

### 3. PROPOSED REQUIREMENT FOR A HERITAGE ORDER SARGOOD SON AND EWEN BUILDING, 92 LICHFIELD STREET

**Officer responsible**  
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The purpose of this report is to inform the Council of the possible demolition of a Group 3 listed heritage building and to consider recommending a Notice of Requirement of a Heritage Order to ensure the future protection of this significant heritage building.

#### INTRODUCTION

The Sargood Son and Ewen building at 92 Lichfield Street is a listed Heritage Building at the top level of Group 3 in the Proposed City Plan listing and Category 2 in the Register of the New Zealand Historic Places Trust. The three-storey brick and limestone building constructed in 1893 provides a significant contribution to both the heritage and the streetscape values of the Lichfield Street warehouse precinct. The owner has made a Resource Consent application for the demolition of this listed heritage building.

#### HERITAGE SIGNIFICANCE OF SARGOOD, SON AND EWEN BUILDING, 92 LICHFIELD

##### Historical/Social Significance

The former Sargood, Son and Ewen building was purpose-built in 1893 for Sargood, Son & Ewen, a family firm of warehousemen and importers. The firm began in Melbourne in 1848 when Frederick James Sargood emigrated there from England in order to establish a receiving depot for British merchandise. In the early 1850s Mr John Alexander Ewen joined the firm. After expanding into other parts of Australia, the firm opened branches in Dunedin (1863) and Auckland (1883) before establishing themselves in Christchurch, and later Wellington. The Sargood family was large and well-respected throughout Australasia, and both Frederick and Percy were knighted for their contributions to society.

The Sargood, Son and Ewen building reflects the former retailing practices and prosperity of this Australasian company, which was one of the major importing firms in New Zealand over a period of 130 years. Sargood, Son and Ewen traded continuously in the Lichfield Street building for 80 years, until 1973. The building housed their extensive range of imported goods such as drapery, clothing and footwear, tobacco, pharmaceuticals, cutlery and sporting goods. The Christchurch warehouse serviced the whole of Canterbury as well as the Chatham Islands and the West Coast.

##### Architectural Significance

Sargood, Son and Ewen had a tradition of fine architecture for personal and business buildings, and their warehouses were architecturally designed, with no expense spared. The company commissioned the Melbourne architectural practice of Lloyd Tayler and Fitts to design their Christchurch premises. Lloyd Tayler was one of Melbourne's most prominent architects at the time. Tayler designed a number of domestic and commercial buildings, such as warehouses, and his works are notable for the degree of client influence in the design. Buildings of Tayler's erected around the same time as his commission for the Sargood, Son and Ewen building in Christchurch include a large warehouse for the New Zealand Loan and Mercantile Agency in Melbourne and the Easter Hill Fire Station in East Melbourne. The latter was built in 1893, and some similarities with the Sargood, Son and Ewen building can be seen in the treatment of its first floor fenestration.

The Sargood, Son and Ewen building is designed in a commercial classical style and built in brick with limestone dressings for decoration. The principal façade is near original and is characterised by regular groupings of windows on the first and second floors, finely carved stonework, and the use of decorative structural polychromy in stone and brick. The central bay is emphasised by its slight projection and the concentration of decorative stonework. This reflected the original central position of the entrance to the building, which has subsequently been moved to the east side of the façade, and placed within an original window. The roof of the building has incurred some loss of highly decorative original elements, such as the ends of the gabled roof, the parapet, and the central steeply pitched gable that crowned the building. Even without these decorative elements, the façade of the Sargood, Son and Ewen building has a richness and variety, due to its decorative architectural details and structural polychromy, that distinguishes it from its neighbours. This is further enhanced by the continuation of the decorative treatment to the west façade.

The interior is characterised by large open spaces, and iron support columns with Corinthian capitals. A significant amount of the original interior woodwork remains, including a finely carved timber staircase, the original timber flooring and tongue-and-groove work on the walls.

Prominent local architect Robert England extended the building with two large three storey sections in 1901 and again in 1924. These extensions to the south are distinguished from the earlier building by their plain architectural style. Robert and Edward England began an architectural partnership in 1906 and together designed a number of large domestic, commercial and ecclesiastical buildings in Christchurch.

### **Technological/Craftsmanship Significance**

The open spaces of the interior, ideal for warehouse use, were made possible by the use of external load bearing walls and interior iron columns to support the wide span steel trusses, a method of construction and use of technology, which was relatively new at the time. A high degree of craftsmanship is evident in the decorative polychromatic brick and stonework, the carved stone embellishments of the principal façade, and the interior woodwork.

### **Group/Landmark Significance**

The former Sargood, Son and Ewen building represents a key stage in New Zealand and Christchurch's economic and social history. It was built during a time when increasing numbers of successful and wealthy international businesses established themselves in Christchurch to serve the growing city. A number of these businesses were located in Victorian and Edwardian commercial buildings and warehouses in Lichfield Street, which consequently became known as the "golden mile."

A significant number of these buildings remain and form a heritage precinct on both the north and the south side of Lichfield Street between Colombo and Manchester Streets. This precinct makes a considerable contribution to the inner-city streetscape because of the compatibility and coherence in terms of the architectural quality, size and scale of the buildings. Each building in the group has been sensitively designed to relate to its neighbour, and most of the buildings in the precinct employ a commercial classical vocabulary of architectural forms. The work of many of Christchurch's prominent nineteenth and early twentieth century architects are represented in the precinct. The buildings also form a notable group in a historical sense, they were largely built as warehouses for importers/exporters and wholesalers in the period between 1881 and 1920. This shared historical use has in part contributed to the consistent architectural characteristics of the buildings within the precinct.

A considerable number of the buildings that form the Lichfield Street heritage precinct are recognised as having heritage significance in the City Plan and by the Historic Places Trust. A brief overview of each of the buildings follows:

- The Mason and Struthers building on the corner of Colombo and Lichfield Street dates from 1897.
- The former DIC Building, situated at 69 Lichfield Street is a Group 3 listed heritage building, designed by the England Brothers and built in 1907-1908. The former DIC building is also registered by the Historic Places Trust as a Category II Historic Place.
- Harald's building, situated at 80 Lichfield Street, is listed as a Group 2 heritage building and was designed by W B Armson. It is registered by the Historic Places Trust as a Category I Historic Place.
- The building known as Fazazz Motor Sports, situated at 82 Lichfield Street, is listed as a Group 4 heritage building and was built in c1890.
- Bain's, situated next door at 84 Lichfield Street, is a Group 2 listed heritage building, which was also built in c1890.
- The former Wellington Woollen Mills Building, situated next to the Sargood, Son and Ewen building at 96-98 Lichfield Street, is a Group 2 listed heritage building, designed by William Gummer in 1919. The Historic Places Trust register the building as a Category I Historic Place.
- The former Bell's Motor Works, situated at 110 Lichfield Street, is a Group 4 listed heritage building, designed by the Luttrell Brothers and built in c1920.

- The former Ridley's building on the corner of Lichfield and Manchester Streets was built in c1900 and is a Group 4 listed Heritage Building.
- The building currently housing Winnie Bagoes at 83 Lichfield Street, was built in 1893 as Strange's Department Store. The store expanded and the building on the corner of High and Lichfield Streets was built for them in 1899, to a design by Collins and Harman. The Strange's building is listed as a Group 2 heritage item and is registered by the Historic Places Trust as a Category I Historic Place.

There are few streetscapes and precincts of Victorian and Edwardian commercial buildings of this quality and degree of architectural coherence in New Zealand. The location and distinctive constructional polychromy of the Sargood, Son and Ewen building give it some landmark significance within the precinct, and its continuing presence is vital for the maintenance of this nationally significant heritage precinct in Lichfield Street.

Since the firm of Sargood, Son and Ewen ceased trading in the building in 1973, the warehouse was subsequently used by a number of different businesses, and the Christchurch City Council has a current lease of the ground floor to 2003 for Youth development purposes.

The heritage values of buildings, places and objects listed in the Proposed City Plan are subject to continuing re-assessment in the light of additional research and to maintain consistency within the listings, although these assessments are not necessarily reflected in the current Plan. While the Sargood Son and Ewen building is listed at the top of the Group 3 range of heritage values, current re-assessment could result in a placement in the lower range of Group 2 heritage values.

## **THE HERITAGE ORDER PROVISIONS OF THE RESOURCE MANAGEMENT ACT**

The process for obtaining Heritage Orders is set out in Part VIII (sections 187 – 198) of the Act.

### **Heritage Orders**

A Heritage Order is a form of protection under the Act for any place of historic interest, special interest, character, intrinsic or amenity value, visual appeal and so on. No person may, without the written approval of the heritage protection authority, undertake any activity (including demolition or alteration) that would in any way reduce the effectiveness of the Heritage Order. This restriction applies from the time that the notice of requirement for the Heritage Order is notified (section 194). A breach of a Heritage Order is an offence under the Act which is punishable by a fine of up to \$200,000. The Heritage Order may be withdrawn by written notice from the heritage protection authority. A Heritage Order is required to be included in a district plan.

### **Heritage Protection Authority**

Only a heritage protection authority can apply for a Heritage Order. A District Council, as a local authority, is automatically granted the status of a heritage protection authority under section 187 of the Act.

### **Heritage Order Procedures**

The Council as a heritage protection authority can, under section 189, give notice of the requirement for a Heritage Order to the territorial authority if it considers that a Heritage Order would have the purpose of protecting:

*“Any place of special interest, character, intrinsic or amenity value or visual appeal, or of special significance to the tangata whenua for spiritual, cultural, or historic reasons”; and*

*“Such area of land (if any) surrounding that place as is reasonably necessary for the purpose of ensuring the protection and reasonable enjoyment of that place.” (Section 189(1)(b)).*

The Act defines a place of ‘special interest’ as having:

*“special cultural, architectural, historical, scientific, ecological, or other interest.” (Section 189(2)).*

The Council, as a territorial authority, may publicly notify a requirement for a Heritage Order under Section 189A of the Act. The procedure from this point on is very similar to that for a Resource Consent application. Following notification, the public may view the application and lodge submissions. The Council as territorial authority conducts a hearing before notifying its decision (Section 190).

In reaching its decision, the territorial authority shall have particular regard to:

- (1) Whether the place merits protection.
- (2) Whether the requirement is reasonably necessary.
- (3) Whether the inclusion of any land surrounding the place is also necessary to ensure protection.

(Section 191).

As part of its decision, the territorial authority can recommend that the requirement be confirmed or modified or withdrawn. It can also impose a condition that the heritage protection authority reimburse the owner of the place for any additional costs of upkeep required as a result of the making of the Heritage Order (Section 191(3)). The territorial authority's decision can be appealed to the Environment Court.

If there are no appeals against a decision confirming a requirement or this decision is upheld by the Environment Court on appeal, the Heritage Order is then included in the district plan (see Section 193).

### **Financial Implications of Applying for a Heritage Order**

If the Council applies for a Heritage Order, it may incur the following types of costs in its capacity as the heritage protection authority:

- (1) The costs of applying for the order (eg legal, planning and other professional costs and any process costs that may be involved).
- (2) Any additional costs incurred by the owner of the property as a result of the order, if a condition of this kind is imposed.
- (3) The cost of purchasing the property from the owner if the Environment Court orders the land to be taken by the heritage protection authority (see below).

### **Orders for Land to be Taken**

It will be apparent from the summary above that the inclusion of a Heritage Order over a property may constrain the rights of the property owner. In these circumstances, the property owner may request consent from the heritage protection authority to use the property in a manner that would otherwise be lawful but for the Heritage Order. If this consent is refused, the property owner may appeal to the Environment Court.

Alternatively, the Council can purchase the property by negotiation or compulsory acquisition through the provisions of the Public Works Act (1981) (RMA section 197) or the property owner may apply to the Environment Court for an order that the Council (as heritage protection authority) either withdraw the Heritage Order or purchase the property. This requires the Environment Court to be satisfied that the owner has been unable to sell the land and the Heritage Order renders it incapable of reasonable use.

The Legal Services Unit has advised that when considering whether to give notice of a requirement for a Heritage Order, it is prudent to recognise that the Heritage Order if appealed to the Environment Court may result in a requirement from the Environment Court for the Council to purchase the building or to withdraw the Heritage Order. The Environment Court in exercising its discretion as to compulsory purchase will have regard to the following matters in section 198(1)

- (a) That the applicant was the owner (or spouse) of the property when the requirement was made or included in a district plan
- (b) That the owner had tried but not been able to enter into an agreement to sell the land at a price not less than the market value of the property as if it were not subject to the Heritage Order
- (c) The Heritage Order renders or would render the land incapable of reasonable use.

The Court may direct the Owner to take further action to try and sell the property (section 198 (2)).

In the event of a decision by the Environment Court for compulsory acquisition, the value of the property is assessed at market (willing buyer/willing seller) rate as if it were not subject to the heritage order in accordance with the provisions of the Public Works Act (1981).

The property at 92 Lichfield Street has a current rateable value of \$480,000.

Provision for the purchase of 92 Lichfield Street as been made in the Heritage Building Purchase Fund projections for 2002/03 if the Heritage Order proceeds and the City Council or the Environment Court should make an order for compulsory purchase through the Public Works Act 1981 in accordance with the provisions of the Resource Management Act.

## **PLANNING ISSUES**

### **92 Lichfield Street**

The property at 92 Lichfield Street is presently owned by D J Dickey (1/6 share), B A Hampton (1/6 share), J Manning (1/6 share) and A A Brown and D J Boyle (1/2 share).

Officers understand that RFD Investments Limited, for which it appears Mr Henderson is acting, has agreed to buy 92 Lichfield Street under an unconditional sale and purchase agreement.

According to the diary records, on 8 May 2002, Ms J May, Director of 'Our City' advised that Mr Henderson had made it known that he was considering the demolition of 92 Lichfield Street. Mr Henderson phoned on 14 May 2002 and stated that there was no threat of demolition of 92 Lichfield Street. RFD Investments (for which Mr Henderson appears to act as agent) had in fact lodged a Resource Consent for demolition of the building with the Environmental Services Unit on 13 May 2002. Advice was received of an application for demolition from ESU on 24 May 2002. This application had been placed on hold because there was no assessment of environmental effects included as required by the Resource Management Act. Mr Henderson had been advised of this requirement regarding the consent application by Ms Melinda Smith, Senior Planner, Environmental Services Unit.

Council officers understand that the resource consent application for the demolition of 92 Lichfield Street is being sought because the applicant has previously sought certain assurances from the Council that it would not become involved in student accommodation developments within the central city. The Council has not given those assurances. One of the potential usages for the nearby Turners & Growers site recently acquired by the Council is student accommodation.

## **Consultation**

The Heritage Order process set out in the Act does not require a heritage protection authority to consult with potentially affected persons before giving notice of the requirement. However, the Act requires the notice of requirement to state the details of consultation carried out and, if there has been no such consultation, a statement giving the reasons why this has not taken place (see section 189(3)).

Council staff have arranged for this report to be provided to the legal owners of the building. However, to date, the Council has not undertaken formal consultation with potentially affected persons.

## **Conclusion**

The assessment of heritage values for 92 Lichfield Street described above and reflected in the City Plan heritage listing in Chapter 10 Appendix 1 should identify this as a place of special interest in terms of section 189(2) of the Act. It is a heritage building of considerable significance both for its own intrinsic merit and also for its pivotal role in an important commercial heritage precinct in the central city.

In the circumstances set out above, there is in the writer's opinion a real threat of demolition of the building at 92 Lichfield Street. The options available to the Council in the circumstances include:

- (1) Do nothing and await the decision on the application for resource consent to demolish the building;
- (2) Proceed now to notify a requirement for a Heritage Order over the building on the basis that this is necessary to ensure its protection; or
- (3) Carry out formal consultation with potentially affected persons before a final decision is made on the need for a requirement for a Heritage Order.

In terms of the third option involving consultation, there is little prospect of a decision on the resource consent application for demolition before the August meeting of the Committee. The Council planner processing the application has requested further information from the applicant. This has yet to be provided. Even if it is provided immediately, the next steps in the process are for a report to be prepared and a decision made as to notification and, in the event of notification, a public notice to be advertised. A hearing is required to commence within 45 working days of the date of public notice.

#### NATURAL + PEOPLE + ECONOMIC STEP ASSESSMENT

#	CONDITION:	Meets condition ✓✓0*	HOW IT HELPS MEET CONDITION:
<b>The Natural Step</b>			
N1	Reduce non-renewable resource use	✓	Retention of existing building fabric
N2	Eliminate emission of harmful substances	0	NA
N3	Protect and restore biodiversity and ecosystems	0	NA
N4	People needs met fairly and efficiently	NA	NA - See People Step + Economic Step
<b>The People Step</b>			
P1	Basic needs met	✓	Scope for central city activities retained
P2	Full potential developed	✓✓	Heritage features provide added value.
P3	Social capital enhanced	✓✓	Continuity in community and personal sense of place through heritage building retention
P4	Culture and identity protected	✓✓	Reinforcement of Central City identity and architectural values through retention of a Heritage building
P5	Governance and participatory democracy strengthened	✓✓	Opportunity for public involvement through the Heritage Order proceedings under the Resource Management Act
<b>The Economic Step</b>			
E1	Effective and efficient use of all resources	✓✓	Reduction in the use of new resources, better utilisation of existing resources, utilisation of whole of existing floor space
E2	Job rich local economy	✓	Potential for building redevelopment and new uses to generate central city jobs
E3	Financial sustainability	✓	Long term investment in unique heritage resource

**Recommendation:** That the Council agree in principle to notify a requirement for a Heritage Order over 92 Lichfield Street, Christchurch, subject to the completion of consultation with potentially affected persons. To this end, it is recommended that officers be authorised to undertake consultation with potentially affected persons and to report back to the Committee in August.