

**SUPPLEMENTARY REPORT BY THE
CHAIRMAN OF THE ENVIRONMENT COMMITTEE**

PART A - MATTERS REQUIRING A COUNCIL DECISION

1. SYDENHAM METHODIST CHURCH, CORNER OF BROUGHAM & COLOMBO STREETS

Officer responsible Property Projects Manager	Author Angus Smith, DDI 371-1502
Corporate Plan Output: City Design and Heritage Policy Advice	

The purpose of this report is to provide an update on efforts to save the Sydenham Methodist Church and seek the establishment of a subcommittee with power to act in finalising details of the agreement between the Council and the Sydenham Heritage Trust.

BACKGROUND

The following resolution was adopted at the Council meeting on Thursday 22 March 2001:

“That the Council inform the prospective trustees that it would be prepared to make a loan to enable the trust to purchase the building and site, the loan to be interest free, and without a fixed repayment date, subject to:

1. *The formation of the trust.*
2. *The trust undertaking to restore, maintain and operate the building in conjunction with the Council’s heritage planners.*
3. *The involvement of the Council’s Property Manager in negotiations.*
4. *The target purchase price being xxxxxx and in any case not exceeding xxxxxx*
5. *Agreement on a heritage covenant and the provision of a business plan.”*

In the subsequent weeks the following has occurred:

- The Sydenham Heritage Trust is in the process of being formed. The future trustees and their supporters have commenced work on developing a business plan.
- Negotiations have been held with the owner of the property on behalf of the proposed trust. The principal terms and conditions including price have been agreed. These are currently in the process of being drafted into a sale and purchase agreement between Mike Mulgrew (the owner) and the Christchurch City Council nominating the trust as purchaser. The reason for this is that as the trust has yet to be formed there is no legal entity to enter into a contract. However should the trust be formed before the agreement is signed the trust will be substituted for the Council as purchaser.
- A number of documents have been drafted in consultation with representatives of the proposed trust and the Council. These need to be finalised and include a conservation covenant, heads of agreement and loan agreement.

CURRENT SITUATION

This project has progressed quickly and the vendor wishes to settle the matter expeditiously. The documents as currently drafted provide for a conditional period to 20 June 2001.

Under normal circumstances delegated authority at officer level to finalise the details of the agreement would be assumed from the above Council resolution. However, due to the relatively unique nature of this arrangement and the fact that the trust has yet to be formed, concern has been expressed that the Council should approve the final details of the arrangements between the trust and the Council.

It is unlikely that the Council's monthly meeting process will accommodate the time pressures associated with the project. We therefore suggest the establishment of a subcommittee with power to act to approve the final details of all arrangements between the trust and the Council, as an efficient and expedient method of handling this issue.

Recommendation: That a subcommittee be established with power to act to approve the final details of all arrangements between the trust and the Council.

Chairman's Recommendation: That the above recommendation be adopted, and that the subcommittee comprise Councillors Close, Crighton and Wells.