquake

**Prepared By: Brenda Snook
Toni Hannah**



Christchurch Cathedral under
Construction 1879



Christchurch Cathedral
Circa 1960



Christchurch Cathedral
Pre February 2011



Christchurch Cathedral
Post February 2011



Preface

12.51pm on February 22, 2011. A day and time indelibly etched on the hearts and memories of Canterbury people, and all those who watched in shock and disbelief as our city fell around us. The 6.3 magnitude earthquake destroyed lives, homes, businesses and communities in seconds, and created unprecedented damage in the CBD; heritage buildings and landmarks beyond repair, businesses closed and jobs lost. The resolve, strength, and determination of Cantabrians was tested to the utmost as daily routines changed beyond recognition, and creativity, innovation and sheer perseverance have come to the fore as residents and business owners have faced change unlike any known before in our city. There is no doubting Cantabrians' resilience and courage in the face of considerable adversity, and that some industry sectors, through circumstance, have experienced business growth, which has in turn created employment opportunities - a significant number of which have assisted, and continue to assist with the recovery effort. As a researcher and business owner whose premises were located in Hereford St prior to the earthquake, and with friendships and client relationships built over 35 years of working in the CBD, I fully understand the difficulties of trading within the current environment given that the 'heart' of our city has been effectively closed for 8 months at the time of writing. The commercial, emotional and financial challenges wrought by the events of February 22, coupled with the breakdown of our city community hub, are major.

There has been extensive media coverage relating to the economic recovery of Christchurch since the earthquake. As Roger Sutton stated in his weekly CERA updates:

'Business people and employees have been incredibly resilient and innovative since the earthquakes and, despite predictions, rather than just coping, Canterbury's economy is steadily picking up. The release of official data from the Ministry for Economic Development shows Canterbury continues to make positive progress. Manufacturing and exports have grown consistently since the February earthquake, while job advertisements have increased sharply in recent months and spending remains at 90 to 95 per cent of pre-quake levels.'

The financial data from the Ministry for Economic Development clearly shows that Canterbury as a whole is making progress. However, several articles in the media have indicated that business growth is fragmented into various areas of the city and also within various industry sectors. For example, Kiwi Income Property Trust has reported substantial sales growth (40%) at its' Northlands Shopping Centre in Christchurch. Some of this growth will have originated from the temporary closure of some of the city's malls, but some of this growth may also have been derived from the closure of the Christchurch CBD due to earthquake damage. Business people whose premises were located within the CBD 'Red Zone', or who are attempting to conduct business on the periphery of the 'Red Zone', have faced a specific set of challenges. We believe that understanding the evolution of these businesses from the wreckage of the February earthquake is critical to the overall recovery of the CBD for the future.

We hope that by funding this study, the results can assist the authorities and business support organisations with the recovery process of our CBD for the benefit of us all.

I would sincerely like to thank each and every business person who so generously gave of their time and who offered valuable insights into their current business environment. I wish you all every success now and in the future.

Brenda Snook

Brenda Snook
Managing Director
The Field Connection Ltd



Acknowledgements

We would like to thank the 100 business owners and senior executives who very generously gave us their thoughts, ideas, information and time regarding their business circumstances. Without you, this document would not have existed.

We would also like to acknowledge and thank the following people and organisations for supplying and allowing us to use their photographs on the front cover and in the body of the document:

The front cover photograph of the Koru was supplied to us by Rob Suisted/ Naturespic.com. The use of this photograph was generously donated by Rob to assist in the recovery of Christchurch. The image is subject to copyright and may not be re-used without the permission of Naturespic.com.

Christchurch City Libraries allowed us to use the thumbnail photograph on the front cover showing the construction of the Christchurch Cathedral in 1898. Image from Christchurch City Libraries, File Reference: CCL PhotoCD 6, IMG0087. Source The Weekly Press, 9 Feb. 1898, p. 9.

Maggie – blog.iwikiwi.com. Maggie supplied us with the photograph of the Square circa 1960. It came from her blog and is a postcard from her Grandmother's collection.

Other photographs on the cover and all of the photographs in the main body of the report were supplied by The Press*. We would like to thank the Editor, Andrew Holden, for permission to use these images, and Jude Tewnion, The Press' Photo Librarian, for her help in sourcing the before and after images of some of our iconic Christchurch buildings.

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BACKGROUND & OBJECTIVES

The recovery of Christchurch, New Zealand's second largest city, after the major earthquakes experienced during 2010 and 2011 is one of New Zealand's biggest challenges for the future from both financial and social perspectives.

Our lives, homes and workplaces have all been disrupted in a thousand different ways and loss of the business revenue that usually emanates from within our city has resonated throughout the country.

Various private and public sector organisations and industry professionals have outlined their thoughts and vision for the recovery and future of our city within both the draft Christchurch City Plan and the Draft Recovery Strategy document for greater Christchurch, and via other published mechanisms. Everyone, from private individuals and organisations, our local Councils, CERA, Ngai Tahu, the Government and many more, are working hard to ensure that the best possible outcome is achieved in the long term for everyone who lives and works in the greater Christchurch area for the future.

In September 2010, a total of 6,008¹ businesses, employing 51,270² people, were located in the Central City (within the Four Avenues) when the earthquake struck. This represents 27.7% of the total number of employees in Christchurch City as a whole (184,850³ employees).

Much research has been conducted and published in the media in recent months outlining the thoughts and feelings of residents and business groups located within the greater Christchurch, Waimakariri and Selwyn Districts. However, The Field Connection Ltd is not currently aware of any published data that outlines the current situation of those businesses that were located within the CBD (within the Four Avenues) prior to the earthquakes. Given the extensive damage that has occurred within this area and inside the 'Red Zone' cordon, The Field Connection believes that it is imperative to understand the current issues that this specific group of business people have faced, and continue to face, and hopefully identify potential solutions and strategies which this group of business people have implemented in order to constructively manage their businesses within the current environment. The Field Connection Ltd was also located within the CBD prior to the earthquakes and has had to relocate to alternate premises. Given the apparent lack of data relating to this specific group of business entities, The Field Connection Ltd have elected to sponsor this study in order to ensure that the views of businesses that operate within the heart of our city are identified and recorded.

¹ Statistics New Zealand Feb 2011 update

² Statistics New Zealand Feb 2011 update

³ Statistics New Zealand Feb 2011 update



Gaining an understanding of the needs and current issues of businesses who have relocated, those who have been unable to recommence business at this point in time and those businesses who are attempting to conduct business in the same premises within the Four Avenues, will allow the relevant authorities to have an accurate picture of the situation as it now stands and hopefully assist with the development of strategies to ensure future business growth within the CBD and the greater Christchurch area.



RESEARCH METHODOLOGY & SAMPLE

A semi-structured qualitative telephone approach was considered to be the most appropriate methodology to adopt in order to fulfil the desired research objectives with a high degree of clarity.

This approach allowed for an exploration of certain areas of information to be conducted in-depth, whilst at the same time delivering a more structured approach to the interview process. The methodology also allowed for an exploration of business needs and expectations to be conducted, as well as gaining an understanding of those issues that were most important / relevant from a commercial perspective.

A total of 100 semi-structured qualitative telephone interviews were conducted with the business owners or senior managers of business entities that were located within the CBD (Four Avenues) prior to the February earthquake.

Appointments were made to conduct the interview at a time that was convenient to each respondent where appropriate or necessary. The duration of each interview varied from between 15 minutes to 1 hour with the average interview duration being 40 minutes.

A semi-structured questionnaire was utilised as the survey tool.

Generating the telephone numbers for the sample was challenging given that all of the businesses in the current red zone are unable to operate from their premises. The reduction of the cordon in the intervening months since the February earthquake has allowed some business to recommence trading within the Four Avenues if their building was repairable. Therefore, it took us 2 weeks of desk research, utilising the telephone directories, internet searches and local area knowledge and contacts to generate a telephone sample that represented the businesses that were in the CBD prior to the February earthquake.

We also took a systematic approach to ensuring that each of the primary streets within the CBD had a fair representation of businesses units contained within the sample. We were also systematic in ensuring that the sample covered each of the city blocks contained within the Four Avenues.

Every effort was made to ensure that the sample included a good cross section of small, medium and large business enterprises.

This process also ensured that we obtained a fair representation of the various industry categories as outlined by ANZSIC Industry Groupings.

Up to six call-backs were initiated in order to protect the integrity of the sample.

Interviews were conducted with business owners / senior managers within the following industry categories:

ANZSIC Industry Groups	Total
	n = 100 %
Rental, Hiring & Real Estate Services	5.00
Professional, Scientific & Technical Services	16.00
Financial & Insurance Services	5.00
Retail Trade	37.00
Accommodation & Food Services	14.00
Health Care & Social Assistance	2.00
Administration & Support Services	3.00
Wholesale Trade	3.00
Manufacturing	4.00
Construction	-
Education & Training	1.00
Information Media & Telecommunications	5.00
Arts & Recreation Services	2.00
Public Administration & Safety	-
Transport, Postal & Warehousing	-
Agriculture, Forestry & Fishing	-
Mining	-
Electricity, Gas, Water & Waste Services	-
Other Services	3.00

*note small base size

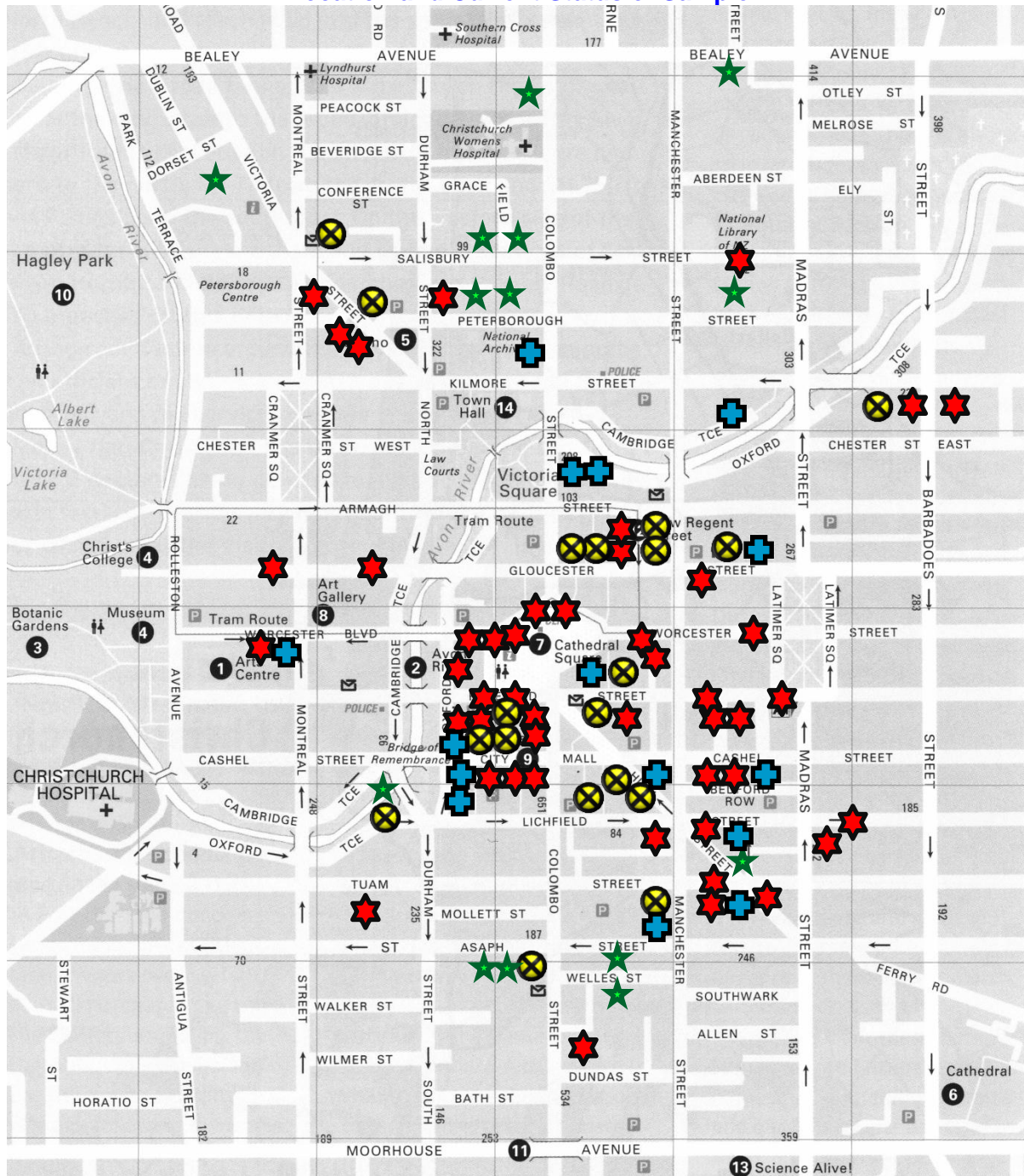
Interviews were conducted by two senior qualitative researchers from The Field Connection's qualitative division – Michele Wilkie (Field Manager) and Toni Hannah, BA (Hons), MA. (Research Executive). (see Appendix)

Fieldwork was conducted between 29th August – 20th September 2011.

The page overleaf highlights the geographic locations where business owners have been able to locate back into their original premises, the locations where businesses have had to relocate from, the locations where businesses have been unable to continue trading from and are now working from home or online only, and the locations where business owners have not been able to recommence business at all at this point in time. (Please note that the location of the marker on the map is indicative only of the city block the business is / was operating from).



Location and Current Status of Sample

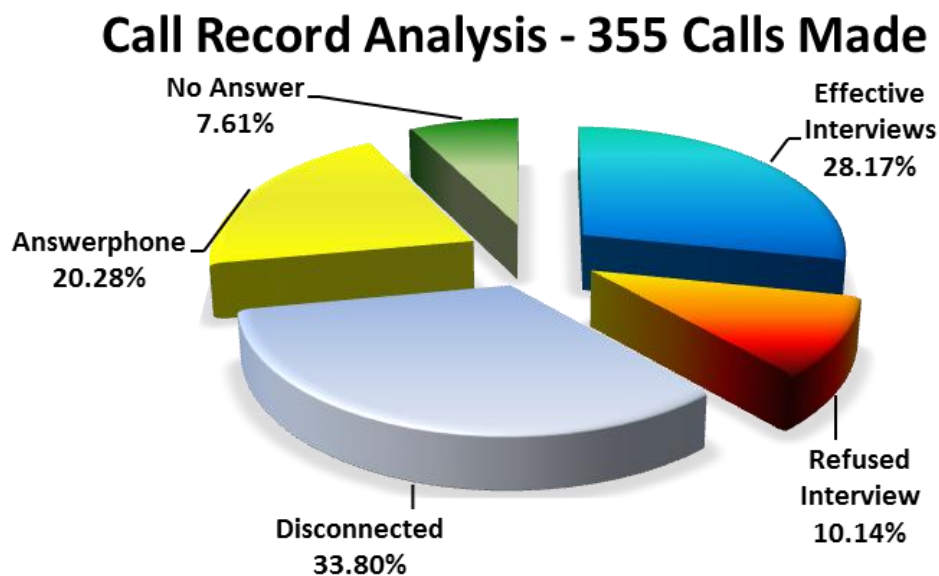


- ★ Back in their original premises
- ★ Relocated
- ⊗ Working from home / online only
- ⊕ Not recommended

(Please note: the location of the marker is indicative of the city block the business is / was operating in)



Call Record Analysis



As stated previously, a total of 100 business owners / senior executives were interviewed during the course of this study. An analysis of the total number of calls made (n=355) highlighted the following:

- Answerphones (n=72) – of those business entities whose telephone numbers were consistently linked to an answerphone, 32% indicated on their message that they were not trading at this point in time.
- Refused Interviews (n=36) – 14% of these respondents stated that they had now relocated to another city within New Zealand or left for overseas. 19% stated that they were not trading at this point in time. Of the remainder, the majority of business people indicated that at the point of survey, they were too busy / stressed / hassled attempting to relocate, re-establish and / or redevelop their business to find the time to participate.
- Disconnected numbers (n=120) – it is of concern that 120 businesses which were located within the Four Avenues and advertised within Yellow Pages and online (i.e. via websites / search engines) had disconnected telephone numbers with no means of contact at all.
- No Response (n=27) – although these telephone numbers were operational and called on different days and different times during the period of survey, no response was elicited.

Extensive desk research was also conducted, the main points of which are outlined within the 'Points for Consideration' section of this document.

EXECUTIVE SUMMARY OF RESULTS



EXECUTIVE SUMMARY

Insurance

- Insurance issues are a primary concern for the majority of businesses included within this study at this point in time, relating specifically to:
 - ◆ Non-payment of claims / a perceived lack of timeliness of insurance pay outs to businesses and the consequent impact of this on business continuity, viability, and cash flow
 - ◆ A loss of confidence in insurance companies / claims management organisations relative to their ability / willingness to reimburse business owners against their insurance claims
 - ◆ What is perceived as an excessive amount of time spent attempting to rationalise insurance claims with insurance companies / claims management organisations - exacerbating already high stress levels and reducing the availability of time for business owners to concentrate on their business entity within difficult and uncertain economic times
 - ◆ A lack of contact / communication from insurance companies / claims management organisations offering any rationale for the delay in settlement
 - ◆ Lack of continuity of contact relative to claims management (i.e. no one person who is responsible for particular claims / client portfolios, therefore business owners feel they are 'passed from pillar to post' with no central point of contact and little effective resolution to issues / questions)
 - ◆ A lack of ability for some business owners to re-invest in their businesses when insurance pay outs are not forthcoming
 - ◆ The need for some business owners to seek additional finance (i.e. via loan or utilisation of personal savings) simply to keep their business entity 'afloat' whilst waiting for insurance pay outs to eventuate
 - ◆ Difficulties / barriers inherent in seeking re-insurance for relocated businesses
 - ◆ Difficulties / barriers relative to gaining insurance for new builds therefore impacting on property development and the availability of premises for the future within the CBD / Four Avenues



- It was strongly felt that this 'stalemate' needed to be resolved as expediently as possible, with business owners suggesting that it may be necessary for involvement / intervention at Government level to address the issue and ensure that businesses were provided with every opportunity to safeguard their short term survival and medium–long term future within Christchurch – particularly those smaller / owner-operated entities who were not able to draw upon support or resources from parent organisations to see them through an uncertain economic climate. A collective and Government-led approach, it was felt, could assist business entities to gain traction for their claims where a 'claim by claim' approach led by individual businesses had had less success in most instances. It was also perceived that the Insurance Council should take the lead in attempting to drive a shift in focus within insurance companies / claims management organisations, to facilitate a more moderate and empathetic approach to claims settlement, and to provide timely settlement to business entities where it was possible to do so.
- From the perspective of business owners, this singular issue had the potential to 'make or break' the recovery effort for businesses located within the CBD pre-February 22, most notably those smaller, owner-operated entities who did not have the ability to draw on external funding sources for survival immediately post-quake and within the year following.

Access / Information Dissemination relative to Access

- For some business owners, facilitation and management of the access process into Red Zone buildings had been somewhat problematic with regard to the communication process from authorities to business owners, and in terms of the time frame between advisement of access and the access itself, which had impacted upon some business owners' ability to retrieve vital stock, technology or other items from their premises. Business owners indicated that ideally, a more consultative and less prescriptive approach was preferred, to provide business owners with every opportunity to safely access their premises and retrieve necessary items to facilitate business continuity – particularly in circumstances where insurance pay outs were not forthcoming, to alleviate the need for complete replacement of stock or technology in order to continue to trade, with little available cashflow to support significant re-investment at this point in time.

Status of Business Premises

The ability of building / business owners to access information relative to the status and future viability of their buildings was, and for some, continues to be, problematic. Respondents spoke of a disconnect within the communicative process between authorities (i.e. CERA / CCC), building owners, and tenants relative to access to buildings, retrieval of items (as stated previously), and the future fate of the building itself. Delays within building assessment / decision-making processes (complicated further in some instances by a perceived lack of co-operation from insurance companies / claims management organisations) had impacted upon some business owners' ability to move forward given uncertainty relative to the legal ramifications of current leases and whether or not the building would be fit for re-tenancy in either the shorter or longer term. Again, both business and building owners (of whom 15% were included in this study) expressed a desire for transparency and timeliness within lines of communication between authorities, tenants and building owners / operators to ensure all parties were apprised of changes in building status or developments relative to remediation / repair or demolition. This study highlights the potential for miscommunications to occur, particularly when information is disseminated via a dispersed range of channels, and lacks a centralised, 'authoritative' core which originates from a single, reputable source and can be internalised as credible, up to date, and informed. The potential for miscommunication to occur is highlighted by recent media coverage in The Press as the following quote relates:

"....one (business owner) was told his venue had been demolished, then that he had been told it has been demolished in error and that it was going to be repaired. He was upset, ecstatic and then upset again when four months later he phoned me from inside the Red Zone, having been allowed in after much red tape to retrieve valuable equipment from the building, saying 'You're not going to believe this'. Yes, turns out the building had been demolished after all. However, when he phoned CERA 'exploding with rage', they denied that the building had been demolished, despite his offer through gritted teeth to send them photographic evidence to the contrary"⁴

⁴ 'Dux Live! Red-tape horror is nothing new', The Press (press.co.nz), Vicki Anderson, 1/11/ 2011



Loss of Income / Cashflow

- Loss of income or reduced cashflow for business owners post-quake stemmed from a number of contributory factors:
 - ◆ Non-payment of claims from insurance companies / claims management organisations
 - ◆ Forced closure of their business due to its' location (i.e. within the Red Zone), building damage or safety concerns, proximity to unsafe buildings, or until assessment could take place
 - ◆ Reduced patronage – impacted by relocation / loss of foot traffic for some business entities
 - ◆ Delays within payment of accounts from other, quake-affected Christchurch-based clients due to impacted cashflow
 - ◆ Additional costs incurred post-quake (i.e. cost of refit of new premises / purchase of stock or new technology, advertising or promotional costs to raise awareness of new location)
 - ◆ Ineligibility of some business entities for business support (i.e. wage supplements / interest free loans)

- While some business owners had been able to re-open within their original premises within the Four Avenues, in some instances this was perceived as both a blessing and a curse, as some businesses, particularly retailers, faced issues such as decreased or indeed non-existent foot traffic, a loss of other business entities within the immediate environs, and a pervasive 'fear' within the market relative to the safety, or otherwise, of 'The CBD', and the ease of access to those business entities which were open within the CBD environs, which impacted consumer behaviour relative to retail choices. A number of business owners spoke of the need to utilise personal savings or take on business loans to ensure short term survival at least, but there was real concern relative to the long-term financial viability of some businesses in an uncertain commercial environment when cashflow had been so heavily impacted.

Staffing Issues

- 48% of business enterprises included within the study (n=100) stated that they had decreased their staffing levels post-quake. A number of issues were created for business owners relating to staffing and personnel post February 22 including:
 - ◆ Retention of current staff post-quake (impacted by financial / cash flow issues and human flight from the city / region)
 - ◆ Sourcing new staff within a challenging environment
 - ◆ The emotional impact of the February 22 earthquake on staff – their wellbeing / ability to ‘cope’ in an ongoing seismic event and the impact of these factors on their ability to perform their job
 - ◆ The emotional impact of the event on employees’ families and personal circumstances (i.e. damaged / uninhabitable homes, changed personal circumstances, ill health / injury to family members)
 - ◆ The impact of changed workplace routines / relocated workplaces on staff (i.e. increased travel distances / time, disruption to ‘the norm’, challenges to emotional coping mechanisms, re-establishing workplaces / adjusting to working from home)
 - ◆ Fragmentation of staff (i.e. relocating into smaller ‘teams’ due to decreased workplace size post-relocation, leading to a loss of cohesiveness within workplaces)
- Retention of staff post-quake within some specific industry sectors proved challenging for some business owners, particularly those operating within the hospitality, retail and service industry sectors, with a relatively high proportion of the 18-25 year age demographic in employment. The relatively transient nature of this age demographic, and a lack of financial investment in the city by way of property ownership, poses a threat to retention of this age demographic for the future – further impacted by a perceived lack of entertainment and hospitality options for these individuals, who readily utilised the CBD for their entertainment requirements before the events of February 22, 2011.
- Those business entities who had experienced growth post-February, and found themselves in a position to increase personnel levels, were also challenged by issues in sourcing personnel, and in credibly promoting Christchurch itself as a desirable lifestyle option at this point in time to attract personnel (and their families) from other centres or countries, particularly when seeking senior personnel / industry professionals.



Relocation / Finding Premises

- For those businesses having to relocate after the February 22 earthquake, this process was not without considerable stress and created a range of issues for business owners:
 - ◆ The process of finding suitable premises in the first instance
 - ◆ A limited number of functional / 'safe' premises from which to select within Christchurch (particularly in CBD environs and some suburban locations)
 - ◆ Issues in sourcing suitable premises vis-à-vis the size / nature of the organisation
 - ◆ Uncertainties relating to 'the right location' vis-à-vis the nature / type of business entity
 - ◆ Post-quake increases in rents / leases in what is effectively a 'landlord's market' given increased demand for premises – therefore impacting on affordability particularly for smaller businesses / sole traders
 - ◆ The financial implications of relocation – exacerbated in some instances by non-payment of insurance claims
 - ◆ Difficulties in gaining re-insurance to cover new premises
 - ◆ Barriers created by compliance issues / change of use compliances
 - ◆ Loss of foot traffic created by relocation / shifts within orientation of customer base (created by a move from city to suburb, for example)

- The process of relocation was made more challenging, for some business owners, by the difficulty inherent in contacting clients / customers to raise awareness of their new location – particularly in the case where limited or no access had been available to CBD premises to retrieve client listings / records, technology, and other information resources. A number of business owners indicated that advertising budgets were severely compromised by cashflow issues (again impacted by non-payment of insurance claims, in most instances) despite urgently needing to re-invest in advertising and promotion of their business and its new location to attempt to re-establish their customer base. This issue highlights the need for some form of centralised business recovery strategy to assist with advertising and promotional costs in the months immediately following the earthquake, to raise awareness as to what is open, and where businesses have relocated to, to provide businesses with some much needed financial assistance to promote their business and its' product or service offering. Whilst there have been a number of individual initiatives created to promote businesses post-quake (i.e. websites / Facebook pages), business owners ideally perceived that this type of enterprise should be driven by larger business entities such as The Press, Recovery Canterbury, or the CCC, from which a collective database could be facilitated and promoted to assist business recovery and to ensure that the market is provided with up to date, correct information relative to those businesses who are operating post-quake.

- Relocation has also had a strong emotional impact for some business owners – particularly those now working from home or from a stand-alone / suburban location. The sudden and unanticipated change from working within a ‘CBD community’ of complementary businesses, amenities and services, and the vitality, energy and buzz created by a city environment, to trading within a more isolated / independent environment, with little immediate support or amenities in some instances (even for those who have re-occupied their original premises), was emotionally challenging and has evoked a strong sense of loss for some business owners, whose habitual daily behaviour, interactions, and ‘touchstones’ have changed dramatically post-quake. This issue highlights the need for emotional support mechanisms to be established as part of earthquake recovery strategies, focusing specifically on the provision of emotional support and coping strategies which are practical, targeted, and focused on the needs of business people operating within an extremely challenging environment. The implementation of business recovery forums could also assist in providing business people with opportunities to interact with others in a similar situation to themselves, to provide both practical and emotional support to each other and to formulate ideas or share strategies which had been of benefit to them in the recovery process. It was interesting to note that during the course of the study, a number of business owners perceived their issues, concerns and challenges to be unique to themselves, and spoke of feeling alone, unheard or indeed ‘selfish’ to be concerned with business issues when there had been such widespread trauma, loss and devastation following the events of February 22. These perceptions highlight key opportunities to create an appropriate support platform from which business owners can work together to assist each other from both emotional and practical perspectives, to deal with and overcome very real challenges as they move forward towards recovery.

Business Support

- Business support was defined as encompassing the following elements:
- ◆ Business mentoring / advice
 - ◆ Facilitation of business recovery forums
 - ◆ Strategic, practical and targeted recovery assistance focusing on the needs of each specific business entity – i.e. a ‘case by case’ basis
 - ◆ Financial support encompassing interest free loans, hardship grants, wage relief packages
 - ◆ Financial planning services
 - ◆ Insurance advice and assistance
 - ◆ Opportunities for Christchurch-based organisations to tender for contracts where a need is identified by authorities for specific skills, services or products to assist with recovery efforts

- One of the primary issues for businesses seeking support post-quake was in attempting to assimilate the types of support available, and identifying where to go to access specific types of support. A centralised support infrastructure was preferred; ideally encompassing all support mechanisms and organisations under one 'umbrella' to facilitate the process for business owners seeking assistance. It was also strongly felt that information pertaining to business support mechanisms and eligibility criteria should be readily promoted via a range of media and via appropriate business groups (i.e. CECC, Retailers' Associations, Recover Canterbury etc.) to ensure that business owners were cognisant of those support / recovery mechanisms available for uplift. Every consideration needs to be given to the specific needs and requirements of small – medium sized businesses and sole traders, who are unable to avail themselves of support from 'parent' companies, and consequently have, in some instances, found it both emotionally and financially stressful to attempt to operate their businesses in relative isolation. These entities make up much of the 'fabric' of Christchurch and contribute towards the diversity, charm, uniqueness, and character of the city, therefore their place in the 'new' Christchurch must be preserved.
- Business owners perceived that support should ideally be a dual-phased entity – encompassing firstly, initial provision and identification of centralised support mechanisms to facilitate immediate business recovery (i.e. access and retrieval of critical infrastructure where possible, identification of the nature of support required short term including financial assistance, provision of information relating to availability of premises) and secondly, oriented toward longer term recovery and stability to assist businesses through the 'leaner times' whilst the city was in rebuild phase and the CBD infrastructure was not fully operational (encompassing ongoing support and mentoring, assistance relative to insurance issues, facilitation of dialogue with CCC regarding consents / permits where possible, and provision of information relating to the proposed future commercial structure of the CBD to assist decision-making processes as to 'where to go' for the future).
- Early, proactive and ongoing communication from business support entities to businesses is critical to assist business survival in the short term leading into the recovery and consolidation phases post-quake. A number of business owners spoke of their uncertainty as to what was on offer and where indeed to go when seeking business support, therefore it is critical that targeted communication is forthcoming to provide business owners with every opportunity to avail themselves of assistance when required. All businesses are aware of Recover Canterbury as a support mechanism, and for some business owners, utilisation of this resource had been extremely beneficial for their organisation, particularly when matched with experienced business recovery consultants who were able to offer pertinent, targeted, actionable and realistic advice, mentoring and support options. However, for others who had contacted Recover Canterbury and been referred on to other support agencies, there was a degree of frustration evident, with business people feeling as if they had been 'passed from pillar to post' without any resolution or answers to their issues or concerns.

- From the perspective of business owners, it is also desirable that bureaucracy and 'red tape' (i.e. highly regulated eligibility criteria, excessive paperwork, 'telephone tag' with authorities) is kept to a minimum to assist prompt uptake of support measures; and that support, particularly financial, is promptly granted to provide a 'safety net' of sorts for businesses who are unable to trade immediately post-quake.
- Ideally, at the point where a need is identified by authorities for specific skills, services or products as part of the rebuild process, it is critical that every opportunity be given to Christchurch-based businesses to tender for these contracts as they become available. The levels of intellectual capability, creativity, and business acumen which were inherent within the city pre-earthquake have not diminished post-February 22. From an economic perspective, it is critical that Canterbury / Christchurch is able to retain a proportion of the estimated \$30 billion rebuild costs within the city, to attempt to capitalise on any developmental, employment, and business growth opportunities as they arise, to assist Christchurch-based businesses both in the immediate short term and the medium to long term.



Timing of the CBD Rebuild

- Business owners raised a number of issues / queries relating to the timing of the CBD rebuild and the City Plan, and expressed a desire for guidance / forecasting from authorities as to the structure and timelines which the rebuild and recovery would take to enable business owners to make informed decisions as to the most appropriate way forward for their business, including information pertaining to:
 - ◆ Anticipated time frames required to clear the city / commence rebuilds
 - ◆ Information relative to anticipated re-opening of city streets / blocks to assist forward planning
 - ◆ Anticipated time frames relative to demolition of significant buildings which are currently precluding the recovery of specific city blocks (i.e. Grand Chancellor, Clarendon Towers)
 - ◆ Economic recovery strategies for small – medium sized businesses
 - ◆ Further information relating to the 'precinct' concept (as described within the City Plan) and the potential implications of this concept relative to compliance / zoning regulations and the potential 'fit' of businesses considering relocation back into the CBD for the future
 - ◆ Opportunities for dialogue and collective strategies to be developed incorporating the views of business owners / building owners alongside the CCC and CERA to ensure commonality of purpose and focus for the benefit of the city as a whole

- It was strongly felt that the redevelopment of the CBD should be market led and determined, as opposed to being driven by local governmental agencies – ideally enabling a natural progression of building development and tenancy to create business 'communities' comprised of a wide and varied range of business entities which effectively fed into and supported each other, similar to that which had been in effect pre-quake. It was perceived that the precinct concept could potentially be beneficial for specific industry categories, such as technology-based / R&D organisations, relative to the ability to share knowledge / information and develop professional support mechanisms, or indeed within the entertainment sector as had been the case with SOL Square, Lichfield St, and The Strip on Oxford Terrace.

- Business owners were ideally seeking a collaborative approach to the short, medium and long-term redevelopment of the CBD, to ensure a democratic as opposed to autocratic strategic process was established. It was widely felt that this process needed to incorporate the input, expertise, business acumen, 'local' flair and knowledge of the following groups and individuals: building and land owners, business people and business owners, CERA, the CECC, retailers' groups / associations and the CCC. There was no desire for constructive dialogue to become a 'talkfest' with little real forward momentum; instead there was a high degree of motivation to become part of an innovative, democratic and practical forum which focused on achieving a positive outcome for residents and business owners of the city, within credible time constraints. Business owners identified a unique opportunity for the city to re-establish itself anew, whilst incorporating those elements of the city, pre-quake, which had made it characterful, unique, diverse, culturally rich, and colourful – but again, were seeking concrete, practical and actionable strategies and articulated timeframes to enable this to occur.

'Red Tape' / Bureaucracy

- Business owners readily recognised that the events of September and February had created an extraordinary situation the likes of which had never been seen by the city to date, and as such, that a degree of adaptation and flexibility was required by all to cope in challenging circumstances. However, it was questioned as to whether authorities had necessarily internalised the degree of flexibility required relative to red tape and bureaucracy within the 'new normal', to assist positive outcomes for business owners attempting to ensure business recovery and survival in the short term. For those business owners looking to utilise temporary accommodation for their business, concessions within compliances and consents procedures (i.e. expedited processing times, some flexibility in regards to what is required to operate businesses in new premises, and relative to change of use consents) could assist in reducing time spent in limbo waiting to commence business, or indeed reduce costs associated with relocating their business entity at a time when cashflow, for some businesses, is severely curtailed.

- Other auxiliary issues discussed within the study included:
- ◆ The need for targeted media / PR campaigns oriented toward the recovery of Christchurch-based businesses – ideally follow on, ‘8 months on from the quake’ coverage to ascertain how businesses have fared since February, identify issues and stresses, and to present a realistic and current ‘snapshot’ of the status quo
 - ◆ The need to promote specific areas / businesses which are currently open for business to alleviate current confusion within the market as to ‘what is open and where’
 - ◆ Implementation of initiatives to encourage recreational activity / foot traffic back into Four Avenues / CBD spaces – i.e. via Gap Filler initiatives, concerts, festivals, retail initiatives and community engagement projects – to regenerate areas of the city which are currently accessible, and to act as a precursor toward larger-scale initiatives in the future
 - ◆ The desire for clarity within CBD land zoning issues and compliance regulations for buildings requiring earthquake strengthening and repair – supported by absolute transparency within communications processes between CERA, engineers, building owners and tenants relative to the safety of those buildings left standing
 - ◆ The desire for a communicated strategy from the CCC to address current roading issues in and around the city alongside information relative to timelines as to when key CBD roads would be accessible to facilitate user friendly travel
 - ◆ Concerns relative to depopulation issues and the impact of this on business recovery and economic stability for the future
 - ◆ The opportunity for further information dissemination from CERA to business owners relative to anticipated timelines for the deconstruction / demolition efforts within the Red Zone and updates as to progress thus far
 - ◆ Information dissemination relative to remaining historic buildings within the city and the likelihood (or ability) for these to be repaired or rebuilt to ensure retention, where possible, of some of Christchurch’s history and character

- ◆ Concerns expressed relative to what is perceived as a 'meeting-oriented', closed door policy from authorities leading the recovery effort which is not necessarily considered to achieve the desired result in terms of forward momentum, tangible progress, and decisive decision-making – effectively creating a disconnect between business and building owners and 'the powers that be' which has led to a sense of disenfranchisement from those wishing to play an active part in the recovery of Christchurch now and in years to come
- ◆ The need to encourage positive promotion of the city whilst in recovery phase – i.e. via external promotion of new and innovative community, business or entertainment initiatives – while also fostering a sense of community, positivity, and hope for the future
- ◆ The need to ensure initiatives specifically oriented toward the 18-30 demographic are included within recovery planning strategies to attempt to retain this demographic in the short term, and to ensure that these individuals are given the opportunity to provide input as to their future vision of the city
- ◆ The need to implement promotional campaigns oriented toward encouragement of South Island tourism to highlight those businesses and areas which are 'open for business'
- ◆ The desire for information dissemination relative to the allocation process of recovery funds / donations to the city to enable better understanding of how this process has operated to date
- ◆ The need to implement employment training schemes (i.e. within the trades) to assist in gaining employment for Christchurch residents within the recovery and rebuild process where possible

As this study demonstrates, the events of February 22, 2011 (and to a lesser extent, the events of September 4, 2010), have generated an unequal distribution of economic growth within the Christchurch CBD business community. Where businesses have had the financial backing of national / multinational parent organisations, their capacity to 'weather the storm' has been significantly greater than smaller / sole trader businesses, some of whom have been forced by necessity to take on loans or utilise personal savings in order to ensure business survival in the immediate future. Those businesses who maintained a national or offshore customer base were also able to maintain business revenue. However, those business entities who were largely dependent on foot traffic, tourism, or a loyal / regular customer base have experienced considerable difficulty in the short term through no fault of their own, and despite operating successful, financially profitable, popular and in some instances, iconic / award-winning businesses pre-February 22. For some of these business people, survival of their business will be largely dependent on the time parameters involved in the recovery process, despite every effort to be innovative and creative in the interim.

Some industry sectors have also been able to capitalise on challenges presented by the recovery and rebuild process, enabling business growth and employment opportunities. However, 95% of the sample indicated that they had issues or concerns post February 22, demonstrating that the nature of some of the challenges created by the events of February 22 are universal and cut across industry category and business size.

The next section of this report, 'Points for Consideration', highlights some of the lessons learnt from the devastating Kobe, Japan (1995) and Northridge, Los Angeles, USA (1994) earthquakes relative to economic recovery and planning processes post-quake, which may be of assistance in the recovery of our city in the months / years to come.



POINTS FOR CONSIDERATION

Extensive desk research was conducted in order to explore recovery processes that occurred or were initiated either within New Zealand or internationally in the aftermath of major urban earthquakes. We explored the published data relating to the recovery process of the Hawke's Bay earthquake 1931, the San Francisco earthquake 1989, the Northridge L.A. earthquake 1994 and the Kobe earthquake 1995.

In Hawke's Bay, the key aspects that drove recovery were;

- The appointment of skilled leaders
- The speed at which the recovery process was initiated – the need to act quickly and ensure that there is an emphasis on getting business entities back up and running
- The collaboration of local architects to assist with the design of new buildings
- The revision of the building codes
- Ensuring that there are sufficient funds available for business support and infrastructure development

This earthquake occurred in February, and by March the city had 'Tin Town'⁵ – a 54-store complex of corrugated iron built by Fletcher Construction on the edge of the burnt out business district.

With regards to the San Francisco earthquake, given that a delegation from Christchurch has recently visited San Francisco to talk to the relevant authorities with regards to the recovery processes adopted, The Field Connection believes that the information garnered during this visit is perhaps more relevant than any dissertation written within this document.

With regards to the more recent earthquakes in urban areas, a major study, ***“Opportunity in Chaos: Rebuilding After the 1994 Northridge and 1995 Kobe Earthquakes”***⁶ was conducted in 2005, and completed and published in March 2011 by Robert B. Olshansky, Laurie A. Johnson, and Kenneth C. Topping, with Yoshiteru Murosaki, Kazuyoshi Ohnishi, Hisako Koura, and Ikuo Kobayashi. The study was funded by the US National Science Foundation.

⁵ Web-published March 2011 Marty Sharpe, Dominion Post

⁶ Web-published March 2011, Department of Urban and Regional Planning, University of Illinois, Urbana-Champaign, IL, and Laurie Johnson Consulting / Research, San Francisco, CA



In order to assist the relevant authorities and building / business owners to better understand the processes that have been implemented / adopted in both the US and Japan following significant earthquakes, we have included key excerpts from this study which are relevant to the issues raised by Christchurch building / business owners whose premises were located within the Four Avenues prior to the February earthquake.

These excerpts from this study highlight some of the issues resulting from either the Northridge or Kobe earthquakes.

“Post-Disaster Recovery

Of all the phases of emergency management, recovery has been the least researched (Berke et al, 1993; Rubin et al, 1985). Although the number of individual post-disaster case studies has increased in recent years, comparative studies of recovery are few. Perspectives of recovery researchers vary, seeing it alternately as a social (community or family scale), economic, management, design, planning, or finance problem. The following review summarizes some of the key studies relevant to our community planning approach.

Recovery as a Predictable Process

Reconstruction Following Disaster, by Haas et al (1977) was the first study to take a comprehensive view of the recovery process. They examined two recent (1972 Rapid City flood, 1972 Managua, Nicaragua earthquake) and two older (1964 Alaska earthquake, 1906 San Francisco earthquake) disasters in order to identify common policy issues and extract common lessons on the forces that affect reshaping of a city following disaster. Although they were probably overconfident in declaring that “the reconstruction process is ordered, knowable, and predictable” (p. 261), their study contained a great deal of insight that has been confirmed by subsequent disasters. First, they observe that the city is almost always rebuilt on the same site, and it usually looks familiar to its residents. It is usually a bit safer than before the disaster, though not as improved as it could have been. Second, factors that increase the speed of reconstruction include: availability of large external resources, innovative national leadership, the existence of prior plans, community consensus, and wide dissemination of information. Third, ongoing urban trends accelerate after the disaster. They especially note that urban decentralization— which has been a general international trend for the past century—increases after disasters. Fourth, recovery is not an egalitarian process. Those who can pay for the best locations rebuild the soonest and in the prime places; others will follow. Those with greater access to resources before the disaster continue to have greater access. Fifth, the opportunity to do comprehensive re-planning is rarely fulfilled, because it costs too much in time and uncertainty. As they observe, “There is already a plan for reconstruction, indelibly stamped in the perception of each resident—the plan of the predisaster city. The new studies, plans and designs compete with the old” (p. 268). This observation is echoed by a contemporaneous study, describing how the city of Xenia, Ohio resisted the opportunity for change after a devastating tornado in 1974 (Francaviglia, 1978). Haas et al recommend that post-disaster planners make decisions as soon as possible so as to reduce uncertainty among private decision makers. These decisions must be based on the best available information, and are easiest to accomplish if plans and policies are in place before the disaster and if the city routinely maintains land use inventories. To allow some time to make these decisions, they suggest a moratorium, but it must have a fixed deadline. They also suggest phased planning, with immediate needs addressed first. An important aspect of their model was identification of four overlapping phases of recovery, distinguishable over time: (1) emergency period of search and rescue and emergency housing (days or a few weeks); (2) restoration period of repairing infrastructure and returning to relatively normal activities (a few months); (3) replacement period of rebuilding capital stock to predisaster levels (up to two years); and (4) commemorative, betterment, and developmental reconstruction involving large projects (up to ten years)”⁷

⁷ Ibid., pp. 1-1 to 1-2



Insurance

The study “Opportunity in Chaos” highlighted that in the US, final insurance pay-outs tended to occur approximately two years after the Northridge earthquake of January 17, 1994 (magnitude 6.7). Case studies outlined within the report highlighted the commercial difficulties created by the delay in final insurance pay-outs. However, interim payments assisted the recovery process.

“In Los Angeles, insurance pay-outs came quickly to property owners, pressuring the City to expedite repair and rebuilding permit processes”⁸

“Since that time, insurance availability for future earthquake losses has been dramatically reduced.

In both cases, insurance was the fastest and most equitable means of financing reconstruction.

In both cities, most insured owners were able to receive settlements and rebuild, generally within a couple of years of the earthquake. This was particularly evident in Los Angeles’ San Fernando Valley. Furthermore, insurance-based reconstruction tends to be more equitable since it is financed by individuals according to their risk.

Those without private financial resources and without insurance took longer to recover, if at all. In both cities, uninsured owners and renters suffered an irreplaceable loss of both home and assets.

Those without financial resources (including insurance) had more difficulty recovering.

In both cities, individuals with money or insurance had more options. Larger businesses with substantial resources also had more flexibility, such as by their ability to use alternate facilities. Many with limited resources—such as small businesses, the elderly, and immigrants—were not able to retain their businesses and homes through the long recovery period. In Kobe, some residents could not afford the new replacement housing in their former neighborhoods and were permanently displaced. In Los Angeles, many small businesses disappeared. Some development companies profited, but many homeowners sold at a loss”⁹

“Although insurance is a fast and equitable way of funding recovery, Public funding is critical to promote community betterment”¹⁰

Reconstruction Plans

With regards to reconstruction, the study noted that reconstruction plans failed to articulate clear plans for retail location during redevelopments, and that many retail owners could not find satisfactory spaces whilst waiting for completion of the redevelopment of Kobe City’s CBD. This was problematic for the economic recovery of the area.

⁸ Ibid., p1-3

⁹ Ibid., pp11-5 to 11-6

¹⁰ Ibid., p11-5



Recovery

“Rather than having a goal to simply restore the economy to pre-event levels, Kobe City, Hyogo Prefecture, and others in public and private sector economic leadership positions sought to create new sectoral growth through redevelopment that would create added value in jobs, income, and investment beyond pre-event levels. Many small businesses obtained interest-free long-term loans from the Great Hanshin-Awaji Earthquake Reconstruction Fund. A variety of programs were directed at generating new industrial growth, such as on available land on Port Island (Hyogo Prefecture, 1999c). The City of Kobe also pursued several economic revitalization initiatives, to assist local industries and promote tourism (City of Kobe, 2003)”¹¹

“Planning and Policy Lessons from Kobe

Numerous lessons—large and small—can be drawn from the Kobe experience, as detailed in the preceding pages and in the following case study chapters. It is important to identify the most significant ones—those that can help guide development of policy following future large disasters. Our Japanese colleagues, who have spent over a decade planning for the rebuilding of their city, identified several key lessons learned in Kobe regarding recovery planning and post-disaster housing policy.

The main issues in recovery are speed and flexibility. Recovery is fast-paced and multidimensional, and policies must retain flexibility in order to keep pace.

- ◆ *The mechanics of reconstruction need to be managed smoothly. Machizukuri organizations (business leaders and residents’ organisations) and their planning consultants were critical to this process. In future disasters, the system of dispatching consultants should be done more expeditiously in order to help residents reach agreement more quickly.*
- ◆ *Local government built a large number of public housing units, and they also pursued major land readjustment and redevelopment efforts; these processes ran in parallel, but lacked coordination.*
- ◆ *The redevelopment projects were too large and their financing depended excessively on private sales. The Central government subsidy to the City was only about 20%, which meant that the City had to build much bigger projects than needed in order to finance the cost. A Central government subsidy of 50% would have led to smaller, more financially sustainable redevelopment projects.*
- ◆ *Reconstruction planning in Kobe should have included more attention to economic analysis, in addition to physical planning. For example, policies called for rebuilding all damaged neighborhood shops, even in cases where it was clear that insufficient residents would return. The planning process addressed buildings, but not the economic and social needs of communities”¹²*

“Schwab (1998) also provides important advice regarding speed of rebuilding. Although it is vitally important to include mitigation in the recovery process, it should not be at the expense of restoring normal activities as quickly as possible. As he points out, “public support for mitigation can dissolve easily if achieving it entails serious delays in restoring normal civic and economic activity” (p. 18). And he says that moratoria should be used judiciously, depending on the hazard characteristics, need for further studies, and a real extent of damage”¹³

¹¹ Ibid., p6-45

¹² Ibid., p6-47

¹³ Ibid., p1-8



*“Smith and Deyle (1998) suggest addressing post-disaster reconstructions within a community’s comprehensive plan, to serve the dual purpose of bringing hazards into planning and bringing planners into the post-disaster process. They emphasize a distinction between planning for **short-term** and **long-term recovery**, with the former term approximately corresponding to Haas et al’s second and third phases and the latter term to Haas’ fourth phase of betterment and redevelopment. They propose that conceptually separating these phases can help to reduce community mistrust of long-term planning as being intrusive and make it easier for planners to participate in the important activities of short-term recovery”¹⁴*

In the US;

“The Mayor’s office, City Council, CRA and CDD were all actively involved in business recovery efforts on behalf of the City. They provided technical assistance as well as financial assistance, backed in large part by federal recovery assistance from HUD-CDBG and EDA (City of Los Angeles 1995). The City Council and Mayor agreed to waive fees for business relocation permits and extended its payment period for business taxes (Spangle Associates 1997, Appendix-CAO Interview, 4)”¹⁵

In Japan, the Government established the Earthquake Disaster Reconstruction Fund, whose purpose was to

“...support victims, housing reconstruction, restoration of industry, education and culture, and other restoration projects (Kinmokusei 1999)

...The emphasis of the fund was on “rebuilding lives” and to facilitate “a long term stable overall recovery plan” (City of Kobe, 2003). The fund provided interest-free long-term loans to individuals and small businesses and supported reconstruction activities not covered by other national programs. It was modeled after a smaller fund initially created following the 1993 Mt. Unzen eruption in Nagasaki Prefecture”¹⁶

The fund had both residential and commercial objectives designed to assist the citizens of Kobe. Some of the commercial objectives of the fund were:

- ♦ job creation projects,
- ♦ interest subsidies for loans for small and medium-sized businesses,
- ♦ projects to assist small-scale operators to reopen businesses,
- ♦ assistance with events to revive retail areas, and
- ♦ assistance with arts and cultural activities in damaged areas.¹⁷

¹⁴ Ibid., p1-8

¹⁵ Ibid., p2-30

¹⁶ Ibid., p6-27

¹⁷ Ibid., p6-27



The study also highlighted that the financing of post-earthquake reconstruction “*produced both winners and losers*”:¹⁸

*“In Los Angeles, where real estate prices later increased, investors and residents of rehabilitated buildings benefited. In Kobe, construction companies profited, but there were more losers. Those who walked away from damaged apartment buildings or condominiums in Los Angeles lost their investment. In both cities, small businesses that could not survive for many months with reduced revenue had to shut down. And in all cases, many of the long-term costs were hidden: depleted savings, lost retirement funds, and loans that require many years of repayment”*¹⁹

“People

– *The experience in Kobe highlighted the importance of citizen participation in shaping the details of rebuilding. The machizukuri process, though admittedly not involved in important initial decisions, showed how local governments can support neighborhood planning in the wake of a catastrophic disaster. And the many examples of redevelopment, land readjustment, and joint housing, show how rights holders can leverage their remaining value into collective reconstruction solutions”*²⁰

“Government

– *This research reemphasizes the importance of government working at all levels to bring about successful recovery. In Kobe, the central government relied upon local governments for implementation of development plans, housing programs, and economic recovery initiatives. Local governments relied upon the central government as an important source of financing. The central government and local governments both acted as civic boosters to enhance the value of their land resource and attract private reinvestment”*²¹

Social Impacts

The study conducted by The Field Connection highlighted the emotional impact of an earthquake on Christchurch residents which had also been evident within communities following- the Kobe and Northridge earthquakes.

*“Disruptions of social ties created mental stress, which impeded life recovery of earthquake victims (Tatsuki and Hayashi, 2002)”*²²

*“The largest achievement in recovery from the earthquake was expanding the voice of the people through the machizukuri process. The Central government was opposed to this approach. It wanted to stick to traditional top-down recovery methods required under the Basic Disaster Law.” Kobe Vice-Mayor Tsuruki, March 2004”*²³

¹⁸ Ibid, p11-7

¹⁹ Ibid., p11-7

²⁰ Ibid., p11-12

²¹ Ibid., p11-12

²² Ibid, p6-14

²³ Ibid., p6-36



“Changes in Neighborhood Character

– Early neighborhood reconstruction planning discussions emphasized quality of life. At machizukuri organization meetings held in destroyed neighborhoods during mid-1995, residents expressed preferences for re-establishing human-scale neighborhoods and restricting building heights to preserve historic local views of the mountains. Such visions were ultimately compromised, however, by economic reality. The financial need in many projects to add extra units forced higher densities and taller buildings. Residents’ initial goals were lost through land consolidation and massive high-rise housing construction, replacing the previous traditional wooden housing, low building heights, and small lots.”²⁴

Business Support

The study conducted by The Field Connection highlighted that because of loss of income or reduced cash flow, and / or the use of personal funds / loans, many businesses were struggling financially at this point in time. This aspect was also identified in Kobe and Northridge, Los Angeles, post-quake.

“Eadie observes that it is critical to keep businesses alive in the short-term, and conversely that cities need to be patient with the time it takes to permanently rebuild retail areas if external funding is limited. Recovery also includes a financial paradox: money is most readily available during the first six months, but it is most needed later on, once needs become more clear. Thus, cities and granting agencies need to be willing to renegotiate terms later on... An effective recovery plan should include temporary regulations, to allow for efficient actions with respect to such issues as moratoria, permit expediting, temporary uses, demolition, and housing.... Cities need to be prepared to allow temporary uses and rebuilding of nonconforming uses, as long as they fit prescribed criteria. For example, a pragmatic approach is to allow rebuilding of nonconforming uses within the previous size envelope, if they comply with strict life safety requirements.”²⁵

“Following the Northridge earthquake, the CRA used redevelopment powers to establish five new redevelopment project areas geared toward providing financial support for business recovery. CRA also played a strategic role in assuring business and industrial recovery, as described in further detail in the section below titled “Specific Reconstruction Strategies and Outcomes.”²⁶

“Economic Development Grants

The EDA provided a \$1.8 million planning and implementation grant to the City to implement business recovery; it was administered by Mayor’s office (City of Los Angeles 1995, ii-19)... Among the communities that benefited from such grants were Hollywood and Canoga Park, where business-area promotional and maintenance programs were planned that were in many cases financed by a Business Improvement District (BID)”²⁷

²⁴ Ibid., p6-42

²⁵ Ibid., pp1-9 to 1-10

²⁶ Ibid., p2-21

²⁷ Ibid., p2-31



“Prior to the earthquake, the City funded a network of Business Assistance Centers (BACs) to provide financial and technical assistance; following the earthquake, the City awarded \$2.2 million in CDBG funds to 4 of these centers to help businesses through October 1995 to apply for and secure SBA loans or other financial assistance. The VEDC was also one of these BACs; VEDC estimates that it assisted over 6,000 businesses with disaster applications and then provided ongoing counseling and technical assistance to hundreds of businesses for more than 5 years after the earthquake (GAO2008). VEDC staff reached out to business owners, going door-to-door in affected business districts, served as a clearinghouse for information on earthquake recovery, and sponsored workshops and conferences for business owners (GAO 2008)”²⁸

Business Improvement Districts

It was interesting to note that in the US, although business associations existed prior to the Northridge earthquake, many more were formed afterwards.

“The purpose of many of these BIDs was not only to recover from business and damage losses from the Northridge earthquake but also to reduce urban decay and blight. After the earthquake, the City allocated \$600,000 to help finance the establishment of at least 4 BIDs in earthquake-impacted areas (City of Los Angeles 1995, iv-7)”²⁹

Common Research Findings

“Recovery studies are few, and systematic comparative studies are fewer. The studies that exist look at recovery through a variety of lenses: process, urban form, economics and finance, and social and family impacts. Some are descriptive, whereas others are prescriptive. Still, considerable consensus exists in the literature regarding a variety of recovery issues. Based on the above review, we propose several consensus observations:

Process

- ♦ *Recovery is a process, with no clear endpoint. The balance between “normal” and “recovery” activities will gradually change over time, and eventually recovery blends with business as usual.*
- ♦ *The goals of a recovery process depend on the particular case. In general, speed and quality are the measures of a successful recovery process. At a minimum, the goal of recovery is to return to the previous level of economic function and replace the quantity of lost housing units. Beyond that, the recovery process depends on local social and economic context, as well as local and national politics.*
- ♦ *Bureaucracies lack the flexibility to be able to quickly respond to the uncertainties of the recovery process. As a result, new community-based organizations emerge. Such organizations are, in fact, crucial to a successful recovery process.*
- ♦ *Government agencies can facilitate recovery to the extent that they can support—financially and technically—local organizations and not tie their hands with excessive requirements.*
- ♦ *Establishment of a separate recovery organization is often helpful, to link the efforts of all involved government and nonprofit groups. In addition, it is important to realize that much of recovery occurs through family and informal networks.*
- ♦ *Citizen participation is essential, to help determine recovery goals, provide communication during the recovery process, and ensure community support.*
- ♦ *Local leadership is critical to successful recovery. An effective leader can provide vision, work with community organizations, communicate with other government agencies, and take decisive actions.*

²⁸ Ibid., p2-32

²⁹ Ibid., p2-32



Urban Systems

- ♦ Negative trends that existed before the disaster will usually worsen during the recovery period. These include declining economies, social problems, and out-migration.
- ♦ Cities usually rebuild in the same place, and with the same general urban form, in all but the most catastrophic of disasters. This is because economic and social networks are more resilient than buildings. The economic functions of the city will usually continue after the disaster, and residents will usually try to locate their homes so as to maintain their predisaster social networks. Economic activity usually recommences very shortly after the disaster, often using temporary buildings or tents. Similarly, displaced residents prefer that temporary homes be near their former residential location.³⁰

“Based on their 14-community study, Rubin et al present a variety of observations, conclusions, and propositions regarding the recovery process. They identify three key ways that local officials can affect community recovery: (1) leadership, (2) ability to act, and (3) knowledge of emergency management and available resources. Of these, they emphasize leadership as the most important.

This stems from the observation that recovery process is unique for each community and therefore requires “site-specific, adaptive planning strategies” (p. 28). Therefore, what the community needs is the organizational and leadership ability to solve its problems. Some of the important leadership characteristics include: flexible, creative styles of problem solving; a vision of the community; and strong links to other public and private decision makers. An effective leader turns adversity into opportunity, seeing the disaster as “an opportunity to implement plans that previously may have only been ‘pipe dreams’” (p. 30). One way a leader does this is by developing community organizations after the disaster, to help to define and advance community values. Even better, communities with effective leadership generally have plans in place before the disaster, reflecting the consensus of community networks”³¹

“Johnson’s findings echo those of Rubin et al regarding the importance of leadership capacity, vision, and commitment. Post-disaster recovery is not a rational process that can proceed from a checklist”³²

“Final Remarks—Managing the Recovery Process

The challenge is this: How can local governments effectively manage postdisaster recovery and reconstruction—meeting the time-sensitive needs of housing and economic recovery, while also maximizing the opportunity for community betterment? The cases described here illustrate the difficulty of this task, but they also suggest some principles for success.

Catastrophic urban disasters are extraordinarily expensive, and prudence demands preparedness for both post-disaster financing and planning processes. External funding and resources for temporary and permanent housing are important prerequisites for successful recovery; national governments need mechanisms to be able to deliver these, while allowing local flexibility in implementation. Local governments need to combine firm regulations (e.g. building codes, lot sizes, and land use types) with citizen participation. An optimal approach would couple incentives with basic safety standards.

³⁰ Ibid., pp1-12 to 1-13

³¹ Ibid., p1-3

³² Ibid., p1-4



The best way to improve post-disaster planning processes—for providing both speed and quality—is by emphasizing information and communication, and explicitly providing funding for them. High quality, systematic data collection, information systems, and communication mechanisms would be a good start. Second, the lead recovery agency needs to designate a clearinghouse for plans and for supporting information—this could be both a physical entity and an internet site linking all relevant plans and data. Third, planning agencies need to explicitly recognize the conflicting roles of speed and deliberation. Regular communication between agencies—perhaps by means of meetings or workshops sponsored by the clearinghouse—can provide the arenas for deciding the tradeoffs between speed and deliberation in real time. Finally, government needs to be committed to supporting fully inclusive planning processes as soon after the disaster as possible³³

³³ Ibid., pp11-16 to 11-17



SUMMARY OF RESULTS



BUSINESS ENVIRONMENT POST QUAKE

Respondents were asked the following question:

“Firstly could I ask if you have either now recommenced business in the same premises, have relocated your business or have been unable to recommence business at this point in time?”

n = 100	%
Recommenced in the same premises	15.00
Relocated	49.00
Unable to recommence business	16.00
Working from home	18.00
Operating from a family members premises	1.00
Relocated into a caravan	1.00



As the table above shows, just under half of the business entities included within the study have relocated into alternative premises. For some of these businesses, the move has been a positive one whereupon opportunities have been created to form a business ‘hub’ with other like-minded business people / entities, which in turn have created new business opportunities and synergies for the future. However, for others, the need to relocate their business has created issues in terms of reduced or non-existent foot traffic, and a change in orientation from a ‘walk past’ / ‘drive past’ customer base to a destination location. For those business owners who are now working from home, having relocated from a vibrant central city location offering convenience and proximity to other business entities, services, and amenities, issues have arisen relating to feelings of isolation and a lack of interaction with other business people and the ‘city community’ they had previously operated within. Some business owners who had recommenced within the same premises are currently experiencing difficulties in terms of a lack of customers (meaning reduced revenue), concerns relative to the safety of their premises in streets with few other operational businesses, difficulties relating to street access to their premises (i.e. due to closed / damaged roads in the immediate environs), and concerns relating to a lack of other nearby businesses and other business people with which to interact – again leading to feelings of isolation.



As the table below shows, those businesses that have relocated are fragmented across the city and suburban locations.

Current Suburb		Current Suburb	
Addington	3.00%	Lyttelton	1.00%
Akaroa	1.00%	Merivale	2.00%
Auckland	1.00%	Middleton	2.00%
Bealey Ave & Lyttelton	1.00%	Nelson	1.00%
Beckenham	1.00%	Northwood	1.00%
Bishopdale	1.00%	Phillipstown	1.00%
Burwood	1.00%	Rangiora	1.00%
Casebrook	1.00%	Riccarton	6.00%
Cashmere	2.00%	Richmond	1.00%
Central City	23.00%	Rolleston	2.00%
Edgware	1.00%	Shirley	3.00%
Fendalton	1.00%	Sockburn	1.00%
Ferrymead	1.00%	Spreydon	1.00%
Halswell	2.00%	St Albans	1.00%
Harewood	3.00%	Sydenham	6.00%
Heathcote	1.00%	Upper Riccarton	3.00%
Hornby	2.00%	Waimari Beach	1.00%
Ilam	1.00%	Waltham	1.00%
Lincoln	1.00%	West Melton	1.00%
Linwood	2.00%	Not Applicable	13.00%
		Refused / Did Not Answer	1.00%

Sample 100



CONCERNS OR ISSUES FACING BUSINESSES LOCATED WITHIN THE FOUR AVENUES

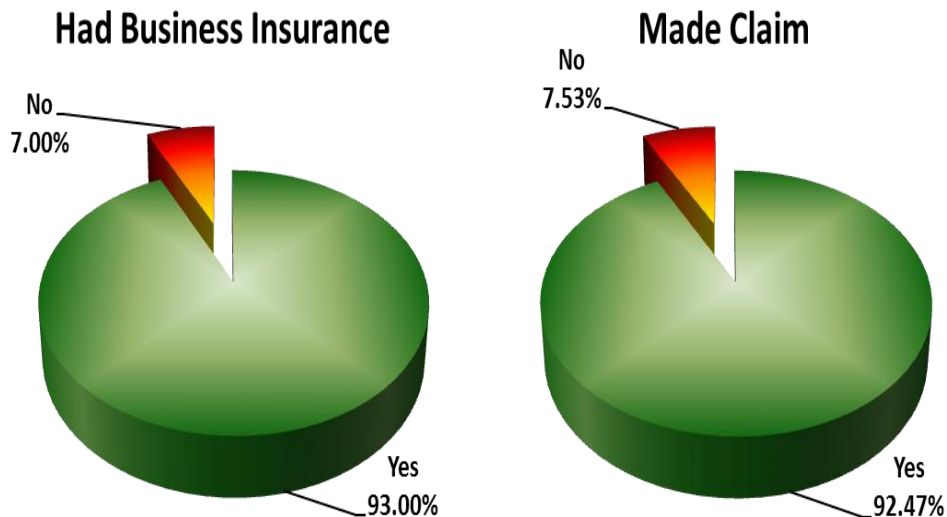
Business owners were asked if they had any concerns or issues with regards to their business as a consequence of the earthquakes. 95% of these business owners indicated that they had concerns or issues at this point in time relating to their businesses. There were a myriad of concerns and issues raised by business owners as the following table and verbatims demonstrate.

Concerns	
Lack of /delays in payments/settlements /Poor/bad communication from insurance companies	89.00%
We require definitive timelines / information in order to make commercial decisions/ land/ rebuild	42.00%
Challenging business environment / business uncertainty	30.00%
Lack of customers/foot traffic/tourists = lack /reduction in revenue	26.00%
Lack of access/affordability of access to buildings in order to recover equipment / commence repairs	24.00%
Lack of income/reduced income/50% - 70% reduction	23.00%
Difficulties / frustrations in re-establishing the business out of cash flow	23.00%
Clients / customers not knowing where we are / that we are open	22.00%
The ability to find new/suitable/affordable premises	19.00%
Uncertainty/flight risk with regards to the timing of the rebuild of the city	18.00%
Emotional issues – loss of confidence/employer concerns for staff/ psychological concerns at all levels/stress	17.00%
Relocating from a high pedestrian foot traffic area to a destination location/ change in target market	17.00%
Increased workload due to staff reductions/insurance claims/landlords/authorities/relocations/demolitions	14.00%
The 'village'/'hub' of living and working in the CBD is gone	13.00%
Increased costs / liabilities with regards to insurance excesses/storage/access costs/advertising	13.00%
Loss of business due to loss of facilities/fixtures & fittings/stock	12.00%
Concerns re double leases / existing lease on damaged properties	11.00%
Struggling financially/additional costs/personal savings being used	9.00%
Having to drive significant distances to work because of relocations/additional costs & time	9.00%
Lack of being listened to by authorities / don't understand commercial realities	9.00%
Little tangible / useful support for smaller business /Smaller businesses are being forgotten	8.00%
Most of my issues are now resolved	8.00%
No discretion / bureaucracy rules – stifling business growth / rebuilding /Fighting a bureaucratic paper war	7.00%
The uncertainty of rental rates post development of the CBD	6.00%
The need to see economic modelling in order to make business decisions	6.00%
Staff recruitment issues at a professional level / not wishing to relocate to Christchurch	6.00%
Very difficult to deal with some people from Heritage Buildings Trust / authorities	6.00%
Customers/ visitors are afraid to come into 'the city'	6.00%
Concerns related to number/type of businesses operating in a street (image)	5.00%
Dealing with demolitions & deciding what to do for the future	5.00%
Concerns related to projected foot traffic / public transport	4.00%
You feel that you are battling on in isolation / it's a nightmare	3.00%
Lack of support / appropriate information from Recover Canterbury	3.00%
Multiple contacts within the insurance industry based outside of Christchurch very difficult/time consuming	3.00%
Lack of fast tracking by the authorities/delays and procrastinations	2.00%
Inability to get insurance cover	2.00%
Other Issues	6.00%
Sample	100

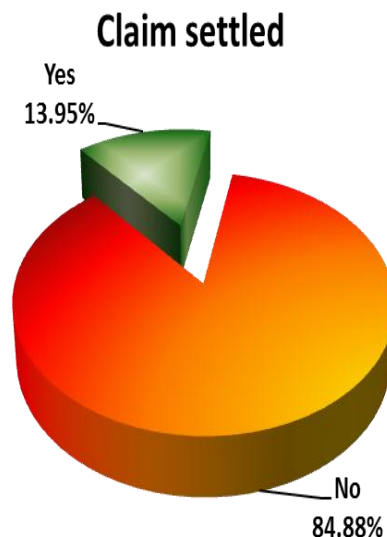


Insurance

A total of 93% (n=100) of businesses who were located within the Four Avenues stated that they had business insurance of some type (i.e. business interruption, material damage, etc.).



92% of business owners indicated that they had made at least one insurance claim after February 22. However, at the point of survey, only 14% of claims had been settled.



There was evident concern within the market at this point in time relating to insurance issues. The timeliness or otherwise of insurance pay outs to businesses, and the impact of this on business continuity and cash flow, was of significant concern to a large number of business owners, and for some, had impacted their ability to continue to trade at all. This situation engendered huge frustration, anger and uncertainty for business owners who wished to move forward and found themselves effectively hamstrung by a perceived lack of co-operation from claims management organisations / insurance companies, with little communication or indeed clarification as to why this appeared to be the case.

"The buildings are gone, but the business insurance is taking a long time to pay out, which isn't helping us. The insurance companies are mitigating their losses, holding out for as long as they can"

"Insurance issues – it's not finalised even after 6 months"

*"We have had difficulties from both our material damage claims and business interruption. There has been little or no help from them (insurance companies / claims management organisations). I feel I have been extraordinarily patient. To this point I have seen no-one. I'm with the Premium Insurance Company but have not received premium service with the recovery. I was sort of waiting for help and then realised there was going to be none, so I had to get off my a*se and help myself or nothing was going to happen, so I did. I was very lucky to get a lease on a property in Hornby. We've had a progress payment of one-sixth of the money due to us on the business insurance. The cost of the remedial work has been borne by myself and they are extremely tardy in paying me back for that. It's taking months to be reimbursed"*

"I have insurance issues. The indeterminable waiting. It's a huge issue. It's 6 months down the track and going nowhere. It's just the waiting that's upsetting and the getting nowhere"

"We've waited 5 months without any income at all, because my partner is a builder and he can't get work at the moment because nothing is happening. Get on with the insurance pay outs so that the building companies can start with the rebuild. Just speed it up so that the work is there for the building companies"

"My broker changed my business insurance over to Western Pacific based in Queenstown without my knowledge. He said he believed it was a better deal. Unfortunately it wasn't terribly stable, and with the overload of the Christchurch earthquake claims they went into receivership and I haven't had one cent of insurance money at this stage. I am just waiting to see where it goes. It will be a major problem with our broker – nightmare stuff, as the insurance company says there is no policy they are aware of, so it is now in the hands of my lawyer"

"Insurance – the insurance is very slow moving. Nothing at all like I imagined when I was being sold the policy cover. The glossy pamphlet and easy talking brokers"

"Insurances are a bit of a problem. They seem to be held up. We are OK for now, but we would feel more comfortable once the insurance has been paid out. It's a real waiting game. We had to pay out to start up the new place and the contents, with our own business and personal monies, so we are really counting on the insurance to relive some of the concern"



"We're trying to sort it out with the insurance companies to find out where we stand. It's the slowness of it – we haven't been paid out for loss of profit or rent, we've had nothing at all. CERA has put a demolition order on our building. We have other premises on ... St, but that's damaged as well, and we're being held up by the insurance there too because they're not sure if the building will be repaired or demolished. I know they've got a lot going on at this point"

"We've had some money paid out, we've had an independent assessment done and it looks like we'll be owed quite a lot of money, but as yet, we haven't seen that much of it. I wonder if they're scared that they're going to pay out too much money or something, I don't know. But we don't know how long it will be before we get it, the rest of it. They could at least say that this is what they're intending to do, if it's a 3 month wait then at least we know, but how can you manage a business when you don't know what your cash flow will be?"

*"We had business interruption insurance which we haven't seen any money yet from the insurers, and we have had stock loss which we have been paid out for some of it. They just made excuses, they say they are getting on to it and say they'll do this and that, but they never do. I'd like to go to Auckland and beat the b*stards up, they're affecting our livelihood and capability of running our business"*

"It's just insurance matters, we're insured for loss of earnings and wages and everything in the building, but the insurance won't pay until they can get into the building, and we're red stickered. There's not much else we can do, we can't start up another business until we get our cash out of that one, so we're just waiting in limbo"

"The insurance is slow and unsatisfactory. I have never dealt with anything like it in my life. It's been 6 months and I have received \$...(1% of insurance claim), when I should have had \$...., which is what I'm insured for. The insurance companies are a disaster"

"The major problem is with our insurance and it seems most people are in the same boat. They are too slow to pay out. We've been drip fed \$... the first month, \$... the second month, \$... four months later, and every time this happens I have to pay my accountants for a new audit for 4 sets of books"

"I've had no insurance pay out for business interruption. It took 5 months to get a pay out on damaged stock, but no other information regarding business interruption. It appears very few are having any luck getting anywhere with that"



"It's really about insurance and decisions re rebuilding. It's very unclear what will be paid, when we'll be paid, as far as options for rebuilding and what they are in financial terms. There's a lot of uncertainty about that, the insurance company haven't said what they'll pay for in terms of replacement. It's very hard to get anything out of them. It's difficult when you have to start up a business again, which is effectively what we're having to do"

"Our biggest issue is insurance, it's a major. We had full cover and yet we've only had 2 small payments for the interruption, hence why we've had to open in our garage"

"The time frame for them (insurance companies) to process payments. We chase them up 2-3 months later to get money, and their calculations and how they look at past performance have been interesting. They look to pay out as little as possible. It comes down to doing what we can now to keep things ticking over. It comes back to insurance companies and your business interruption policy. You make a profit prior to the earthquakes, and afterwards you have to put money in just to keep afloat"

"Insurance – getting the money coming through, dealing with business interruption insurance, and getting into our premises to do an assessment and see all the destruction. The insurance has been long winded, but we're getting there. It's taken me 6 months to do a detailed assessment of our plant, stock, all that. And we're dealing with personal insurance issues too, so it has been quite stressful. We haven't received any damages from the insurance, we have paid out of our own pocket, so if we'd had a finance issue we'd be in difficulty"

"Our insurance company is Western Pacific Insurance and it has gone into liquidation, which is causing us great concern. Unless the Government helps out there will be no pay-out"

"Just the usual – insurance procrastination, issues with repair work and the insurance companies paying for that. The building is owned by myself, it's been inspected, the repair scheme has been designated and the costs accepted by the insurance companies. Then two weeks before work commenced, they decided that they would re-look at the work and the damage that needed to be remedied. They're citing ground movement from June 13th – really that's just an excuse they are putting forward so they don't have to do the work and pay out. Obviously it would mean that we would have to vacate for that time, and now it looks like it won't be done till next year. Now as we head out to the 12 month period, my business interruption insurance will terminate, and obviously that needs to be addressed. I'm concerned that there will be a number of businesses in my predicament, where the business interruption insurance will terminate prior to the repairs being done. It's the single thing that's concerning me most of all. We moved back in on the 31st March and I have a building which is damaged with uneven floors, mess and disruption which my staff as well as my customers have to put up with. When there is a desire to



move forward, it's frustrating to have to put up with the rubbish and the crap when it's my belief that we could be moving forward and getting on with it rather than dealing with the constant delay and procrastination. I'm fortunate to be in my building when others aren't, but if the city can recover, then let it recover!"

Business owners were generally philosophical that a disaster of this magnitude had created an extra-ordinary situation for all involved, and that the nature of the 'new normal' required some readjustment on everyone's behalf relative to recovery processes, but it was also perceived that patience was not indefinite, and that due process should be followed and obligations honoured relative to insurance claim processes and pay outs.

"I temper the problems against the scale of what has happened – it's massive, and you have to be reasonable. The insurance companies have never had to deal with anything like this scale before. There's a lot of manoeuvring going on behind the scenes, not bad stuff, but just sorting out what can be done, between EQC and insurance companies, to sort out the dangerous buildings. It's on a scale never before contemplated. Because of this I've been patient and become quite philosophical, but at the same time I'm just plain tired by the time it's taken"

Business owners also spoke of difficulties in maintaining continuity of contact with their insurance companies, claims managers, sub-contracted loss adjustors or claims management organisations, which engendered significant frustration from the market's perspective.

"Dealing with insurance is not without its' perils. We have had 4 different people dealing with our insurance, including changing the case managers. It's like playing Chinese whispers, dealing with the insurance companies"

"The main problem is that I've had to deal with 3 different people, which has made the recovery very disjointed. You are dealing with people who all live out of the city and the country even, so they can have no understanding and certainly no empathy for what we have lost and what we are going through. Initially we were dealing with an American, and then the next time you make contact you get a totally different person and then another, which makes the whole process difficult and disjointed. They make you feel like you are trying to put something across them. Hell, we didn't organise to have this bloody earthquake, but you are made to feel like the earthquake is advantageous to the business. It's cost us big time"

"I've had to deal with different people each time and that's a problem. There's no continuity. The people have been very nice, but no results as yet. It seems every time you deal with insurance you are starting from scratch again. No one seems to talk to each other"



Understanding as to what the relative types of business insurance actually covered was also a source of concern, frustration, stress and angst, given what was perceived as a divergence of understanding between business owners and claims management organisations / insurance companies as to the interpretation of the wording of their insurance policies.

“We had business interruption insurance, but who the hell told us that we had to have business earthquake interruption insurance as well? I had something from the insurance company saying it’s covered, and then when we went in to see them they said that we didn’t have it for earthquakes, so we weren’t covered. I felt pissed off. I could claim nothing at all. For wages, we got that subsidy from the Government, but the insurance paid us nothing at all. I was really unhappy about that”

“I have had issues dealing with clients who thought they were insured for business interruption and found out that they only had limited cover. The policies that were written and sold prior to the earthquake were not written for a disaster of this extent. Insurance companies need to take stock of their policies and make sure there is cover in the business interruption that they sell to adequately cover any future disaster, as has occurred”

“We had one store in the Red Zone and one in the suburbs, which was destroyed in the earthquakes. The first issue we had was in not being able to get in and get things out, and then the insurance didn’t want to pay for our lost contents because they said they were inaccessible, not lost. We didn’t have business interruption insurance and we had a whole heap of stock in the shops and just thought that if we lost it, we would get the money to trade elsewhere and buy new stock, but we didn’t”

Comment was also made by some business owners that the sheer time component involved in attempting to reconcile insurance claims or indeed provide the required information / data to claims management organisations or insurance companies, had impacted negatively upon the time available to the individual to implement business recovery strategies for their own business, and in some cases, the time and mental energy required to ensure the continuity and success of their business.

“Trying to get things settled occupies all my time. There are some signs of progress, but little in the way of payment”

“Insurance issues – the constant insurance negotiation, the claim preparation. Trying to get a payment from them. We prepared and submitted our claim and from then on it was an on-going nagging which was hugely time consuming, with some success, but a huge cost in terms of time and frustration. I charge out at \$135 an hour – if I sent them an invoice for the time incurred, they would freak”

“We have had a few issues with insurance. We are dealing with a third person now, but finally getting some headway. It’s been a work in progress, but now I feel we are in the home stretch”

“Insurance issues drain my energy levels which aren’t high to start with. It takes so long to sort things out, and the fact that the people you are dealing with change all the time doesn’t help”

“It’s been time consuming working through the insurance side of things. Some money has come in - \$.... for business interruption. There’s the indemnity insurance for the buildings and contents, and the insurance companies are trying to be difficult saying that because we are in the drop zone of the Grand Chancellor, they won’t pay out. We can’t run the business because we are in the drop zone and we are not covered for that, so no pay out. You go round and round in circles going nowhere”

“Getting payments through is pretty long winded, it’s quite frustrating, you’re constantly talking to assessors, brokers, everyone”

“Insurance has been a blimmin hassle really, premiums have gone up and suddenly they (insurance companies) are a lot more difficult to deal with, more demanding in what they want from me. So you’ve got increased costs to bear and the hassle of having to deal with them”

“We did an insurance claim and we’ve balanced (financially) for a very long time before the insurance came through. We couldn’t afford to have someone come in specifically to do our insurance claim, so I have to try and do that on top of all my other jobs as well, working here full time”

Some business owners also highlighted issues relating to under-insurance and the impact this has had for their business in attempting to re-establish lost stock, contents or plant.

“I was underinsured – not insured for the plant. When I started the business I really did it up and made quite big improvements on the building, but now that has simply improved the building for the owner, not for me”

“We have a demolition certificate, so we’re one of the lucky ones really (as regards insurance), we can prove a loss, but at the moment we’re haggling over what was in the building. We’re under-insured so we’re haggling over things and having to go through that process”

Others spoke of the difficulty in gaining re-insurance upon relocating their business premises, and the concern this had caused in terms of protection of their investment for the future. The inability to re-insure once relocated, or indeed insure newly constructed buildings, had also impacted negatively on some businesses’ ability to move forward and ensure premises were secured for the future. In addition, it was also stated that the current insurance stalemate had impacted on property development within Christchurch which in turn created commercial difficulties for specific market sectors (i.e. commercial property management organisations, property developers) and for some building owners who wished to rebuild either on current sites or new locations. Increases in insurance premiums had also affected some businesses from a financial perspective at a time when, it was perceived, many businesses were simply attempting to survive.

“People can’t re-open because they can’t get insurance cover, and can’t afford to take those risks”

“We rented out a house with another company and shared the facilities, then they recently found out that the house insurance came up for renewal and the insurance company refused to cover it for insurance because of ‘change of use’ from residential to commercial use. The other company was the major tenant, so they asked us to leave and turned our premises into a flat so that it would remain residential, but now they have to move out because the house now needs to be fixed up. So life goes on”

“Our market is disappearing, it’s getting bulldozed. We need to rebuild our CBD but there’s a real insurance issue. The insurance companies are stifling everything, there’s no go forward. I don’t think the Government in general is aware of the enormity of the insurance problem. We have clients who want to sign up for tenanting buildings, but developers can’t go ahead until they can get insurance, and until they can get insurance they can’t get the funding to start building”

“Vero has not had one new insurance policy in the Canterbury area since February, and this is ridiculous. The Australian Government is getting stropky with insurance companies with regard to the flood areas in Queensland. There’s a big campaign in Aussie putting up billboards on buildings and land, stating ‘Insurance won’t insure this land / building’. They are going to name and shame the insurance companies, they are blacklisting those that won’t insure and naming those companies that are insuring, and encouraging people to be using those companies. We need to be doing this too. The Government needs to step in to give some surety. If the Government and AML move together and start insuring, this might be the catalyst to get the other insurance companies to start insuring again. Name and shame – ignore the companies that won’t come to the party. The Vero’s and suchlike. It’s fine for Chris Ryan to say ‘they will be here soon’. We need action now! We need answers now! We need insurance now!”

“We weren’t able to change anything with our insurance, so we couldn’t get it after the earthquakes when we moved into other premises. Obviously the insurance companies froze your insurance status, so with the following earthquakes and snow, it’s been a difficult time”

“There have been some insurance issues with our contractors not being able to resolve insurance, which means that projects have been put on hold until insurer’s obligations have been resolved”



"We have bought a house to trade from which had been insured for years and years, but because of the 'change of use', the insurance companies wouldn't roll it over. We were able to bring a bit of pressure to bear on our own insurance company because we own quite a few commercial properties, and so we were able to get it insured. For a small house, it will cost is \$...thousand a year with a massive excess, and we also had the cost of installing a burglar alarm. I guess it is hardly surprising because of the earthquakes"

"My concern is with insurance. I have had a 47.5% increase in my premiums, and my understanding is that if I make one more claim for any natural disaster I will be deemed uninsurable. This is recent communication. If I become uninsurable I will have no choice but to shut the company and people will lose their jobs. This saddens me hugely. I have spoken to my advisors. My accountants are with and they have told me that some of their clients are trading without insurance cover, but for me, in my industry, the risks are too great"

Access to Red Zone buildings



For some business owners, whose premises were located within the cordoned Red Zone, there was some frustration relative to access opportunities and the way in which access (and communication relating to access) had been facilitated. Business owners acknowledged that in some instances access was not possible due to the damage sustained by their buildings, or indeed the location of the building and its' proximity to other badly damaged / dangerous buildings, but also perceived there to be opportunities for business owners to be able to safely

retrieve their stock, technology or other items, or indeed to attempt to safeguard their stock, which had not necessarily eventuated. As the verbatims demonstrate, there was some feeling that the level of communication and management processes from authorities (i.e. CERA / CCC) relating to access had not necessarily been at an anticipated level of professionalism, and had been authoritarian or bureaucratic in nature as opposed to adopting a more consultative approach.

This attitude has created some difficult business situations with insurance companies / claims management organisations where stock has been lost or pilfered, with the onus being now on the business owner to attempt to reconcile this issue with regards to their insurance claims.

Stress levels have also been exacerbated in circumstances where some business owners had been advised by landlords to evacuate their stock, which was problematic in situations where authorities had refused to provide access, or had given short notice to business owners relative to time frames for access to their premises.



“The inability to gain access to our site. In broad terms the building has been damaged, but we want to get in and preserve what we can and get the business restarted again. We were incredibly disappointed with the CCC with regards to access of the site. There was an incredibly stupid decision made by (CERA/ CCC) HQ in the Art Gallery which denied us access to the site. The building was left exposed to the elements which caused a huge amount of damage”

“More recently, because of the blanket Red Zone non-accessibility, we haven't been able to get in and resume business. There was not in the beginning, nor is there now, any immediate fall risk in the area. We could come directly through from with no problems to anyone. There has been no discretion against bureaucratic rule. If we could just be heard, we could explain that there is no danger. We get caught up in this absurd bureaucracy. The Red Zone boundaries make no logical sense in the area that we are in”

“It's been so difficult for business owners to get into our businesses to try and save anything, but for the contractors, they simply sign in for the day and then do whatever they like in the Red Zone. I believe there was a lot of pilfering done”

“Where's the security for CBD Red Zone premises? I know so many people who have had issues with things being taken from their Red Zone businesses. I think they've (CERA) slacked off with the security – how do you get things like TVs and reception couches out without people seeing you?”

“We didn't get all our records out but we did get computers etc., so we didn't lose too much in the way of records. I registered as a Business Owner for our building, but never heard directly from the people in charge regarding that. I did speak with them on one occasion to confirm I was on the list. I was then contacted by the Landlord the day before and was able to get a substantial amount of records out. I then felt a strong sense of frustration on how access to the building was handled. It was poorly handled”

“We were able to get in in June for 3 hours, and the bill for that was \$1400 by the time you pay for engineers and that. So my issue is, is it that a lot of businesses simply can't afford to get in, or is the access just not available for them?”

“The business has been broken into since the quake. The police didn't tell me”

"We hadn't heard a thing until last week when we got a letter telling us that our lease had been terminated and we must remove everything from the building in 5 days, or they would have it removed at our cost. We have talked to CERA about access and they have said no to our getting access due to the extensive damage to the building. We've just been told that it would take 3 years to repair it or it could be demolished"

"We've had issues with things that have been stolen – chairs and tables have been taken out onto the street, I presume by the Army, but they have all gone missing and no one can tell us where they've gone"

"The main gripe we have is access (to the Red Zone). It seems to be who you know. There is plenty of unauthorised access going on – if you have a friend in the Council you seem to be able to get in and do something. The only time I've heard about the status of our building was in the paper on the weekend, we haven't actually definitely heard about what's happening to our building. So it's things like communication and access really"

"My biggest beef was getting people in the CBD block by block to get their stuff out of their work space. It was ridiculous not to let people in – if people were prepared to take the risk, be it on their heads, then they should have been allowed. Life is a risk! But done properly with emergency services on hand, it would have been fine. If anything like this happened again, they should bring in the Army and intensively go through the city block by block with intensive safety back up if anything went wrong. The business owners should be communicated with and allowed in with the Army. Because of the way they handled things, we lost 26 years of business files"

"Right from the beginning, the people that are running the earthquake recovery, CERA, they got a wee bit too Hitler like, heavy handed. We could have been in and out of the shop months ago with our stock, whereas I only really got stuff out 2 weeks ago, we could have been up and running a long time ago. So really it's just the process they have used, it's all taken too long because they have been so dogmatic about it all. I would have liked to see them go about it quicker and get people in and out of their premises so they can get trading sooner. CERA has buggered up a lot of businesses, their gear is all still in the shops. They haven't allowed people to in to move their stuff and a lot of people have gone under, they've lost their staff. Obviously it's too late now, they should have let people in far earlier to recover their gear and not been so strict"

"We've been trying to get in again since June, but the big quakes in June and the snowfalls put paid to us getting in at that time, and our business has sustained some damage with glass blowout so we had to get that sorted as well, get the building secured and boarded up. So we've had to go through it all again with getting access"



"I feel like the wee guys like us don't have a voice. Back in February when we were allowed in the Red Zone to get our stuff, they (CERA) advised us that they were going to open our shops for us for access on the Monday, and this was on the Friday. I asked them if they could hold the cordon just so that we could get our alarms sorted and get the buildings secure, and all that the guy in charge from CERA said was 'All you retailers are moaners, we've all got problems' and he just walked away from us. Of course everyone was emotional then, but he just wouldn't listen to us. We'd only just found out on the Friday and of course we wanted to get the locks fixed. They really needed someone who would listen to us and could handle us properly, because that was my livelihood out there. There's a way of giving people news and organising things without making you feel like you don't matter"

"Access into the city was difficult. We were notified at 5pm on Friday that we could get in at 10am the following Monday. It was a real pressure cooker situation. We got a small truck and had half an hour to go in and get what we could"

Uncertainty relative to the status of business premises

For some business owners, uncertainty as to whether their CBD business premises was indeed repairable, or whether the building would be demolished, had created concerns relative to business owners' legal obligations in terms of rents or leases for the future (and the financial implications of these), and indeed the likelihood of access opportunities for the future. As previously stated, some business owners had experienced issues with landlords relating to their legal rights / responsibilities in terms of leases and access, vis-à-vis the ability to actually gain access to remove their business stock, plant, technology, files or other items, and the level and frequency of communication between landlord and tenant relating to these issues.

For some business owners who also owned their building, there was some frustration expressed relating to difficulties in accessing information as to the status of both their building, and the land it occupied, and the likelihood of the site being deemed suitable for rebuild by geotechnical engineers.

"My business was in a block of other retailers and all the buildings are damaged, some of them are coming down and they are all joined together, so we're waiting to find out if my business will be demolished or not"

"What's going to happen to my previous work premises? I owned the building and it's currently white zoned. I need to know if I can rebuild on that land and if I do, will my insurance cover the rebuild? Our building has to be demolished, but the damage to the building came from the huge amount of liquefaction on our property, not structural damage"

"We're not getting information about whether the building needs to be repaired, because the authorities are dealing with our landlord. To be honest I don't know whether our landlord is getting the information either, he says he doesn't know what the situation is"

"We have fittings in our shop that we can't get out because they are too heavy, and there's no place to put them round Christchurch, because everywhere (storage) is full, so we have to leave them in the shop, and the insurance won't pay out. We're haggling with them about that. I told the building owner the situation about storage and the fact that we weren't allowed (by CERA) to get trucks or whatever into the street to get the heavy stuff out, so it was all still stuck there, and he didn't know whether the building would come down or if it was to be repaired at that point, but he told us we needed to get our stuff out because the lease runs out next month anyway. Then he said that if the shop came down, it would all be carted away to the dump and we could sort through it to see if we could salvage anything, and that if the shop was OK and could be repaired he would charge me to come in and access it, and then I would also have to pay for the cost of removal of my plant out of the shop, so I'd have a hefty bill to pay. I wasn't too happy about that"

"Our office is located in the Red Zone and the status of our building is also an unknown. There is uncertainty for both. We need information in regards to this for forward planning and managing costs. There needs to be an assessment done to find out whether we have a building or not to return to, and do we have a CBD as it was, or not. Leasing problems could occur. Will we be held to our existing lease, or not, and if not, what are the options available regarding where we would lease and when?"

*"We need good clear instructions from building owners as to what is happening with the buildings. We share with another company we work closely together with, and they received an email demanding they clear out their office space from the building within 5 days, or it will be gone. That doesn't give much time to organise anything as we are in the Red Zone still, so it's a real rigmarole to set up. (Property management company), who are dealing with the building leases, have been totally insensitive. (Property manager), who we've been dealing with, has been a complete a*se. I don't believe they have been acting in good faith, and (they) have been appallingly insensitive. I don't believe we are getting the full facts, just a version of. I don't know what their game is, but we have had no clear facts to work with. A letter has been sent now to tell us that the rent is abated because the building is untenable, and we have 5 days to clear the office"*



"I would really like some personal communication from the property management company or the landlord. I have been a tenant for 10 years – surely they could make a phone call. I want to know the status of the building – I've heard rumours that it's going to be demolished, but also that it could be fixed at a high cost. We just want to know what we have to do to get our stuff out. To ask us to clear it out is unrealistic because we are on the 6th and 7th floors of the building with no working lift. It's not going to be cleared because we can't get in, so why should we bear any cost?"

"We still have a lease on our (CBD) store, it's stickered green with red carded buildings on either side of it. So until their future is decided we can't make any decisions as to what to do, because if they re-open that area again, we have a rent to pay again, which is a terrible thing to try and deal with because we don't know what's going to happen and we can't move forward"

"The store we were in had significant damage to the roof, and it looks as if our landlord is not prepared to repair the building. Obviously we want to open another shop, but what happens if you sign a lease and then they (landlord / CERA) say that you can get back in (to original premises)? So obviously that's a problem"

"Limited information has come from our landlord at this stage. We know it (building) is green stickered, but we're not altogether sure what that means. We know that he has done extra strengthening work to the building but we have had no further information since then. Our insurance company hasn't been able to go in to assess the damage for insurance claims as yet, so I'm not sure about the safety of the building. He has told us there would be no reduction in the rent if we go back in, which is questionable considering that there is no guarantee of the same foot traffic as before"

"We're having a lot of challenges with our landlords with regards to getting definite answers as to when we can get in. They don't see our building as a priority even though it's an easy fix. Communication is a real struggle and of course access is a real issue, especially since June 13. They either won't respond or are very slow to answer emails. They are making it very difficult for us to get in there. They say we can't get in even though there is little additional damage since June 13, but they are saying that there is substantial damage, and they are also saying that the ground is significantly damaged, but we've seen no geo-tech report to support that. So there's no proof there, there's been no study done as far as we can see. We've commissioned our own report, done by an independent organisation, but they're denying some of that through their own engineering company. We're trying to move forward, but they're trying to stop us at every possible opportunity"

While these issues were voiced by building tenants, similar points were also raised by business people who also owned / operated buildings within the Four Avenues (15%, n=100). For these individuals, there was significant uncertainty evident at this point in time for many, relating to insurance issues / claim settlements or lack thereof, decisions relating to rebuilding or repair of their building, the economic viability of building restrictions contained within the draft City Plan, and the long-term viability of the investment for the future. A number of these individuals indicated that they felt somewhat stifled by bureaucracy and 'red tape' relative to regulatory requirements, and although it was widely felt that safety was paramount, it was also perceived that there should be some degree of flexibility and accommodation shown within regulatory requirements to expedite the recovery process. Building owners also expressed a desire to be an integral part of the process given the financial investment involved, and whilst voicing a preference to retain an investment within Christchurch, also acknowledged that time was of the essence, and like other business people within Christchurch, wanted some degree of certainty as to the anticipated timelines and regulatory requirements with regards to new building codes to ensure that they were able to make appropriate and economically 'sound' decisions for the future.

Loss of income / cash flow

For a number of business owners, loss of income and cash flow difficulties resulting from the earthquakes, impacted further by subsequent non-payment of claims from insurance companies or claims management organisations, has impacted severely on their ability to continue to trade and / or maintain cash flow at pre-earthquake levels – impacting on businesses' ability to relocate, retain pre-earthquake staffing levels, re-order stock or essential operating equipment, and simply 'keep afloat' in the months post-February.

While some industry sectors included within this study indicated that they had experienced positive growth post-earthquake, due to the nature of their business and clientele, this tended to be within the minority of businesses rather than the majority, as evidenced by the verbatim comments included relating to this issue.

Most business owners included within the study spoke of significant financial implications stemming from forced closure (i.e. whether in the Red Zone or due to building damage), ongoing issues in terms of reduced patronage, increased costs due to relocation including fit out of premises / replacement of plant, stock or technology which had been lost or remained within cordoned premises, and difficulties in retaining staff or indeed replacing staff who had left the city in the months after February. For smaller, owner-operated businesses, as previously stated, there was significant anxiety and concern expressed relative to the non-settlement of insurance claims and the impact this had on the choices available to the business owner in terms of restarting their business, with some business owners being either unable to restart, having to restart on a smaller scale, or restarting via a home-based business. Others indicated that they had had to seek additional financing to 'bridge the gap' until insurance paid out on their claims to ensure the survival of their business in the interim, or had heavily re-invested in their businesses utilising existing cash flow or personal savings to attempt to continue.

"Our industry is unique because we are part of the rebuild. Our services as engineers, architects and designers have increased our workload"

"The impact has actually been positive because we have had to recruit new staff for companies whose staff have left, so it's actually had a benefit for businesses like us. We've been busy actually"

"We're selling to 13 countries so I'm exporting a lot to Australia, the UK, the US, Auckland and Wellington as well. I guess a lot of people are now trying to do business from home, and it's amazing really how insulated we are here. I'm lucky because I was online, and people don't want to get out on the bumpy roads and deal with all that, so it's easier to sit down in front of their PC and order online"

"My cash flow is radically reduced since February. I'm probably doing in a month what I would do in a couple of days"

"Our clients are suffering from a lack of cash flow. We have builders who are in difficult cash flow circumstances and that's not the only industry in difficulty. We have plenty of work, but it's getting the money from our clients whose cash flow is suffering"

"There is no income because we are not working at the moment. We have had to put staff off"

"The cash flow thing is an issue; we have a gap in our earnings for the 3 months that we were closed for and in the process of having to move. We were closed for the 3 months and had to spend that time repainting and getting a new premises ready. Obviously that had an effect on cash flow"

"I have spent my entire savings, and house money, to keep my people on full pay this entire time, and I have now run out of money. My children no longer attend their private schools as I can't afford it now. It's a very difficult time right now. I have tried to protect my people and look after them"

"I relocated after the September quake, but my tourist foot traffic didn't come back. I lost 50% of my turnover. I don't see myself doing the same turnover. I've relocated again (in another city), but it's (business) not turning over any money. It's very hard to keep going without the money coming in. My turnover never regained until just before the February quake, ironically, but now we don't have the tourism. Last week I turned over \$165 and my weekly turnover used to be \$7000. I'm really depressed and I don't know how to go on, I want my life back but it's not going to improve any time soon. I can't cope with it. I was told I couldn't get the earthquake subsidy for my business, so without that I've got nothing at all. I've sunk a lot of money into my business and I'm not making anything out of that at all, and I don't know what will happen"



“Turnover is miserable. Lots of our client base has been devastated. We were at 30% of normal trade and now we’re at 60% of normal trade. It’s taken a long time. We’ve been living very carefully and watching our pennies. We thought about moving away but we have to stay here and our kids are here, they go to school here and our business is here. It makes it tricky to pay your mortgage when you have no income”

“I don’t know whether to continue the business or not at this point. I can’t afford to start a new business from scratch. The money has gone in getting us this far”

“Maintaining a good relationship with the bank (is critical) – we are completely in the hands of their ‘goodwill’. For the first 3 months they were very accommodating – a year on, reality sets in. So we have had to cut back on wages, we can’t afford it”

“Our clients’ situations are unsure as well. Things have been lumpy to say the least. Initially we had a lot of work, and then nothing or little. We are now trying to get clients from out of town. The normal cycles have gone”

“Business dropped off for us and there’s not much work around for our industry within Christchurch. It’s hard to gauge, because there’s a recession on as well, so it’s difficult to know how much of our business loss is related to that as opposed to the earthquake”

“Basically we’ve had a decrease in business. We’ve noticed that we have become a destination rather than a drive by venue, and we’ve lost our tourism business as well. As far as patronage is concerned, we’ve had no tour buses since February, and we’re losing all the future bookings from Japan, the USA and Europe, and they’ve all cancelled until mid next year. People don’t want to come to Christchurch and there’s no accommodation, no hotels”

“The lack of business for us in Christchurch locally – quite simply there’s not as much local work going on for us as there was in the past”

“I’m working much less hours and it’s very bitsy – a few hours this day, a few hours another day. My earnings have changed greatly. I’m not able to grow my business this way”

“Our business is trading at the same level. We have less customers who are spending more, so at the moment our trading figures are the same, but our fear is that when the money starts drying up, because there may be a loss of jobs, for example, the money fountain will dry up and so our business figures will go down. Our foot traffic is down, but at the moment we are probably doing OK because of the loss of the CBD businesses”



“Business is down so much, our staffing is a worry- we don’t want to lose anyone, but getting the customers to come back to us is difficult”

“We’ve used up all our savings (to run the business) so we just don’t have the money. It gets to the point where you pull out your credit card and just feel sick because you know that the money is running dry”

“I’ve used all my money in wages to keep my good staff on board, and stock. Hopefully the insurance will sort that out. I haven’t any more spare at this point to go in and re-set up another business”

“My main concern is that a big section of our business has been lost. We deal with the large conferencing, now we have no large conferencing facilities. They have gone, and so have the conferences. We are busy but doing small bread and butter work, which is time consuming and not as big a money maker. The big conferences were where we made our money from”

“I would say my income has halved, and I am struggling financially. Life has been very difficult, but I’m not unique and there are others a lot worse off than me”

“The problem to set up the new shop was I had to put the money in up front and then be reimbursed by the insurance and that’s not easy. I had an overdraft of \$20,000 which I used to pay off all of my bills but then there was no money coming in so we had to use both our savings from the business and personal savings”

Comment was also expressed that the impact of the February 22 event on some Christchurch home owners, relative to damaged homes and the subsequent red zoning of some residential suburban areas, coupled with subsequent job losses within the Christchurch market, had created an environment of fiscal uncertainty which also had the ability to impact negatively on cash flow for businesses within Christchurch.

“People aren’t spending because it’s difficult times, and there’s nowhere to spend. It’s definitely affected what’s being spent here. People here are unsure if they’re going to have a job, about their work futures. They aren’t going to be out spending and will be holding on to their purse. And with people having damage to their homes as well and the capital value if it (zone) goes red is nothing really. A lot of people are in that situation”

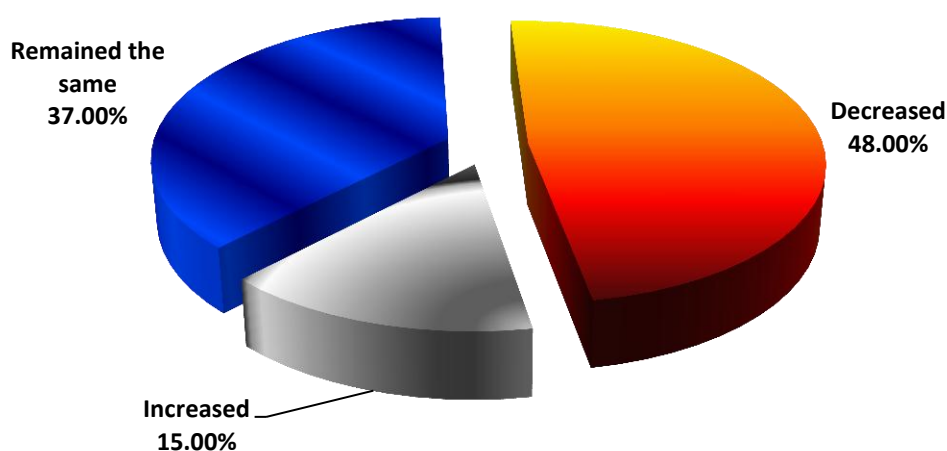


Staffing Issues

Respondents were asked

“Could you tell me please if your staffing levels have increased, remained the same, or decreased since the February earthquake?”

Staffing Levels



As the graph above shows, 15% of businesses have increased their staffing levels since the February earthquake, with the greatest increase within the professional, scientific and technical services industry category (33%, n = 15*). However, as the table also shows, 48% of business enterprises included within the study stated that they had decreased their staffing levels post-quake, with the greatest decrease being within the retail trade (42%, n = 48).

*note small base size



	Staffing Level Since February 22, 2011		
Industry Classification	Increased	Remained the same	Decreased
Information media and telecommunications	-	2.70%	8.33%
Financial and Insurance services	6.67%	5.41%	4.17%
Rental, Hiring and Real Estate	-	8.11%	4.17%
Professional, scientific and technical services	33.33%	24.32%	4.17%
Administrative and support services	6.67%	-	4.17%
Education and Training	-	2.70%	-
Healthcare and social assistance	-	5.41%	-
Arts and Recreation services	6.67%	-	2.08%
Other services	-	-	6.25%
Manufacturing	-	2.70%	6.25%
Wholesale trade	13.33%	2.70%	-
Retail Trade	20.00%	37.84%	41.67%
Accommodation & Food Services	13.33%	8.11%	18.75%
Sample Size	n=15*	n=37*	n=48*

*note small base sizes.

There were a number of issues relating to staffing / personnel from the market's perspective:

- Retaining current staff post-quake (impacted by financial / cash flow issues and human flight from the city / region)
- Sourcing new staff within a challenging environment
- The emotional impact of the February 22 earthquake on staff – their wellbeing / ability to 'cope' in an ongoing seismic event and the impact of these factors on their ability to perform their job
- The impact of changed workplace routines / relocated workplaces



The majority of those business owners who employed staff spoke candidly relative to feeling a strong sense of responsibility for their staff, particularly in situations where staff had experienced other hardships as a result of the earthquakes – i.e. damaged or unliveable homes, changed personal circumstances, ill health or injury to family members. Business owners also highlighted the impact of changed workplace routines, relocation of business premises, and emotional stresses resulting from ongoing aftershocks as contributory factors within the 'new normal' which had created additional stresses for both staff and business owners at this point in time. It was also stated that a lack of availability of premises to relocate into, had forced some business owners to 'make do' in the short term, and take smaller or less suitable premises in order to be able to continue to trade – in some instances, causing a fragmentation of staff into different premises, and in others, meaning that businesses were working from smaller / cramped spaces which were significantly less physically comfortable and 'user friendly' than had been the case prior to February 22.

"I have 19 mouths to feed and that's a huge challenge, to keep things running and staff in a job"

"My key issues are with dealing with staff apprehension, fears, and irritation with the quality of the building they are now working in. There are two aspects. The staff are naturally upset by the continuing aftershocks. When they are at work and they occur, they are separated from their family so they get on the phone to catch up and make sure everyone is safe. The premises we are in are safe, but in the event of a shock it's their families that concern them"

"Our staff have had to become meet and greet... people as well, so it's a change for them. We have less turnover so even though we have increased our staff numbers, we have had to diversify to survive, so the staff have taken on different roles from what they had before"

"We are crammed into a substandard space in contrast with our sparkling, newly fitted office in... We had just spent \$1 million on outfitting it, but now we have lost 40% of the size we had in our old building in..., so we are short of meeting rooms etc."

"The place that we have moved to is smaller than the old one, so we've had to split up the business and have some staff working on site and some working from home...the major issue is that I haven't got all my staff together, it's fragmented everyone and you ideally want everyone to work as a team. And it's been difficult not having the work for them to keep them occupied, it's not ideal and it just adds to the stresses"

“Our business partnership broke up, 3 partners went one way and 2 partners in another direction. The breakup of the partnership was very emotional for all on top of the already difficult times caused by the earthquake. I had to treat it like a divorce - people felt anger, guilt, frustration, happiness, a sense of freedom and then the cycle would start again depending on the day and how you felt that day. We just had to get on with the business and try to be as positive as we could”

“For 3 months we relocated into the homes of staff. I had 5 people working from my home and another staff member had 5 people so we had office pods. This whole relocation situation has been very distracting - it's a struggle to keep focused. It's an emotional and stressful time - 1 staff member lost a family member so it had an impact on his immediate family, and 2 other staff have had badly damaged homes, so add it to the mix and it has made the last months very stressful and difficult”

“We've relocated out to Rolleston and it is harder out there, the staff are more dispersed and it's harder for us to be together as a team. You don't have the convenience that you'd have in the CBD. We do a lot of working from home. We're working from the Managing Director's house...it's very comfortable, I'm looking out at green fields and trees, but it is too far out of town really so we're looking at relocating back towards town in the mid-term. We have a staff member who comes from Burwood so it's a bit of a hike for her”

“We are now situated in Ferrymead. The staff who are traveling from the northern side of the city are finding difficulties with the traffic flow and the roads. It takes such a lot of extra time out of the day. The same when visiting clients for meetings – instead of it taking 5 minutes to walk, it now takes a 30-minute drive. It's frustrating”

Some business owners indicated that they had found it extremely upsetting and stressful, both personally and professionally, to have to make staff redundant through no fault of their own, from what had been a thriving, profitable and successful business entity prior to February 22.

“Staffing and redundancies. We wanted to keep them but we couldn't, so obviously there have been redundancies. We've had to try and find continued work for the other staff so they will be there when we re-open, we've had other colleagues in the business who have helped us out with that”

“We have lost 3 staff - 2 have gone to Australia, 1 to Auckland, and we had to make 1 redundant”



Other business owners indicated that retaining staff post-quake was problematic, particularly within the hospitality, retail and service sectors, when a number of staff tended to be younger (i.e. 18 – 25 years of age), relatively transient, and had little or no financial ties to the city or indeed the region, therefore had no incentives to stay within a city suffering ongoing seismic events.

“We did have an issue with staffing; it was extremely difficult and very frustrating. A lot of the good (staff) left town and found jobs elsewhere in the other centres or went to Australia. They were either on Government assistance and paid to stay home, or they’ve been kept on the books because some businesses didn’t want to lose their high ranking (staff) so they have paid them until Christmas this year. I suppose now that some of the buildings have been confirmed as needing to come down, they have attempted to relocate their staff elsewhere – like to other (businesses) for example. I contacted ... (local businesses), the Polytech, government agencies like WINZ and got nowhere. We now have a full complement of staff but it’s taken me 3 months to hold on to them. Some of the staff we have kept, and some have left. The young ones don’t want to stay here, there’s nothing to hold them here and they don’t own property so there’s no reason to stay, so they have just gone elsewhere”

“Three of our personnel in the business have been targeted by a multinational company. They probably think it’s a good time to because small businesses are vulnerable at the moment and there is a shortage of good people. They have been approached twice in the past 3 weeks by the same multinational. This seems unfair”

Some business owners, primarily those within industry sectors directly affiliated to the recovery and rebuild, indicated that they had experienced business growth as a result of the February event and therefore were in a position to increase personnel levels. However, it was stated that it could be problematic to highlight the benefits and opportunities of employment within Christchurch to attract the appropriate calibre of personnel at this point in time, given ongoing issues within the city arising from the February 22 event, relative to basic city infrastructure (i.e. roading, sewage, water), lifestyle opportunities, housing, insurance issues, ongoing aftershocks and the inaccessibility of the CBD.

“Finding personnel because of the extra workload. We lost one staff member to Australia. In the industry there is a scarcity issue when it comes to finding good staff at the moment. There has also been a lasting effect on personnel; loss of confidence, personal concerns for their wellbeing, psychological features at all levels”

“Recruitment - we need more staff and our difficulty is attracting people to want to come and live in Christchurch. We are in the CBD fringe so we cannot offer the lifestyle that other cities can. We have a lack of the services near our office, a lack of cafes, bars, lunch places. We are working to recruit professionals at an expert level and there is a shortage of good people generally in NZ, so to find someone who is at that level that is willing to transfer to Christchurch isn't that easy. They see the news and they feel nervous about living in Christchurch with all the quakes and aftershocks. It's difficult to convince people and even though we are offering a fantastic opportunity, we can't offer the lifestyle and normal CBD activities that other cities can”

“We need to employ a new staff member. One of our staff felt Christchurch was not for them and went to Australia. We had someone lined up to replace them and they decided to go to Auckland so we are looking for someone else. That one person is 10% of our workforce so that has quite an impact on the business even though it's only one person”

“When looking for new staff we get a lot of applications from overseas due to the downturn in the global market in the construction industry. We have American, English, Irish and Scottish applying for jobs. We have a structural draughtsperson from Scotland starting on Monday. It is difficult to interview and you feel much more responsible when they are coming out here to live, but for them it is a great opportunity when there isn't a lot of work to be had where they come from”

Relocation / Finding Premises

For those business owners who had had to relocate as a result of the February 22 earthquake, the difficulties inherent in finding suitable premises and the actual relocation process itself had impacted significantly in financial terms as well as generating significant emotional stress – further exacerbated in some instances by a lack of co-operation from insurance companies / claims management organisations relative to payment on claims, which for some business owners, had effectively limited the options available to them in terms of relocation. Difficulties relating to the ability to gain re-insurance on new premises had also created a barrier for some business owners seeking relocation.

“We are looking for a (food / beverage retail) stall to relocate to at the moment but if the government doesn't help us with the insurance problem we will not be able to afford to relocate probably. We want to go back into the CBD where we were, but it is taking too long to get back in and we need to get an income”

Difficulties in finding suitable premises given a more limited number of functional / operational / safe premises now available within Christchurch had created its' own issues for business owners, alongside an increase in the cost of leases and rents within what was now perceived as a 'landlord's market'. This was particularly problematic for small businesses or those who had previously traded in smaller, lower rent CBD premises and were now experiencing difficulties in finding premises with affordable rents or leases, or those businesses requiring premises of a specific size to suit the needs of their industry category.

"I'm keen and eager to start up again in the Four Aves. I'm hunting for somewhere to start. I don't subscribe to the Addington, Riccarton, etc. area. Riccarton's full up anyway. I want to be in the Four Aves, but is any of it affordable for a small trader?"

"For us, our next step is finding a space to lease, and the cost of what we are looking at is high, but that's demand driven. We understand that rents have gone up since the earthquake because of demand, and there don't seem to be that many options really – we've looked at 4-5 and none are suitable so far. We have certain needs because we're a specialised business"

"To go back into the CBD (in the future) would be expensive. The landlords will have to hike up the leases and rents because their insurance will have doubled and the costs of strengthening the buildings will have to be recouped. With smaller buildings, they will have less tenants, so the leases will have to go up with a whack"

"A lack of suitable premises. I'm working from home at the moment, I'm actively looking now but I've had to put that on hold because of the inability to get insurance. I've thought of buying a house, but it's made very difficult because there are no concessions given to compliance with the building act"

"Location - obviously it's supply and demand, buildings have collapsed and a lot of businesses are looking, from a smaller supply of locations. We've looked at premises and been told we need to effectively buy out the lease and pay key money to get the site, on top of lease costs. I've spent a lot of time and effort preparing proposals to malls, only to be told that the landlord isn't interested in a long term lease, you get told that your stock mix isn't what they're after and it's very frustrating. 18 months ago anyone would have taken you in, but now landlords can be picky I guess"



"I've been looking for new premises. It's been quite difficult to find the right place, but I think I have found one that will suit, but first it will have to be demolished and rebuilt, and we are having problems with the Council. I thought they were fast tracking things to get the city and businesses moving, but that's not necessarily happening"

"Setting up the new store – it was very time consuming and took a lot of energy especially in finding a suitable site. Whilst we were dealing with all that we didn't have the people selling our goods, hence not good for business"

"I'm looking at opportunities in the Fendalton and Merivale areas in terms of locations, but obviously that will depend on the cost of rents for the future, whether the lease agreements will be affordable"

"My major concern is finding alternative premises, we were outbid on 4 buildings we have wanted to lease, the tenancies were contested and went to the highest bidder"

"We have relocated to a much smaller store to support the orders we already had. People are coming in but business is, of course, much lower than being right in the CBD. We are using our website to encourage business but that is really all I can afford to do at this point to market the business. I don't know whether to continue the business or not at this point"

"Really we have no problems other than space constraint. It was a struggle to find premises large enough to house us. We probably have half the room we had in the... Building. The luxury of not having separate meeting rooms and a smoko room is annoying but that is really our only gripe"

"We have relocated and are now looking to relocate again to a bigger and better standard of location. We went from 217sq metre space to 24 sq. metres so as you can imagine it makes it very difficult to work in. There is nothing much out there at the moment so we are now looking at finding a house that we could use as temporary accommodation for the next couple of years, so we can see how things develop in the CBD or not"

"The place that we have moved to is smaller than the old one, so we've had to split up the business and have some staff working on site and some working from home, and we've also had to have a lot of stuff put in storage because we can't fit it all in. We didn't use to run appointments before the earthquake, we had the space, but now we don't, so we have needed to run an appointment book instead"



"I'm having problems sourcing another premises, I'm not confident in another premise because of the on-going earthquakes and what will happen to the CBD, I need to be near the CBD because of the nature of our business as a ... venue and the biggest ... venue in Christchurch. That's the main issue for me really, finding premises"

"Making a judgement call on whether we relocate, or what do we do, do we just wipe the business out. Once we decided to relocate it was difficult to find a suitable location especially when we had so many corporate clients in the CBD and so much foot traffic as well. It took us 24 years to build up our business, so it took time to find a suitable location. You build up a brand and a name, and you want to continue. We had 18 months insurance which was helpful in terms of seeing us through. In the end we just had to take a punt on our location, ironically our Plan B was to purchase a building and make that our second shop, so it's been brought forward unexpectedly really"

"We've relocated to Nelson. We moved after February and decided that there would be no chance that things would be different in the short term, so I end up travelling to Christchurch every fortnight, and obviously there are additional costs involved in that. Obviously we're here to stay in Nelson now"

Location was also an issue, with some business owners expressing uncertainty as to where to start, given the nature of their business and the need to ensure accessibility to clientele or customers.

"Another major issue for us is 'where to from here?' If I'm to invest another million to restart again, I need to get good information to make the right decision on where and when to reinvest. I've looked for a suitable place from which to start up the business, but there isn't anywhere suitable at this time"

"We wonder how viable it would be to go back into that area (CBD). There is no point us going back in if there are no other businesses. We would need foot traffic, so we need to know what businesses are thinking of going in to gauge the viability of returning"



For some business owners, the location of their new premises had also created a change within the nature of customers or clientele, and had created some new challenges relative to retention of previous customers or clients, such as generating awareness of the business' new location in the first instance. The ability of some businesses to actively promote and advertise their new location had been somewhat compromised by a lack of available funds with which to invest in strategic promotional campaigns, creating something of a 'catch-22' scenario for some businesses – needing to promote their new location and product offer on one hand to attempt to maximise business opportunities for the future within an extremely difficult commercial environment, but hamstrung by cash flow limitations and a lack of co-operation from insurance companies / claims management organisations relative to insurance payouts. Further difficulties had arisen for those businesses that had been unable to access vital client records or databases from their CBD premises in order to contact clients or customers to raise awareness of their operational status and location. It was also acknowledged that depopulation of the city post-quake had generated its' own issues in terms of continuity of patronage for some businesses.

“Our building fell on us as we ran out of it so we were very lucky to get away with cuts and bruises and a few hospital visits so I consider myself very lucky in that regard. I wasn't able to get anything out of it either so all my equipment was in there, my files and client information. I've just managed to get an IT technician to my house today to try and install Broadband which has been a bit of an issue for me, and I've only just managed to retrieve some messages from my server from clients which date back to May so that's no good to me now. I lost all my email addresses with the quake as our server was in the building, so that's the sort of disruption I've experienced”

“I've considered 2 or 3 advertising campaigns to try and get some momentum in the business going, but have got nervous as to whether it was the right time, considering the costs involved”

“We've done a lot of advertising at quite a cost; we've got signage up round town, professional signs saying we're open. We've done radio and print advertising...”

“We will advertise, but we have to make sure that the advertising is the right advertising for us, or it could be just a loss of more money”

“Really it's the uncertainty of the future, you're wary to put any more investment into the business in case we have any more big quakes”

“We've had a population decline and there are less people in Christchurch full stop. We used to have a lot of households that came from more affluent demographics and a lot of them have left home and moved out of the city and gone to their holiday homes elsewhere. Some people have more options to move away than others”

"The relocation of my business from the CBD is the big thing. People didn't know where we have gone to so I had to do some advertising and a lot of ringing of my regular clients to let them know where I was. I'm working from home now so that took some getting used to. There are advantages and disadvantages in respect to the change. A big advantage is the lower overheads for me, but for my clients, I am much further out of town, so they have to travel greater distances to come to me"

"...Where we were, we had a reasonable amount of foot traffic and we were a destinational business. Now, people have come to find us so it hasn't been too bad in that respect, it's not like we were a gift shop or pharmacy that depended on the walk in traffic. We did get a bit of drive by traffic where we were as well, and now of course we're in the suburbs so we're on a minor road rather than a main road"

"Routines – people don't like change, and it takes a while for people to realise we're back trading and then they have to find where we are, and people don't come to us all the time, they build it into what they do as part of a weekly or monthly routine. I still think that Christchurch is a different environment for people to run their retail trade in, and also people don't want to come to the East from the west side of town, they don't think it's safe or it's not desirable for them"

"A lot of my clients have vanished - I'm a small business and I found some of my clients hard to contact. They are dispersed all round the city and some have left the city all together. I have been able to secure a chair in another salon, but where we are there is no bus transport system, so some of my clients can't get there. For some of my other clients it's easier where I am. If you have your own salon then you grow your business with walk by traffic. Here the walk-in clients are part of the salon's business, not mine"

"We only get people coming to us if they contact us first, so we can tell them where we're working from. We're not overtly advertising, we're working out of a garage at the moment"

"We've been back in (our premises) for 3 months now and we are still getting the calls, are we open, people won't come in and pick up their stuff"



"We're doing our damndest to re-educate (our customers), we're doing more print advertising than we've done before, and in different publications, and some half-page ads in The Press saying that we're up and running. While we were shut we were promoting our mail order service, and then promoted we were open and in a new location, and we've done radio advertising for the first time in 15 years to get to a wider range of people. We're doing a lot of in-house events too to get people used to us being in our new location"

"Another issue is our (customers) finding out where we are now. We are on the west side of the city now and we were central city before, so a lot of our patients from the east side of town see that as a difficulty in their minds. Our client base was business orientated, the businesses have gone and the people who came to us have relocated to other areas and have found new (services) that are closer to them. We have advertised to let them know where we are, but we will just have to be patient and see if they come back to us"

Relocation had also created some issues for those businesses who, by nature of their industry category or location, had enjoyed strong foot traffic historically, and had now lost this portion of their customer base. This situation had forced some businesses to adopt new operational strategies in order to adapt to their new locations, while others had been severely impacted by the loss of their 'walk by' trade.

"It was a huge issue for us to relocate our business. The main issue in the relocation was moving from a walk by business to being a selected location business, and how to bridge that gap successfully... It's an unknown clientele, they are new to us. We think we have chosen well but time will tell. In business you say 6 months has gone really well but that doesn't mean it will continue that way, the rest may not follow. Have we got the right stock for the people we are dealing with? In town it was 'high end' clients with high disposable incomes e.g. judges etc. The people we are dealing with now have less disposable income and we see more children now"

"I really only have the one (issue) and that's getting more customers into the shop. I'm now working from home and it's just getting my name out there and let people know I'm here and in business. When I was in the central city there was constant foot traffic going past which is where I got a lot of my customers from. Now I'm at home I've lost that foot traffic. I've advertised in the local newspapers so that's helped"



"We were in the central city so there were customers there and people came in for work purposes (into the city), so those people also came to visit us. So the proximity to the CBD was of benefit. And obviously being in the centre of the city from a weekend visitor aspect was of benefit, being in the precinct area where you have the Gardens, the Arts Centre, the museum, the Art Gallery, all within walking distance from the main hotels. The suburban domestic market has increased its' presence and the national and international markets have decreased. Our local supporters are Christchurch people but they don't buy our product every day or every week"

"We are tourist based and no longer have tourists to sell to, they are gone. The tourists are very keen to come, but they (tour operators) are sending them, the tour groups, to Dunedin instead of Christchurch, so our base is gone"

"(It's) the shortage of people coming into the business. A lack of foot traffic. Most of the businesses around us have gone to the suburbs so there is a lack of people. There are new people coming in and taking over the tenancies around us, so there are enough just to keep us ticking over"

"Low client numbers for one part of our business –it hasn't picked up really since the earthquake. It may be the location, we've gone from Salisbury St to Spreydon and we're now working from home. We'd like to find another place to lease, and we've been looking, but the cost is high, and the spaces we've seen are average, and a lot of the places we've seen have earthquake damage"

"Getting people to recognise that you're now open, everyone's moving out to the suburbs now on the opposite side of Bealey Ave, so we're having trouble getting that foot traffic back, it's a matter of making sure that people know we're open"

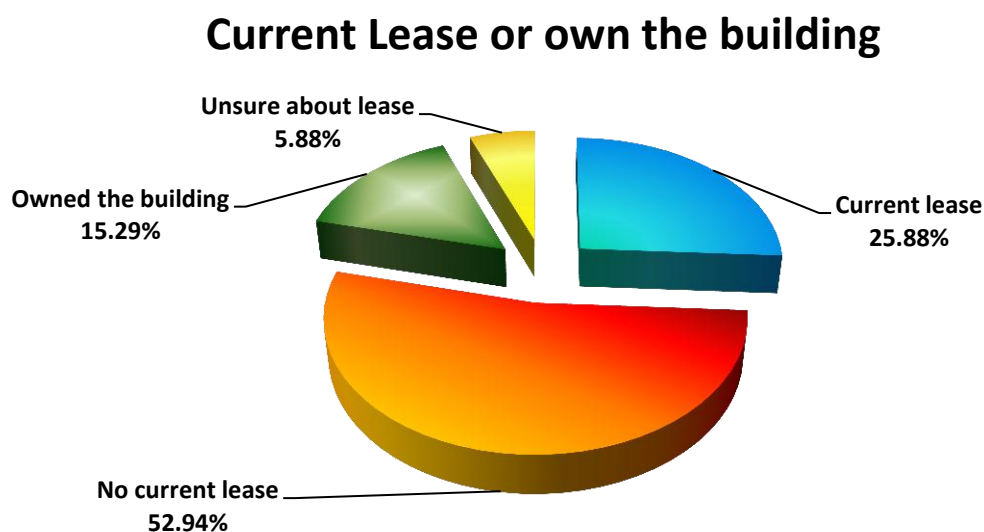
"We've advertised, but our sales are seriously down and the number of customers coming through the door is less. We've been in one location for 35 years and it takes time to re-educate them (customers), and people aren't going out, they aren't shopping really"

"Cash flow - just loss of earnings, and now we don't have the foot traffic we had. We had a lot of customers walking past the door and now in our new location we don't have that"



The need to commit to a longer term lease (i.e. 5 or more years) within some commercial premises had also created some issues, particularly for those who were still committed to leases within the CBD on previous business premises and are uncertain or concerned as to the ongoing legal and financial ramifications if these leases are upheld by landlords. In some instances, business owners had forged ahead and taken on leases in new premises to ensure business continuity, without necessarily having clarity on the legal status of their CBD lease, which for some, had caused additional concern from a financial perspective for the future. However, for these businesses, there was little real choice between attempting to secure new premises from which to recommence their business, or simply waiting an indeterminate period of time to re-occupy their previous premises in the CBD (if indeed this was a possibility), with no revenue in the interim.

As the chart below shows, just on one-third of business owners who were not currently operating within the CBD (32%, n=85), considered that they either still had a current lease in place in their original premises within the Four Avenues, or were unsure as to whether their lease was existing, or not.



"The building lease expires in November 2012. The landlord has a loss of rent cover through to February 22nd. We are not sure what happens after that at this point in time. If the area opens in November as they say it may, will the landlord pursue the lease at that point? There are still 2 buildings waiting to be demolished, so the area won't be opened up until they are demolished, but we really don't know what to expect re the landlord and the lease"

"We technically still have a lease in town. We have not been released yet and we are unable to make decisions about a lease elsewhere for the future. Our printer, furniture, everything else is still in the building and we were told we could go in at the end of July, and we're still waiting. We still have liabilities for the printer – we don't know the status of it, is it broken or OK, is it functioning. We could be impacted by the lease. In the meantime we have had to organise another printer. We were lucky to get our computer stuff out. Because neither we, nor the insurance people can get into our building, we can't sort out insurance if there is to be a claim. We can't make decisions coming forward – things are makeshift until we have some idea what the future holds regarding these things"

As previously stated, some business owners stated simply that they were not in a financial position at this point in time to contemplate relocation and had either opted to recommence within their own home, or were unable to relocate at this point in time. Again, some of the reticence expressed relative to the possibility of relocation or restarting the business was related primarily to the lack of support from insurance companies or claims management organisations relating to payouts on current insurance claims from the February 22 event.

"I don't want to restart because I'm nervous that if I put any more money into it, that I'll be unable to recoup it if anything happens, because I have no faith in them at all (insurance companies). They need to stop pulling all those stupid stunts, I'm only a small business and we need that money. We're not like the big multinationals who can afford to keep taking a hit like this and survive"

"My insurance policy has doubled in cost now, and they're taking my money and not paying out. I'd like to be able to move on. Even if I found space tomorrow I'd be pushed to be able to afford it. It holds you up moving on. It's knowing that you can actually fill a space with stock, knowing that the money is there"

Some business owners who had relocated to their own homes spoke of a sense of isolation in operating from home, devoid of the 'buzz', energy and support of businesses and other businesspeople around them and the convenience of complementary businesses within walking distance, and a loss of the vitality which had been inherent within the CBD environment.





The relative suddenness of the February 22 earthquake and the immediate impact of a cordoned / Red Zoned CBD and business premises had engendered a sense of loss, anger, sadness, uncertainty and confusion which had effectively fragmented the city and its' business owners, losing the sense of a 'CBD community' of businesses which worked side by side within a city centre environs – a guaranteed and valued community of reciprocal support, communication and patronage which was now non-existent. Some business owners spoke of a loss of their 'locals' – i.e. coffee shops, dairies, food outlets, cafes and bars, retailers, and financial services – which had been part and parcel of their daily routines, and it was this mental 'shift' and sense of loss which had also been difficult for some business owners, having lost contact with other business people and staff whom they had interacted with on a regular basis as they went about their daily lives in the CBD.



"The banks are half an hour away where they used to be 5 minutes. If we had a concern before we knew the people we would be dealing with. Everyone in the bank knew us and we don't have that now. It was a hub type of living and working, and that's gone now, the city and the people you dealt with was small and everyone knew us and we knew them"

"When difficulties come in life we deal with them because there are always the touchstones in life you can rely on to get you through it, but the earthquake is different. The main touchstones have gone. Your home, business, staff and friend relationships have gone as people have moved away. There's not a lot to fall back on. For some businesses that weren't doing so well due to the recession there may be some short term advantage, but for businesses like mine which were doing well there is no advantage at all. Some days I feel resilient and think we'll get through this. Other days not so. On my own I'd be drunk all the time but my wife keeps me in line. The feeling is you are battling in isolation. I thought setting up the business with the risks attached was stressful, but after September and February that was a dream. This is a nightmare situation. It's not regular life crisis stuff"

"They have kept us out of the CBD for so long now that we have lost our connection to it. They put up the fences and said 'Stay out'. When they let us in again, people may not feel the connection we once had"



For some businesses that had recommenced business within their original premises within the Four Avenues, there were some issues relative to what was perceived as a 'climate of fear' within the Christchurch market relative to 'The CBD' and the perceived safety, or otherwise, of businesses and streets within the city environs. It was perceived by some business owners that concerns and anxiety relative to the safety and accessibility of some CBD business premises located outside the Red Zone had also impacted upon customers' likelihood and desire to utilise these businesses. Comment was also expressed that some Christchurch residents simply did not wish to see the mess, experience the traffic congestion inherent in a trip to the CBD surrounds, or view the damaged buildings, dust, demolition and empty spaces which had become the hallmark of the inner CBD within the Red Zone.

"For us our main selling point was being close to the city centre, and the longer it's closed, the harder it is for us. We're stuck in the middle of a city that's got nothing in it. People outside the Four Avenues are doing fine so they don't have those issues. What was good about us, is not good any more, and just getting things up and running is an issue. We have a mix of FIT, corporate, Kiwis and overseas customers, and a lot of online booking and drive in traffic, but the drive in traffic has evaporated. We went from living in a main thoroughfare to living in a cul-de-sac, and at the end of a cul-de-sac is a big blank space. It's very hard psychologically for people to drive off Bealey Ave and onto Colombo Street because that's 'the city' and people are afraid of that now"

"People are scared to come into the town – well when you speak to them.... We service all the retail shops but we also had a large foot traffic, and these days everyone you speak to says 'we're scared to come in', they think it's unsafe. But we're not in the Red Zone any more even though people still seem to think we are, and people can see the cranes and all the demolition and mess and that from where we are so that's really putting people off coming to us. We have boxes of stuff for customers and companies ready to be collected, and we ring them, but they just don't want to come in and collect it. I think they're frightened of what it will be like"

"Once you've moved to a site it's hard for people (customers) to organise themselves to put our new premises into their routines, we've moved to a bigger place as well which makes it difficult for us to consider moving back. I don't work in the shop very often but last week I served 2 people all week. For a lot of people, coming over to the east of the city is an issue for them, particularly for those who don't live in the east, and of course there are less people in Christchurch as well"

“There is no one trading around us. The businesses that were near us have either had their buildings demolished or they have moved out to another area, because the buildings are munted. We’ve also lost most of the residential people in our area as well which isn’t good. Our major problem is people are not aware that we are open for business. People just don’t travel past here much because the Red Zone is just around the corner. We have always been a destination shop but it’s worse now because people come past and they think we are closed because of how the front of the store looks, even though we have signs up saying we are open at the back of the store building”

“A lot of people think that we’re still in the Red Zone, they don’t know if we’re open. They ring us and they’re surprised when we answer, because they think we’re closed. We’ve advertised that we’re open, but I think it needs to be known that certain areas have re-opened and the businesses are there”

“There is a lack of retailers around us which leads to the feeling of isolation. The more retailers around us, the more foot traffic and the more people will come. In our (location) we have probably lost 8-9 retailers. We have a supermarket beside us but we look out at a lot of empty stores, there is a huge loss of people in the area. Because of this, we feel isolated”

The impact of the February 22 event and subsequent aftershocks had also created difficulties and ‘hassle’ for some business owners and staff relative to the sheer amount of time required to travel around the city for business purposes – whether in traveling to and from their original or relocated workplace, or attempting to travel to meetings. Some of those business owners who had relocated to new premises spoke of the additional travel time required by staff and themselves to reach their new premises, given the quantity of road closures in and around the city, traffic congestion on main arterial routes, damaged roads and ongoing roading maintenance, and parking issues. From the perspective of some business owners, a key advantage of a CBD-based business, pre-quake, had been the relatively localised concentration of a wide range of complementary businesses, making it a relatively straightforward process to attend meetings with clients and colleagues, traveling on foot or by vehicle.

“For us, getting around the city is much more difficult, especially the south side of the city. We need more roads opened up to make it easier. We were used to walking to most of our meetings with the lawyers, the Council, ECAN and other consultants. They were mostly located in the CBD within walking distance. Now we have to drive significant distances so there are the additional costs of fuel and time”

“The majority of staff cycle to the office, and they have been badly affected by the traffic since the earthquakes. We have to cycle on the major thoroughfares where there is little accommodation or thought given to cyclists. There are major road works in the streets, and the roads are in a bad way. It’s difficult, even treacherous, to cycle in the high level of traffic”

“(It’s a matter of) adapting to a new situation and the time taken to travel from A to B. Road congestion is a big issue”

“We drive over there (to new premises) 3-4 times a week and it takes so much time to get over there”

Business Support

The issue of support for Christchurch businesses was raised during the course of the study by a number of business owners. While some business owners indicated that they had been able to avail themselves of business mentoring or advice, financial support or planning services from a range of support / recovery agencies and had found these beneficial for their business, others had not necessarily found that the nature or quality of support on offer had met their expectations, which had created some frustration and stresses as to the best / most appropriate way to move forward with their business entity. Other business owners had not been able to access the type/s of support they required due to ineligibility created by their business type or size – again a situation which had proven stressful for those businesses who were in need of support, had assumed it would be made available, and were unable to access what was needed / required to assist their business post-quake within an extremely uncertain commercial environment.

Business owners were ideally looking for professional, strategic, targeted mentoring and advice to assist their particular business through the post-quake months, and while some businesses had received and highly valued this type of assistance, other business owners indicated that this type of support had not been forthcoming.

“I think it’s all been handled pretty bloody well, the Government stepped in immediately with the wage subsidy which stopped us from going under, and the insurance gave us \$10,000 to help us out. The bank has left us alone but we know they are there if we need them. If we hadn’t had that help we’d have lost more staff and we could have gone under”



“Private businesses are trying hard to survive. We had a good business, \$1 million turnover with tourists. Recover Canterbury have given a 1 year hardship grant to help. It's only temporary help that is needed to get small business up and going”

“We've had assistance from Recover Canterbury who have given us an interest free loan for resource consent purposes so we can go forward. Applying to banks for funding is difficult with what's going on, and with the ongoing aftershocks as well. We hope things will settle down”

“We've had advice from Recover Canterbury. There have been 3 people involved, and they have been absolutely brilliant. What I liked about them was they were independent. They had no vested interest in what they suggested to us except what was best for Canterbury and the business”

“Recover Canterbury is also a concern. There was info to be able to apply for funds from their trust fund, but when I applied I was told not to bother applying because I wasn't considered a Christchurch business. I was told I should be able to work through my Christchurch business problems using my Wellington store. My Wellington store is only able to do a certain level of business. I couldn't take my Christchurch staff up there as there wouldn't be sufficient business to trade on to keep all my staff going. I was a bit miffed at that attitude because I have always considered myself as part of the Christchurch business community. They offered mentoring but I declined - you have to have a business to work with. To keep my business running, mentoring wasn't what I needed. Temporary funds was”

“I have a mentor at Recover Canterbury, but then he went overseas and I couldn't get anyone else at Recover Canterbury to return my calls. It took over 3 weeks. Maybe they've got a lot on, I don't know. I feel guilty if I ask for help really. It doesn't seem to be that simple; people don't return your calls or emails when you need them to”

Comment was also expressed that within an 'normal' business environment pre-quake, businesses seeking support, mentoring or advice from external agencies would be entirely capable of investigating the options on offer to them and weighing up the support mechanisms on offer to determine which would be the most appropriate fit vis-à-vis their business type and size, or to ensure they gained the best 'bang for their buck' if paying for business support. However, it was acknowledged that the current commercial environment was extraordinary, and that some business owners were struggling to deal to a myriad of issues relative to their business as a consequence of the earthquake, including insurance claims, relocation issues, gaining access to CBD / Red Zone buildings to salvage essential items, cash flow, staffing, and simply attempting to keep their business functioning, with little time, energy or funds left over to be able to actively search for support and assistance relative to the recovery of their business.



“For our business, we’re a small to medium sized business and first of all we were told to apply for a Recover Canterbury grant, and then when we did, we were told we weren’t eligible and couldn’t have one. Just some more up front help to help us out and help us work through insurances and that kind of thing, we’d really like that sort of help. We have had 2 volunteers come in and help us out with all that stuff, but it would help a lot if perhaps organisations like CERA and Recover Canterbury could come forward with that type of assistance. Obviously they need the funding to do it, but because we’ve had to do it ourselves we’ve had to become experts in areas that we didn’t know anything about before. It would be nice to have more easily accessible expert help, I know there are businesses and websites there but they expect you to engage them and pay them. In any normal situation that’s fine, but not at the moment when you’re running out of money and needing expert advice”

“We got a mentor through Recover Canterbury to get ideas, and he told us that we needed to hurry up and get on with the (insurance) claim, and that was no bloody help really. It was all right for him, he only had a computer to claim for so that wouldn’t take very long, would it? He was very nice but didn’t look at us as an established business who had been going for ages, he took us right back to basics and we’re beyond that, we wanted ideas to deal with the now, not how to set up from scratch. In the end we didn’t have time to follow it through any further. The advice he gave us didn’t help, we needed help to look at the extra-ordinary situation we were in”

“Communication is a problem in that in some ways there was too much, and in other ways there wasn’t enough of it, it needed some co-ordination. We never found out a lot really because so much of it seemed to be aimed at residential not business, ‘ring this number for residents’ assistance’, but nothing in your face for businesses and that first step should be in your face, because we’re not at the point of doing the research ourselves at that point in time. We needed a site to go to where you could click on that and it tells you what you needed to know, in a co-ordinated way so we had one port of call and it would filter from there”

It was perceived that there appeared to be information gaps within the system as to how best to firstly, locate and understand the types of assistance and support on offer, and secondly, how to access these and determine who was, or was not, eligible. There was some frustration evident relative to what was perceived as a lack of clarity within communications from specific support / recovery agencies (i.e. Recover Canterbury, CERA, Canterbury Employer’s Chamber of Commerce) as to the types of support on offer and the guidelines relative to businesses’ eligibility for support, which had created some uncertainty for business owners as to what they were eligible for, leading some to apply for specific recovery advice or financial packages only to find that they were not necessarily eligible – creating further stress for some business owners during an already difficult time.

It was acknowledged that the existence of support in the first instance was highly valued in assisting some businesses to weather an extremely uncertain trading period, and that without the assistance offered, some businesses may have been forced to cease trading. However, other business owners indicated that from their perspective, they had been forgotten, and were struggling to remain commercially viable given insurance issues, financial difficulties, displacement from their premises, and uncertainty as to the most commercially sound way in which to move forward to attempt to safeguard their business for the future.

"It's the small, unique traders that gave the city of Christchurch its special character. These traders won't survive because of the costs. I had customers that came from all over NZ and internationally. There will be a city full of the bigger organisations and businesses, but no smaller businesses. We've been there since 1894. We are a part of the history of the city, but we've been forgotten. It's a critical issue I'm battling. There's no tangible help for small businesses to get new premises. Why is it so hard? There's been no help for the character businesses. If they take much longer, small businesses will give up, even though they might want to go back. They will move on to Rangiora or north of the city. People need a helping hand but it's not there"

"No one has come and seen me from the CCC; I don't know what they and Recover Canterbury have actually achieved. There was money put aside for businesses to promote and advertise recovery, I think that was actually put aside for overseas promotion junkets instead. But what about the little fella who needs support and promotion to get by – not a cent of it has come to a small struggling business on Manchester St, and I could have really done with it"

"We've been told to ring 0800 numbers and Recover Canterbury and all that, and we've had important and genuine questions to ask about things that we couldn't find out from anywhere else, and they couldn't help us so what's the point? And any information we did get was wishy washy garbage actually, it didn't help. We want a direct answer and you get 'oh well, the process is this, bla bla bla', and no one will tell us yes or no, to the extent that we've just given up really. When the barriers went up round the city we felt like that's it, you run a successful business and do well and then it's all gone"

"I know there is help out there like for business recovery, but I don't really know how to access it. We need to know what help is available to us small businesses. Perhaps we need the bigger business people to get in behind the small business people to help them, show them how to start again. Mentors could help. The problem is the small, one man band businesses aren't going to have the energy or money or confidence to start up again. Because of everything else I'm dealing with there are probably places I could go for help but I'm not aware of them"



“To be honest I’ve kind of given up, we’re coming up to 7 months now, and we’ve felt let down and pushed away, so we’ve basically just hunkered down at home. I don’t know what we expected, I’d just like the insurance company to step up and become sympathetic, and I’d like the landlord to contact us and invite us to sit down and have a chat over a cup of coffee, see what’s up, or get invited to a meeting so we could go along and find out what’s going on, but no”

“We appreciated the 12 weeks of support we got, it was crucial for us staying afloat and we maxed everything out, all our credit cards, just to keep afloat. Some people are unlucky and some are unscathed, some people have just lost TV’s and that, and them (recovery agencies) feeling sorry for me doesn’t pay my bills and keep my employees in a job. We need government support; we’re just keeping our heads above water. Certain businesses needed a bit more and they needed to be identified, and some were hit at work as well as at home and needed that assistance. No one likes to see families suffer while other people get assistance, but we’re really affected by it. There are some people who had a case for a third round of funding. If we have another major event we’d need more money”

“Businesses really need to look after themselves carefully because no-one else is going to. I gave up on CERA and CCC. I cannot believe what’s gone on. They haven’t considered the ratepayer. They believe they are the mighty, powerful and important people and can do whatever they choose, and you can’t expect anything from them”

“Good open communication with businesses and retailers would be a huge help. We get things second hand and you have to do a lot of investigating yourself. A lot of people have no idea, it’s not clear where they can turn to next, they need help. I know we have Recover Canterbury, but I don’t know how much that’s out there is targeted solely towards small businesses. What we’ve found out has only come to us by other retailers giving us information, it hasn’t come from a centralised place, we need to get everyone talking together, finding out what resources are available”

“We’ve sent emails and emails, but everything we’ve found out has come through another retailer. We’re members of the Retailers Association and if we hadn’t been, we’d never have found out half of what we know really. National bodies aren’t strong enough to stand up for us and help us out really, like the (industry) Association that we belong to, they don’t have the wherewithal to do anything for us”

“We’ve struck a few people who are helpful, but we’ve gone to a lot of meetings and just come away feeling sick about it all”



It was acknowledged that it was not necessarily logistically feasible to expect business recovery agencies to be able to approach businesses directly immediately post-February 22, given the dispersal of CBD businesses post-quake and the inherent difficulties involved in locating and contacting individual businesses at a time when the city's infrastructures and resources had effectively broken down and become fragmented and under stress. However, business owners were ideally looking for some sort of collective strategy and communication from recovery agencies to address the issues of a varied range of industry categories and business sizes, supported by tangible, beneficial and practical advice and support which attempted to bridge the gap between what had been, pre-quake, and what was to come in the years ahead relative to the commercial environment in Christchurch and the CBD, and to 'tide over' those businesses who needed immediate support to cope with the impact of the February event and its' commercial implications for the months following the earthquake.

Timing of the CBD Rebuild / City Plan / Restart programme

One of the primary issues identified by respondents which was perceived to have impacted heavily on business owners' ability to move forward was that of uncertainty – uncertainty as to the progress and timeliness of insurance claims, uncertainty as to the status of their CBD / Four Avenues premises, uncertainty as to the best way forward for their business, and uncertainty as to the future of Christchurch and the CBD environs relative to anticipated rebuilding timelines and the form in which the new CBD would take. The high degree of uncertainty as to 'where to from here' relative to the CBD, and a perceived lack of cohesive, co-ordinated and communicated strategy from authorities as to the timeliness and anticipated progress of the CBD rebuild, had impacted heavily on a number of business owners relative to their confidence in making the right decisions to attempt to ensure, firstly, commercial survival, and secondly, profitability for the future.

From the perspective of business owners, any sense of positivity and confidence relative to the future of Christchurch and its' CBD from a commercial perspective could only be gained from the establishment of certainty and purpose as to the realities and direction of the business recovery and rebuild process. Some business owners indicated that they had taken short-term measures to ensure the survival of their business, such as renting premises which were either not entirely suitable for their purpose, or which offered short term leases, simply to secure some means of commercial survival whilst decisions were made relative to the future of their buildings within the CBD or Red Zone, and the future of the CBD itself. However, business owners were looking for some guidance, forecasting and certainty as to the structure and timelines which the rebuild and recovery efforts would take to enable them to make informed decisions as to the most appropriate way forward for their business.

Again, as previously stated, business owners freely recognised that an event of this nature had thrown Christchurch into a state of disarray, confusion and uncertainty, and understood that there were no 'quick fixes' given the level of devastation and damage experienced within the CBD and suburbs. However, it was also strongly felt that there needed to be a coherent, realistic, integrated and consultative approach going forward to ensure the commercial and economic survival of the city as a whole, and to ensure that those unique elements and 'quirks' which had characterised Christchurch as a city were not lost for the future.

“The uncertainty with regard to timing of the rebuild of the city. They have given us the City Plan but the timing isn't clear. We need to know when properties might come up for development. When will new rebuilds be available for tenanting?”

“I've been to meetings with people from New Regent St to try and find out when we can get back in to start business. We've got some good ideas as to what we can do but we've heard nothing concrete about timing. It's possible that we might be able to get back in in May or June of next year but that depends on the situation at the time. We are very close to the PriceWaterhouseCoopers building and they haven't decided what to do with that building yet. Even if we go back in will there be other businesses in the street? Will there be foot traffic and office workers?”

“The question is, how long can businesses ride this out 'til the good times come around? It's important we try to remain positive as best we can, we can't focus on the negatives. We must have a glass half full attitude to come through this. This has been an historic Canterbury event but the whole of NZ will pay the price, not just us. Despite the handouts we have been given in Canterbury, I do wonder if the money has gone to the right people who need it. Because of the uncertainty, businesses can't plan ahead”

“Uncertainty in forward planning. Are the premises going to be available when they say they will be and what will the environment around my business be? A row of containers? Will it be a suitable environment for my business. What other businesses will be there?”

“I think there's a desire not to move forward – I think it's Brownlee that's driving that. He's not being particularly active to support the recovery and that's his job. Overseas jaunts to Monaco and Europe and England don't really do it for me, there's not enough being done here from his department. Buildings should be demolished and just got on with. The Grand Chancellor needs to come down, they let the contract to a company who said they could do the job and yet nothing is being done, there's not a lot of action, and buildings and businesses around it need to be able to get on with it and trade”



“Moving the draft city plan forward as soon as they can – i.e. have fewer people involved in less consultation, just do it! The CCC is responsible for presenting the plan, but CERA needs to make hard decisions fast, not muck about with more consultation, just get on and do it. Don’t hold up progress. Roger Sutton needs to be ruthless, he has wartime powers and at the moment he’s being too nice. He’s treating enquiries with the respect they don’t deserve; we need drive and real focus. The longer it all goes on without movement, the longer people will look elsewhere for re-investment, because no-one is in charge and there are such delays. Investors are being treated really badly with access and that, especially when celebrities are being paraded through the city. Government departments create their own bureaucracy and they’re hidebound. We have an extra-ordinary opportunity here to move forwards. I think overall people have been pretty good about it, it’s an extra-ordinary circumstance. A lot of people are ready to have another crack (at getting back into the city / getting back on their feet) but insurance is pulling all that back a bit, and the CCC is making it hard with some of their pedanticness around repairs. There needs to be a way of getting things moving within reason, anyway”

“My main concern is what’s going to happen in the next year or so, will town become an option to go back to or not? How quickly will things return to normal? I would have to look at a move back to the CBD again down the track. It may be that the suburbs outlying the CBD may be a better option for me as I am a small business”

“An understanding of a time line, when new office space would be available in the CBD. Let us know what buildings have been given consents, when they will be completed and available. e.g. in 1 years’ time there will be so many buildings available to look at leasing space. That would give us some idea how long we need to be located in our temporary building space. We need a timeframe for the rebuild and regrowth. If it’s going to be 12 months - that’s fine, we will hang in. If it’s going to be a few years then we would have to rethink our position”

“It’s all very vague about the state of town really, we’re still waiting for clarification on the status of our building and it’s difficult because we don’t know. They say that the plan is to have the city up and running within 2 years but I think it will take longer than that. You can’t recognise some of the streets. Things are still there from Feb 22nd and haven’t been moved at all. It’s sad, we’ve spent our life here; we built our business up and have seen the city change and buildings come and go, it was our daily life. I love the city but it looks like suburbia is going to be our new life now”

“Another issue is the City Plan. We need decisions made and set in concrete so we know what the playing field is and where the rebuild is going to be and when it's going to start. Where is the city going to go? I need to know what kind of infrastructure there is going to be. Is the inner city as we know it going to be a viable option?”

“We need information about what is being planned. I believe the inner city will only be about a block to a block and a half in size and small businesses can't survive in that environment. For us the school children have gone and the business people have gone, I couldn't contemplate opening that in sort of environment. I have no confidence there will be the numbers to make it work, the foot traffic in numbers sufficient to make the business work”

“I would like to have some sort of time frame when parts of the city will open. Not in concrete but at least a reasonable idea, e.g. this block hopes to open in October, this block in November, but this block will not be open until June next year. There is not enough information coming out. There is a little more now but we really needed that info a long time ago when we needed it most, so we could make decisions on relocation etc.”

“Clear time limits so we can make decisions and stage our decisions against reality. When are things going to be opening up? Do we make temporary arrangements or something more permanent with regards to having a permanent office? We need realistic time frames”

“From a business owner's perspective, obviously what's happening to the CBD as a retail area. Is there going to be the ability to re-open and what will we re-open in, i.e. a container, or our building?”

“We need better information on what's happening, where and when (relative to the CBD), because people don't know. It should be CERA who is responsible as to what's happening in the inner city, let us know about time frames. Like with the Grand Chancellor, what's happening, because it's holding up buildings around those areas, and a lot of buildings around those areas like the Clarendon, there needs to be clarity. People and businesses need to know because it's holding up all the businesses and the advancement, the moving forward. A lot of people can't even plan their proportion of the rebuild”



“Obviously there is a lack of things happening, the uncertainty for businesses. If I was still there in Christchurch I’d be down to tears dealing with government authorities and local authorities trying to get it all up and running. A lot of people don’t know if they will re-open, in 12 months I reckon that 50% of the businesses will have reopened, but in 36 months I reckon that will be down to zero per cent, I don’t think they will be around anymore”

“The City Council needs to come up with priorities, a list of developments to get people back in there, not just for shops in Cashel Mall, create opportunities to get people back in”

“One issue I’ve had all along is getting information and timelines, early on they must have had some idea that it would have been years, and we’d have made different decisions back in February and March if we knew that the access to our shop would be a year away. They must have had some idea that things were pretty bad. Early on, it was Hamilton running the state of emergency, and obviously now it comes back to CERA. We’ve waited a long time and possibly missed opportunities to secure new premises because of a lack of communication, simply because we didn’t know if it would be months or years. It’s one thing not knowing, and another not being told”

“Of course the CBD being closed is an issue, there doesn’t seem to be any concrete vision or idea of what the city could be. They’re talking about shrinking the CBD so my part of the High St wouldn’t be like it was, it makes me cross. It was just starting to come into its’ own as a shopping district within the city, all the shops were unique and different and owner operated. I don’t know if they’ll achieve that again. 5 years is too long for some of them to survive and contemplate re-opening. It’s a long time when you believe in the city and want to support it”



Comment was also expressed that there needed to be strategies incorporated within future planning for the city which were specifically oriented towards the need set and economic recovery of sole traders and smaller businesses, vis-à-vis those larger corporates and multi-national organisations based in Christchurch, which were either able to tap into resources from parent organisations to assist with the recovery process, or were more easily able to support themselves through the process of recovery. There were significant concerns expressed as to the implications of the new Christchurch / CBD for the smaller business entity, and whether there was in fact a place for the smaller / sole trader businesses which had given Christchurch and its' CBD so much of its' unique character, flair, diversity, colour, 'quirkiness' and energy prior to February 22. During the course of this study, some small business owners indicated that they were not necessarily confident that provision had been made to ensure the economic survival of small businesses in the immediate short term post-quake, nor, from their perspective, did there appear to be an acknowledgment from the 'powers that be' (i.e. CERA and the Christchurch City Council) as to the part which these businesses had historically played within the fabric of the city as a whole, and the future of smaller or sole trader businesses as part of the intrinsic heart of the CBD post-quake.

"They (CCC) keep telling us about the businesses that will revitalise the city, but all that will be there is the multinationals and Ballantynes. All the big businesses are OK and we're screwed, the small businesses. I wish they'd (CCC / CERA) stop trumpeting about the businesses in Christchurch and how they'll revitalise the city, because all the businesses I know have left town or looked at other alternatives and given up, or can't afford the costs to get back into the city anyway. We've given up getting the paper and watching the news, we're just sick of the absolute bull that we read"

"Because you have a stake in this city we have to show some positive thinking. We have to believe it can be done but different people are in a different head space. You can't compare the needs and reactions of the established money people in this city with business and property to the sole owner coffee shop retailer or the food outlet owner, the hair salon owner who was striving to keep his business and grow it. The big boys can afford to be positive, but smaller business people not so much. A lot of the businesses have simply gone"

"I find the authorities not at all commercially minded, naïve, they did their best to block us from running our business. We're all trying to survive here commercially, so give us a break, they've very arrogant and don't seem to care about our business (CCC). They don't have a thought for us all trying to survive here; we all feel the same here according to all the other business people we have spoken to. I just find the authorities difficult to deal with and they don't understand the commercial realities of what's going on out there, they have a job to do and that's it. They're not interested"

Questions were also asked relative to the fit of businesses formerly or currently located within the CBD into the new City Plan, and whether in fact the new CBD would be the most suitable location for their business type vis-à-vis the precinct plan mooted for the central city. For some business owners, this was tempered against concerns relative to the potential costs of leasing / renting premises within the CBD, and whether these would be affordable for smaller businesses or sole traders to make this option viable for the future. Concern was also expressed by some business owners relative to what was perceived as a potentially restrictive approach to the City Plan in terms of the grouping of similar businesses into precincts, and whether this approach had the potential to impact negatively upon patronage and foot traffic for their business for the future. It was also perceived that there could potentially be some issues relative to the stated intentions and preferences of the Christchurch City Council towards the development of a CBD 'precinct' concept as described within the City Plan, vis-à-vis the commercial and economic realities for the individual landowner wishing to rebuild a commercial premises on their site, and the way in which this process would be facilitated from a compliance and zoning perspective. There was a very real fear that an overtly restrictive and prescriptive approach relative to any potential zoning of CBD areas as designated 'precincts', housing specific industry sectors only, could create a disincentive for land owners to consider rebuilding within Christchurch and encourage a potential loss of capital reinvestment back into the city, without which the commercial recovery of the CBD could be threatened.

"We're wanting to know about the future, because we'd like to go back, but I'm concerned about the city plan and the way they are rezoning things, it's of concern. The city plan is full of ambiguities, they're proposing a mixed use zone of residential and business but to me it favours new residential, and existing business would be effectively forced out because they wouldn't be able to meet the requirements. Where we were located is right behind the Convention Centre which is in the proposed living zone and they don't want businesses who don't manufacture or produce something on site, so if you can't do that they don't want you in that area so that's not going to work, a business like us probably won't be welcome there"

"I've heard about a 'hospitality hub'. Would my business fit in? Is it going to be one section for normal dining out and another for late night venues? The council are purporting to be experts in everything, but I see a lot of issues arising out of the city plan. Being told 'you can go here, and you will be there' might cause a supply and demand problem. I may be located in an area specified by the Council as hospitality, but that may be limiting to my business. It might not give me access to all my potential customers"

"The look and feel of the city will change and you don't really know if it's going to fit with you again. Will it be a place where a small business would thrive?"

Some business owners also indicated that their preference was to be located within a CBD 'community' as had been the case pre-February 22 – surrounded by a wide and varied range of businesses which complimented their own, with business owners supporting each other, allowing easy access to amenities, food and beverage, retail and other businesses which were habitually utilised as part of daily life in the CBD. It was perceived that this 'small community' concept had fostered a mutually positive interdependence between businesses which had, in turn, generated beneficial commercial relationships between businesses of differing industry categories, and offered the benefit of convenience and immediacy in being able to access essential daily services via a short walk from ones' own business premises. These business owners perceived that any centralisation of a specific industry sector into a precinct-like space should ideally be market-led and determined as opposed to driven by local governmental agencies.

"We need to understand the mix of the CBD - what mix of businesses are going where and in what area. Are there going to be certain precincts e.g. an Arts Precinct. We will want to be located where there are a mix of services, not just businesses like ours. There needs to be the essential services around us like hairdressers, restaurants, dairies that will service the business area. We need to understand that before we choose a location"

"Don't be too restrictive in what business goes where. Those precincts in the City Plan. Let the market decide what goes where. It will start with little enterprises like the IT Hub in the Para Rubber building - that's fine, but don't shut down other potential IT areas. They don't all have to be in one place. If people (the land owners) come to the Council with resource and building consents and want to build an office building and the Council says 'Sorry, that land is designated for sports or an educational hub', what happens? If the owner wants it to be for office use at the end of the day, that's what the owner will build. It's what the market wants that's important, not what the Council wants or deems the area to be"

However, it was also suggested by some business owners that specific industry sectors may benefit from a hub or precinct approach to enable information sharing, the development of professional support mechanisms, and to encourage the development of a central 'base' for complementary businesses which would be of commercial and economic benefit for the city for the future (e.g. technology-based organisations, R&D firms, some organisations within the financial sector).

"There's talk about putting in a park where technology firms can be grouped together, that would draw the firms into the city to form an international base. Put in like a technology park and get an area in the CBD for accountants and lawyers so they are all together and can get on. In Melbourne, they have a building which is only jewellers, so if you need anything you can just go to the next floor and not have to go out and about. So develop these smaller pods in Christchurch to give people a bit of hope"

“They are talking about setting up a precinct for computer companies - in the Para Rubber building, called EPIC. That’s a good option, but whether that would suit us to get into a place like that I don’t know. I think it may be for corporate computer companies. We are a very small company so a ‘co-share’ space would suit us. I haven’t seen anything like that. Someone could at some stage buy a good size floor space in a highly desirable location and set up the necessary office furniture, desks etc., and with a kitchen area, and a couple of small meeting rooms you can use for private phone calls or meetings. This idea is very popular in San Francisco and Sydney. An open space arrangement where you have your own space. It can suit different types of industries like ours - designers, electrical engineering, computer people. People who are passionate about what they are doing. They maybe work from home or (their) garage, and may feel isolated, but when they come together like this it gives a sense of community”

Business owners’ thoughts and feelings relative to a potential reduction in private vehicle traffic within the inner city, as also discussed by the City Plan, were polarised. It was acknowledged that Christchurch, and indeed New Zealand, had a ‘car culture’ mentality, and that historically, Christchurch residents and business people were used to the convenience of being able to park in relatively close proximity to CBD businesses for their recreational, entertainment, retail or commercial needs. Some business owners were concerned as to the impact which the proposed reduction in vehicular traffic could have on businesses within the future CBD, particularly given that mall complexes within Christchurch already offered free car parking in close proximity to the mall itself, and had, like Northlands and Westfield’s Malls, been able to capitalise on the forced change in consumer behaviour created by the earthquake to grow their customer base and encourage new, habitual behaviour in the wake of reduced retail, entertainment and recreational options in the city.

Comment was also expressed that if indeed the CBD was the designated ‘heart’ of the city, that it was vital to encourage consumer and commercial flow back to the heart without forcing too many additional changes on residents of the city, who had already been forced to accept significant changes in everyday life and habitual routines through no fault of their own, and whose capacity for coping with further change and upheaval within the ‘new normal’ was likely to be hugely diminished. From the perspective of the majority of business owners included within this survey, to introduce significant restrictions relative to motor vehicle traffic in and around the CBD was potentially hugely detrimental in terms of the re-establishment and positioning of the CBD as an accessible, appealing and convenient alternative to mall retail complexes, given the strong car culture which already existed within the city. It was acknowledged that it was beneficial to encourage and create a strong public transport infrastructure in and around the city, alongside suitable pedestrian and cycling options to provide eco-friendly, convenient and multifaceted transportation options, but business owners were largely resistant towards the concept of a primarily carless CBD.

It was also stated that Christchurch had the opportunity to effectively forge new ground within the recovery and rebuild processes by incorporating unique, innovative, forward thinking and progressive strategies and concepts relative to the city's infrastructure, transportation network and commercial / economic environments, but that at the same time, there needed to be some concession made for 'the now', to address those issues and concerns which were paramount at this point in time, to ensure the immediate commercial survival of the city for the future.

Business owners strongly felt that there was potential for the future transportation infrastructure of the new CBD to offer innovation, efficiency, accessibility and choice for Christchurch residents, without potentially alienating a significant proportion of residents who preferred to travel via private motor vehicle and had become habitually used to the 'park and pop in' method of accessing retail, entertainment, and commercial facilities.

"I suppose there is some concern with the new city plan, if we are to redevelop on our site they're trying to discourage cars into the CBD rather than encourage them which isn't ideal. I've heard that the CCC isn't backing car parking in the city as much as they should be, and yet obviously we love our cars here in Christchurch and if you own a car it's easier to hop in that than try to catch a bus or whatever"

"It's suggested that we may have a walking oriented city, but people here want to drive to their destination. We need convenient parking provided in the city otherwise people will use the peripheral shopping malls in the suburbs. Car parking in the city is a major for business success"

"Council needs to be realistic. You cannot turf people out of their cars initially. It won't happen, especially when you haven't got the bus system running properly. No parking in the central core is an unreasonable attitude. The CBD cannot function that way yet, maybe down the track but not at the moment when they are in competition with free car parking in the suburban malls"

"The use of overseas consultants from highly populated countries and cities, using their city as a template for traffic planning in this city, with a hugely less population catchment, isn't necessary. Using New York or Stockholm as a benchmark for successful planning and suggesting people must walk everywhere and restrict vehicle access and car parking in the CBD is daft. Not in all areas: the Strip location might not fall into that category, or Cashel Mall, walking may work for individual areas like that, but not blanketed over the whole CBD. Crazy!"

"If the parking is only at the fringe of the CBD then you might get tourists parking and walking in, but if people who live and work here have to walk in (to the CBD), it's not practical. I guess it's to do with the efficiency of being able to access the CBD, and get where you need to go"

“They (CCC) say there will be little or no parking or place for cars in the city. If that's the case, people will keep on supporting the malls in the suburbs and they will get bigger and bigger and there will be no central city. The project seems to be 'no cars in the city CBD'. The average New Zealander uses their car. We expect when we go shopping or to work to jump in the car and have somewhere to park when we get there”

“For the City Plan, they're going to close the road going past our front door, where we had our signs, and that's all going to be closed with a green area and cycleway and no traffic going past at all. It will isolate us. How will the guests actually access us? It's a huge issue – people always ask where is our car park and being the type of (premises) we are, we have an older clientele and they need to be able to park nearby”

Business owners also expressed awareness of the Restart programme commencing in November in the Cashel Mall. It was widely acknowledged that it was necessary for some form of retail enterprise to take shape within the CBD to re-stimulate consumer interest in the CBD, whilst providing opportunities for retailers to re-enter the CBD within an innovative, safe and structured retail environment. Some business owners indicated that they were firmly in favour of this initiative and perceived it to be critical for the survival of the CBD in the long term.

“We want the vibrant village community feeling again. The Cashel St project is great, that will be something we will be able to see - some progress happening”

“The Restart programme is a good 'now' thing, we need more of that. Think more of the now, there's no use waiting 10-15 years. I think the Cashel St precinct will be good, once people see how it works it will be good”

“I'm opening in the Restart in Cashel Mall in November and I hope the local population will help me in some way”

However, others queried whether the Restart initiative was necessarily the most appropriate format for their business type, and perceived that the apparent 'exclusivity' of the venture had the ability to exclude some smaller Christchurch business entities from uplifting this retail opportunity. It was also suggested that the investment required for businesses to enter into the Restart programme was prohibitive for some smaller businesses, particularly for those who had had little or no payment from insurance companies / claims management organisations at this point in time, and therefore had had little available capital to re-invest in a container trading environment.

"We've been offered the containers in Cashel Mall, but only a few weeks ago, so we're a bit ticked off about that because we had a shop in Cashel Mall so it's a bit too little, too late. The container – with the amount of money it costs to lease it, it's too much to commit, a lot of people were interested before June but can't go in now. The parking and the logistics of running a business to actually get in there in the first place are issues as far as we can see. We don't have the money any more; we've used up all of our savings so we don't have the money. All of our plant is trapped in our other shop, so if we do decide to do it (go into container), then what do we go in with? It's everything like coat hangers, racks, all that, even tissue paper to wrap the products, receipt books, so we didn't have anything at all, and it all costs money"

"There's a thing called Restart in Cashel Mall, and quite honestly I'm disgusted with it. They're very specific about what tenants they will accept, and a large number of these containers are designated fashion and not home wares. I speculate that that's because they're on the back door of Ballantynes and they didn't want competition for home wares because Ballantynes is the key retailer. They (containers) cost \$600 per week plus GST and that's premium Cashel St rent when the mall is busy! I think that's disgraceful and not accessible to your average ... retailer. They need to realise that this is after an earthquake, not when the city is trading as usual"

"The container offered in Cashel St is a non-starter for me because of the ridiculous costs. They are asking over \$600 a week for 60 sq. metres. It has been done with government support. Millions of dollars, so where has the money gone? The money given is not filtering down to the small businesses like myself. They have provided the containers and pocketed the rest"

"It's a time of great uncertainty, especially for businesses thinking of returning into Cashel Mall. Will it be like it was before, or will people come in for curiosity and then what? There are so many unknowns"

"I think it's too rushed, I don't see the point in having the portacabins in Cashel Mall when there are empty voids everywhere. The stores will all be limited to what stock they can hold because of sizes. The first couple of weeks will be great because everyone will want to have a look, but the parking will be a major issue I think"



"I don't believe in totally setting up a makeshift CBD round Ballantynes, I'm not a huge supporter of that. I'd rather see a more permanent thing worked out. I understand it, but I don't know how much money has been wasted doing it"

Some business owners perceived it to be critical for the recovery of the CBD for the future to ensure that care and time were taken to plan a strategic approach to re-stimulate the CBD retail environment, and to position any new initiatives as safe and accessible, to alleviate any concerns within the Christchurch market as to the safety or otherwise of the CBD and areas in close proximity to the Red Zone. Comment was expressed that the 'Tin City' adopted by Napier post-quake had offered a unique recovery initiative for businesses, with the feeling that this type of initiative could be offered within Christchurch on a larger scale.

"After the Napier earthquake they created 'Tin City' which went for 10 years and was basically a retail shanty town. That was fun, and it worked, it was affordable, so I'd like to see something affordable and fun like that here to get the community involved"

"It's essential for people to get their businesses back on track, but no one wants to be in a place where you're unsafe and people can be killed. I think it's going ahead too soon, it's too fast"

"I would sooner we took time to make decisions for the future of our CBD rather than rush in and make wrong decisions. There are a lot of issues that need to be looked at with regard to the CBD. We have an opportunity to do it well and get it right, if we rush in we could make wrong decisions"

"I think if you need to do it, do it properly, maybe in January or something. Have more of the city opened up at this time to get people in, at least in January you've got the Buskers Festival in Hagley Park to get people in"

"I disagree totally with the shipping container precinct, there has to be a lot more thought put into it as to how it will function in the future, it's a short term fix to get people back into the HD. It's very stand alone and temporary, it may not be there for long and it may paint the wrong picture as to what the CBD will be like. I thought it was meant to be a clean green low structure set-up with trees, and a green environment, a smaller friendly CBD to shop in. To put shipping containers that are temporary in there is to me, non-conducive to getting retail back to town, all it will do is get people to look at what's not in there, I think it will be totally non-productive"

"Container shopping is not an option for my business. I don't see my customers going into a container shop to buy their special engagement ring or whatever it might be. It wouldn't work for our business"



'Red Tape'

During the course of the study, some business owners indicated a high degree of frustration with what was perceived as an extreme level of red tape and bureaucracy from authorities which, in their view, had hampered business recovery efforts in some instances. As previously stated, it was felt that the extra-ordinary situation created by the February 22 event and subsequent aftershocks / new events, had effectively suspended the norm for residents and business owners alike, establishing a 'new normal' requiring some flexibility / accommodation by all involved, including authorities, to assist Christchurch / Canterbury residents and business owners to get back on their feet. It was generally acknowledged that concessions should not ideally be made in circumstances where personal safety could be at risk, given what had occurred within the CBD in February, but business owners were looking for authorities to attempt to meet them halfway relative to the recovery effort in order to ensure that all were working together on the same page for the benefit of the city for the future. Currently it was felt that there appeared to be too much emphasis on what was deemed to be unnecessary red tape, when what was ideally required was a sense of flexibility and a commitment by authorities to assist business owners to move forward towards economic recovery and stability.

"CERA wouldn't allow me to organise my own demolition which would've been much cheaper. That decision wasn't made available to me. They gave me a week's notice and then demolished the lot and dumped it. The attitude of Civil Defence and CERA made life very, very difficult. I had big problems getting into my building to get anything out. There was little effort made by the authorities to recover any of my property"

"We just need to get on with it really, but there's too much bureaucracy and at the Council there are too many chiefs and not enough Indians"

"I heard about a (property) that was available to lease for 5 years and thought it would be ideal, so I thought I would buy the property. I went to the Council and they checked out my (retail) business, how many hours I would be open and the noise level of the business and I received a temporary permit for no charge, to help businesses get up and running again. So I painted and tidied up and pulled it all together because it had been a pretty run down rental. It looked great. Then I got letters asking what access I had for the disabled, then the Council wanted to know if there was handicapped sanitation and ramps. I had to engage a fire engineer to check out fire safety standards because of 'change of use'. The (property) was built in 1940 and he said it was too close to the boundary, so I had to put up 2 layers of firewall gib on the boundary wall. I was told I needed a ramp in there, and hand rails up there. Next I would have to take up the bath and vanity so there would be disability sanitation. It took all my money to set it up and it's only for 4 1/2 years so it would cost a fortune to do all the changes involved. It will take me 2 years work to pay for the improvements I have made. I would never have taken it on at all if I had known up front all that would be involved"



"The burden of red tape needs to be looked at. We need to ratchet up the progress and the unnecessary red tape is holding progress back"

"I went (to the CCC) for a resource consent and it was hard enough even finding out how many toilets I needed, never mind actually putting in the consent! They seem to use the excuse that they have all split up, their departments, but it's (more than) 6 months down the track now, so come on! If we get any other problems here we'll pack up and leave. We've had enough"

"The red tape needs to be monitored, don't put too many impediments in front of people who want to invest and rebuild the city. Safety is vital, but if we were to wait too long, we will lose the heart of the city because some businesses won't survive"

"Forget all the bureaucratic concrete. There are so many rules about the way things have to be done. They (authorities) are clearly creating difficulties that don't need to be there. Consents for this, consents for that, to be able to do that. Ideas are shot down because of the bureaucratic claptrap that you need to jump through. Make things simple"

"Cut the red tape which will help us to re-establish our businesses. In normal circumstances, we understand we have to deal with the usual red tape, but not now. We need some concessions made to get us through the whole process faster. It needs to be simplified for Christchurch"

"The Council needs to stop making stupid rulings on the buildings that are going to be built. Stop the roadblocks. The new rules preclude my build. They make it uneconomic. I will be forced to sell to a larger developer"

"I do think that the CCC needs to be more flexible in regards to rules and regulations about people opening businesses, apart from the structural rules of course. I've heard stories that people have found themselves stymied by bylaws and restrictions that really they could do without at the moment. They just need to be more encouraging of businesses"

"Get rid of all the draconian rules and regulations when people are only wanting temporary premises. You don't mind investing money if it's long term, but for a temporary premises it's such a waste of money and it's made so difficult when all you want to do is trade in your business. The draconian regulations for sole traders like myself and so many others will stifle us and that will be a real shame, and a loss to the city"



Business owners were strongly in favour of a more consultative, accommodating approach from authorities toward businesses located within the Four Avenues / Red Zone. It was perceived to be critical for the recovery and future success of Christchurch as a city that businesses were able to re-establish themselves, in an environment where there were now limited (and not necessarily entirely suitable) premises on offer to uplift, and some business owners found themselves severely financially stretched by attempting to re-open and re-establish their businesses post-February 22 – particularly those whose businesses had been closed for a number of weeks / months after February 22. Business owners were looking for some concessions to be made relative to CCC requirements and permits to operate from temporary premises in the short term, in addition to some softening of restrictions as to consents for future rebuilds, as it was perceived that without the financial re-investment of building owners and business owners in the CBD, that Christchurch's recovery could potentially be under threat.

A small number of business owners indicated that they did not currently have any issues or concerns.

"Most of my issues are resolved now. It took a long time, a lot of kicking and screaming and rattling of cages, but it has all been resolved"

"None – it's pretty much business as usual for us, so no, no issues"

"Not really any issues now. I've worked through most things and I'm in a good place right now"

ISSUES / PERCEIVED RESPONSIBILITIES



Business owners were also asked which specific issues they would like to see addressed at this point in time, and by whom. As the following points illustrate, it was perceived that there were a range of issues needing to be addressed by various organisations in order to assist the recovery of the city for the future. Business owners felt strongly that there ideally needed to be a more co-ordinated and synergistic approach within recovery planning and implementation in order to allow businesses to be part of the recovery, instead of apart from it, and saw

the process as an integral, inclusive and democratic one with all participants working together toward a common goal - the recovery of the city of Christchurch.

➤ Insurance

As previously stated, it was strongly felt that the current insurance stalemate needed to be addressed to facilitate business recovery, with a high degree of frustration evident as to the length of time taken thus far to achieve little or no discernible return for a number of business owners.



Issue	Addressed By
<i>"Insurances need to be sorted out. It's all taking too much time, we are just told 'You have to wait, it will take time'. I haven't had a payout since May. With no income coming in it makes it pretty tough"</i>	<i>"I don't know – you can't push the insurance companies"</i>
<i>"We need to insurances to come to the party. We need the reinsurers to get on the front foot and pay out. I've prepaid my insurance for 18 years. Now that this unexpected event has happened, they need to play their part"</i>	Reinsurers and Insurance Companies
<i>"The insurance industry money needs to flow out from claims, there's a bottleneck in that that area. It is true (that) claims money is not being paid out as quickly as it should be – we need to get money circulating in the city. We cajole them, but at the end of the day they release the cheques when they are ready to"</i>	Insurance Companies
<i>"The Government should be much more proactive with the insurance companies. Put the pressure on them to come to the party and get things moving. This hands-off isn't getting us anywhere"</i>	Government / Insurance Companies

Issue	Addressed By
<i>"The insurance companies must start co-operating. The insurance is holding everything up. The rebuild of the city and the establishing of business again. They must start paying out the policy holders that are long overdue"</i>	<i>"The Insurance companies and the government. The government must take a stand on behalf of Christchurch people"</i>
<i>"The insurance issues are too slow and protracted. They are far too slow in the payouts. By the time the settlements come it will be too late for many small businesses. They need to sort the claims out faster but the frustration is that no-one can do anything about it. They do as they choose. They are only concerned with their business, not the policyholders"</i>	Insurance companies
<i>"With the energy it's taken for me to sort out my insurance alone I could have started 3 new businesses. I've sent my insurance company an invoice for \$8,500 for my time taken in sorting it out and that's a very reasonable cost in comparison to my time. Everyone's been put through this nonsense. We've got builders who are unemployed because everything is hinged on the insurance companies. They are simply making it too difficult on every front. I sound very negative but I don't have much faith in what's happening now or what's going to happen - I'm very positive about that!"</i>	Insurance companies
<i>"Insurance is the biggest issue now. The insurance companies and the loss adjusters need to be more reasonable with the people insured. The timing of action is somewhat delayed. It needs to be sorted in a much more timely manner"</i>	Insurance Companies
<i>"The banks have got heaps of money to help the rebuild but it can't move until the insurance companies do something constructive. I think maybe the government and the banks may set something up after the elections to sort the insurance problems. We can only wait & hope. My insurance for the business has just gone up by 100%. For what?"</i>	Banks / Insurance Companies
<i>"Give help to people who were insured with Western Pacific. Help us to save our businesses. Without a payout from our insurance we cannot restart the business"</i>	Government
<i>"I would like to see the insurance companies come to the party. I have had no payment made. Just a lot of talk and to-ing and fro-ing while I still have to keep paying the premiums but there is little or no action on their part"</i>	Insurance Companies
<i>"It's the speed or lack of it at which things have been happening. I guess that's because of the insurance companies making things difficult. It feels like it will be 4-5 years before people will be able to reinvest back into the CBD, rebuild their premises and that. It seems like a long way off really. The insurance companies need to start playing the game; they have made life very difficult for business owners and property owners. They're dodging their responsibilities I think"</i>	Insurance Companies



Issue	Addressed By
<p><i>"I think insurance is holding back and not paying for the demolition work or for buildings to be repaired or rebuilt because they're waiting to see if aftershocks will continue to affect the land, which I guess is understandable. But the insurance won't pay me out for any of my items that are stuck in the CBD because they're just not accessible, and they're recoverable eventually. Until my stuff is wrecked it's still in there, and because it's not lost or stolen, the insurers are saying no, they won't pay. I'd have thought that there would be some settlement because a lot of people are in the same situation as myself I think. They (insurance companies) need to meet their obligations in a timely manner and they really need a kick up them. I've had to buy all new gear - PCs, laptops, printers, and the insurance won't pay because it's not accessible at the moment. Others have been paid out straight away and they can move on, but it's really hurting businesses, and more and more skilled people will leave and then it will be harder to bounce back"</i></p>	Insurance Companies
<p><i>"Break the insurance stalemate. The Government needs to be proactive - use a big stick. Name and shame. Highlight those companies that help, shame those companies who don't. If the market forces can't force the insurance companies then it's the government's roll"</i></p>	Government
<p><i>"If the insurance companies don't get their act in gear and pay out then the building owners will go under as will the business owners. If they rebuild now they would have to do so under a higher building code which costs more, and they'll not have as high a building to sell to prospective tenants either. There will be less people in a position to pay higher rents which further complicates the issue. The insurance claim in itself that we have doesn't have any forward momentum, and if the insurance isn't settled then people can't move forward, and nothing will get done"</i></p>	Insurance Companies
<p><i>"The insurance companies treat you like criminals and like you're being dishonest in claiming, when you've paid your insurances all your life"</i></p>	Insurance Companies
<p><i>"The big challenge we have is having our insurance claim attended to. Everything went, the building fell on us as we came out, so the insurance wanted receipts and records and of course they were all in the building, and our server was in there too. As luck would have it we were about to do a backup on the server that night and of course that never happened. So we're having some significant challenges with our insurance company. They seem to be satisfied with what you give them and what we have to say, and then they decide they need more information and what you have provided isn't enough so it's very frustrating"</i></p>	Insurance Companies



Issue	Addressed By
<p><i>"Insurance cover - the International Council of Insurance have deemed these earthquakes NZ earthquakes, not Christchurch earthquakes, which has a massive impact. It means that I can't pick up my business out of Christchurch and shift somewhere else in NZ, because it is deemed a NZ earthquake and so implications of trying to get insurance cover is the same no matter if I am in Christchurch or if I shifted to Timaru"</i></p>	<p><i>"(Canterbury Employer's) Chamber of Commerce / The Government needs to sort out this problem with the insurance companies"</i></p>
<p><i>"Do I need to get my lawyer involved to get my insurance? I told them in December that if they didn't pay I'd go under, and I got \$35,000 in December but nothing since then. Do I need to make a daily phone call instead of a monthly phone call? Am I being lax? Is it my fault? I'd have thought it was all part of the process but it's not. If they want us to move back into the city again, I won't get insurance on it again, I'm stuck. I can't rebuild our building in the city because I can't get insurance so the bank won't risk capital unless the building we build is so exempt from earthquakes that the insurance company OK's it to the banks"</i></p>	<p>Insurance Companies / Government</p>
<p><i>"We need insurance companies to have clearer policies. People need to understand all of the clauses in their policy. We found, as others did, that we didn't understand what we were insured for exactly. They need to sort out the legal speak into normal, everyday speak (so) that people understand clearly what they are covered for. I can see it must be a nightmare for insurance companies when something like this happens. I see it from both sides but my concern has to be with my business and to make sure we get what we were covered for as quickly as possible. I went to a meeting for businesses in the red zone who had no access and they said they would pay out end of April, so we worked to that timeline only to find it shifted. Our fit out has cost us a lot of money which we have had to front with, and at this point we have only received a very small amount and still waiting"</i></p>	<p><i>"The Insurance Council – pronto!"</i></p>
<p><i>'It's a waiting game with the insurance. The people you deal with are nice, but they aren't the ones making the calls, so anything or nothing can happen. It's just the process that's difficult. If they would just pay up...."</i></p>	<p>Insurance Company</p>
<p><i>"Cash flow is a dreadful problem. My bank has been supportive. Some suppliers have been good but others haven't, especially Australian suppliers. I don't want my cash flow to get out of hand. An insurance payment would fix it"</i></p>	<p>Insurance Company</p>

As the above verbatims demonstrate, delays relative to insurance assessments and payouts are a source of extreme frustration and tension for most business owners, relative to the holistic impact these delays cause on recovery and progression of business. There is an articulated fear that if insurance companies do not honour their commitments and provide payouts for Christchurch business owners, that a significant number of Christchurch-based businesses will be forced to cease trading – particularly those smaller or sole trader enterprises in the retail sector, requiring reinvestment in stock or plant, who do not have the available cash flow with which to re-fit a new premises, or re-start their business from scratch if required.



There was some feeling evident that if insurance companies continue to delay insurance payouts to Christchurch businesses, that intervention may be required at Government level to effectively break the stalemate and provide businesses with the wherewithal to move forward. Business owners held the expectation that 'someone' at senior level would take a leadership role in this issue to encourage collective co-operation from insurance companies, given that business owners' own individualised efforts had not necessarily borne fruit in the form of a payout from their insurers. Again, there was some feeling that business owners were fighting in isolation with insurance companies / claims management organisations, and that collective power was required to facilitate a suitable solution for business recovery. As previously stated, it was perceived to be difficult and challenging enough simply to maintain day to day business within such an uncertain economic and seismic environment, without the additional stress, time, and financial implications generated by a protracted (and not necessarily beneficial) dialogue with insurers. In general terms, for the majority of business owners, insurance issues were the primary difficulty at this point in time, and without resolution, effectively hampered forward momentum for a number of business owners wishing simply 'to get on with it'.

➤ Progress / Future Planning



As previously stated, business owners were ideally looking for some form of dialogue from the 'powers that be' (i.e. CCC / CERA) as to the anticipated timelines of the recovery and rebuild process, to enable forward planning for tenants and building owners relative to the future and the most appropriate way forward. Business owners perceived it to be critical that they were given the opportunity to work alongside the Council and CERA to brainstorm recovery solutions and strategies to ensure that all were working together with some commonality of purpose and focus for the benefit of the city and its' future.

There was some feeling that initiatives to encourage business back into the CBD for the future needed to be developed collectively, with leadership from the CCC and CERA if appropriate, to offer opportunities for businesses to better understand the future direction of the CBD and their place in it. Business owners are ideally looking for a sense of energy and purpose from designated city leaders relative to the recovery and rebuild, to reassure them that business survival and continuity is of paramount importance in the short term, and to demonstrate that the CCC is effectively harnessing all resources within their power to ensure that businesses are provided with opportunities to recover and rebuild. However, at this point in time, there is some concern as to whether there is sufficient constructive dialogue between businesses and the CCC / CERA to enable businesses to formulate communal recovery strategies in the short term, to attempt to ensure their survival longer-term.



<i>Issue</i>	<i>Addressed By</i>
<p><i>"I'd like people to talk to us about what is planned and some time lines as to when things are going to start. I own the building my business is in. There are 35-40 shops in the street but only about 4 of these buildings are like me, business owners in our own buildings. The others are all leased premises and the businesses have since gone or moved on. When I go back, how many other businesses will be there in the street? How long will it take for those buildings to have businesses in them to make it viable for me to be in business? How long before we know what is being decided about the Price Waterhouse building, because that affects me directly? Communication on what is being planned for our city needs to come to the people who owned businesses in our city"</i></p>	<p>CCC / CERA / Building & Business Owners</p>
<p><i>"We need to continue to move in all areas. CCC/CERA are doing OK but we need no lessening of that intensity. Any delay is not good. The longer the delay the more grey areas that are created. There are lots of issues as far as our building is concerned. The questions are 'do we go back, don't we go back?' into the building. Consideration of what will the CBD be in the future. I don't believe it will be the same. Probably a lower skyline so the risks aren't so great. The city will have a new face but we need to have some idea now what that face will be"</i></p>	<p>CCC / CERA</p>
<p><i>"Take Gloucester St and Armagh St. Demolish what buildings need to go and instead of using a lot of architects for all the buildings, get everyone to use just the one or two to make it cost less. If they could get the businesses together to co-operate with each other, the area could be built fast. It's just a small area. Build it so it has its own character, different from another area in the city. Build progressively. That way we get started and you don't need so many builders at once, not so many building supplies, e.g. concrete etc., needed all at once. Make it manageable. We only need a small city to start with"</i></p>	<p>CCC / CERA / Business Leaders</p>
<p><i>"I would push the rubble out of the Turners and Growers site and set it up as a small business site. The book shops, hair salons, jewellers - the niche market. But I don't have the money and neither do any of these small businesses to do that. Millions of dollars have been thrown at Christchurch but the small businesses are not getting any of it. In an ideal world the CCC should be taking that (leadership) role but they have demonstrated that they don't have the capacity to do that. I have no faith in their ability. After (more than) 6 months we are still not getting anywhere"</i></p>	<p>CCC</p>
<p><i>"There's no information been put out there to make us confident about the rebuild of the city or businesses going into the city. You can't rebuild a city around Ballantynes. Small businesses won't go in because they can't make the same money they made before because there won't be the same foot traffic. You will not be able to make a profit or even break even until the foot traffic comes back and that could be years - maybe not even in my business lifetime"</i></p>	<p><i>"CERA – because I have no confidence in the CCC. I've been to their meetings – what a pack of w.....s"</i></p>
<p><i>"We just need to see something happening. We don't see any progress, just the demolitions and even the buildings aren't moving, the big ones like the Grand Chancellor"</i></p>	<p>CCC / CERA</p>



Issue	Addressed By
<p><i>"The only issue I see is the powers that be, CERA and the CCC, need to get on with the rebuild. Things have taken too long to get back up and running. The people I speak to with small businesses feel they are moving too slow, one thing would be to get rid of the Grand Chancellor. That would free up the area for business to restart. Bring in the Americans and demolish it quickly. Where initially I was going to go back into the city centre, now because things have taken so long, I have set up at home and will now be very happy to stay where I am. I know some other small businesses that feel the same way"</i></p>	CERA / CCC
<p><i>"There needs to be more transparency between the CCC and the people of Christchurch, let us know what's happening to our city, the people who are left are the ones who will stay, and we need to know what will happen to our city. These people (CCC) are our employees and they answer to us"</i></p>	CCC
<p><i>"The Council needs to involve the business community in the future planning for the city. The building owners have had little voice to date in the planning of the city in the future. There needs to be dialogue between them, the business people and the Council. They need each other to rebuild the city"</i></p>	CCC / Business Owners
<p><i>"First on my wish list would be crystallisation and certainty around when the Red Zone will be opening, and will the CBD remain as it was, or will it be dispersed as it is now?"</i></p>	CERA
<p><i>"I think they've done a pretty good job so far but they need to keep the pressure on. I need them to set targets for timing for the CBD. We are in temporary situations so I need to know how long it will be before we get back in – 2013, 2014, 2015? They say in April they will be letting the cordon down, but what does that mean? I think it means there will be no restrictions in any part of the city, that everything will be demolished that is a risk"</i></p>	CERA
<p><i>"I think they've done a good job getting buildings down, but they need to streamline the process and get architects to present concepts to business owners. Let's get the creativity moving, don't wait for building owners to start the process"</i></p>	CERA



➤ Leadership

As previously stated, business owners were actively looking for leadership from authorities such as the CCC, CERA and the Canterbury Employer's Chamber of Commerce relative to the formulation of a cohesive and inclusive strategic plan for the future of the CBD which could then be contributed to and supported by business owners. However, some business owners were cynical as to whether or not the desired level of leadership had been shown to encourage support and 'buy in' from the commercial sector in the first instance, and did not necessarily have the desired level of confidence relative to the leadership of the city at this point in time.

Issue	Addressed By
<p><i>"There's no leadership. I've no time for Parker before or after the earthquake. He hasn't provided any leadership for businesses in the CBD. CERA can't see the wood for the trees; they are bogged down in demolishing. Thought of building is a long way down the track. Brownlee never demonstrates any empathy. I thought leadership would come from the grass roots – probably Canterbury Chamber of Commerce, but they are too busy dealing with manufacturers with a staff of 100 people. They haven't got time to help the small business, or that's what it seems like"</i></p>	<p>Canterbury Employer's Chamber of Commerce</p>
<p><i>"Bob Parker and Roger Sutton like all the power. We need the reality and the truth of the situation so we can start to come to terms with it and come up with some realistic attitudes and ideas on how to go forward. The real people who want to rebuild this city won't run away. Business people need to band together and come up with a plan for the city, not the bureaucrats. We need a leader we believe in and trust. We need an unbiased overview of what is best to do and how to get there"</i></p>	<p><i>"I don't know where we will find this leader"</i></p>
<p><i>"We need a positive guide from the whole Council – the leadership (style) seems to be one of being dysfunctional. There's a lack of honest communication between the Council and the business people of the city. I think the Council needs to consult (on) a plan with the business leaders. We need realistic people talking to the business leaders to get some reality into the plan"</i></p>	<p>CCC</p>
<p><i>"I would like to see a business forum set up for business leaders. Recovery will be driven by the informed business community. We need to maximise our business leaders' input"</i></p>	<p>Canterbury Employer's Chamber of Commerce / Canterbury Business Development</p>



➤ Media / PR

Some business owners strongly perceived that there was an opportunity to utilise media channels to firstly, present a realistic picture of the issues facing the city to ensure clarity and honesty of information disseminated to the residents / business owners of Christchurch and to New Zealand as a whole, and secondly, to promote those smaller businesses who were attempting to trade in difficult and / or trying circumstances within the Four Avenues and other affected areas of Christchurch, to raise awareness as to those businesses which were open and trading, and to encourage support / patronage of Christchurch business entities. It was generally perceived that there was some confusion evident within the market as to whether in fact specific areas of the city were open, and whether businesses were trading, with comment being expressed that there ideally needed to be some form of cohesive media or PR strategy to promote those businesses / areas which were open for business. There was some suggestion that funding for this type of initiative could potentially come from the 'pool' of funds which had been donated for earthquake recovery initiatives (i.e. the Mayoral Fund, Christchurch Earthquake Appeal), given that some businesses did not have sufficient cash flow to embark on individual promotional campaigns at this point in time.

It was perceived that ideally there should be some form of national media follow up with business people whose businesses were located within the CBD pre-quake, to present a realistic and current picture of the status quo for businesses nearly 8 months post-quake. Comment was expressed that the level and quantity of media coverage immediately after February 22 had extensively highlighted the key issues facing the city, and that there had been significant coverage relating to both commercial and residential building damage and land issues since. However, it was felt to be timely to follow up on business owners' circumstances to ascertain how CBD-based businesses had fared since February, to identify ongoing issues and stresses for these businesses, and to actively promote those that had relocated and were forced, by circumstance, to adopt new and innovative ways of trading to ensure business survival for the future. It was also perceived that ongoing media coverage would ensure that the issues facing Christchurch businesses were not forgotten by the rest of New Zealand as time passed by and other issues became media priorities – which is a real danger for the economic recovery of Christchurch for the future.

Issue	Addressed By
<p><i>"I would like to see honest reporting on the state of the city going forward. That TV3 reporter John Campbell has done some good work but generally the reporting is haphazard. There's been no follow-up on business owners. We should've had a before and after earthquake follow-up on businesses. 'Where are you now?' addressed by Fair Go or someone with no attachment to the city, for objectivity. What we are getting is a smokescreen. This rosy picture we are getting is a dangerous way of reporting, it is falsely raising people's expectations. If people were allowed into the red zone and could see what is ahead of us, many would run. The City Council don't want people to know the truth of it as they need people's rates to rebuild the city. The propaganda we are being fed through the television is a pipe dream. We need to start with real engineering and geotech reports to let us know the truth with regard to the land to start with. We need a leader we believe in and trust. It's not the CCC nor CERA, and with the squashed cathedrals and churches, I don't think it's going to come from above. CCC/CERA thinks the actual reality of the situation might be too much for the people to know. That's why we have all this pie in the sky positivity coming through. It's a smoke screen. I feel we are being manipulated by the council etc. and the media. I may be wrong. Who knows?"</i></p>	<p>CCC / CERA</p>

Issue	Addressed By
<p><i>"One thing we have been rather concerned about and we've been working on is how Christchurch and Canterbury have been promoted, the central city area. Being in a city we feel there needs to be some positive promotion there. Everyone talks about getting the inner city going, but it's hard to take because the tourism organisations seem to say that there is nothing going on, and (tourism) websites tend to promote outside the central city area for wining and dining and that. They put a big purple shade spot over the Red Zone area on the maps and directed people out to Merivale and that. When there are a lot of businesses who are doing it hard in the city, it would be good to direct people to those, you can count the number of businesses that are open (in the CBD) on two hands but there are some options in town, like Cook'n with Gas, other restaurants, and they didn't relocate anyway because of what they were, it was too difficult to do that. I think Christchurch and Canterbury Tourism has got a lot to do in that respect, they've got the big international marketing thing to do, and once people get here they have to be looked after properly, so they could support it by putting out good information, and really they need to get together with Recover Canterbury and the CCC to get it done together"</i></p>	<p>Christchurch and Canterbury Tourism</p>
<p><i>"We need a booklet or something put out telling people what businesses and roads are open. We need people to know not what is closed, but what businesses are open for business, and where. It's a waiting game for us, waiting on the rebuild. Until the rebuild starts and businesses come back into the area, we are really just hanging in"</i></p>	<p>CCC</p>
<p><i>"When the Rugby World Cup media delegation were shown around the Red Zone, some of them came into my shop afterwards. They were amazed we were even open; I think they thought the whole city was completely gone. Why not show them the bits of Christchurch that are open instead? Why keep thumping what's broken down in the middle? I think it's short sighted, why not show them something that's actually operating? I deal with a lot of overseas customers and they think Christchurch has all shut down. I get a lot of enquiries asking if Christchurch is functioning, if we're open. People are afraid that if they come here as a tourist that there is nothing to do, that we're not functioning, and that's scaring the tourist trade. Yet there are still things to do and they think that the city is wiped out"</i></p>	<p>Christchurch and Canterbury Tourism</p>
<p><i>"My biggest concern is that people overseas think that Christchurch is stuffed, that's all they see on TV, because that's it really, they think it must be terrible to live here and that we're all using portaloos and everything is in ruins. That perception sells newspapers and gets on the news, it's bad news isn't it, and that's what they want. The CCC needs to change the perception that Christchurch is broken and use the same media that created the negative perceptions to show some good news stories. We need to see the other half of it, show what the rest of Christchurch looks like, and the CCC needs to show leadership and get it out there that some businesses are coming out of the recession. Some companies are doing well and that's unrelated to the earthquake and we didn't lose any GDP so that's a good indicator for Christchurch"</i></p>	<p>CCC</p>

<i>Issue</i>	<i>Addressed By</i>
<p><i>“They (CCC) need to promote the areas that are available to open up and try to get the businesses back in there as soon as Victoria Street is clear and ready to start and there are other areas on the fringe of the CBD. We need to bring business activity back into the city where we can. We need to get the two councils back into the CBD. That would be a plus for us but also for the wider picture, it would send a signal to the business people. The CCC needs to be seen to lead us back into the CBD. Walk the talk. They are spread out among various libraries and service centres and ECAN's out Lincoln way. They both need to come back into the CBD to lead and encourage others back into the CBD. The above ground infrastructure is the problem. The underground infrastructure I've heard anecdotally is up and running”</i></p>	<p>CCC, CCBA</p>

➤ Business Support

As previously stated within this study, business owners stated that one of the issues, particularly for small businesses, was in understanding where and how to access business support mechanisms. There was a desire expressed for a centralised resource enabling straightforward, ‘one stop’ information access for business owners, with the perception expressed by a number of business owners that if indeed this type of resource already existed, it was not necessarily being actively promoted to generate business owners’ awareness of its’ existence and propensity to uplift it in the first instance.

<i>Issue</i>	<i>Addressed By</i>
<p><i>“Perhaps for Cantabrian businesses there could be a central office set up where people could register their concerns as issues crop up. To find out how we can access the correct help we need. I'm OK because I belong to the Retailers Association and the Chamber of Commerce and I get help there, but small businesses may find difficulties accessing the right people and options to help them”</i></p>	<p><i>“Central or local government could set it up”</i></p>



➤ **Implementation of initiatives to encourage recreational activity / foot traffic back into Four Avenues / CBD spaces**

Comment was expressed by some business owners that in the short term, there ideally needed to be some form of initiative/s under way to regenerate vitality and energy in those CBD / Four Avenues areas which had been cleared / made safe – similar to those already introduced by Gap Filler projects – to attract residents back into the CBD and ensure that the area bordered by the Four Avenues was not ‘forgotten’ in the short term whilst longer-term rebuild and recovery projects were under construction. There was a very real fear expressed that if some forms of activity and community engagement were not initiated to keep the CBD top of mind and to encourage potential visitors to the city centre to feel safe and at ease in those accessible areas of the CBD in the short term, that the longer term future of the CBD was uncertain. Business owners ideally envisioned the CCC working alongside community groups, retailers’ groups, arts groups and festival organisers to co-ordinate and promote initiatives generating a sense of purpose, energy, and progressiveness within cleared / safe CBD locations, to act as a precursor towards larger-scale initiatives in the future. It was acknowledged that the Restart programme was a step forward in creating an incentive to encourage Christchurch residents back into the city, and that ideally, other creative initiatives could follow.

Issue	Addressed By
<i>“Have promotions to bring some people back into the city. Some of the old customers have said they feel uneasy about being in the city so I guess it will take time. Perhaps have markets around the Art Gallery so people can get used to being back in the area. The city council need to be proactive and start promoting activity in the area. Lead by example”</i>	CCC
<i>“What’s happening with the empty spaces? Why can’t we hold festivals in these big empty spaces. The Council could put money into these spaces. Build greens, basketball courts, chess set somewhere like (the one that) was in the Square. Set up an outdoor photography zone - people could set up their photographs on boards outside. Have graphic arts people paint the sides of buildings. Being in these areas will make people more confident about coming into the CBD to work or play”</i>	CCC
<i>“We need the Council to do things that will bring the people back into the city. It could be things like free car parking, have carnivals in the wide open spaces that are in the city e.g. the Busker’s Festival, Arts Festival. Retail alone won’t bring the people back in, in the numbers needed”</i>	CCC
<i>“The issue we’ve got is in terms of if they (CCC) don’t get people back into the CBD, get it reoccupied, they won’t get people back at all. We’ve taken a lease so we’re locked in now, the CBD is dead at the moment so what they need is to create opportunities to get people back into the city, otherwise it will be too late and people will just disappear and the CBD will remain dead”</i>	CCC



Issue	Addressed By
<p><i>"We really need something that can gather people in the central city, something like they have done with the Westpac Business Hub, that's really good. So if we could get something temporary like that going, to give people a reason to do things, somewhere that people can meet and do business, and also promote communication and culture as well. If they can do that, open up areas like Victoria Square and get events going in there, something around somewhere that will draw people in"</i></p>	<p>CCC / Recover Canterbury / Canterbury Tourism</p>

➤ Safety

Although, as previously stated, business owners perceived it to be critical for the recovery and rebuild of the CBD to proceed in a timely, cohesive and co-ordinated manner, comment was also expressed that care needed to be taken to ensure safety was paramount within the process. Business owners were ideally looking for clarity within land zoning issues to clearly ascertain those land areas which were compromised, and were also desirous of clear guidelines relative to compliance for those buildings requiring further earthquake strengthening and repair. It was also perceived that there should be transparency within the communications process between CERA, engineers, building owners and tenants relative to the safety of those buildings left standing, and the nature of remedial work required to ensure these buildings complied with earthquake strengthening standards and safety requirements. Post-February 22, there was a very real concern expressed that those buildings left within the CBD, and indeed those still to be built, needed to be able to withstand any further significant seismic events in order to ensure the safety of those who utilised them. Some business owners indicated that their confidence in official reports relative to building safety had been shaken when buildings deemed 'safe' post-September had failed in February, often with devastating results, and perceived that absolute transparency needed to occur relative to building assessments and communication processes as to any remedial work required, to ensure market confidence in those buildings left standing, and in building compliance processes for new builds within the CBD.

Issue	Addressed By
<p><i>"In January, people were coming back into the city and feeling like they were safe again, and I had customers back in the shop. Just an hour before the February earthquake I was feeling like things were starting to improve, and then it all changed, just like that. At the end of the day people were killed and is it safe, the city now has to be safe. The Government needs to get behind that, there needs to be a consistent and honest account of how safe the city is, because if we get a 7.5 under the city nothing will be safe. They need to be up front and honest about how it stands, an across the board assessment as to how it stands. Don't open it too soon. We're probably lucky the CBD wasn't open in June, better safe than sorry. I guess with regard to moving forward, even looking at (the) McKenzie and Willis building, the parapets were cracked and hanging down before Feb, it was dangerous. That's not good enough; people can't look the other way anymore. It gets my goat that you can get an engineer to say that your building looks OK and yet it's not, it seems to depend on how much you pay them. That needs to be clarified by local government, the irregularities need to be clarified, confidence won't be repaired till they feel like an assessment is true and accurate, it doesn't build your confidence in the right thing being done"</i></p>	<p>CCC / Government</p>



<i>Issue</i>	<i>Addressed By</i>
<i>"I would like to get the city open as quickly as possible but this is unrealistic. There is still so much work to be done. They need to determine the land safe to build on - the land has to be zoned as yet, so there is a huge process that needs to be completed before the rebuild starts and the CBD is safe enough to open up"</i>	CERA
<i>"Make very sure the buildings that are standing are very safe for people to be in. Make reports on that available so we feel safe"</i>	CERA / Engineers

➤ **Roading Issues**

Accessibility in and around those parts of the city which were currently open and operational was perceived to be problematic at this point in time for those businesses who were attempting to trade within the CBD environs, and for those business owners attempting to travel around the city for business purposes. Business owners were ideally looking for some form of communicated strategy from the CCC to address the issue, alongside information relative to anticipated timelines as to when some roads would be accessible to enable more 'user friendly' travel in and around the CBD.

<i>Issue</i>	<i>Addressed By</i>
<i>"We need accessibility to the roads around the city. They need to be opened up as quickly as possible"</i>	CERA / CCC
<i>"The way the traffic management is running in our street (since the earthquakes) is just a joke – they (CCC) did everything to stifle us and we may as well have closed down. You try and talk to them but they don't listen, there's just no peripheral vision"</i>	CCC
<i>"We need more information about when the roads are going to be opened up. We sit on a one way roading system. We want to know when we can expect freer traveling around the city because that affects business"</i>	CERA

➤ Building Compliances / Consents

As previously stated, business owners were looking for some clarity relative to building compliances and consents, particularly with regard to those seeking temporary / interim premises to utilise in the short term until issues such as insurance, building assessments, demolition, or remedial work were concluded. As some of the following verbatims suggest, there was a general feeling that the CCC should address some of the more restrictive 'red tape' surrounding compliances and consents to enable businesses to continue to trade in temporary premises, with the recognition that some flexibility ideally needed to be shown relative to cost structures and compliance conditions to accommodate the extra-ordinary circumstances in which business owners found themselves. Again, safety compliance issues were not in question from the market's perspective given what had occurred in February – however there was some suggestion that it was possible to grant some leniency within other areas to enable business owners to get back on their feet in temporary premises – for example, working through each application on a case by case basis to ascertain the specific needs of each business, as opposed to a blanket approach which did not necessarily consider the nature of business being conducted and the specific requirements of that business entity.

It was also perceived to be critical that codes of compliance for new buildings were realistic and not overly prescriptive to enable future re-investment in the city by building owners. As previously discussed, the City Plan was perceived by some business owners to have adopted a prescriptive rather than consultative approach to new building requirements – an approach which was not necessarily perceived to be appropriate given the need to encourage re-investment into the CBD to ensure its' survival, and current issues relating to insurance and other 'red tape' which were also perceived to create barriers for those considering investment in the CBD for the future.

Issue	Addressed By
<i>"We need to sort out the building act. The compliance for temporary business premises need to be sorted out. CERA are aware of the issues but not prepared to give Christchurch business any more concessions. CERA / CCC need to sort out the compliance issues with the Department of Building. They need to 'cut the red tape' when the premises we are looking for are only temporary"</i>	CCC / CERA
<i>"Also the CCC – if they make the (building) requirements too stringent then people won't be able to reinvest in the CBD. The building requirements and compliance issues, I think they are making those too strict"</i>	CCC
<i>"When people are applying for a temporary permit and not doing anything dangerous in their business they should be able to trade without any of these rules and regulations, which will restrict people from restarting their business again because of the huge costs involved. They need to be flexible and look at each application separately"</i>	CCC

Issue	Addressed By
<i>"Because we're a hospitality-based business there are rules about the building regulations and I understand that it's going to change, the codes, but as yet it hasn't been put in black and white so we're unsure what they will be. We don't know after the earthquakes if the rules are going to change"</i>	CCC
<i>"Our main frustration is a lack of information, knowing when the area will re-open and the lack of clarity in terms of the building codes and re-strengthening"</i>	CCC / CERA
<i>"Getting consents into the Council and getting them approved, and getting replies from them obviously causes problems. We have to do a lot of follow up, dealing with structural engineers, consents, fire assessments, reports, it's the waiting. And getting everyone together and communication. Everyone is busy. The Council is under a lot of pressure I think"</i>	CCC
<i>"We need a timeline for getting started on the city. It needs to move ahead while there are still people who are here and wanting to go back in. CCC needs to make it simpler when it comes to building consents and red tape for those who are going to reinvest in the Christchurch of the future"</i>	CCC

➤ Depopulation

The loss of human capital from Christchurch, and indeed some Christchurch residents' desire for weekend 'quake breaks' to gain respite from the earthquakes, had impacted on some business owners relative to normal patterns of business.

Issue	Addressed By
<i>"The other issue which worries me is the depopulation with people moving out of Christchurch. We used to get a lot of trade in holiday weekends, long weekends, and some of our customers came regularly from out of Christchurch on the long weekends to buy (product), but of course now we've got no accommodation in Christchurch and people want to leave on long weekends just to get out of the place! So now it's quiet on weekends rather than busy so we have to adapt"</i>	<i>"I don't know how we address that"</i>



➤ **Delays within the building / recovery process**

It was suggested that reluctance on behalf of insurance companies to insure newly built homes or reinsure current policy holders looking to purchase a new home had created a flow on effect for those businesses involved within the trade, construction or supply industries, who were effectively hamstrung until such time as the insurance companies moved forward with insurance policies. It was perceived that this stalemate had the potential to impact negatively on a significant number of Christchurch-based businesses in both the short and long term if progress was not made relative to reinsurance policies and insurance cover for building new dwellings.

In addition, the question was also asked as to progress of the deconstruction / demolition effort within the Red Zone – suggesting that ideally, there is an opportunity for CERA to disseminate information to business owners via appropriate channels relating to the anticipated timelines for this process, and providing updates as to the progress thus far. The Field Connection would respectfully suggest that a lack of communication from relevant authorities to business owners has engendered a significant amount of frustration and a lack of confidence in those authorities managing the CBD recovery, which only serves to perpetuate an ‘us and them’ mentality that is not conducive to a team-oriented, cohesive and co-ordinated approach to the recovery effort.

Issue	Addressed By
<p><i>“The fact that there is no building going on. Builders have no work - no houses are being built because the insurance companies are playing silly buggers. I have heaps of orders but nothing is being built so my business is on hold waiting. The only way to buy a house is to buy a house that has existing insurance. The builders can't get cover so there are no houses being built which means no work for the builders, and then a flow on effect for associated businesses like ours”</i></p>	Insurance Companies
<p><i>“I'd like to see the CBD move forward quicker, I went in to recover my stock and didn't see any demolition trucks or cranes around at all around Colombo St, the Square or Cashel St – we were the only vehicle in there that I saw. That was 2 -3 weeks ago and to be honest I expected to see trucks lined up next to buildings getting them gutted and down, and lots of work gangs on different locations with 3-4 dump trucks beside them, and there wasn't one at all!”</i></p>	CERA



➤ Access to Red Zone business premises

The processes governing access to Red Zone premises were problematic for some business owners, relative to the cost component inherent in engaging engineers to permit access – particularly at this point in time when a significant number of business entities were financially stretched relative to cash flow and did not necessarily have the financial wherewithal to engage an engineer to gain access to their premises. Again business owners were desirous of a more flexible, transparent and communicative approach from authorities such as CERA, which, if adopted, would assist in building business confidence relative to the decision-making processes and rationale utilised by these authorities.

Issue	Addressed By
<i>"I want access to the building I own in the red zone. I have no free access. I could go in if I pay to have an engineer with me but that's a cost I don't want to incur"</i>	CERA
<i>"We want unrestricted access to our site. It is only bureaucratic nonsense that is holding it up. There is no danger to life or building now"</i>	<i>"Whoever has the authority to grant access"</i>
<i>"There's been a problem in terms of getting information re access which has been ongoing (from CERA / CCC), I know the people working for them have got problems of their own, but there seems to be a lack of proper openness about the situation from the authorities which is obviously still going on, you read about it in the papers. I think bureaucracies are a bit like that, Civil Defence was even worse than CERA"</i>	CCC / CERA

➤ Historic Buildings

Comment was expressed that ideally, those historic structures which were repairable should ideally be preserved where possible to ensure that not all Christchurch's history was lost. It was also stated that this needed to be weighed up against the financial and economic realities of preservation of some historic buildings vis-à-vis the need to proceed with the recovery and rebuild of the CBD, to enable Christchurch residents and business owners to move forward. As the verbatim below demonstrates, it was perceived that Governmental involvement within the decision-making processes as to which historic buildings to attempt to salvage and restore could be necessary to ensure that some of the city's heritage was retained for future generations, and to preserve some of the unique historical character which had previously been a hallmark of the city.

Issue	Addressed By
<i>"I'm disappointed to see that the Bridge of Remembrance has a death knoll over it, it needs to be addressed with urgency. It's almost sacrosanct to me, it's like the Cathedral. The bridge needs to be propped up, it's got to live in some form and if it needs to be propped up with a steel backbone, so be it. That's Government's responsibility, (Prime Minister) Key needs to get involved with that and get on with it. It's important"</i>	Government



<i>Issue</i>	<i>Addressed By</i>
<i>"We need to be open minded with regard to some historic buildings, but we (also) need to put it behind us and remove the buildings that need to go so our mind is set on the future"</i>	CERA

➤ **No Issues**

A number of business owners indicated that they did not have any other specific issues requiring resolution at this point in time. It was stated by some business owners that the process of recovery and rebuild, if conducted appropriately, would simply take time, and that there were no ways to expedite the process at this point.

"I don't know... not at the moment. We still feel shell-shocked. It's just putting your head down and keep(ing) going"

"We have no specific issues really to be addressed"

"I can't think of any (issues) really that aren't already being addressed. It's a number of issues really and I think they are being worked through. It all just takes time and patience, or is it patience and time?"

"I guess it's such a new event. People are getting impatient but I don't see how it can go any faster really"

"No issues at all. Everyone is trying to do their best – the Council and CERA. I have no insurance issues at all – I can't fault them"

"I have no specific issues at this time. It's just working day to day and working through the issues as they arise. I have no burning issues"

"Our business is sorted out now and moving ahead quite nicely. It will just take a little time for the city to get up and running, but that is understandable"

"No specific issues at all"

"None I can think of – this is the new normal, isn't it?"



KEY ASPECTS TO BE ADDRESSED / POTENTIAL SOLUTIONS



Business owners were asked as to what, in their opinion, would be the key aspects which needed to be addressed in order to assist the recovery of our city from a commercial perspective, and what solutions they would like to see implemented to address these key aspects.

➤ Payment on Insurance Claims

As previously stated within this study, it was widely perceived that insurance issues were the primary hold up for businesses attempting to recover and move forward from February. A perceived lack of co-operation from insurance companies / claims management organisations relative to reinsurance, rebuilding, and repair of existing buildings was perceived to have effectively stymied the recovery / rebuild effort at this point in time, with huge frustration expressed as to why the delays were so significant. Concerns were also expressed relative to the impact of insurance issues on the recovery of the CBD itself and for those businesses who had inhabited it prior to February 22. Insurance delays relating to material damage, contents and business interruption claims were also creating issues / stresses and 'hassle' for business owners seeking to restock their premises and / or purchase new plant, technology and essential items to continue to trade.

As the following verbatims demonstrate, it was widely felt that this issue could potentially be the most significant issue impacting on the future recovery of the CBD, and that lengthy delays in insurance payouts were effectively crippling the ability of a number of businesses to make decisions relative to their future in Christchurch. It was suggested that Government intervention may be required to exert pressure on insurance companies / claims management

organisations to attempt to gain some settlement of outstanding insurance claims and to enable some form of positive progress to be made. Business owners in general terms perceived it to be difficult to exert any form of individual pressure on insurance companies, but perceived that a collective approach spearheaded by the Government could potentially assist in gaining some traction for their claims. It was widely acknowledged that there appeared to be very little (or no) empathy, caring, compassion or indeed, in some instances, understanding as to the impact of the February 22 event on Christchurch as a whole from the majority of insurance companies / claims management organisations, with a number of business owners expressing anger and frustration that there appeared to be very little evident desire from these organisations to uphold their contractual commitment to business owners by settling insurance claims in a timely manner.



Aspect	Solution to be Implemented
<p><i>"Insurance issues need to be sorted out. People need to get their insurance paid out on so that the buildings can be rebuilt for those that choose to go back into the CBD. Insurances are not pulling their weight. They are not paying out full replacement value that people expected"</i></p>	<p><i>"The government in general have been very supportive and of course that support comes from people NZ wide. We shouldn't moan too much. We should be grateful for getting some help from the government. It's the insurance companies that need to sort out the problems and make the payouts that are due. If we've lost money, and we all have, we must try to think it's only a monetary loss"</i></p>
<p><i>"We need to get the insurances sorted out so we can repair our buildings. We have been told to have a contractor to repair the whole street as one so we can share the costs, but how do you get the insurance companies to co-operate with each other? We have 10 with VERO, 30 with various other insurance companies. It sounds like a nightmare"</i></p>	<p><i>"We have been approached by 5 contractors for the job. One who has a contract with so we are bang in the middle so that would fit quite nicely but nothing is moving ahead, 1) because no-one can get in to the area, 2) the insurance companies are not playing ball – not paying out for repair work to commence. They've been give quotes on what the repairs will cost. It's beyond me. Maybe CERA or Gerry Brownlee might be able to have some influence on the insurance companies, but can anyone make them do anything they don't want to?"</i></p>
<p><i>"The insurance companies need to move. People are waiting for their money. That's what makes the world go round. If there's no money there's no business, there's no city to rebuild"</i></p>	<p><i>"The insurance companies must start paying out on the claims. We need this city to restart and it won't until the insurance companies pay out to allow people to begin again. We need the money"</i></p>
<p><i>"We need to see the money start to flow. Decisions need to be made and acted upon. It has to start with the insurance companies. There's no doubt of the damage being done. There needs to be no more waiting - 'We are waiting for what? We don't know'"</i></p>	<p><i>"Just getting the insurers ready to move. The reinsurers are behind managing the claims which is a unique experience. This is a unique experience so we are finding there are unique ways they are dealing with it. The overseas reinsurers are the ones dealing with it. Their stance on the situation is outside of our control"</i></p>
<p><i>"The insurance problem must be addressed. The holdup in not paying out the insurance money due to the homeowners and the Christchurch businesses is stopping everyone from moving ahead"</i></p>	<p><i>"The insurance companies need to front up. They are happy to take your money when they sell the policy, but when you need to claim there is a problem. Where is the empathy and compassion? If the insurance companies don't play their part in this crisis, there will be no city. Everything hinges on people getting paid out. If homeowners don't get paid out, no homes are built, builders are out of work, but also all the associated businesses from retail, who refit their houses, to accountants and lawyers who do the conveyancing. Everyone is suffering as a result. The insurance companies are a law unto themselves and most are internationally owned, so what can you do? Nothing!"</i></p>



Aspect	Solution to be Implemented
<p><i>"Insurance is the key. There is no building going ahead because there are no payouts being made by the insurance companies. We are being held to ransom. There can be no buildings built if there is no money paid out or without insurance cover. The insurance companies are the major problem"</i></p> <p><i>"The insurance companies need to come to the party. Make the payments to the business owners who have been paying their premiums for years, instead of trying to find loop holes to get out of paying"</i></p> <p><i>"I would like to see resolution to the insurance problem"</i></p> <p><i>"The insurance companies need to start paying out their policies, projects need to happen"</i></p> <p><i>"Resolve the insurance issues"</i></p> <p><i>"The insurance issue – people are trying to relocate and can't get insurance for new premises"</i></p> <p><i>"Insurance issues over the rebuild in the city. The cost of insurance is a major for businesses in Christchurch. Some people's insurances have gone up 6-fold. It puts question marks on whether you should continue with a business in Christchurch or not. Costs are prohibitive"</i></p> <p><i>"Insurance payouts are important where access is denied in the Red Zone, where business and insurers are unable to make assessments because they are denied access there should be flexibility by the Insurance companies"</i></p>	<p><i>"The insurance companies are all multinationals and you can't touch them. They will do as they choose, and in the meantime we watch our city and businesses go nowhere"</i></p> <p><i>"I have no solution or answers, only a lot of questions"</i></p> <p><i>"I would not be happy to see the Government become the insurer, but the commercial and private insurers have put Christchurch in the too hard basket, so the Government may be the last resort"</i></p> <p><i>"The government needs to get involved there, put pressure on there, say 'Look, you've got policies, now live up to them or we'll take you through the courts'"</i></p> <p><i>"Government needs to be taking a firmer role, and CERA. They need to be demanding the issues be resolved. It's the big buildings that are holding up the progress of the CBD, and it appears to be the insurers that are the holdup"</i></p> <p><i>"The Government needs to step in effectively, none of these things will happen by themselves, and it needs a greater authority than the CCC and CERA"</i></p> <p><i>"The solution is in the hands of the insurance companies or the businesses need to make a call on where they do business"</i></p> <p><i>"Communication between the various parties. Communication like the meeting set up by Peter Townsend and the insurance companies. I think you have to do your own pushing to achieve anything. I did communicate myself with my loss adjustor and insurance broker because I had the people skills to get that sorted. I also had to negotiate the cost to me of the recovery of my records from my office. To get things done you have to get stuck in and do it yourself"</i></p>



Aspect	Solution to be Implemented
<p><i>"Making sure that the insurance companies will provide insurance for new commercial buildings - it's critical to have that so that the work can go ahead and we can rebuild the city"</i></p> <p><i>"The Government needs to take on insurance companies, they're not listening to lawyers or policy holders, they need someone bigger that will pull them all into line. Unless they do step up, the recovery isn't going to be there. If we got a payout we could make some decisions about the future, but I don't have any faith in them. It's all so big and overwhelming"</i></p>	<p><i>"There needs to be the insurance cover there so that they can get on with getting the new buildings up. If there is no insurance, there is no building getting done, and then local builders have got no work"</i></p> <p><i>"I'd like to see the Commerce Commission looking into it (insurance companies not paying out). The product we were sold wasn't fit for the purpose I wanted it for (referring to the policy), it didn't work. I'd think that the insurance companies have got a lot to look at; they come up with the scenarios like because our business is inside the cordon which was put up by the Government and not by the earthquake, that they are not responsible for paying out anything. That's insane, how can they say that that's the stance they are going to take? We've had 8 different assessors for material damage, and we're on our second broker, and every time you ring up you have to go through the same process over and over again. I think they try to irritate you so much that you just tell them to shove it. We've had 3 phone calls asking us if we want to put in a claim on our building but one (building) doesn't exist anymore, and they don't even understand the situation here in Christchurch anyway, it's farcical. I know it's not their fault, the people we speak to, they are just young girls or whatever being paid to do a job, but the girl I spoke to didn't realise that our building had been demolished and when I told her it had, she asked if it has been turned into a car park instead. I asked her what part of demolished did she not understand? They don't understand that you actually can't get in, if they're outside of Christchurch they have no idea about things like wheelie bins – for goodness' sake, they wanted to know why we hadn't got everything out of the building and it's like, hello, we only got given wheelie bins to put things in, how can you get a chest of drawers into a wheelie bin?"</i></p>



➤ Clarity relative to the future of the CBD

Business owners were actively seeking clarity from CERA and the Christchurch City Council as to the short, medium and long-term plans for the CBD, to gain some understanding relative to the anticipated time frames for the deconstruction and redevelopment of the city centre. It was suggested that short term strategies could be implemented to develop temporary, cost-effective 'cluster' retail areas within the Four Avenues to provide smaller / boutique retailers with opportunities to trade within a small scale retail village, to attempt to re-stimulate consumer interest in smaller, safe segments of the city –similar to the Restart programme, but offering opportunities for smaller retailers at a cost-effective price. Business owners were pragmatic that short term, temporary retail accommodation could potentially be relatively basic (i.e. akin to the 'Tin Town' concept developed following the Napier earthquake), but viewed this option as a workable solution to the limited number of premises now on offer – some of which were unaffordable for smaller or sole trader business entities at this point in time. In addition, this approach, it was felt, could assist in rebuilding a wide range of business communities which had been dispersed in February, thus re-creating a support network for businesses who had been operating in relative isolation post-February.

Business owners were ideally seeking a collaborative approach to the short, medium and long-term redevelopment of the CBD, to ensure a democratic as opposed to autocratic strategic process was established. It was widely felt that this process needed to incorporate the input, expertise, business acumen, 'local' flair and knowledge of the following groups and individuals: building and land owners, business people and business owners, CERA, the CECC, retailers' groups / associations and the CCC. As previously stated within this study, business owners did not wish constructive dialogue to become a 'talkfest' with little real forward momentum; instead there was a high degree of motivation to become part of an innovative, democratic and practical forum which focused on achieving a positive outcome for residents and business owners of the city, within credible time constraints. Business owners identified a unique opportunity for the city to re-establish itself anew, whilst incorporating those elements of the city, pre-quake, which had made it characterful, unique, diverse, culturally rich, and colourful – but again, were seeking concrete, practical and actionable strategies and articulated timeframes to enable this to occur.

Aspect	Solution to be Implemented
<p><i>"Clear timing milestones for re-establishing the CBD"</i></p> <p><i>"For me, get the demolition over with. People need to know what it is going to be like and then assess whether they want to go back into the CBD again or not. Having no access creates uncertainty in people"</i></p>	<p><i>"CERA needs to establish to the best of their ability what timings can be met and work to it. They need to promote positively the CBD, promote to an extraordinary degree. We need to market the CBD to a huge extent to get business people back in there. The City Council and CERA need to be actively involved"</i></p> <p><i>"Overseas, buildings get detonated and brought down quickly. If you are prepared for it and organised, it could be done efficiently. This mucking around is taking too long. The Manchester St building (Manchester Courts) took forever to bring down. That will take too long for the big buildings. Just get them down whichever way is the quickest"</i></p>

Aspect	Solution to be Implemented
<p><i>"There needs to be urgency on business returning to the CBD"</i></p> <p><i>"I guess the first major for us is that discussions be made about the future of the CBD. We have the City Plan which has some wonderful ideas, but it is zoned white so no-one can be sure at this point if the plan can be put into fruition. What's the viability going to be realistically?"</i></p> <p><i>"We need clarity of the city vision. It needs to be decided on and then moved forward. Don't spend months delaying progress talking about things"</i></p> <p><i>"We need to be careful not to forget the heart of our city. They have been quick to get Merivale, Riccarton and Westfield and suburban areas up and running, but we need to work on our heart, the inner city, as quickly as possible too"</i></p>	<p><i>"The longer business people are out of the CBD the harder it will be to get them back in, (as) they will have to make other commitments. The landlords of the temporary premises are asking for 3, 4, 5 year leases. If that happens, people will get tied up with long term commitments. We need CERA to clear the CBD and the City Council to get the property owners rebuilding"</i></p> <p><i>"I can see the constraints that CERA have to move it all ahead and we know that the residential area needs to be a priority, but we also know that if business is kept out of the city too long, they will get comfortable where they are and will be hesitant to consider pulling up stakes again to go back into the CBD. Some have 6 year leases on new temporary business premises so they could easily become a permanent thing. We need to look forward and plan for the next couple of years. The rebuild realistically is going to go on as a 10-15 year process, but we need plans put in place to begin the process now"</i></p> <p><i>"We've already seen the draft plan, we now need to move forward and get on with it. We need the necessary geotech reports on the land first, but then move forward where we can. We don't want tracts of waste land left open for years and years because we will lose the heart and soul of our city if we're not very careful. We have to be realistic; it might be 4 to 5 years for some properties before they start building, but don't let it take longer than that. We don't want to see our city a waste land. You can see it happening already. I sometimes imagine tussocks rolling down the empty streets. Can you imagine what it will be like with nor'westers blowing? Not a pleasant picture"</i></p> <p><i>"The lawyers and accountants will go back into the centre because they will need to be near to the courts and the seat of business, but they will also need the services and infrastructure that will feed into them, the hair salons, the retail, the lunch places, food outlets etc. We need the office workers back in there. People are averse to working in multi storey buildings and I can't blame them. Our accountant said that they will never go back into the CBD again. If that is the prevailing thought we could have difficulties initially. If the city is left too long the businesses that service the city will have gone under or moved somewhere else to set up. I feel a strong urgency to get the process of rebuilding the inner city and Christchurch as a whole started, so we don't lose the soul of our city"</i></p>

Aspect	Solution to be Implemented
<p><i>"I think they are doing a good job but the process shouldn't take so long. If the buildings are unsafe then pull them down so businesses can get back in and get the city up and running. Get the heart of the city booming again. It's taking too long"</i></p>	<p><i>"Open it up in sections to start with. The longer it takes, businesses will re-establish themselves where they are and there will be less need to go back into the CBD. Get small areas cleared and rebuilt. A bit at a time, so it gets people back in there sooner rather than later"</i></p>
<p><i>"Speed up the demolitions and get the cordon reduced. Demolitions like the Grand Chancellor and the big buildings that have to come down, which are holding up the cordons being lifted"</i></p>	<p><i>"From our courtyard we can see the Grand Chancellor. They keep talking about the demolition but it's still not happening. It seems like they haven't done a thing. They need to bring them down so people with businesses can get back in and then we can get people back into the city"</i></p>
<p><i>"A decision made on where the 'hub of the city' is to be. People will only relocate their business if they know and have confidence people will be there to support their business. We need confidence to reinvest in the future"</i></p>	<p><i>"Strong decisions need to be made by the powers that be in the city, and they need to let people who are thinking of restarting their business again know what those decisions are, and let us know how we can be involved. Container city is okay for now but it wouldn't suit my business. We need to know that there will be permanent buildings available as soon as possible for businesses to recover"</i></p>
<p><i>"Maybe just get something temporary going to start with. There's too much focus on the future and not enough on the now, everyone's looking at 5, 10, 15 years and not enough on now. There a lot of empty land around but nothing's happening, so maybe there needs to be some allowance for more of that to occur"</i></p>	<p><i>"If they are looking at putting a temporary plan in place, then the Cashel St Mall idea might be good and perhaps it could be happening elsewhere. Fast track for the now, rather than waiting for the 5 year thing"</i></p>
<p><i>"Parts of the city that can be accessed need to be opened up, I don't believe in the cordon round areas that have been addressed, even if it's just for road access. Customers say it's difficult to get access to our shop, so access is an issue"</i></p>	<p><i>"Open up any areas that pose no dangers ASAP"</i></p>
<p><i>"In the areas that have buildings demolished and there is open ground, we should use those areas to bring in trade which would bring people back into the city"</i></p>	<p><i>"People could work out of caravans or they could set up containers like in the Cashel Mall. People could rent the land and put retail businesses in or coffee shops or things like that. There needs to be a gathering of business people from the CBD - maybe the Retailers Association could do it - organise a meeting where we could discuss ideas on how to help each other in the area to get things going again"</i></p>
<p><i>"Opening up the CBD to get the city re-energised and back on its feet, but that will take time and money"</i></p>	<p><i>"It's a difficult one though, because even if the city opens up, businesses may not have the money to set up back in there again. I don't know what the solution would be to that"</i></p>



Aspect	Solution to be Implemented
<i>"Get the sections cleared and some buildings underway"</i>	<i>"Even cleared lots look better than broken buildings. But you'd be a brave man to open a shop at the moment, because you'd be on your own. The Press and the Star tried to run the 'We're Open' page, but you don't hear much about it. I guess a bit more promotion of that sort of thing would be good. We get a lot of questions about whether our street is open, and we've been open for ages"</i>
<i>"It's such a massive issue really. They need to get people back in somewhere and get things going"</i>	<i>"Get the building going and get people back into the city. Give the little businesses a break. It's fine for the people in the CCC to say 'Well we'll do this here and this here', because they are all on a guaranteed income and we're just a little shop. If we have no customers we make no money, and they seem to want to make it as difficult as possible for us to trade"</i>
<i>"A sense of normality is important. The sooner business in the central city is up and running, the better. Time is of the essence. Once people get themselves and their businesses settled they won't want the upheaval of going back into the city again"</i>	<i>"It's important that the rebuild of the CBD takes place as soon as possible. It will be a gradual thing I suppose as I understand the problems involved. It's a time of crisis for a lot of people. There's little rationality in these times. We know what needs to be done - rebuild the CBD as quickly as we can, but we also are aware that this may not be something that can be achieved quickly. It's a waiting game"</i>
<i>"The speed with which things are going to happen – it has to be a priority"</i>	<i>"Put a rocket under them all, all of them – CCC, CERA, EQC and the insurance companies. Take some leadership and make decisions. Obviously consultation is important, but decisions have to be made. Obviously once the insurance is settled things may get moving again, it all seems to be taking such a long time as to which buildings will come down and which will stay"</i>
<i>"We need a clear plan for recovery and how it will roll out from an infrastructure point of view. They have done it for the Cashel Mall and been quite clear in communicating that retail corridor, and that's great. So what we need is a bigger version of that for parts of the CBD"</i>	<i>"The new City Plan is a fantastic blueprint - we need a break down of that. Is the CBD build priority going to be commercially driven for retail or business or both? We need to know what their priorities are for the rebuild and how it will be rolled out"</i>
<i>"We need a coming together with some unity of purpose. We need a reason to go back into the city. We need a hub, a heart to the city to make us want to go back in and start again. The heart has gone, and my fear is that we have become so spread out now and if businesses get settled where they are, we might lose our 'heart', our CBD, because the businesses may not want to come back from where they are now"</i>	<i>"We need to keep talking about the city. We need to keep supporting the projects that will open our city up again. Our problem is I know a lot of people say they want to go back into the city to work and shop, but the reality is what will be there if and when we do? Will it be viable to start up a business - will there be enough people there to make it viable. In my honest opinion we need a CBD. We need a central city area"</i>



Aspect	Solution to be Implemented
<i>"Definition of the city plan"</i>	<i>"It will take time, but it's key to the recovery, it won't come out of a hat. They've talked about all the different zones in the plan, and John Key said it was more of a wish list, the plan, so we need more clarity from local and wider Government as to what's going to happen, the next step from the wish list. I don't see any other opportunities to present solutions till we've got those things in place"</i>
<i>"We have to get the CBD open as quickly as we can"</i>	<i>"Fast tracking the city plan is key to getting the city opened again. It involves getting people in and around the city, but it won't happen till we get investment in buildings, till the buildings are built. It's all interlinked. We can open it up for people to walk or cycle through and see green spaces but it needs to have buildings in there"</i>
<i>"I don't know where the heart of the city is now, I think it's headed out to Riccarton. That makes it difficult moving forward, not knowing where our CBD will be. And I think with some of the CBD buildings that they saved, they didn't need to bother, but I guess that's down to insurance I suppose"</i>	<i>"I think things need to be decided ASAP about what will happen to our city, where it will be, but really there is so much to do"</i>
<i>"For business location look outside the central city. Look at creating some interesting hubs on the peripheral of the CBD area. Addington, Waltham, Merivale"</i>	<i>"I think that business will move into hubs around the city like Addington and Waltham. I'm not sure that they will go back into the CBD, as it was. I'm also not sure, if they are going to build buildings 4 levels high, that commercial entities will find that economically viable"</i>
<i>"I don't think it's good to be isolated as a business, you need the camaraderie with other businesses to make it work, then you become little economies and clusters where you all depend on each other"</i>	<i>"There are vast bits of land available now (within CBD), and even before the earthquake there were, like the Turners and Growers site and Hagley Park, that they could use to create a destinational shopping area. Napier did it and as I said, it was affordable, the community liked it and it became a destination"</i>
<i>"Have somebody - CCC? Maybe a group of business people? - identify a block in the city, Tuam St Carpark, Turners and Growers, and put up a load of sheds. Use the public money given to support Christchurch, to get a small business district up and running. We've waited 6 months & if we don't get something moving now it will be too late for the small businesses. I thought spring - opening Christmas but that doesn't look likely. I am of the opinion that people will come back into the city if there is something to come back for, I want to come back and I know others who do too"</i>	<i>"CCC/ CERA/ Brownlee. Pull some strings to make it happen. None of those three are articulating what I've said. Are they completely unaware of our problems - it's blindly obvious to everyone else. Maybe create a business organisation where we can say how we feel, what help we need and get heard. We don't need much money or help. We are a determined and resourceful bunch. We need someone to pick it up and run with it"</i>



Aspect	Solution to be Implemented
<p><i>"You can talk and fluff around as long as you want but until you have clear plans, people will start leaving. So pay the damned insurance policies, pay them out, so they can get on. It all needs to be done, and then start selling the new Christchurch because the longer they take, the more people will say there's no hope, let's go. And even like a central market in the CBD, because there is flat land in St Asaph St and Lichfield Streets, so if they built like a large warehouse and ran it like Melbourne markets, with properly built stalls, so that people can go there and buy fresh fruit, meat, produce, these sorts of things will give people a glimmer of hope to stay"</i></p> <p><i>"Trying to brand or advertise it (CBD) as an area in which people want to retail in, have customers come to - there is a large scar there that people will take a long time to get over. So a clear picture of how it will function is important"</i></p> <p><i>"There needs to be proper facilities to market the city when it starts up again"</i></p>	<p><i>"Just what I've mentioned, put in the technology parks, markets, those sorts of things to give people something to hope for and look forward to, and some clearer idea of what's happening and what's going to happen in future"</i></p> <p><i>"It's such a difficult thing, to try and write a branding ad for a store that's open in (proximity to) the Red Zone, who would you actually advertise to, and that's the biggest area that needs to be addressed. If you're trying to attract people into town, who will actually go into town? It has to be a collective retail strategy, there needs to be that effect where a plan is in place which is going to work. We want to (re)open in town but we need some direction and idea. There needs to be a collective with the Chamber of Commerce and the business and retailers associations, with the retailers who were in there (CBD), as well as those (retailers) who want to go in. We need to know what's happening"</i></p> <p><i>"Look at what areas are re-opening now, what they're offering, the deals they're doing, marketing more areas and precincts, so when a new one opens, put an insert in The Press or leaflets in letterboxes, create something special around it"</i></p>



➤ Rebuilding

The rebuild of the Christchurch CBD was perceived to be a multifaceted issue from the perspective of business owners, incorporating the following factors:

- ♦ The timeliness (or otherwise) of insurance payouts to building owners to provide rebuild capital
- ♦ The need for the CCC to cultivate constructive, ongoing and open dialogue with current building / land owners and property developers within the CBD to attempt to minimise capital flight in the short term
- ♦ Clarification of land zoning issues to delineate green zoned building areas
- ♦ Clarification relative to the regulations for rebuilding and earthquake strengthening for existing buildings
- ♦ Reduction of unnecessary red tape relative to consent applications to avoid unnecessary delays within the building process (and to assist those business owners who have relocated into temporary premises / residential dwellings and require change of use consents)
- ♦ Consideration of the commercial implications for the future should there be maximum height restrictions implemented within the CBD (i.e. tenant affordability / limitation of potential income for building owners)
- ♦ Utilisation of new / updated building technologies within rebuild processes to attempt to eliminate potential building failure in the case of any further significant seismic events (i.e. utilisation / adaptation of international examples)
- ♦ Transparency of information relating to engineers' geotechnical assessments of remaining CBD buildings from building owners / landlords to new / existing tenants, and the anticipated timeframe for remediation of these buildings to assist those business owners desiring to move back to their previous CBD premises.

Aspect	Solution to be Implemented
<p><i>"We need to look at the rebuild costs. The property developers need to know what they will be dealing with, the heights of the buildings and other rulings that have been put into place, because if they can't build buildings with some floor space costs will be incurred and will be passed on to their tenants"</i></p> <p><i>"Keeping people happy in the meantime, you feel like you're wasting your life waiting for things to happen. There needs to be more for people to do. There also needs to be more of a financial aspect to the city plan, I don't think they (CERA / CCC) have any idea of the financial consequences relating to recovery and that has a lot of impact. For example, if you were forced to rebuild PriceWaterhouseCoopers into a building half its size, it halves the yield that you can get on that income. The city plan doesn't understand any of that and yet it has to be key to people re-opening their businesses back in the city."</i></p>	<p><i>"Flexibility given to the rulings to rebuild. You cannot say just 3 storey buildings because that will take out the ability of small businesses to become part of the city due to high costs"</i></p> <p><i>"In Christchurch you can expect low traffic at the start and yet you'll be paying full rent, so having low rent or rent holidays is important. Just providing incentives to get people back into the CBD"</i></p>

Aspect	Solution to be Implemented
<p><i>"The whole question of the new regulations in terms of earthquake strengthening which is a commercial concern, will we have to spend a lot of money on earthquake strengthening to re-open. They're the big questions for us really"</i></p> <p><i>"Money - encouraging landowners to rebuild and reinvest in the city, obviously that's tied in with insurance. What the regulations will be to actually build, and will there be enough money once they've been charged for demolition, will there be enough to rebuild and then find tenants"</i></p> <p><i>"Drop all the red tape - the building consents, change of use etc. - and fast track the system to get the rebuild started"</i></p> <p><i>"We need to move quickly to encourage investors to reinvest in buildings. Private enterprise needs to make it work because the CCC can't do it and the Government won't do it"</i></p> <p><i>"Clarity of the rebuild rules as per building heights - being allowed or not to build in certain areas"</i></p> <p><i>"Act quickly - focus on retaining those who are land and building owners - those who want to reinvest in the city. Don't put up road blocks and frustrate those who are willing to rebuild the city"</i></p>	<p><i>"Earthquake strengthening is very expensive, the cost to strengthen old buildings versus what they are actually worth. Buildings like ours have stood up to it but the cost of bringing it up to the new required standard could be too much for companies to be able to afford it to happen to get the buildings going, so maybe there needs to be assistance for that financially, I don't know who would provide that really? You hear that there's been all this money donated to get Christchurch up and running again, so maybe grants could assist with the strengthening, money from the Historic Buildings Association or the Mayoral Fund"</i></p> <p><i>"Landowners and building owners will take a big risk when they start up the building again, so it's a matter of how can the authorities help those guys to get rebuilding and make things right"</i></p> <p><i>"The Council needs to be flexible and realistic. Not turn everything into a money making opportunity for Council coffers"</i></p> <p><i>"Just somehow drive reinvestment. Without that we don't have anything"</i></p> <p><i>"The City Council needs to sort out these issues and make them known so businesses can begin to make plans for the future"</i></p> <p><i>"There is a level of frustration out there with the building owners taking steps to go ahead with the rebuild. If there are height restrictions, if they are not allowed to utilise their 'existing use rights'. If they had an 11-storey building and now the Council says you can only rebuild 5 storeys, there will be a real issue. They need to get together and the Council needs to be flexible. The building owner will try to maximise their investment, naturally, and if the Council show no flexibility and are too closed minded about creating this 'utopia', we will find those investors will go and build their 11-storey building in Auckland or Australia. This land is not owned by the City Council - it is not owned by those 3000 post-it notes written by 14 year old girls. It is owned by individuals, family trusts and investment companies who want to maintain value, and if they are not allowed to do it in Christchurch they will move away to somewhere they can. That is a very REAL fact. We could end up with a lot of empty sites for sale in the central city"</i></p>

Aspect	Solution to be Implemented
<p><i>"Build safe buildings. A building in Barbadoes St was damaged in the first earthquake, so they pulled it down and then they rebuilt it new. In February that building fell down. I see places being rebuilt and don't know if there is any new technology going into them to make them any safer than they were before"</i></p> <p><i>"The sooner the building programme starts, the sooner that we get Christchurch businesses up and running again, but safety is paramount. Containers are fine but we need the permanent buildings as quickly as possible so that the business sector will return to normal"</i></p> <p><i>"The CCC being sympathetic as far as land owners and property developers are concerned. Helping them get set up and minimising their costs"</i></p> <p><i>"In the rebuild please build some affordable shops. It's fine if you are Annah Stretton, you can pay the high rents, but a lot of businesses were located in the funny little shops with cheap rents"</i></p>	<p><i>"Just take a look at what countries like Japan are doing, they've studied earthquakes a lot longer than us and they seem to have the know-how. Build buildings using new technology to make them safer. A lot of timbered buildings seem to have done well, they seem to have flexed, whereas the brick ones have come down, so look at the materials they are building with as well"</i></p> <p><i>"Lessen the red tape around the consent process, but definitely make sure there are no shortcuts made in regards to putting up buildings speedily, but where there may be safety issues I would rather they take more time and know we will be safe if there is another event. Commercial buildings must have a certificate to show tenants of the buildings they have been thoroughly checked by engineers, to reassure the tenants that the buildings are able to withstand any quake activity in the future that we have had in the past. We need a lot of reassurance going back into buildings that have been restrengthened etc. - we need a very sure knowledge that the buildings will be safe. These certificates must be recorded and easily accessible to anyone considering going back into business to see the work that has been done to make them safe, not just for the business people, but we need to know that the public that enter our businesses are also safe"</i></p> <p><i>"Flexibility in terms of compliances and regulations for building owners and property developers so they can get their buildings up and running again"</i></p> <p><i>"For people like me who trade in the funny little shops in Sydenham, Dallington, St Albans, they are no longer there. The sole traders. We could perhaps have a kind of co-operative, have a large building divided up into a lot of little shops"</i></p>



➤ Business Support

Business owners perceived that ideally, support for businesses should encompass not only financial assistance (i.e. interest free loans, start-up funding for businesses needing to re-establish, rent subsidies, rates relief) and practical, solution-oriented guidance or mentoring, but also support from relevant authorities within Christchurch (i.e. CCC, CERA, Canterbury Employer's Chamber of Commerce) by way of business forums to enable business owners and authorities to collectively identify and formulate solutions for CBD businesses requiring support post-February 22. As previously stated, some business owners indicated that they had felt isolated and fragmented from their pre-quake business communities within the CBD, and with this isolation had come a loss of opportunity for any form of collective support mechanism to be established to enable business owners to work through their issues and support each other as a group. It was strongly felt that if this type of forum were to be established, that it was not simply a 'talk-fest', but was strategically oriented towards identifying a way forward for businesses within the CBD, with CCC, CERA, and the CECC offering practical support and solutions to encourage a collective business recovery strategy to be developed. At this point in time, there was some feeling that business owners had not necessarily been offered the opportunity for a constructive and consultative hearing with authorities, which was perceived to be critical to ensure that all were on the same page with regards to current issues, future solutions, and the shape which the CBD should take for both the short and long term. There was some frustration evident within the market relative to what was perceived as an autocratic and prescriptive approach from authorities to business owners relative to the future of the CBD, when, it was felt, the recovery of the city could be impacted either positively or negatively by the recovery or failure of those businesses who had inhabited and utilised the CBD prior to February 22.

It was also felt that building owners needed to be part of this consultative process as part of a strategic group alongside business owners and authorities, to ensure a cohesive and representational approach, utilising the skill, creativity, business acumen, experience, industry knowledge, and intellectual and financial capital of these individuals, which, it was perceived, had not been lost in February.

It was also strongly felt that at the point where the authorities (i.e. CCC, CERA, Government departments) identified a need for specific services, products or skill bases, that a directive policy be implemented to ensure that Christchurch-based businesses or individuals were given the opportunity to tender as a matter of course. If, as has been identified by some of the business people included within this study, business entities outside of the local area are contracted to provide services within Christchurch, then Christchurch / Canterbury's proportion of the estimated \$30 billion rebuild cost would shrink dramatically, impacting on our local economy, development, employment and business growth opportunities both in the immediate short term, and the medium – long term.

If indeed the skill set, product or service is not readily available within Christchurch, there is no issue in seeking these elsewhere. However, there needs to be a shift in mindset to facilitate economic recovery, and to ensure that those businesses attempting to trade in very difficult economic circumstances within the city are given every opportunity from the 'powers that be' to tender for, and be awarded, contracts as they become available.

We experienced two major earthquakes in September 2010 and February 2011, which severely damaged our infrastructure. However our intellectual capabilities, creative capabilities, and business acumen remain. Given the potential of a \$30 billion rebuild, we, as Cantabrians, cannot afford to miss this opportunity – therefore a ‘business as usual’ approach from those outside Christchurch and indeed some authorities within the city, is not necessarily appropriate in our new normal.

<i>Aspect</i>	<i>Solution to be Implemented</i>
<p><i>“Continued interaction with business owners. It's vital to keep the communication going”</i></p>	<p><i>“We've not seen any surveys presented to us as business owners. No-one has asked us how things are going 'til now. I would like to see CERA or CCC do more of this type of thing to find out what people are experiencing and how they feel. We've worked incredibly hard to get up and do what we've done. It was a mammoth task. We had to do our own thing, no help from the bank or insurance company. If you want to do something you get up and do it yourself. There's no-one there to help. Collectively with the staff we have on board we've done well”</i></p>
<p><i>“Get a group of small business people together to share opinions and ideas on how to rebuild the city. The council doesn't build the city, the business people of the city will rebuild the city”</i></p>	<p><i>“Bring business people together to share ideas because these are the people who need the city to be moving ahead”</i></p>
<p><i>“We need to have a loan system to help business owners set up their business again. Refitting shops and offices costs a lot of money. Give the businesses start-up money and then pay it back as things recover”</i></p>	<p><i>“Have Recover Canterbury work more with banks for example like the ASB who were helping businesses to get back on their feet. That would encourage people to reinvest in the city”</i></p>
<p><i>“Less dictatorship – we've got to build the city together. The citizens of Christchurch and a lot of international experts are saying that we are demolishing too much, and yet other people are standing up saying that we need to do it, like CERA and the CCC. Maybe just a bit more determination to get things open again, it's so bureaucratic. I guess that's representative of the wholesale demolition of any building that could potentially cause problems like Brownlee originally wanted to do. When you think that some experts have said that we could save some buildings.... It's no good just opening up the Red Zone and letting people get in and get covered in dust. It basically means we have to start from scratch”</i></p>	<p><i>“Just less bureaucracy, a bit more of a democratic approach. It's a bit Utopian I suppose, but it needs to be that way”</i></p>



Aspect	Solution to be Implemented
<p><i>"Rents have to be looked at and readjusted. I know the landlords have had to put out for the re-strengthening of the buildings that have survived like ours, but if we go back in we don't know if the foot traffic will now make it viable to run the business from there, so I think there should be a rent reduction until we find it is going to work for us"</i></p> <p><i>"They're (CCC/ CERA) going to have to work with people like the building owners. They've come out with the central city plan which is all very nice, but is it practical? It might be fine for the people of Christchurch, but someone's got to put the buildings up or we're sunk. There needs to be a co-ordinated approach with all stakeholders of the CBD. They need to work with the lifestyle and retailers and the developers, get the views of the developers into the plan. You read the paper and the building owners have their own plans, they want to build higher to make it worth their while or they'll go to Auckland. It may be a reality if it doesn't stack up financially for them"</i></p> <p><i>"There needs to be incentives to get people back into the CBD. Some sort of discounted leases or tax breaks for businesses, to encourage people to move back. It will be a good few years before people will even consider it if they're used to the current situation they're in"</i></p> <p><i>"The council need to incentivise businesses. Give incentives to land owners to rebuild and re-establish"</i></p>	<p><i>"The landlords would give us a rent reduction and the government could subsidise the landlords for rent loss, or perhaps make available a loan interest free or at reduced interest rates e.g. home loan rates rather than commercial, as an incentive to get buildings up and safe so businesses can get up and running"</i></p> <p><i>"They (CCC / CERA) need to get around the table with the building owners really, certainly speak to people who will throw money behind it"</i></p> <p><i>"They'll have to come up with something to pull people back into the CBD, it will be hard work. Rents will be more expensive in the Central City and people are saving themselves money where they are, so they've got no reason to go back. No one will want to be the first in in a building with empty lots beside them, will they? We can at least grab a laptop and get on and do business again, but those poor people who run manufacturing companies and have everything stuck in their businesses are really getting f...d over. I feel really sorry for them"</i></p> <p><i>"Reduce council development contributions for a period of time, make it conditional on people providing a good urban design outcome, e.g. if you design a really flash building you get a discount on the development contributions. Have a rates relief - for building owners over a 10 year period charge rates only on the land value to encourage property owners to get the new buildings up. It will all come down to the dollars. The council needs to undertake promotions themselves of the properties they own. Promote the museum, the sports centre, the Art Gallery, the facilities that draw people into the city"</i></p>

Aspect	Solution to be Implemented
<p><i>"I feel that as a business returning to the CBD area that we have been ignored and therefore our attempts to work to provide Canterbury with a financial base, and my attempt to be a small part of that, has been done on my own with no collective co-ordination at CCC level to support the businesses"</i></p>	<p><i>"The CCC could be a bit more involved with the promotion of all areas of the CBD that are running, not just parts of the Cashel Mall. It's just collective support for all the businesses that have been opened and are trying to go forward. I'm in the position to start to look for staff again so business is getting back to normal, but it's all uphill and self-driven"</i></p>
<p><i>"Just the (lack of) communication to business owners – we're the ones who lease the buildings. That's the biggest issue that I can see. They're (CCC/ CERA) missing the key people that they should be talking to. The likes of Paul Lonsdale have been fantastic, wonderful, very open with his communication. Now it's sort of phased off, but we've had no other communication coming through from anyone else. He's not a Government body, and yet he's keeping us better informed than the CCC"</i></p>	<p><i>"Just more communication and clearer communication from local authorities. Just give us accurate information that makes sense, not some of the bollocks that sounds good. Information that's clear and raw and real. The Government doesn't actually physically work in the city so they don't actually know what's going on"</i></p>
<p><i>"I've seen reports of businesses that are 'dead keen' to go back into the CBD. Apart from Richard Ballantyne I haven't heard of any business I've spoken to who is planning on going back. I've spoken to Solicitors who are not going back again, accountants not going back, financial planners not going back. Business people are stating in the newspaper that the Council is not listening to them or taking any notice of them"</i></p>	<p><i>"There needs to be, as part of the plan to bring businesses back into the CBD, some proactive planning on the part of the Council. We need business people, CERA, and the Council as well as the Chamber of Commerce to come together to discuss the needs of business in the CBD and some thought given to the reality of the issues. My concern is that businesses won't be going back into the CBD. If they do, they will live with the sounds of demolition and construction sites for many years to come. Those (reports) scare me because I don't believe them"</i></p>
<p><i>"One problem that people like ourselves will have is that the value of our property is in the land, and we still have on-going rates to meet but no income to pay these rates, so we've got a problem there"</i></p>	<p><i>"Whether the CCC should just offer rates relief or subsidies, we don't want a whole heap of empty land with dust blowing around because people can't afford to rebuild"</i></p>
<p><i>"Communication"</i></p>	<p><i>"Relative to us as a business, more detailed communication and transparency as to what's going on. And it's relative both to us in terms of business as well as the people of Christchurch really"</i></p>



Aspect	Solution to be Implemented
<p><i>"We need realistic time frames which is really interactive with the CBD roll out plan. E.g. we will have a CBD up and running by 2013. There will be facilities available to us so we can re-engage with the CBD by a given time"</i></p> <p><i>"Aiding businesses – helping them establish themselves in getting back into the CBD, rebuilding businesses. The city plan is one thing but it's warm, fuzzy and unrealistic in my personal opinion. Nothing will happen unless building owners will reinvest their money. They can't make it all happen themselves, but without them there are no buildings and without people in there, there is no city. There's no reassurance at the moment and if you can't rebuild, then the builders and architects aren't working, so until all that kicks off there will be no work. It affects a lot of people and if it springs off again, there will be a whole heap of people back in work again, at the moment it's stagnant and people will just go bankrupt"</i></p>	<p><i>"As businesses we need communication across industry - people will probably move into precincts. This could work as it has already happened to some extent - e.g. High St with high end fashion, Oxford Terrace bars and restaurants. It creates good synergies between businesses. If businesses decide to go back into the CBD it needs to be a collaborative approach. To re-engage with the CBD we would need to know what other business types and how many are going to go in and when. Where we are now, we have begun having a neighbourhood lunch where the businesses around us get together socially where things are discussed, and we have found a real synergy with those businesses. We talked about the idea that we might co-locate together into a common area of the city. This is good communication and it could be done on a bigger scale if we had a forum organised for business to get together and voice their ideas"</i></p> <p><i>"As soon as those buildings are up and reinsured, and perhaps there could be rent made available at subsidised rates, keep it attractive and affordable, offer subsidies for businesses to move back into the CBD. They're all been in turmoil for the last year and relocated elsewhere and just got started in a new premise and got back a new sense of normality, so who's going to want to move back into the CBD when the buildings they are in now suit their purpose? If I had to relocate it would cost me money and a huge amount of effort, so why would I do it if I was established elsewhere? So if the Government subsidises rents or gives some sort of tax break to businesses to relocate, or financial assistance, make it attractive for businesses to relocate back to the CBD because without those businesses there won't be a CBD"</i></p>
<p><i>"More communication because at the moment you have to source it yourself. More from the CCC – you can go to the website, but it needs to be in the Press actually, straight from the CCC not rewritten by a reporter. Take 3 pages or something and give us a good update. If I knew what streets were open I could find what I need instead of having to scour through everything"</i></p> <p><i>"Facilitated sharing of information and resources where possible"</i></p>	<p><i>"Communication – it needs to be factual not interpretation of the facts, not from a reporter's mouth. We need to hear it from a CCC spokesperson"</i></p> <p><i>"I'd think form one central group, a business forum perhaps, and from that have a group within it whose sole purpose it is to facilitate and communicate with all businesses, share information and resources, being there to put people in the right spot. At the moment it's all over the place"</i></p>



Aspect	Solution to be Implemented
<p><i>"Communication is the biggest one as to when the city will be re-opened. There needs to be more communication with businesses to let us know how far along the process is. I'd say communication is the major and only aspect for me really"</i></p> <p><i>"I'm amazed at how well it's all been done really, the communication, keeping people informed is the big thing and I think they've done it pretty well really (CCC / CERA)"</i></p> <p><i>"Information - again just information around the cordoned area and when the cordons may be reduced and the areas may be opened up. There's been a big push around Ballantynes and Cashel Mall but we're near New Regent St and we've heard nothing. It seems that it's all about the big players and building owners and developers, and other areas aren't being looked at or addressed at all at this point"</i></p> <p><i>"Good, clear communication to the current tenants of the CBD. We should have the current and updated information on the buildings and the status of CBD land from CERA and the landlords"</i></p> <p><i>"There were offers of packages to help out businesses, but whenever I have applied for any help on these lines they haven't come back to me with any help. There was all that big PR promoting 'help' but since then I've not seen anything"</i></p>	<p><i>"Let us know when more streets will be re-opened, I understand they're trying to get Cashel Mall re-opened for Cup Week or the Rugby World Cup or whatever, so whether it's through a press release, the mainstream media or whether by contacting individual businesses... because at the moment all we get is through the media second-hand. I'd like to know what sort of pressure the Government is putting on insurance companies to get payments done and rebuilds started, let us know how far along they are, when they are re-opening certain streets so we can try and get the foot traffic back. If buildings around us are back in business then it's good for us too. The Council and CERA are the ones who hear what's going on, I understand that CERA covers all aspects of recovery and they're leading the communication so they need to get it out there"</i></p> <p><i>"All information is valuable, so the CCC, CERA, and the Government need to continue to keep us all informed"</i></p> <p><i>"Just information, tell us what's going on"</i></p> <p><i>"CERA should be communicating and telling us what's going to happen to the land in the CBD, how they are going to stabilise it, when is it going to be available for rebuilding and if and when business in the CBD will resume"</i></p> <p><i>"The big corporates are unaware of the impact of the earthquakes on smaller businesses. For them the crisis happened and everything's right on Monday morning, so back to work. The small and medium businesses have been hit and need a hand to get back up. In Auckland they have a Governmental minister to represent an advocate for business. We have someone for the rebuild - Gerry Brownlee - but there is no one in Canterbury from an advocacy point of view to help business here. We need a leader in create a voice for Christchurch businesses, to advocate on our behalf"</i></p>

Aspect	Solution to be Implemented
<p><i>"The contracts awarded by CERA are not getting into the public forum - these contracts should be going to local Christchurch businesses. We should be made aware of the contracts and have the opportunity to put in a tender for them. Christchurch business should get some benefit from what we are enduring. Who did the CERA website - we are in the industry but we didn't hear anything about it"</i></p> <p><i>"Stimulate business, get people spending, get people ringing up photographers and booking them. CERA hired a photographer from Wellington rather than hiring one from Christchurch, and yet there are a number of extremely good photographers here. I guess it's not what you know but who you know, isn't it. I was told that, anyway. If I complain then obviously I'd be the last one they'd hire. I don't understand why they did that"</i></p> <p><i>"Employing Christchurch companies to do the work - the building and that. What I've heard is that it's about who you know, the work is being divvied out to friends and family in the industry, not locals, and people in Christchurch need the work, not people from the North Island"</i></p>	<p><i>"CERA and the City Council etc. should put any contracts that are being awarded into the public forum so that Canterbury businesses can have the opportunity to try for them. Don't send the business out of the area. We in Christchurch need the business"</i></p> <p><i>"We're still doing work, but a lot of people are holding out in getting things done, like if a business wants to advertise or market, they're holding back, saving money not spending it. I don't think it's just the earthquake though, I think we're still having issues from the recession as well so that all impacts. I don't know how you address that really, I suppose it will all take time"</i></p> <p><i>"More work given to Christchurch industry, not the out of towners. Insourcing, not outsourcing. There are too many people out of work in Christchurch to outsource work at this point"</i></p>



➤ Leadership

It was readily acknowledged by business owners that it was critical for the recovery effort to be driven by strong and decisive leadership in order to achieve timely and desirable outcomes for both the residents and business people of Christchurch. As can be noted by the verbatim comments listed below, there was some frustration expressed relative to a meeting-oriented culture shared by those authorities leading the recovery effort (i.e. CERA, CCC) which, from the perspective of business owners, did not necessarily achieve the desired result in terms of forward momentum and tangible progress, and in some instances, stifled the decision-making process altogether. It was also felt that in some instances, these meetings were 'behind closed doors' and lacked the desired level of transparency, openness and accountability, when from the perspective of business owners, there should be open lines of communication and accountability from these authorities back to those individuals who were to play such a significant part within the recovery and rebuild of Christchurch.

Comment was expressed by some business owners that ideally there needed to be input from those professional individuals who had resided and worked in Christchurch and understood the dynamics of the city pre-quake, given the wealth of experience, expertise, intellect, creativity and innovation these individuals could offer the strategic process. It was perceived to be critical that those individuals who had a stake in the city (by way of property ownership / business ownership) were involved within the consultative process to ensure that the needs and requirements of property owners and business owners were taken into account within strategic planning for the future of Christchurch. Currently, it was perceived by some business owners that there was something of a disconnect within the communication process between the powers that be and business owners, with the result being that some business owners felt disenfranchised relative to their part in the recovery effort as a business owner wishing to continue to invest in the city for the future.

Aspect	Solution to be Implemented
<p><i>"It needs careful leadership. I've been to meetings with CERA and they have been 'interesting'. I felt neither positive nor negative. The leadership could have been better. The loud people got heard but the quieter people didn't. The group dynamic wasn't that good. Often quieter people will come out with quite profound thoughts when asked, but no-one asked"</i></p>	<p><i>"We need people to take the initiative like The Field Connection has. Take time to ask us one on one 'how was it for you?' Even if nothing happens, it will be recorded. If many people say the same things then it might be noticed. You have taken a professional approach. With this approach you don't get the disconnection like at CERA meetings, because you understand the process. You are skilled and that's what you get paid for. They need skilled, knowledgeable people to do this work for our area who understand the problems and concerns. When they use people from out of the area whose salaries have never been stopped or in jeopardy, how do they understand what the people and businesses of Canterbury have and are still going through?"</i></p>

Aspect	Solution to be Implemented
<p><i>"Get rid of the people who like meetings, committees etc., who spend all their time making points of order but never make a concrete decision to save themselves. Then they go to after-meeting functions and come out feeling very important people. These are the people who inhabit the bureaucratic corridors of power"</i></p>	<p><i>"We need the go-getters in our society to be the ones making decisions. The people who will say 'Bugger the meetings. Let's go build a city'. The people who are movers and shakers. They don't contemplate their navels, they just get out there and make things happen. We need people with vision who take people along with them. Roger Sutton's not doing that, we don't have any idea what's going on"</i></p>
<p><i>"We need a strong vision for the inner city. It needs to be vibrant, exciting, but we need leadership. We need someone to take the leadership, to make good decisions. Someone with the courage to take a stand. Not to go always for the easy option if the best option is a difficult one. It needs someone with courage to go forward"</i></p>	<p><i>"Maybe an amalgamation of the City Council and CERA. The City Council seem to be steering it at the moment but I think we need a wider input. I have no solutions specifically in mind but we need a vibrant city plan that will encourage people with the confidence to want to go back into the city to set up business again"</i></p>
<p><i>"Get rid of (Mayor) and (City Manager) - you can't trust them. If you go to a council meeting and watch and listen, they both think it's their money to do whatever they wish with it. All decisions are being made behind closed doors. They have their own agendas and they are not about the best future for the city. We are going nowhere with these guys in charge"</i></p>	<p><i>"We need someone to make decisions and then implement them. If you ask questions no-one will give you a straight answer. You go round and round in circles. Whether it is CERA, government or council, someone needs to start making hard-nosed decisions and then tell us. No-one's doing any talking - we want clear information from them to tell us what's going to happen. The council keeps on telling us what we are going to be allowed to build. It's got nothing to do with them. It's the property developers who are going to choose to invest in the rebuild or not that make those sorts of calls. We need to be encouraging the people with money to invest in the city, not make things as difficult as possible for them"</i></p>
<p><i>"We need more detail to the city plan, in terms of what are the priorities, we need the leadership"</i></p>	<p><i>"The CCC has appointed a CEO, now they need to push forward. At the moment it's a wish list (city plan) with no how or when, what are they going to build first, give us more structure, tell us the priorities and the costings"</i></p>
<p><i>"The property Council, CERA, CCC and the Canterbury Development Corp have to work together, hear each other and make solid decisions together for the good of the city"</i></p>	<p><i>"(They) could start up a working party with a representative from each area, and have a spokesperson to present the ideas and outcomes. Someone charismatic, a motivator, someone people will listen to for both business and the wider community"</i></p>
<p><i>"Perhaps just that we need good management (in Council)"</i></p>	<p><i>"There seems to be the same thing with every Council where you get 2 people working, and another 4 people standing there leaning on a shovel doing nothing. Get it going and make the most of personnel and resources. Be efficient"</i></p>



Aspect	Solution to be Implemented
<p><i>"We need to have a leader, a team of people that will be in charge of making sure that the city won't evolve into a concrete jungle. The CCC have so much on that I'm afraid that the issues will be lost because they don't have the time to think about them. A group of people solely focused on that - Recover Canterbury, CCC, Trade and Industry, the community, so everyone is involved, not just those with money. Even the little businesses that keep town ticking, because we all add vibrancy to the city. We need a body of people who can liaise with getting businesses up and running again. One voice and one body we can go to"</i></p> <p><i>"I guess there's the issue of having confidence in the region going forward"</i></p>	<p><i>"We've felt quite alone and we really need to know who's in charge. We need to have a good mentor, as a whole, we really need to know who's in charge, who will make sure that the city isn't just concrete slab with no real character and won't entice people into town. We can't lose touch with the vibrancy we need, that's what draws people into the city, it has to have culture, theatre, business, city dwellers, visitors, and now all the little quirks of the city are disappearing. I felt like just before the quake that we were just starting to redevelop and get the city moving again. I'm worried about the city centre and what will happen. I don't want the mall culture to invade us, this suburban concrete block idea where everyone goes on weekends"</i></p> <p><i>"Probably I think it's creating a forum whose interest is the businesses of Canterbury. At the moment we have many different groups out there but there's no united front or spokesperson that represents all businesses and people. Obviously there is the Chamber of Commerce and those types of organisations but they only represent their members"</i></p>



➤ The need for positivity

As the following verbatims demonstrate, some business owners highlighted what they saw as a need to encourage positive promotion of the city whilst in recovery phase. The rationale behind this was twofold – firstly, to externally promote the fact that some residential and business sectors were forging ahead with new and innovative community, entertainment or business initiatives, presenting the city as looking forward to the future, and secondly, to assist the emotional recovery of the city and its' residents by promoting a sense of community, positivity, and hope for the future. Business owners did not in any way negate the fact that the city and its' residents had been in a state of mourning post-quake – mourning for those lives tragically lost, those homes and businesses destroyed or damaged, livelihoods impacted, daily lives and routines dramatically altered, and a sense of loss that Christchurch's heritage, history, character and uniqueness had been so significantly devastated by the February 22 event. However, it was felt that with such loss came a unique opportunity for the city to rebuild, regroup and forge onwards, for communities to become closer knit, and for businesses and residents alike to rediscover a sense of positivity, purpose and energy, looking towards the future.

Aspect	Solution to be Implemented
<p><i>"We need to be positive about the future. We must not surround ourselves with negativity. We do have a great opportunity ahead of us and we must have a positive attitude about that. For the first month I was very negative with the shock to the system, but I have been fortunate as my family and friends are okay. I know there have been a lot of others less fortunate. For those of us who have been more fortunate through all this we need to be really positive to help those going through more difficult times"</i></p>	<p><i>"We need to try and carry on with as much normality as we can. I'm not a great rugby follower but let's get behind it and enjoy the good vibes. There are still venues to go to. There are shows and things going on in Christchurch. We need to support them. We need to get our lives back to normal as quickly as possible, or as close to it as we can"</i></p>
<p><i>"The biggest problem we have is people leaving. If one person in a family goes then generally we lose the family too, and the economic power that the family spends, on average \$150,000 per annum. I think there's been nothing done to encourage people to stay. Everyone's saying they'd leave if they could, we need to engender community spirit to get them staying, we can't afford to lose anyone. It's the multiplier effect – you spend with someone and then they go and spend with other companies and businesses and on and on it goes. If we get that downward trend it will carry on downward and we'll be in trouble"</i></p>	<p><i>"We need to provide positive support to bind people together, generate a positive feeling, get people together and encourage them to stay, see what the future will be"</i></p>



Aspect	Solution to be Identified
<p><i>"In some ways the media really likes reporting on the doom and gloom in Avonside and no power and all that, when they need to take a lead and start having positive stories and get people energised and thinking, so they can see a light at the end of the tunnel"</i></p> <p><i>"We need to get people feeling happy and that their situation is improving. Opening up the shops in Cashel St is the right thing to do. Get people into the fabric of the city again. We need them to be going to the bars, dining out, shows, nightclubs - they need to be dragged back into the city because they are the life blood the city needs"</i></p>	<p><i>"I think Roger Sutton is pushing on with the demolition, things should start moving OK now, but we really need to get our positive energy moving and people need to start smiling, and the only way to do that is to give them hope and tell them why it's worth staying. They talk about the Garden City but it's all just talk, we need greater transparency at the moment in terms of communication to people and businesses. Not only Christchurch wide, but New Zealand wide as well, say that we're going ahead here and developing innovative things, and how it's all going to look, all that keeps Christchurch on the map as a place that's not completely written off. We've had so much doom and gloom, yet we've got the airport done, which looks fantastic, it's fabulous, and on the back of all this negativity they need to counter balance it with a wee bit of positivity. It will keep people well balanced; a lot of people have lost hope now. We launched our website in March world-wide, and we're getting really good sales from those, and a lot of other firms are giving the earthquake the two fingers and getting on with it. We need to advertise those stories and let people know what's going on"</i></p> <p><i>"Facilitate this by the Council providing money to do a Street Party, markets, concerts in the park and slowly people will begin to feel comfortable again about being back in the city"</i></p>



➤ Transportation / Parking / Roading

At this point in time, there was some frustration expressed relative to traffic congestion and the impact this had on business owners commuting to their place of work or attempting to travel around the city for meetings or appointments. However, it was acknowledged that the sheer scope of earthquake damage to some roads (and below-ground infrastructures) in and around the city, and the threat of damaged and failing buildings in some locations, meant that it was not a straightforward exercise to re-open some sections of road to ease traffic congestion at this point in time. However, business owners were looking for some guidance from CERA and the CCC as to the anticipated timelines for re-opening of those roads which were currently closed, to assist in facilitating traffic flows.

Business owners also expressed interest in understanding the proposed plan for CBD parking and the public transport infrastructure for the future, with the perception expressed that the functionality and user-friendliness of CBD access via private vehicle and public transport effectively had the ability to make or break the CBD for the future. Ideally, a mix of affordable public transport and private vehicle options, including centrally-located and affordable car parking, coupled with safe cycle access for cyclists, was perceived to be the most appropriate way forward for the city.

Aspect	Solution to be Implemented
<p><i>"We need to know what the accessibility for customers will be. Will there be car parking available and usable by the time of opening in November. How will they open up the area for walking, buses, car parking"</i></p>	<p><i>"Give us the information from the City Council if they have any solutions to these questions"</i></p>
<p><i>"To have free city car parking. People will not come back into our city if they have to pay car parking. They will keep shopping in the suburbs or outlying areas like Ashburton, Rangiora, Northwood etc. where they can shop happily without paying car parking"</i></p>	<p><i>"If they cut back on areas where they waste money we could have free car parking. They have wasted millions of dollars driving great piles into the ground around the river to stabilise the ground for remediation unsuccessfully. Anyone could have told them that was a waste of time and money. The futile gardening and watering of trees when they were going to take them out anyway"</i></p>
<p><i>"Transport"</i></p>	<p><i>"Good commuting. I'm in favour of good public transport, heavy rail, the park and drive idea. Bringing people in easily at a relatively low cost because it's available"</i></p>
<p><i>"Parking"</i></p>	<p><i>"Parking – good parking buildings. Well located. The way we had it really. It's an opportunity now to do it better, I'm sure there are examples around the world we could look at, look at that world expertise really, and I wouldn't want amateur opinion getting in the way. Survey particular areas, commercial and retail districts, then the car parking would be driven by demand created by the kinds of businesses that are set up, whether they are commercial office blocks or coffee shops"</i></p>

Aspect	Solution to be Implemented
<i>"I really don't know, get the roads open so that people can get in and out round the CBD so people can get where they need to go in time for appointments and that"</i>	<i>"Part of me thinks that it's just time and patience, I'm sure people are doing their best so I don't know how it can be done any faster really"</i>
<i>"Traffic management – it's just diabolical, I don't know what they can do. I think some roads need to be turned into one way, like Cranford St and Papanui Rd, they could be one way and it would get the traffic management going. It's going to take forever. When you're going to Riccarton Roundabout and stop to come down the Avenues, you can be stopped right back at Papanui Rd to get down to Riccarton Rd and you crawl for 20 minutes"</i>	<i>"I can't see a solution unless they open up some roads to take the pressure off, i.e. they could use Deans Ave and open up the curbed area at the side of the road to get 2 lanes down there because otherwise you're stuck. And all the side roads are getting jammed up because everyone's trying to get out of using the main roads. People need some answers, I've heard them interviewing Roger Sutton and he didn't really answer any of the questions they asked"</i>
<i>"Public transport is a large dilemma, we were affected by the bus lane issue in Sydenham and getting people into the city centre is an issue, how they are going to go about that"</i>	<i>"The bus lane situation should be buried, they shouldn't spend any money to get buses sped up when they need to get people into town in the first place. It has to operate in an inexpensive but efficient manner. Make it a simple system"</i>
<i>"A bit simpler and more user friendly transport system within the CBD as well that will attract people back into the city"</i>	<i>"I guess it's to do with the efficiency of being able to access the CBD, and get where you need to go. So maybe smaller car parking areas even nearer and in between buildings to provide people with more options. Improved traffic flow, so you can get through the CBD quickly and efficiently, right now it's easier to drive to a mall and park and in my opinion if the CBD can replicate that ease it would make it a better experience for customers"</i>
<i>"We need to get the cordons down and the roads opened up as quickly as is possible in the circumstances"</i>	<i>"To lift the cordon and open up the roads is very dependent on getting the buildings that need to be demolished down and cleared away - then the city can be opened up and things can move forward. Get the traffic moving freely again for a start, then get the rebuild started"</i>
<i>"Transport – including pedestrian access and getting people in and out of town"</i>	<i>"Things like having bike lanes separate from cars, people want to bike in Christchurch but it's dangerous, and we're a green business anyway so we support that. A barrier between the cars and bikes is fine if the cycle lanes need to be on a road, otherwise incorporate them into the green parks they've mentioned in the city plan. I know there's controversy about the light rail, if you can get students moving cheaply and easily into town they will. They're a mobile population and it could encourage them to live round and in town which will make the city more happening, more active. It's a good way to travel if it was efficient and well-priced. People don't use buses as much so I don't know about them"</i>



Aspect	Solution to be Implemented
<i>"To compete with the malls, the inner city should have free or low charges for parking"</i>	<i>"There was a study done of suburban malls versus the City for shopping. People liked to shop in the city, but they shopped in the malls because of the free car parking. If they want people in the CBD they need to take this into account"</i>
<i>"Access to the city – i.e. transport"</i>	<i>"I see advantages with the trains coming into the city, I don't think people will use buses, its old hat now. Maybe if they increased the frequency of buses, change the status of public transport, change the appearance of it (i.e. using trains rather than buses), get people into using it to free up the city. I also see a benefit in having a mall in the CBD, people like to spend their time in malls in winter and it would give us an advantage, obviously we want to have the open air town / city environment but it's a benefit to have them both"</i>
<i>"We need to look at the City Plan with regards to the transport connection from the Avenues, the transport in and out and the buildings themselves. We don't want to be too hasty in the design"</i>	<i>"You look at the Orbiter and it was a successful transport system, I would see something like that in the city because parking has always been an issue. Maybe a link with a bus system round the Four Avenues from ticketed parking areas, and a continual bus link going into the Four Avenues to get people into the city that way. A lot of business people and commuters need something. And more user friendly areas for cyclists, an opportunity for people to park outside the city, hop on a bike they pay for with a gold coin in a meter which is maintained say by the CCC or whoever, and then you can bike anywhere in the CBD and then drop it off at a drop zone so you can go round the city, and then the cycles belong to the city"</i>
<i>"I want to see the opening up of the thoroughfares as soon as practicable. Cyclists need to be able to cycle through the city without having to contend with motor vehicles, which makes cycling dangerous"</i>	<i>"Possibly open up a cycling corridor e.g. down Manchester St. You could line up shipping containers to provide protection but it would make it safer for cyclists because they wouldn't have to contend with the motor vehicles. If it was a safer option some motorists may start to cycle because it would be less frustrating than driving in the congested traffic. Cycling is pretty dangerous at the moment with the roads in such poor shape"</i>



➤ Tourism

It was felt to be critical by some business owners that in the short term, promotional campaigns were implemented to encourage tourism to the South Island and indeed to Christchurch, highlighting the fact that a number of businesses, tourism activities and food and beverage outlets were open for business and welcoming visitors to the city, and that the city was in recovery and functioning, albeit in a slightly different manner than before.

Aspect	Solution to be Implemented
<p><i>"We need to work bloody hard in the tourism area. We need to get tourists back into not just Christchurch but the South Island. The view overseas is that the whole South Island is knackered. They think Christchurch is the South Island. This needs to be addressed. The World Cup will help that considerably with the games and news going out worldwide. I think the news item about the English team in Queenstown was great because it showed that there was a town that is not broken - a fun place to be"</i></p>	<p><i>"A lot of effort and well spent marketing money - we need advertising showing that Christchurch is a working city, that people are living outside the CBD and life is going on. Have live webcams up on the Waimakariri Bridge and Durham St to show the streams of traffic and people going to work. That the city is still functioning, We are not dead. This could come from the tourism budget"</i></p>
<p><i>"We need to boost tourism, that would help the economy"</i></p>	<p><i>"I have heard they are relaxing the immigration law for overseas students. That would help to boost numbers in the city. It's a different city now, maybe you could promote to tourists who may want to see the aftermath of an earthquake. I don't know anything to bring people in"</i></p>
<p><i>"Increase / promote tourism into Christchurch once it's in recovery and rebuild mode"</i></p>	<p><i>"I don't really know what would be ideal there, the city needs to be safe and they (CCC/ CERA) need to make it clear that they have tightened rules around construction. Advertise on TV, let them know it is a safe city again"</i></p>



➤ **Data relative to human flight percentages / allocation of recovery funds**

Some business owners indicated that they would ideally like to access data relative to the loss of human capital within the city, and information relating to residential and commercial movement in and around the city, to better understand current and potential new markets for their businesses, and to ascertain the most appropriate location in which to site their premises if wishing to relocate. A number of business owners spoke of operating in isolation without the previous 'commercial village' of complementary businesses around them which had been commonplace within the CBD, and the implications for their business in becoming a destination as opposed to a walk by, central city location. Some business owners were actively looking for guidance as to the right place in which to re-open their businesses to attempt to maximise foot traffic if and where possible, and to encourage current and potentially new clientele to uplift their products or services, and wanted to have confidence in their choices, supported by appropriate data to validate their decision-making processes.

The question was also asked as to how recovery funds donated to the city had been allocated, with some business owners desiring to see a breakdown of funding allocations to provide reassurance that the allocation process had been equitable and appropriate. It was perceived that this type of information had not necessarily been made available at this point in time, and that in the interests of transparency and accountability, there should be some form of financial breakdown as to how the process had been managed and where the funding and donations had gone, or were intended to go.

Aspect	Solution to be Implemented
<p><i>"I would like to see the figures re people leaving the city. A composition of who the people were. Were they the permanent residents or the temporary residents like overseas students? We need to know where people will relocate to so the accompanying services, doctors, dentists, retail etc., know where to set up their businesses"</i></p>	<p><i>"We could get research done like this. It needs to be investigated so that businesses can get some idea for the future where to set up. The CCC should do the research. We are paying our rates so they should be doing something about it"</i></p>
<p><i>"Clarification of where the money is being spent. Is it going into the right area? There was a lot of money given to the city but I've not seen any figures on where it has gone"</i></p>	<p><i>"Have the Council give us some clarification on the figures. Publish it so we all know and understand what is going on. What has been spent and what on"</i></p>

➤ Geotechnical assessment / classification of CBD land

Again this issue was perceived as one which, if not addressed relatively promptly, had the ability to effectively stymie forward momentum of the recovery effort. Business and building owners in some locations within the Four Avenues were anxious to better understand the potential for rebuild on their previous sites, or to look for alternative future sites should the land be deemed unsuitable for remediation. This issue also fed into business owners' concerns relative to the future location of the CBD, and whether in fact sufficient land within the Four Avenues was deemed suitable for rebuild to create a viable city centre within these environs, or whether it may be necessary to consider alternatives for the future.

Aspect	Solution to be Implemented
<i>"Classification of land and therefore building insurances need to be addressed"</i>	<i>"Address these issues so we can move forward"</i>
<i>"Clear geotechnical assessment of the CBD land"</i>	<i>"We need a 'good man on the street' report, a report everyone can understand. I know they will do it but we need it done so we can find out and plan the future location for our business"</i>

➤ Employment

It was perceived that ideally, if there was to be an increase in demand for specific industry sectors to assist within the recovery effort, that employment schemes could be implemented within Christchurch to attempt to assist with local employment and upskilling – effectively establishing a skilled labour force in Christchurch which could potentially assist in providing incomes for local residents who had been impacted by the earthquake. It was also perceived that this type of initiative could potentially be a springboard for other, similar employment initiatives given the sheer scope of the recovery and rebuild effort.

Aspect	Solution to be Implemented
<i>"Employment is going to be the thing, our unemployment rate is going up so they say, but I think we've done damned well for only 6,000 to lose their jobs when 52,000 people worked in the CBD"</i>	<i>"We need apprenticeship schemes so we can train our own labourers and not import them from overseas, give the people in the city a sense of ownership of the city and make the best of what we have here"</i>



➤ **No aspects or solutions offered**

The emotional impact of the February 22 earthquake and its' aftermath, coupled with the economic impact of the event from a business perspective and the subsequent insurance issues which have arisen, had left a number of business owners stressed, angry, anxious, emotionally drained, hassled, and tired. In some instances, personal circumstances relative to damaged homes, compromised living conditions, huge changes in daily routines, financial issues, and the health and wellbeing of family members and indeed staff who had also been impacted by the earthquake had added additional worries to what was already an extremely stressful and uncertain time. Some individuals, who in normal circumstances were hugely capable and successful business people, are still emotionally on overload and finding it difficult to readjust to what is the 'new normal' in Christchurch, as the following verbatims demonstrate.

Aspect	Solution to be Implemented
<i>"I honestly can't think of anything. I can't see how it's going to happen, because small to medium businesses can't maintain a high enough turnover to make any money. My mind is blocked. I can't see a step ahead. I hope it will go forward, we all want to see that, but I can't see the how in my head"</i>	<i>"I don't know"</i>
<i>"I've had to accept what has happened and walk away. I've not gotten involved in the politics of the rebuild of Christchurch. Normally I am the sort of person who would have gotten involved but it's all been too much so I haven't given the recovery a thought"</i>	<i>"No solution"</i>
<i>"I don't think I'm really qualified or knowledgeable enough to offer other suggestions"</i>	<i>"No other solutions"</i>

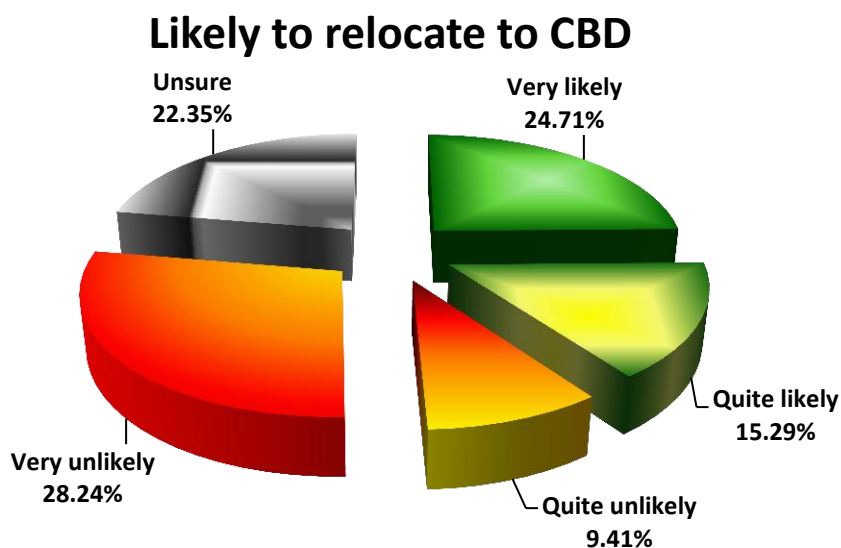


POTENTIAL TO RELOCATE BACK INTO THE FOUR AVENUES / CBD

Respondents were asked the following question within the context of the study:

“Thinking about the future with regards to premises, how likely or unlikely are you to relocate back to the CBD? Are you....

*Very likely
Quite likely
Quite unlikely
Very unlikely
Unsure”*



As the chart above shows, 40% (n=85) of business owners indicated that they were very /quite likely to relocate back to the CBD. 38% (n=85) indicated that they were very or quite unlikely to relocate back to the CBD, and a further 22% (n=85) were unsure at this point in time.

15% (n=100) of business owners indicated that they are currently operating from their original premises within the Four Avenues.

Those businesses who had not recommenced business at the point of survey and who indicated that they were unlikely to recommence in the future, were asked why they felt that way. As the following verbatim comments show, the financial and emotional aspects related to the aftermath of the earthquake are having a significant impact on these business people.

"Because of the building codes and requirements of the council I may not be able to rebuild on my property. If this is the case then I may retire because it could be some years before it's all settled. To abide by the building code it would make it uneconomic."

"We would like to look for a new (food and beverage retail) stall or go back where we were but it will depend on what happens with the insurance and if we get the money to do this."

"I left Christchurch the day after Feb 22nd I was so traumatised. I will never go back to Christchurch. My daughter who worked with me lost a good friend in a store close by. The memories are not good ones. Since then my father has died and my mother has had a stroke."

"I've had to take a job now, as I said, so I'm in full time employment, and I'm kind of on the fence about going back to the CBD. It comes back to money and business interruption insurance has really just gone round and round in circles, it's all bullshit what they tell you (insurance companies). The crazy thing is that I have insurance secured for me if I want to reopen, yet they won't pay out on my original policy so I don't have any faith in them at all going forward, they are really messing with people."

"I'm retiring. Taking early retirement. No point in carrying on now."



APPENDICES



THE FIELD CONNECTION LTD

The Field Connection is a full service market research agency, established in Christchurch since 1999. The key people are a team of long term market research professionals with an immense amount of experience in a wide range of industries, local, national and international. We are committed to providing the best possible value and service, ensuring always that research outputs contribute positively to the enhancement of our client's market performance and strategic position. Our unique combination of talents and experience bring a more holistic approach to research.

A prerequisite of good research is the collection of good quality data. At The Field Connection we passionately believe in the value of sound data collection. We employ highly skilled professionals at all levels of our company. We value and listen to all of our team, and because each team member has the opportunity to contribute positively on every project, we achieve better results for our clients.

Personnel involved in this study:

Brenda Snook - **Managing Director - Primary Contact**

Brenda has 36 years of market research experience, and has held positions of National Operations Manager, Research Director and Company Director of Research International N.Z. a large multi-national research organisation, with whom she was employed for a period of 24 years.

Brenda has worked in the UK, China, the USA and Australia in market research and market research advisory roles for several multi-national companies and has lectured in several New Zealand tertiary institutions. Brenda established The Field Connection Ltd 12 years ago.

Toni Hannah - **Research Executive**

Toni has a Master's Degree in Journalism. During the past 9 years at The Field Connection, Toni has worked on a wide variety of market research projects from social research to new product / brand development, from both qualitative and quantitative perspectives. Toni specialises in qualitative research and analysis, and brings a high skill set to any project that she is involved in.

Michele Wilkie - **Field Manager**

Michele has 17 years' experience in field management and has been involved with the management team of The Field Connection for the whole of her career. Michele is fully conversant with all aspects of fieldwork procedures, interviewing and recruitment.



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If you have any questions or queries relating to the content of this document, please feel free to contact:

Brenda Snook,

Managing Director

The Field Connection Ltd.

Contact Telephone: +64 3 366 0170

Address: PO Box 13642, Armagh

Christchurch 8141, New Zealand

Email: research@fieldconnection.co.nz

Website: www.fieldconnection.co.nz

