

10. GRUBB COTTAGE, LYTTTELTON



General Manager responsible:	General Manager, Strategy and Planning, DDI 941-8281
Officer responsible:	Programme Manager, Liveable City
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PURPOSE OF REPORT

1. The purpose of this report is to consider the heritage significance of Grubb Cottage, 62 London Street, Lyttelton, a cottage listed in the Schedule of Protected Buildings in Appendix IV of the Banks Peninsula District Plan, and recommend to the Council a proposal regarding the ownership, conservation and ongoing management of the dwelling.

EXECUTIVE SUMMARY

The Purchase

2. On 30 March 2006, the Council resolved to purchase Grubb Cottage, Lyttelton, for the sum of \$260,000 to ensure the future preservation of this heritage dwelling. The purchase was funded from the Council's Historic Places Fund, which is a capital fund used to facilitate the interim acquisition of a heritage building pending its on sale to a trust or other permanent owner. Initially the Lyttelton Information Centre Trust signalled an intention to purchase the property from the Council. However, they were ultimately unable or unwilling to pursue this option. The Grubb Cottage Heritage Trust has since been formed to deal with the continuing responsibility for the future of the Cottage. The purchase by the Council was agreed on the basis of the need to ensure the protection of Grubb Cottage ("the Cottage") because of its considerable heritage significance to both the town of Lyttelton and in the wider context of the early settlement of Canterbury.
3. The Council resolution stated that:
 - (a) *The Council agree to the purchase of the Grubb Cottage property subject to satisfactory title being obtained.*
 - (b) *The Council grant delegated authority jointly to the General Manager Strategic Development and the General Manager Strategy and Planning to:
 - (i) *finalise the purchase of the heritage property at 62 London Street, on behalf of the Council;*
 - (ii) *negotiate and agree the terms and conditions of the proposed on-sale agreement between the Council as vendor and the Lyttelton Information Centre Trust (or such other Trust or entity that may be established to purchase, conserve and manage Grubb Cottage) as purchaser at the full purchase price paid by the Council;*
 - (iii) *negotiate and agree the terms and conditions of any management agreement with the Trust (or such other Trust or entity that may be established to purchase, conserve and manage Grubb Cottage) as part of the arrangements related to the on-sale of the Grubb Cottage Property to the Trust (or such other Trust or entity that may be established to purchase, conserve and manage Grubb Cottage), and until the purchase price has been repaid in full and title transferred.**
 - (c) *Subsequent to acquisition of the Grubb Cottage property by the Council a heritage covenant be registered against the Certificate of Title to the property.*

Refer **Attachments 1 and 2** for the Report to Council and Council resolution from 30 March 2006.

The Significance and Heritage Assessment of Grubb Cottage

4. Grubb Cottage is the most significant colonial domestic dwelling in Lyttelton. It remains in very original condition, including its original outbuildings. There are few examples of 1840s, 1850s and 1860s built dwellings still extant in Christchurch and Lyttelton, and no others exist in such an original condition as the front section of Grubb Cottage. As such the Cottage presents a record of built archaeology which is unique in Canterbury, and provides tangible evidence of the way of life of the early settlers during the first two decades of organised European settlement. Grubb Cottage is listed as a protected building under the Banks Peninsula District Plan and registered as a Category II Historic Place under the Historic Places Act. Category II places are deemed to be places of historical or cultural heritage significance or value.
5. Particular heritage significance is attached to Grubb Cottage as the original construction on the first piece of land to be sold in New Zealand by the Canterbury Association which had not been pre-purchased in England. Grubb Cottage also has heritage significance to the community of Lyttelton because of its association with the early settlement of the town. The Grubbs were a key family in the development of Lyttelton and its port, and in turn associated with the development of Christchurch and the Canterbury region. See **Attachment 3** for the Heritage Assessment of Grubb Cottage.
6. The initial assessment of the Conservation Plan and Heritage Assessment prepared for the Council acknowledges the heritage significance of the dwelling and recommends minimum intervention to stabilise the building. This approach would ensure the preservation and conservation of the evidence of earlier technologies and construction techniques and the significant original fabric, architecture and social historic values they contain. No viable public or private use has been identified for the Cottage at this time: in its present state the dwelling does not comply with current codes for either private residence or public access, and the interventions required to achieve code compliance would destroy much of the heritage fabric and significance of the Cottage. This places constraints around the long term future uses of the building, and severely limits any potential for commercial return from the dwelling. Consequently the most appropriate use for Grubb Cottage would be as a conserved record of built archaeology with opportunities for interpretation of the architectural and social history of the building and grounds with limited public access to the building itself.

Options Considered

7. Consideration was given during the writing of this report to a number of other options. Broadly these included:
 - (a) Continuing to pursue the transfer of the building and land to another owner.
 - (b) Christchurch City Council accepting permanent ownership and responsibility for the retention and conservation of the building.
 - (c) Selling the site (potentially for redevelopment).

The initial decision to purchase the building was based on the heritage significance and value of Grubb Cottage, and its ongoing protection and enhancement is of paramount consideration. The outcome of the Conservation Plan carried out for the building highlighted both its significance, and its limited adaptability for a wide range of active, or revenue generating uses. Accordingly the viability of on-selling the building to a willing trust is doubtful. This has been confirmed by the discussions held to date.

Therefore the options discussed in this report involve the Council retaining ownership of the Cottage in various different scenarios.

The Trust

8. The Grubb Cottage Heritage Trust ("the Trust") was incorporated as a registered charitable trust under the Charitable Trusts Act 1957 on 20 September 2007. The Trust deed states the purpose of the Trust includes the intention:

- "(i) To restore, preserve, maintain and manage the property situated at 62 London Street, Lyttelton being all that piece of land containing 584m² part T.S. 45-46 Town of Lyttelton contained in Certificate of Title 398/210 known as the Grubb Cottage ("the Cottage").*
- (ii) To enter into negotiations to request ownership of the Cottage in such terms and conditions as the Trustees shall think fit."*

See **Attachment 4** for a copy of the Trust Deed.

9. The Grubb Cottage Heritage Trust has stated that it is not able to undertake the purchase of Grubb Cottage for the full price paid by the Council, nor given the limited options for and constraints on future uses imposed by the heritage value and significance of the built archaeology contained within the dwelling, will it have any means of funding the building's conservation.
10. The Trust has however indicated they are willing and able to take responsibility for the ongoing management of the site. They are in the process of preparing a proposal for the potential role of the Trust in the ongoing management of the Cottage, and working with Project Port Lyttelton, the Lyttelton Business Association and the Lyttelton community to identify and address the issue of potential uses for the dwelling.
11. A limited management mandate for the Trust is appropriate given the constraints around the potential uses of the Cottage, and would allow them to seek funding in order to complement the key restoration needed to be undertaken, which may include ongoing maintenance and development of the garden and the site features.
12. Initial discussions in 2006 had included suggestion of contribution in kind to assist with the building's restoration. Following the conservation plan it is evident that the requirements of such a significant heritage dwelling mean that the stabilisation and conservation works should only be undertaken by qualified and experienced professional trades people and are beyond the scope of the Trust members.

Conclusions

13. The Council already has ownership of Grubb Cottage, having purchased it through the Historic Places Fund with settlement having been completed on 13 April 2006.
14. The heritage significance and value of the Cottage, constraints around future use, lack of any potential purchaser and opportunities for heritage conservation, education and advocacy are such that the Council should retain ownership, and fund, manage and monitor the restoration, stabilisation, conservation and ongoing maintenance of the dwelling.
15. If Council does not retain ownership and fund, manage and monitor the immediate and ongoing works on the dwelling, there are a number of risks to the future conservation and protection of Grubb Cottage which require consideration. These include:
- (i) That until such time as a trust or other entity is able to undertake to purchase of the Cottage it will remain in Council ownership with only urgent remedial maintenance issues being addressed. This would result in the deterioration of the heritage fabric of the dwelling and the potential for the loss of heritage significance as well as a failure to deliver community and heritage outcomes.
 - (ii) That no trust may be able to raise the necessary funds for the conservation or sustain funding for the ongoing maintenance of the Cottage. This would result in a loss of heritage fabric and significance and could necessitate Council financial assistance or Council assuming responsibility for the Cottage at a future date.

16. The Grubb Cottage Heritage Trust has stated that they are not able to purchase the Cottage for the \$260,000 purchase price as per the Council resolution of 30 March 2006. See **Attachment 5**. They are unable to raise the necessary funds to undertake the conservation work required to preserve the dwelling without either ownership or a significant lease, and have stated that they consider the lack of commercially viable options for future uses places too onerous a burden on the Lyttelton community for the Trust to support fund raising for this purpose.
17. The Trust has stated that they wish to undertake, and are able to support, the ongoing management of the Cottage and are in the process of preparing a proposal for the potential role of the Trust in the ongoing management of the Cottage.
18. With the Trust unable to raise the purchase price, there is no identified buyer for the Cottage. Without a commercially viable and sustainable use for the Cottage it is unlikely a buyer will be found.

FINANCIAL IMPLICATIONS

19. There are two aspects to the financial implications:
 - (a) If the Council resolves to become the permanent owner of Grubb Cottage, consideration of the replenishment of the purchase price of \$260,000, which was paid from the Historic Places Fund; and
 - (b) Funding initial conservation work, estimated at in excess of \$250,000 staged over two years, and ongoing annual operating costs, estimated at \$20,000 per annum.
20. The Historic Places Fund currently stands at \$1,682,500, after the drawdown of \$260,000 to purchase Grubb Cottage. There is no provision in the 2007/08 Annual Plan or 2006-16 LTCCP for the replenishment of the Historic Places Fund.
21. It should be noted that the Council's practice in relation to this Fund is that it is used for the purchase of heritage buildings or heritage places at risk in circumstances where it is intended to on-sell the property to an external party subject to a registered Heritage Conservation Covenant. This Fund is therefore intended to be used in circumstances where the Council's ownership is to be short term in order to provide a third party the opportunity of raising sufficient funds to take responsibility for the ownership, restoration and maintenance of the property.
22. The current circumstances are that the Cottage has already been purchased through the Fund, but there is no other party at present with which the Council could expect to on-sell, covenant with and recover the purchase funds from. Given that the Conservation Plan for Grubb Cottage recommends minimum intervention in terms of stabilisation and conservation in order to retain the significant heritage fabric of the dwelling, very little opportunity exists for an adaptive re-use with a sound commercial future.
23. If the Council decides to retain ownership of the Cottage and add it to the heritage vested assets list, the funding options for the purchase price are:
 - (a) Accept a permanent loss of \$260,000 from the Historic Places Fund, leaving it with net funds of \$1,682,500;
 - (b) Replenish the Fund through the Council committing \$260,000 of the anticipated 2007/08 operating surplus to the Fund for that purpose;
 - (c) That an additional \$260,000 be added to the 2008/09 Annual Plan to fund the replenishment of the Fund.

Option b is the preferred option.
24. There is no provision in the 2008/09 Annual Plan or the 2006-16 LTCCP for the cost of the stabilisation, repair and conservation of the Cottage, and the annual maintenance costs of the land and buildings.

25. Under the Heritage Incentive Grant Policy, grant funding cannot be used for either the acquisition of heritage properties by the Council, nor for the purpose of providing heritage grants for the conservation of Council owned heritage assets.
26. With regard to the conservation and stabilisation works and ongoing maintenance and operating costs, if the Council retains ownership of the Cottage and does not sell it to the Trust, the Council will be liable for the initial conservation work costs and the ongoing maintenance and operational costs.
27. Without a future use identified it is not possible to accurately estimate costs. The condition and structural reports have identified and prioritised the necessary stabilisation and conservation works, and these are estimated to be in excess of \$250,000. Of this, urgent work estimated at \$100,000 would be required in the 2008/09 year, with the balance of approximately \$150,000 occurring in the 2009/10 year.
28. Normal annual operating costs are estimated to be approximately \$20,000 per year and, assuming an initial deferred maintenance programme is completed, provision for ongoing future cyclical maintenance such as painting should be made within the 2009-2019 LTCCP.

If the preferred option is adopted, the anticipated costs are as follows:

	Year	\$
Replenishment of Historic Places Fund from operating surplus	2007/08	260,000
Conservation work – urgent	2008/09	100,000
Balance of initial conservation work*	2009/10	150,000
Ongoing operating costs*	annual	20,000

* to be included in the 2009/19 LTCCP

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

29. No.

LEGAL CONSIDERATIONS

30. If the Council should wish to retain ownership of the Cottage, given the terms of the Council resolution of 30 March 2006 when the Cottage was originally acquired, it will be necessary for the Council to expressly resolve to so retain ownership on such new terms as it considers appropriate.
31. Under the legal structure proposed in the staff recommendations section of this report ownership of the land and Cottage would remain with the Council. However, the proposed tenant would be granted, subject to the outcome of negotiations, a lease or management agreement for a fixed term. It would be expected that the terms of that lease or management agreement would effectively define the relationship between the Council and the Trust as tenant in relation to the Cottage, control the use of the Cottage by the tenant and impose certain obligations around usage and management. However, the final terms of the Lease or Management Agreement will need to be negotiated between Council staff and the proposed tenant Trust.

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

32. Heritage protection 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".
33. 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).

34. 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.
35. City Development Activities and Services provide for Reserves contributions through the Development Contributions Policy Part 3 s 4.1.1 Development Contributions.

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

36. No

ALIGNMENT WITH STRATEGIES

Greater Christchurch Urban Development Strategy (UDS)

37. 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.

Banks Peninsula District Plan

38. Heritage protection is consistent with the Cultural Heritage provisions of the Banks Peninsular District Plan. These are detailed in chapter 14, Cultural Heritage, Objective 1, and Policies 1A and 1B, p.74.

New Zealand Urban Design Protocol

39. 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 retention of Heritage will contribute towards the implementation of the New Zealand Urban Design Protocol, to which the Council is a signatory.

Heritage Conservation Policy

40. Heritage Conservation Policy 9.1 promotes appreciation of listed heritage, and the importance of its conservation; 7.1 promotes working with community groups to find compatible new uses for under-utilized heritage buildings and 1.1 requires the promotion of the conservation principles set out in the ICOMOS New Zealand Charter.

Do the recommendations align with the Council's strategies?

41. Yes. Heritage retention is supported by these strategies and policies and is consistent with the recommendations.

CONSULTATION FULFILMENT

Consultation

42. Council staff met with the Trust in November 2007, and March, April and May 2008 as part of an ongoing consultation process. The Lyttelton community, Project Port Lyttelton Incorporated, the Lyttelton Information Centre Trust, Canterbury Kilwinning Lodge and the Lyttelton Historical Museum Society Incorporated are represented on the Trust. Consultation between Council staff and the NZHPT has been ongoing since October 2007.

STAFF RECOMMENDATION

It is recommended that:

- (a) The Council rescind that part of the resolution of the Council meeting of 30 March 2006:
 - “(ii) negotiate and agree the terms and conditions of the proposed on-sale agreement between the Council as vendor and the Lyttelton Information Centre Trust (or such trust or entity that may be established to purchase, conserve and manage Grubb Cottage) as purchaser at the full purchase price paid by the Council”.*

And further resolve that:

- (b) That the Christchurch City Council retain ownership of Grubb Cottage situated at 62 London Street, Lyttelton.
- (c) \$260,000 from the Council's anticipated 2007/08 operating surplus be applied to replenish the Historic Places Fund and to finance the purchase of Grubb Cottage under established operating procedures.
- (d) The provision of \$250,000 be made, with \$100,000 in the 2008/09 Annual Plan and \$150,000 in 2009/10 financial year, to fund the necessary conservation and stabilisation work to the buildings in line with the recommendations of the Conservation Plan prepared for the Council.
- (e) The future ongoing operating costs estimated at \$20,000 per annum also be developed and included within the 2009-19 LTCCP.
- (f) The Corporate Support Manager be granted delegated authority to negotiate with and enter into on behalf of the Council a formal Deed of Lease or a management agreement or such other arrangement as he shall consider appropriate in relation to Grubb Cottage with the Grubb Cottage Heritage Trust, on terms and conditions acceptable to him (including but not limited to such matters as the nature and extent of any use or activity to be undertaken to the Cottage and the ongoing management and use of the Cottage).

BACKGROUND

43. On 30 March 2006, the Council resolved to purchase Grubb Cottage, Lyttelton, for the sum of \$260,000 to ensure the future preservation of this significant heritage dwelling. The purchase was made from the Historic Places Fund. The Council's resolution of 30 March 2006 approving the purchase contemplated the subsequent on sale to a Trust for the full purchase price paid by the Council.
44. Staff are dealing with the urgent reactive maintenance: City Care have a contract for garden maintenance; new locks have been fitted, the windows have been boarded up and a large fence erected to the street for security; temporary spouting has been fitted and the chimney wrapped to prevent further water penetration and ongoing damage to the heritage fabric of the dwelling.
45. Neither the Grubb Cottage Heritage Trust nor any other trust or entity has come forward with the capital to purchase Grubb Cottage for the full purchase price paid by the Council as per the Council's resolution of 30 March 2006.

HERITAGE IMPORTANCE

46. Grubb Cottage is listed as a Protected Building in Appendix IV, Schedule of Protected buildings, objects and sites of the Banks Peninsula District Plan and as a Category II Historic Place on the New Zealand Historic Places Trust Register of Historic Places.
47. Grubb Cottage is arguably the most significant colonial domestic dwelling in Lyttelton. It remains in very original condition, including its original outbuildings. There are few examples of 1840s, 1850s and 1860s built dwellings still extant in Christchurch and Lyttelton, and no others exist in such an original state. As such the Cottage presents a record of built archaeology which is unique in Canterbury, and provides significant tangible evidence of the way of life of the early settlers during the first two decades of organised European settlement.
48. By means of comparison, the oldest surviving European dwelling on the Canterbury plains, Deans Cottage (1843-4), was relocated and fully restored in 1950: much of its original heritage fabric was replicated and replaced at this time, and the dwelling was removed from the context of its original site. Grubb Cottage (1851) is significant in the near original condition of most of its heritage fabric, which has been preserved for over 150 years, and remains on its original site.
49. Particular heritage significance is attached to the Cottage as the original construction on the first piece of land to be sold in New Zealand by the Canterbury Association which had not been pre-purchased in England. Also, the 1851 portion of Grubb Cottage is possibly the oldest remaining dwelling of the Canterbury Settlement which was not of pre-fabricated construction.
50. Grubb Cottage has heritage significance to the community of Lyttelton because of its association with the early settlement of the town. The Grubbs were a key family in the development of Lyttelton and its port, and in turn associated with the development of Christchurch and the Canterbury region. Mr John Grubb, one of the earliest residents of Lyttelton, arrived in 1849 and decided to settle in Lyttelton. His wife and family arrived in 1850 on the Charlotte Jane, the first of the Canterbury Association Ships. The Grubb family settled and stayed in Lyttelton: John became a Borough Councillor and their son James also entered local government and became Mayor of Lyttelton in 1902. Generations of the Grubb family lived in the house until 1961.
51. The Cottage is widely recognised by the Lyttelton community as an historic landmark identified with the early days of the settlement. The Lyttelton community had long expressed an interest to see the cottage restored and retained with a viable community use, but their attempts to purchase the building in the 1990's and 2004 failed through lack of funding.

HERITAGE AND BUILDING CONDITION ASSESSMENT

52. The Council commissioned a structural survey and condition report in November 2006, a conservation plan in September 2007, measured drawings in February 2008 and are currently in the process of commissioning an archaeological survey.

Condition Report: Stewart Ross Team Architecture

53. The condition report finds the Cottage and outbuildings generally in a poor condition, with the exterior envelope in urgent need of maintenance and repair to protect the structure from the elements. The stairwell needs to be reinstated to provide first floor access; the chimney to be repaired; the front veranda rebuilding and the foundations require repiling. The existing wiring and plumbing do not comply to current codes and no services appear to be connected to the Public Utility. Fire protection and accessibility issues are identified as needing to be addressed if the future use of the building will open it to the public.

Structural Report: Endel Lust Civil Engineer Ltd

54. The report identifies the need for excavations to provide better sub floor ventilation and the rebuilding of the sub floor; structural issues with the fireplace and chimney, and that lack of compliance to current code in the first floor joists. It concludes that most of the basic structural members of the Cottage are in a relatively sound condition. However, the existing first floor structure is such that access should be limited to no more than six persons at a time and no more than two persons in any first floor room at any time.

Conservation Plan and Heritage Assessment: Heritage Management Services

55. The Conservation Plan has been prepared to guide the management of any future work or change to the Cottage. It is currently at a working draft stage for comment. A Conservation Plan is a document that sets out the heritage value of a place and develops policies to guide its conservation, future use and development – essentially to deal with the management of change. The Plan is designed to help prioritize and resolve any differences in balancing the old with the new. It provides the basic information necessary for decision making and to assist in the overall planning and management of the heritage values of the place. The Structural and Condition Reports are contained within the Conservation Plan. The Conservation Plan identifies that:
- (a) There are no agreed identified uses for the Cottage. Options that have been discussed in the past have included a tea room, a residential dwelling, a museum and an information centre. In its present state the Cottage does not comply with current codes for either private residence or public access, and the interventions required to achieve code compliance would destroy much of the heritage fabric and significance of the place. To undertake this action would, in general, be contrary to the principles of heritage conservation outlined in the working draft Conservation Plan or the ICOMOS (NZ) Charter.
 - (b) As the property remained in the Grubb family for some 110 years, and has been empty since the 1960s, a considerable amount of heritage fabric and archaeological material has remained at the site. Therefore Grubb Cottage presents an outstanding and rare example in Canterbury of early colonial, built archaeology; in its current state it offers the opportunity to understand the technology, materials and social history of a particular period in time and way of life. The recommendation of the working draft Conservation Plan is that of minimum intervention and to stabilise the building with the aim of preserving and conserving at Grubb Cottage the evidence of earlier technologies and construction techniques and the original fabric, architecture and social historic values they contain.
 - (c) The 1851 section of the Cottage to the rear, although the oldest section, has been the most altered over time and is considered to present the most appropriate area for adaptation. This part of the Cottage could be considered for use as an interpretation area for the architectural and social history of the building and as well as the early history of Lyttelton and its surviving heritage.

COSTS OF RETENTION

56. Until a future use has been identified and the extent and nature of the conservation, repair and reinstatement works has been determined, it is not possible to accurately estimate costs. The condition and structural reports have identified and prioritised the necessary stabilisation and conservation works, and these are considered to be in excess of \$250,000. These works could be staged over a two year period commencing in 2008/09.
57. Normal annual operating costs such as rates, insurance, planned and reactive building maintenance, grounds maintenance and heritage advice from external consultants are likely to exceed \$20,000 per year. Assuming significant deferred maintenance (as identified by the condition and structural reports) is undertaken over the next two years, some further cyclical maintenance such as painting may not be required for 8-10 years. However, provision for such ongoing future cyclical maintenance should be made within the 2009-2019 LTCCP.
58. Costs for initial conservation and ongoing maintenance have not been allowed for in any current budgets. Annual operating costs and cyclical maintenance would need to be made within the 2009-2019 LTCCP.

THE OBJECTIVES

59. To ensure the retention of Grubb Cottage and preservation of its heritage significance, and settle the issue of ownership, conservation and ongoing management.

THE OPTIONS

60. There are three options for consideration:
 - (i) Grubb Cottage is retained in Council ownership, with Council funding the necessary conservation and stabilisation work to the buildings and all future ongoing maintenance costs, in line with the recommendations of the Conservation Plan prepared for the Council. The Trust is granted either a lease or management agreement or other similar arrangement with negotiated and agreed terms and conditions relating to the nature and extent of the ongoing management and use of the Cottage.
 - (ii) Grubb Cottage is retained in Council ownership, with Council funding the necessary conservation and stabilisation work to the buildings and all future ongoing maintenance costs, in line with the recommendations of the Conservation Plan. Council to assume responsibility for the ongoing management of the Cottage.
 - (iii) The Council retain ownership of the Cottage and maintain the status quo until a buyer is identified.
61. Consideration was also given during the writing of this report to two further options, namely:
 - (a) That the Council retain ownership of the Cottage, lease the asset to the Trust and enter into a contractual agreement with the Trust relating to the nature and extent of any maintenance, stabilisation, repair and reconstruction work undertaken at the property, and the ongoing management of the Cottage. The Trust would be liable for raising the capital required to fund all agreed conservation and stabilisation works and all future ongoing maintenance; and
 - (b) That the Council on-sells the Cottage to the Trust as per the Council resolution of 30 March 2006, and negotiate and agree the terms and conditions of a contractual agreement relating to the nature and extent of any maintenance, conservation and reconstruction work undertaken at the property. The Trust would be liable for raising the capital required to fund the purchase, all agreed conservation and stabilisation works and all future ongoing maintenance.

62. However, following a number of meetings between Council staff and the Trust between November 2007 and May 2008 it became clear that these were not realistic options. The Grubb Cottage Heritage Trust has stated that it is not able to undertake the purchase of Grubb Cottage for the full purchase price paid by Council, nor is it able to fund raise the necessary monies for the conservation work and ongoing cyclical maintenance given the limited options for and constraints on future uses imposed by the heritage value and significance of the built archaeology contained within the dwelling. The Trust is unable to support any options for the future of the Cottage which require them to meet the costs of funding either the purchase or stabilisation and conservation of the Cottage at this time. There is no other identified trust or entity with the funding to support this option at this time.

ASSESSMENT OF OPTIONS

The Preferred Option

- (a) Grubb Cottage is retained in Council ownership.
- (b) The Council agree to fund the necessary conservation and stabilisation work to the buildings and all future ongoing maintenance costs, in line with the recommendations of the Conservation Plan.
- (c) The Trust is granted either a lease or management agreement with negotiate and agreed terms and conditions relating to the nature and extent of the ongoing management and use of the Cottage.

	Benefits (current and future)	Costs (current and future)
Social	<ul style="list-style-type: none"> • Council and Community recognition of early Lyttelton history and opportunities for Council to work in partnership with the Trust and Community. • Opportunities for community access to a tangible record of their early history. • Education and advocacy opportunities for the promotion of heritage retention and conservation. • Opportunity for the Council to make a strong and positive statement about the Council's commitment to heritage conservation and retention. 	None
Cultural	<ul style="list-style-type: none"> • Council protection of an outstanding and unique example of built archaeology. • Council Heritage staff able to monitor and manage ongoing conservation and maintenance. • Council preservation of an important record of the development and early settlement of Lyttelton and Canterbury. • Council protection of an historic site linked to a prominent early settler. • Retention of a significant listed heritage asset in Council ownership and care. • Council protection of links to the past activities on the historic site. 	None

	Benefits (current and future)	Costs (current and future)
Environmental	<ul style="list-style-type: none"> • Preservation and enhancement of the street scene and a local landmark. • Potential to restore the setting. 	None
Economic	<ul style="list-style-type: none"> • Some limited potential income from lease. • Future economic potential – e.g. literature sales: conservation guide book, history guide book, publication of conservation plan; picture and post card sales; education and conservation workshops and tours; inclusion on heritage trails; recreation of a heritage garden and heritage seed/plant sales; re-enactments; performances in the grounds, etc. • The Trust assume responsibility for the day to day management of the Cottage. 	<ul style="list-style-type: none"> • Conservation costs and ongoing maintenance costs will need to be met by Council. • An appropriate business unit and activity would need to be identified for ownership and management. • There are no dedicated budget funds available for the identified business unit to undertake the conservation works or ongoing maintenance.
<p>Extent to which community outcomes are achieved: Heritage comes under An Attractive and Well Designed City. The success indicator is stated as being that “our heritage is protected for future generations” and progress will be measured by the number of heritage buildings, sites and objects. This measure would be maintained by the retention of this heritage building.</p> <p>Impact on the Council’s capacity and responsibilities: Unbudgeted financial costs for the replenishment of the Historic Places Fund would impact on the Council’s capacity to carry out other activities. Unbudgeted costs for conservation works and ongoing maintenance and management would impact on the Council’s capacity to carry out other activities. Would meet Council responsibilities for Community Outcomes and heritage retention objectives and policies.</p> <p>Effects on Maori: Nil</p> <p>Consistency with existing Council policies: Is consistent with Council Heritage objectives and policies. Is consistent with current fiscal practice.</p> <p>Views and preferences of persons affected or likely to have an interest: Civic Trust, The Trust, the Community Board, Lyttelton community and NZHPT likely to approve Council action.</p> <p>Other relevant matters: NZHPT have expressed an interest in a partnership Council-NZHPT-Trust education and advocacy initiative based around the Cottage. An appropriate business unit and activity would need to be identified, as Heritage Protection does not presently hold assets in its own rights. Opportunity to make a strong, positive statement locally, regionally and nationally about Christchurch City Council’s commitment to heritage protection and retention. It offers huge potential for heritage education and advocacy as well as media, cultural tourism and promotional opportunities.</p>		

The Second Option

- (a) Grubb Cottage is retained in Council ownership.
- (b) Council fund the necessary conservation and stabilisation work to the buildings and all future ongoing maintenance costs, in line with the recommendations of the Conservation Plan.
- (c) Council remain responsible for the ongoing management and use of the Cottage.

	Benefits (current and future)	Costs (current and future)
Social	<ul style="list-style-type: none"> • Council recognition of early Lyttelton history and • Opportunities for community access to a tangible record of their early history. • Education and advocacy opportunities for the promotion of heritage retention and conservation. • Opportunity for the Council to make a strong and positive statement about the Council's commitment to heritage conservation and retention. 	<ul style="list-style-type: none"> • Opportunities for Council to work in partnership with the Trust and Community are lost. • Opportunity for Lyttelton community to have a sense of ownership of the Cottage is lost. • Council management likely to result in reduced levels of service. • Community outcomes are not achieved.
Cultural	<ul style="list-style-type: none"> • Council protection of an outstanding and unique example of built archaeology. • Council Heritage staff able to monitor and manage ongoing conservation and maintenance works. • Council preservation of an important record of the development and early settlement of Lyttelton and Canterbury. • Council protection of an historic site linked to a prominent early settler. • Retention of significant listed heritage buildings in Council ownership and care. • Council protection of links to the past activities on the historic site. 	<ul style="list-style-type: none"> • Opportunities for the Lyttelton community to develop cultural tourism initiatives around the Cottage are loss.
Environmental	<ul style="list-style-type: none"> • Preservation and enhancement of the street scene and a local landmark. • Potential to restore the setting. 	None
Economic	<ul style="list-style-type: none"> • Future economic potential – e.g. literature sales; conservation guide book, history guide book, publication of conservation plan; picture and post card sales; education and conservation workshops and tours; inclusion on heritage trails; recreation of a heritage garden and heritage seed/plant sales; re-enactments; performances in the grounds, etc. 	<ul style="list-style-type: none"> • Conservation costs and ongoing maintenance and management costs will need to be met by Council. • An appropriate business unit and activity would need to be identified for ownership and management. • There are no dedicated budget funds available for the identified business unit to undertake the conservation works or ongoing maintenance or management.

Extent to which community outcomes are achieved:

Heritage comes under An Attractive and Well Designed City. The success indicator is stated as being that "our heritage is protected for future generations" and progress will be measured by the number of heritage buildings, sites and objects. This measure would be maintained by the retention of this heritage building.

Impact on the Council's capacity and responsibilities:

Unbudgeted financial costs for the replenishment of the Historic Places Fund would impact on the Council's capacity to carry out other activities. Unbudgeted costs for conservation works and ongoing maintenance and management would impact on the Council's capacity to carry out other activities. Would meet Council responsibilities for heritage retention objectives and policies.

Effects on Maori:

Nil

Consistency with existing Council policies:

Is consistent with Council Heritage objectives and policies. Is consistent with current fiscal practice.

Views and preferences of persons affected or likely to have an interest:

The Trust, the Community Board, and the Lyttelton community likely to oppose Council action.

Other relevant matters:

NZHPT have expressed an interest in a partnership Council-NZHPT education and advocacy initiative based around the Cottage.

An appropriate business unit and activity would need to be identified, as Heritage Protection does not presently hold assets in its own rights.

Opportunity to develop a partnership between the Council and the Lyttelton community is lost.

The Third Option Maintain the Status Quo (if not preferred option)

The Council maintain the status quo and hold the Cottage until a buyer is identified.

	Benefits (current and future)	Costs (current and future)
Social	<ul style="list-style-type: none"> Limited, unless a Trust or other entity willing to purchase the Cottage can be found quickly. 	<ul style="list-style-type: none"> The opportunity for community recognition of early Lyttelton history is delayed/lost. The opportunity for the Lyttelton community to be able to contribute towards the protection of their heritage is delayed/lost. The opportunities for the community access to a tangible record of their early history are delayed/lost. The community feel that the Council are not giving appropriate support to the protection and retention of their heritage. Until the Historic Places Fund is replenished the Fund would be reduced by \$260,000 which could mean opportunities for future heritage retention are lost. The opportunity for the Council to make a strong and positive statement about their commitment to heritage conservation and retention is lost.

	Benefits (current and future)	Costs (current and future)
Cultural	<ul style="list-style-type: none"> Limited, unless a Trust or other entity willing to purchase the Cottage can be found quickly. 	<p>If only urgent remedial maintenance is undertaken, the Cottage will continue to deteriorate and consequently:</p> <ul style="list-style-type: none"> Protection of links to the past activities on the historic site will not occur. The opportunity for the preservation of an important record of the development and early settlement of Lyttelton will be lost. Protection of an historic site linked to a prominent early settler will not occur. Retention of significant listed heritage buildings will not be promoted. Protection of an outstanding piece of built archaeology will not occur.
Environmental	<ul style="list-style-type: none"> None, unless a Trust or other entity willing to purchase the Cottage can be found quickly. 	<ul style="list-style-type: none"> The street scene will be compromised as the Cottage deteriorates, and a local landmark will become derelict. Lost opportunity to restore the setting. Threats of vandalism and crime.
Economic		<ul style="list-style-type: none"> \$260,000 for the replenishment of the Historic Places Fund will not be achieved until the Cottage is sold. These funds will not be available for other potential purchases until repayment is made. Council will be required to meet the costs of ongoing and urgent maintenance work. Failure of any Trust or entity to ever raise the funding for either purchase or conservation must be considered as a possibility. Council Heritage staff required to monitor ongoing urgent remedial maintenance.
<p>Extent to which community outcomes are achieved: Heritage comes under An Attractive and Well Designed City. The success indicator is stated as being that "our heritage is protected for future generations" and progress will be measured by the number of heritage buildings, sites and objects. This measure would not be achieved by this option.</p> <p>Impact on the Council's capacity and responsibilities: Unbudgeted financial costs for loss of interest and delayed repayment to the Historic Places Fund would impact on the Council's capacity to carry out other activities. Unbudgeted costs for ongoing maintenance and management would impact on the Council's capacity to carry out other activities. Would not meet Council responsibilities for Community Outcomes and heritage retention objectives and policies.</p> <p>Effects on Maori: Nil</p> <p>Consistency with existing Council policies: This is consistent with the fiscal policy related to the Historic Places Fund, but not consistent with Council Heritage objectives and policies.</p> <p>Views and preferences of persons affected or likely to have an interest: Civic Trust, the Community Board, Grubb Cottage Heritage Trust, the Lyttelton community and the wider Christchurch community and NZHPT are unlikely to approve Council action. Public awareness of the Cottage is high, and there is the perception that it is Council owned and being allowed to deteriorate. Positive proactive action is needed to address these perceptions.</p> <p>Other relevant matters: This is not a realistic option. The heritage significance of the Cottage and the near original condition of much of its heritage fabric places constraints around an appropriate future use. The Conservation Plan has identified areas which might be considered for a new use; however, most appropriate uses would not provide the basis for any commercially viable reuse of the Cottage or its grounds. Other, more commercial options for reuse would result in a major loss of heritage fabric and significance. It is therefore extremely unlikely that any Trust will come forward with the funds to purchase and restore the Cottage.</p>		