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The purpose of this report is to:

1. Recommend the granting of a lease over the Curator's House, Botanic Gardens and;
2. To seek additional funding through the Annual Plan Working Party for the redevelopment of the house and grounds.

The report was considered by the Curator's House Subcommittee (Councillors Condon and Sheriff) on 21 May 1999.

#### **BACKGROUND**

It will be recalled that as a consequence of the Subcommittee's previous consideration of the proposal the following recommendations of the Parks and Recreation Committee were made to the Council in December 1998 and were adopted:

- “1. That the Parks and Recreation Committee appoint the Chairman and Councillor Gail Sheriff as a Subcommittee to continue to consider the matter.
2. That approval in principle be given to grant the Knight/Garcia Syndicate a lease of the house subject to:
  - (a) Satisfactory evidence being produced as to the viability of the business.
  - (b) Negotiations being completed over the proposed lease terms and annual rental to apply with these to be confirmed by the Parks and Recreation Committee.
  - (c) A notified resource consent being obtained for the proposed development.”

#### **CURRENT POSITION**

##### **Botanic Gardens Home Demonstration Garden**

In accordance with the Botanic Gardens Management Plan, the garden which is situated about the curator's house on the Rolleston Avenue frontage of the Botanic Gardens, which is presently unavailable for public use is to be developed into a home demonstration garden. Features of the development are shown on the tabled concept plan:

The implementation of the concept plan will require a number of the existing trees in the garden area to be removed. These trees add little value to the garden area at present. The larger established trees which create the main framework for the garden will be retained, together with any rare specimens found on the site.

## **Building Alterations**

It has been clear from the outset that to convert the existing house which has been used for residential purposes to a restaurant would require certain modifications to the building to provide the appropriate facilities. It was also recognised that should the property be used for any purposes other than residential that there was a requirement to strengthen the facility. As a consequence of this the Parks and Recreation Committee resolved at its meeting on 9 September 1998 that the Subcommittee work with the Heritage Adviser providing heritage advice from the Environmental Policy and Planning Unit. To investigate the conversion of the house to a restaurant the company engaged the services of Wilkie and Bruce Architects Limited. Because of the confined floor space available it became clear to the architects that a kitchen of sufficient size to service both indoor and outdoor eating facilities would require an extension to the building. The proposed redevelopment envisages the construction of a new kitchen facility through an extension to the southern side of the building as depicted on the tabled plan. This will enable the existing kitchen area which is rather confined to be incorporated within the proposed café/restaurant which will also extend through to the existing lounge area. Some minor alterations will be required to facilitate the internal development including the partial removal of some walls.

The upstairs area is to be converted into two function rooms as well as a staff facility and sitting room. The proposed alterations have been considered by the Heritage Adviser whose comments on the proposal are as follows:

### ***“Protection of Heritage Values, Curator’s House, Botanic Gardens***

#### *Heritage Listings*

*The Curator’s House, Botanic Gardens, is listed as a group 3 protected building in the City Plan. It is also registered as a category II historic place by the New Zealand Historic Places Trust. A Resource Consent is needed to alter the house.*

#### *Heritage Significance*

*The house was erected in 1920 to a design by the noted Christchurch firm of architects, Collins and Harman. This long-surviving firm was also responsible for such notable heritage buildings as the Press in Cathedral Square (1909), the Nurses’ Memorial Chapel (1927) and many buildings at the Art Centre.*

*The curator’s house is a very significant example of the firm’s work, and of Arts and Crafts architecture in Christchurch. It has a distinctly Old English or Tudor appearance, created by the use of half-timbering on the upper storey and leaded windows. However, the house also reveals an important phase in the development of local domestic architecture when architects became increasingly conscious of the need to respond to local design requirements. Evidence of this concern is found in the use of local materials (notably the grey basalt in random rubble) and in Collins and Harman’s efforts to design functional but informal living spaces to meet contemporary needs.*

*The main, north elevation of the building with its steeply pitched half-timbered gables, verandah and leaded windows, is a focal point in the Gardens.*

*Proposed Alterations to convert the building into a restaurant/café*

*Considerable alteration to the building is required for it to function as a café/restaurant, notably the addition of a major new wing, opening up of a number of internal walls and structural strengthening.*

*The Council's heritage planners have been discussing the proposed alterations with the architect commissioned to prepare plans. In general, they believe that the proposed alterations respect the heritage values of the building insofar as this is possible when converting the building into a restaurant/café.*

*However, they are concerned that it is proposed to cut down windows on the principal (north) elevation. One of the conservation objectives set out in the Council's conservation plan for the building is 'to give priority in conservation measures to preserving the historic structure and character of the building with the emphasis being on the exterior of the building' (George Lucking, Conservation Plan, Curator's House, Botanic Gardens, objective 14.1, p.20).*

*Council heritage planners do not believe that the present proposals for the north elevation meet this objective. However, they recognise that the proprietors of the proposed café/restaurant wish to improve access from the verandah to the dining areas and strengthen the visual relationship between inside and outside areas. Taking this into account, they have suggested, as a compromise position, that consideration be given to creating one new door only on the principal elevation, preferably on the west verandah wall where it would not be obvious from most positions in the Gardens. If this does not meet the café's requirements, consideration could be given to inserting a new door in place of the window at the western end of the north elevation, though this would be much more intrusive visually.*

*Other suggestions Council heritage planners have made with a view to mitigating the adverse effects of the proposed change of use are:*

- use of timber cladding without the proposed horizontal and vertical battens rather than a plaster finish with battens to the proposed new kitchen wing*
- use of plain, clear glass rather than leadlights in the windows to this addition*
- elimination of the proposed new verandah to the south elevation*

*These suggestions are aimed at ensuring that the proposed kitchen wing reads as a subsidiary addition to the original heritage building in accordance with the conservation principles set out in the ICOMOS New Zealand Charter and Council heritage policies."*

## **Development Costs**

### *Grounds Development*

Officers estimate that it will cost approximately \$72,300 to undertake the development of the garden. It should be emphasised that at this stage that this costing is approximate only, as it has not been possible to undertake detailed costings until the concept plan has been developed to working drawing stage.

A total of \$55,000 is available for the above work subject to final ratification of the Council's 1999/2000 budget, being made up of \$25,000 budgeted for general Botanic Gardens development, and \$30,000 for the grounds around the curator's house. This leaves a shortfall of approximately \$18,000 to be found to enable the full development of the gardens to occur.

It will be necessary for the demonstration part of the garden to be completed in tandem with the opening of the restaurant to ensure that the venture has every chance of success. If it is not possible to secure the total monies required for the garden's development, the garden's development will be staged so as to minimise any inconvenience to the new business venture.

### **House Redevelopment**

As previously indicated should the house be utilised for any purposes other than residential it will be required to be strengthened. The proposal now before the Committee has been costed out at \$396,839 excluding the grounds development, made up as follows:

1. Earthquake Strengthening, Structural Changes	\$97,563
2. Extensions	\$74,842
3. Fitout including fire, electrical services and sanitary/plumbing	\$174,434
4. Furniture and Equipment	\$50,000
<b>TOTAL</b>	<b>\$396,839</b>

These costs need to be apportioned as between the lessor and lessee with the lessor's or the Council's responsibility being the strengthening costs as well those fitout costs which will remain a permanent benefit to the building. These costs are estimated to be \$139,383.

### **SOURCE OF FUNDS**

Of the \$211,680 required to be met by the Council a total of \$55,000 is available from budget allocations this year leaving a shortfall of \$156,680 say \$160,000 for which funds are required. Of this sum \$20,000 could legitimately be drawn from the cash in lieu of reserves account for the grounds redevelopment leaving a further \$140,000 to be found in the 1999/2000 annual plan and budget. In this regard it should be recognised that the payback period would be three years. This can either be met by:

1. Additional funds of approximately \$160,000 being provided in the 1999/2000 financial year, or
2. The shortfall could be met by the lessee on the basis that in return for funding the strengthening they would be granted rent holidays for three-four years to cover the cost together with the cost of capital.

While the company are prepared to accept this proposition from the Council's point of view it is more desirable to fund its share directly rather than rely on a rent holiday given that the company will have to revert to borrowing which is an additional burden that they do not necessarily wish to accept.

In the circumstances it is recommended that the additional funding required be sought through the Annual Plan process.

The Financial Services Manager comments:

If we assume that the revenue generated from this project is \$50,000 per annum and that the capital shortfall is \$140,000 the impact on the rates is favourable for 1999/2000 and neutral for subsequent years.

The impact on rates can be summarised as follows:

<b>Draft 1999 Annual Plan</b>	<b>Current Projected Rate Increase</b>	<b>Projected Rate Increase if funds provided</b>
1999/2000	1.96%	1.92%
2000/01	2.74%	2.74%
2001/02	1.85%	1.85%
2002/03	3.26%	3.26%
2003/04	3.52%	3.52%

#### **SUBCOMMITTEE'S CONSIDERATION**

As indicated this matter was considered on 21 May 1999 by the Subcommittee. It fully supported the proposal noting that the grounds redevelopment was in accordance with the Botanic Gardens Management Plan and that the heritage values of the house were being retained. It was believed the end result would provide a further attraction for Christchurch in a somewhat unique setting. In light of the excellent payback period of three years the Subcommittee fully supported an application to the annual plan for the additional funding to complete the strengthening of the building. The Subcommittee could not support the proposal for a rent holiday noting that it would place an added capital burden on the company which was making a significant capital contribution to set up and establish the business.

**Subcommittee's****Recommendation:**

1. That a lease be granted to the Botanical Epicurean Company Limited subject to the appropriate resource and building consents being obtained on the terms and conditions contained in the public excluded section of the report.
2. That the Committee support an application to the Annual Plan Working Party for an additional \$160,000 to be provided for the 1999/2000 year in the Asset Management section of the Property Unit's budget to complete the building and grounds redevelopment.
3. That the Committee support the concept design for the development of the grounds.

**Chairman's****Recommendation:**

That the above recommendation be adopted.