

8. APPROVAL FOR HERITAGE INCENTIVE GRANTS OF OVER \$50,000



General Manager responsible:	General Manager Strategy and Planning, DDI 941-8177
Officer responsible:	Programme Manager Liveable City
Author:	Neil Carrie, Principal Adviser, Urban Design and Heritage

PURPOSE OF REPORT

1. The purpose of this report is to obtain approval for heritage grants larger than \$50,000 for the Canterbury Club and Bonnington's building.

EXECUTIVE SUMMARY

2. The owners of the two properties listed below have applied for Heritage Incentive grant funding for large heritage projects. The owners have been in negotiations with Heritage planners. Full covenants have been approved by the Heritage Covenant Officer Subcommittee, this being a condition under grants policy for receiving grants of \$50,000 or more. The covenants were approved subject to the grants being approved by the Council.
3. The recommended grant amounts have been calculated for each property reflecting the specific circumstances associated with each grant. The criteria for making available Heritage Incentive grants is outlined in the Heritage Conservation Policy 8.1 – Conservation Incentives.

Canterbury Club, 129 Cambridge Terrace

4. This building, completed in 1873, was designed and purpose-built as a club by Fredrick Strouts. The Canterbury Club is a noted inner city landmark on the corner of Worcester Boulevard and Cambridge Terrace and has a significant heritage relationship with the former Library Chambers and the former Municipal Building. The Canterbury Club as an institution has been associated with this site since 1873. It has a City Plan Group 2 listing and is a Category 2 building in the Historic Places Trust register. See Attachment 1 for details of the building's significance.
5. After the grant application was assessed a Heritage Incentive Grant of \$217,350 spread over three financial years was assessed (see the background issues, para. 30, for detailed heritage-related project costs). The grant amounts to approximately 40% of total heritage-related costs, which come to \$543,386. The grant is an essential contribution towards the Canterbury Club's retention, deferred maintenance and the continuing life of the heritage building. The grant would enhance the building's heritage values by restoring the building more closely to its original condition and design. It is expected that this will attract new members to the institution to enable it to be used to its full potential. Refer to background issues for development and costing details.

Bonnington's Building, 225 High Street

6. This building was originally the Bonnington's offices. Constructed about 1890 as a commercial building, it has remained in commercial use ever since. While the name of the architect has not been identified the building is significant in terms of its commercial classical architectural style. The building has a City Plan Group 3 listing and is part of a precinct of Victorian and Edwardian City Plan listed commercial buildings, which presents a continuous historical facade with the immediately adjoining Strange's building. This links sympathetically with other High Street historic facades and the restoration project will enhance the streetscape. The building is not registered by the Historic Places Trust. See Background notes, para. 31, for project details and Attachment 2 for details of the building's significance.
7. The grant proposed for this building is \$136,200. This equates to approximately 25% of total heritage costs, which come to \$534,321. Discussions were held with the owner regarding a larger grant in line with grants policy guidance but he declined on grounds that any more would decrease the amount of funding available for other Heritage Incentive Grant applicants. The owner has agreed to fully covenant the building as soon as this can be achieved as he would like a partial payment to assist with the higher than anticipated costs involved with strengthening and protecting the building. He will be restoring the building's frontage to a design sympathetic in style to the original at his own cost.

8. The work involved in restoring Bonnington's building will bring the building up to 100% of the current Building Code. Costs were greater than anticipated owing to an unstable wall, considerable water leakage that caused extensive rot especially to two internal beams which support the entire roof, neglect by the previous owner and restoring the original shop fronts. The owner is taking guidance from heritage professionals.

FINANCIAL IMPLICATIONS

9. Heritage grants are budgeted for on an annual basis via the LTCCP. Heritage renovation work however generally crosses over a number of periods. For large projects it is important that the recipient gains confirmation that Council support will be provided for the length of the project before commencement.

2007/08 budget current allocations/requests:

2007/08 Budget (includes carry-forwards)	\$1,107,060
Projects Approved and waiting up-lifting	\$368,820
Cambridge Terrace 129, Canterbury Club	\$217,350
High Street 255A, Bonnington's Building	\$136,200
Total:	\$722,370
Available for future Allocation	\$384,690

10. Should all of the above be allocated in one year this would reduce 2007/08 available funds to \$384,690 which at the start of the year is a significant restriction on funds.
11. The Canterbury Club project is scheduled to take more than three years to complete so a tiered funding proposal has been suggested to allow draw down on the funds of \$72,450 in 2007/08, 2008/09 and 2009/10. This suggestion will allow a further \$144,900 to be allocated in the 2007/08 year but would commit \$72,450 in the subsequent two years.

	2007/08	2008/09	2009/10
Annual Budget	\$595,000	\$595,000	\$595,000
Carried Forward from Previous year	\$512,060		
Funds Approved Waiting Up-lifting	\$393,820		
Grant Approval Request			
Cambridge Tce 129, Canterbury Club	\$72,450	\$72,450	\$72,450
High St 255A, Bonnington's Building (increase request)	\$111,200		
Available Funds	\$529,590	\$522,550	\$522,550

Do the Recommendations of this Report Align with 2006-16 LTCCP budgets?

12. Yes. The Heritage Incentive Grant budget is an annual fund provided for in the 2006-16 LTCCP.

LEGAL CONSIDERATIONS

13. Full Heritage Conservation Covenants are required under the Heritage Conservation Policy for properties receiving Heritage Incentive Grants of \$50,000 or more.

Have you considered the legal implications of the issue under consideration?

14. Yes. Conservation covenants have been approved by the Heritage Covenant Officer Subcommittee subject to the grants being approved by the Council. Covenants are regarded as a stronger form of protection of the buildings and thus the protection of the Council's investment.

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

15. The Heritage Incentive Grants Scheme is aligned to the Community Outcome 'An Attractive and Well-designed City'. This provides for, among other things, ensuring "our lifestyles and heritage are enhanced by our urban environment". The success measure is that "our heritage is protected for future generations". Heritage Incentive Grants contribute towards the number of protected heritage buildings, sites and objects, which is the measure under the outcome.

16. One of the objectives under the Strategic Direction Strong Communities provides for “protecting and promoting the heritage character and history of the city” (Goal 7, Objective 4).
17. ‘City Development Activities and Services’ aims to help improve Christchurch’s urban environment, among other things. One activity under City Development provides for Heritage Protection, which obligates the Council to “provide leadership, advocacy, resources, grants and conservation covenants to conserve and rehabilitate heritage items”. One of the Council’s contributions is to ensure our heritage is protected for future generations. The Council provides information, advice and funding for city heritage and heritage conservation, and will be expected to continue to do so, as part of its objective to retain heritage items.

Do the recommendations of this report support a level of service or project in the 2006-16 LTCCP?

18. Yes.

ALIGNMENT WITH STRATEGIES

Do the recommendations align with the Council’s strategies?

19. Alignment of the Heritage Incentive Grants Scheme with relevant Council strategies is as follows:

Greater Christchurch Urban Development Strategy (UDS)

Heritage development projects provide opportunities for increased commercial and residential activity in the city while at the same time enhancing the heritage townscape. The UDS considers heritage as an integral part of Christchurch and an aspect of growth management provided for is through the protection, maintenance and enhancement of heritage.

Christchurch City Plan

Heritage redevelopment projects are consistent with the Heritage provisions of the City Plan. Volume 2, Part 4 provides for objectives and policies in relation to Heritage protection.

Central City Revitalisation Strategy

Heritage redevelopment projects are consistent with the vision for the central city to cultivate a distinct identity that is unique to the city’s environment and culture. This strategy places particular emphasis on the heritage of the central city; the central city contains over half of the city’s entire heritage assets. The projects will also contribute towards improving the visual amenity and uniqueness of the central city, which will enhance revitalisation objectives.

New Zealand Urban Design Protocol

Heritage redevelopment projects improve the quality and design of the urban environment by protecting the heritage of the city, which is stated in the Protocol as being an attribute of successful towns and cities. The heritage grants will contribute towards the implementation of the National Urban Design Protocol of March 2005 to which the Council is a signatory body.

CONSULTATION FULFILMENT

20. There is no requirement for community consultation for Heritage Incentive Grants.

STAFF RECOMMENDATION

It is recommended that the Council:

- (a) Approve the Heritage Incentive Grant for the Canterbury Club, 129 Cambridge Terrace of \$217,350
- (b) Approve the Heritage Incentive Grant for the Bonnington’s building, 225 High Street of \$136,200

BACKGROUND (THE ISSUES)

21. The Council is bound by the obligations under the Resource Management Act 1991 and its subsequent amendments in 2003. This legislation views heritage as a matter of national importance and requires local authorities to protect heritage places, items or objects.
22. The Council has adopted the International Charter for the Conservation and Restoration of Monuments and Sites. This is known as the ICOMOS (NZ) Charter 1993. The concept of places incorporates landscape, buildings, archaeological sites, sacred places, gardens and other objects. ICOMOS considers that countries have a "general responsibility towards humanity" to safeguard their heritage for present and future generations.
23. Objective number 8.1 of the Council's Heritage Conservation Policy, originally adopted in 1999 and amended in 2006 to incorporate Banks Peninsula, is "To set aside a yearly allocation of money for grants to owners of heritage buildings, places and objects listed in the Christchurch City Plan and the Banks Peninsula District Plan". This is in recognition of the additional responsibility that maintaining and preserving such buildings can impose on their owners. Heritage Incentive Grants are made available as assessed by the criteria listed under the policy and each application is assessed on its merits and circumstances. City Plan ranked heritage listings, Historic Places Trust Categories, or Banks Peninsula District Plan unranked listings of notable buildings are used as the main criteria in estimating grant quantum, with the other criteria used as modifying influences. The criteria listed are: the contribution the project will make towards retaining the building, urgency of work, availability of funds, and whether previous Heritage Incentive Grant assistance has been given for the same property.
24. Christchurch Heritage planners are aware of best practice in relation to heritage grant policies adopted worldwide and the Council's Heritage Incentive Grants scheme has been in operation since 1980.

DETAILS RELATING TO THE THREE PROPERTIES

Canterbury Club, 129 Cambridge Terrace

25. The Colonial Italianate style structure was constructed in 1873 of weatherboard, corrugated iron and brick and features asymmetrical lines, a single storey wing which contains the entrance, and a two-storey wing housing the accommodation rooms. The windows have round heads and the chimneys are masonry encased in timber. Most of the original features, both internal and external, are intact and are worth preserving for posterity as a window into the culture of Christchurch's early era gentlemen's clubs. The original membership was largely mercantile though some were farmers. The building's location on a dominant corner of the city's cultural precinct raises its landmark significance. The original building was extended in 1908. Refer to Attachment 1 for further details.
26. The single storey service buildings to the west are to be demolished to allow for the provision of a new two-storey addition between the main building and the caretaker's cottage. The caretaker's cottage will be moved to accommodate the development. The new addition is for new social, business and gym activities in order to maintain and expand the club's continuing use as a commercial venue. The 1873 caretaker's cottage is to be moved and the property landscaped. The main heritage-related costs will be targeted at restoration of the original fabric and maintenance of both the club building itself and the caretaker's cottage.
27. The site is to be subdivided to provide part of the finances required for the development of the Canterbury Club on the site. A covenant has been applied to the new development to control bulk, location and materials in order to protect the Canterbury Club's Heritage buildings from being overshadowed. See illustration (b), para. 30 for a computer drawn sketch.
28. This building is an extremely important one in terms of the city's social history. The Council grant as recommended will need to be spread over three financial years. The restoration and retention of this building will continue the building's status as an existing icon and is likely to draw business to Christchurch. The investment the Council makes in the building is small compared to the business expected to be generated by the fully-functioning club after it has been redeveloped.

29. Below is a table of detailed costs:

Item	Amount
Fire Protection	\$96,425
Cottage	
Divide existing cottage in half, jack up and relocate including new foundation, re clad exterior with weatherboards (50% reuse assumed)	\$51,988
Rebuild chimney	\$2,352
Reroofing to cottage with corrugated iron and new spouting	\$6,140
Repairs to eight sliding sash windows	\$4,705
Repairs to lath and plaster	\$2,352
Refurbishment of main building	
Structural strengthening work including plywood bracing to ceilings with multigrip connections, metal ties, ply bracing over function room, structural steelwork, pipe bracing in roof	\$55,676
Strengthening work to chimneys	\$14,114
Removal of asbestos ceiling/linings	\$5,928
Re-roofing using existing slate where possible, spoutings and downpipes	\$169,610
Allowance for replacing rotten timbers in walls/roof	\$17,643
Reinstatement of original billiard room walls	\$10,585
Remove the 1970's bar and restore partitions to 1908 plan (half of \$35,286)	\$17,643
Exterior redecoration including removal of existing red lead based paint	\$26,083
Repairs and refurbishment of 37 existing sash windows	\$17,643
Repairs to sagging Oriel window in existing card room including surrounds	\$16,035
Repair to large window in main stairwell	\$21,172
Floor repair in main dining room where levels are misaligned	\$1,411
Internal wall repairs including trim	\$5,881
Total Heritage-related costs	\$543,386

30. The original caretaker's cottage needs to be moved to allow for the new additional two-storey facilities. The cottage was built at the same time as the Canterbury Club. Later additions will be removed to restore the building to its original condition. Moving the cottage further along on the site (see illustration (a) below) will improve the heritage emphasis of buildings on the site and reduce the potential for the new development to dominate the main heritage building as each end of the site will have a heritage element. The illustrations below of the Canterbury Club depict the new building from two perspectives.



(a) Canterbury Club computer-generated impression showing Worcester Street frontages - the new service building is situated between the historic Canterbury Club building to the left and the caretaker's cottage to the right.



- (b) The Canterbury Club showing a computer-generated impression of the new building proposed to be built adjacent to the property on the subdivided section.

Bonnington's Building, 225 High Street

31. The three-storey Victorian style building features relief carving and the grouped window placements generate a recognisable, economical architectural effect. The first two floors' colonnettes are separated by decorative string courses while the top floor is of plainer style denoting different use of the uppermost storey to that of the offices below. The location, size and style give this building landmark value within the inner city streetscape.
32. The building had previously been neglected but has recently been purchased by a heritage building developer who has a proven record in restoring and preserving heritage buildings to a high standard. His intention is to turn the building into modern offices while retaining its heritage values, including restoring the frontage to its original design – a concept added after consultation with a heritage specialist and which has increased restoration costs.
33. The heritage-related costs pertain to the restoration of the original heritage fabric and appearance, seismic strengthening and fire protection. It is planned to earthquake and fire proof the building to 100 per cent of the Building Code, which will enable retention of the building. This project has proved to be larger than at first anticipated because the building was in a worse structural state than anticipated. One wall was damaged when the Butterfield's building was demolished. It then developed a lean and had to be propped up at additional cost.
34. The total project including modernisation will cost approximately \$1.75M of which the heritage components are only one part. Saving the building will enable its re-use. A Full Conservation Covenant has been approved by the Heritage Covenant Officer Subcommittee.

35. Detailed costs involved with restoring Bonnington's building in High Street.

Item	Amount
Earthquake and Fire protection	
Steel work	\$236,151
Firespec alarms and panels	\$21,906
Firespec emergency lighting	\$4,816
Works supervision	\$4,000
Fire flooring panels	\$53,951
Stockman Solutions (associated labour and materials)	\$209,047
Restoration - exterior stone and bricks	\$4,450
Total Heritage-related costs	\$534,321

THE OBJECTIVES

36. The objectives are to work in partnership with private investors for the betterment of Christchurch City at present and into the future. The Heritage Grants Scheme is an effective non-regulatory tool towards this end. It is in the city's interests to preserve its heritage; it is thus in its interests to protect its investment towards this end.