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The purpose of this report is to seek the Committee's endorsement to the Council of a proposed community use for Avebury House. The report follows a recommendation by the Hagley/Ferrymead Community Board at its September 1999 meeting.

PROPERTY DESCRIPTION

Avebury House is a large wooden two storey Victorian house located in Evelyn Cousins Avenue, Richmond, set amongst a large garden that is a heritage park. The house which has a floor area of 4298m² sits on a title held for recreational purposes under the provisions of section 601 of the Local Government Act 1974. The house includes five upstairs rooms, two (semi and self contained) downstairs flats, male and female shower/toilet facilities, a large central kitchen and a large front lounge.

History/Heritage

'Avebury' was built by William James Flesher on rural section 197 in 1885 and remained in the Flesher Family until 1945 when part of the land was sold to the Government for a housing estate. In 1948 the remaining land, which included the dwelling, was purchased by the Christchurch City Council and established as Avebury Park. The Youth Hostels Association of New Zealand leased the premises (known as Cora Wilding Youth Hostel), from 1965 until 1997.

Despite a number of alterations and modifications over time the dwelling remains in remarkably original condition and features lead-light and coloured glass windows, panelled doors, plaster ceiling roses, double hung windows and an elegant internal staircase. The centre piece of its parkland setting, this timber dwelling is an interesting example of Christchurch's Victorian domestic architectural and social heritage. It is the intention to commission a Conservation Plan prior to any restoration or recommendations for adaptive re-use of the building. This will ensure that the areas of physical heritage significance within this building are retained in any proposal for the re-use of the building.

RECOMMENDED USE

A community arts/cultural centre with an on site worker. A stakeholder group representing a wide cross section of interests is willing to work with the Council to develop the property. This concept is discussed in this report along with indicative costings for four options for use.

BACKGROUND

In September 1998 the Parks and Recreation Committee decided to request the Hagley/Ferrymead Community Board to undertake, at its expense, a needs analysis to determine the community's views on, and likely usage of, the house as a Community Arts Centre. This proposed usage had earlier been put forward to Hagley/Ferrymead, Burwood/Pegasus and Shirley/Papanui Community Boards. The Hagley/Ferrymead Community Board allocated \$15,000 towards this project but the other two Boards declined any financial allocation to the proposal. While interest had been expressed from some community organisations, no research had been undertaken to identify the needs of the surrounding community and if these needs could be best accommodated at Avebury House. Following a report from Strategy & Resources annual plan dealing with the development of new community centres, the Council resolved:

- 1. That a report be brought to the appropriate Committee on the needs for the development and upgrading of community centres city-wide.*
- 2. That the preliminary provision for the Avebury House project be included in the draft plan, but that final approval or otherwise of the funding proposed for this project be subject to the requested report defining the groups which would use the building, with future revenue streams, and the project being reviewed as part of the proposed study on the needs for the development and upgrading of community centres city wide.*

RESEARCH PROJECT

The Community Development Adviser, Ruth Evans, engaged Sue Dewe (who has a lengthy background in the public health system focussing on community development) to undertake research to:

- identify the range of possible user groups and services with associated development costs/impacts in relation to the use of Avebury House as a community facility.
- make recommendations to the Council on the most effective and efficient use of Avebury House as a community facility. The research project has now been completed and a full copy of the researcher's report to the Hagley/Ferrymead Community Board can be tabled.

The research which was carried out over a two month period reached the following conclusions:

- Avebury is not suitable as a "community cottage". Richmond Cottage meets that need and Avebury should be developed for a special role.
- There is a need in Richmond and nearby community for a community resource that creates cheap or free opportunities for people to get together.
- Avebury Park is not seen as suitable for sport but is seen as complementary to cultural pursuits which will give a sense of identity which is essential to health.
- A community arts or cultural centre with a co-ordinator, run on developmental principles, can be continuously responsive to community needs. Community development is the over arching goal for this venture and art and culture are a means to achieve this.

- There is a lack of facilities east of the city to foster art and culture.
- Avebury offers many features which would provide opportunities for the arts in the widest sense.
- Richmond hosts a significant group of creative people, is culturally diverse and has a local Primary School that has been nationally recognised for its innovative work.
- This is a great opportunity for three Community Boards to work together on an existing project.

Groups/Uses Identified

1. What is needed locally is a place that provides space to help parents to support children. Avebury House would be a useful venue for early start. A venue for creative rather than improving activities.
2. Step Ahead has already shown interest in an arts concept for the building in its previous proposal. Their members put on an art exhibition at the Linwood Arts Centre during Mental Health Awareness Week.
3. Probation and WINZ would like to support the development of Avebury House through their work schemes where local people could make a positive contribution to something of local benefit.
4. ESOL (currently located at the Polytech and teaching English to new settlers) would be keen to use a local venue with a cultural focus for encouraging social English. It would assist with linking migrant groups with New Zealanders – reducing isolation.
5. Refugee Resettlement commented on the advantage of a local venue for English lessons.
6. The Richmond Neighbourhood Cottage committee felt that the Richmond cottage met the needs as a local community centre and that community development through the arts was a good idea. The cottage is very small and booked up and it would be good to have a venue with larger spaces available.
7. The Baptist Church and Delta were interested in being part of a group to develop Avebury House. They work with many isolated people. The community minister is the chaplain for the Working Men's Club which has 4,000 members.
8. Members of the Community Arts Council are keen to be part of the development of Avebury House.
9. The Linwood Arts Centre is short of space. The Community Arts Worker believes Avebury House has the studio space and outdoor environment the LAC lacks. Her network and experience would be invaluable if Avebury House were to be developed similarly. This would ensure a co-ordinated approach to the work of the LAC.

Policy Considerations

Developing Avebury House as an arts and cultural centre is consistent with Christchurch City Council policies.

Community Development & Social Well Being Policy

Priority 1

Equitable access to opportunities

Improving the position of the least advantaged.

Priority 2

High self esteem

Participation and a sense of belonging in communities

Respect for cultural diversity

Self determination and empowerment

Priority 3

Development of local community identities and pride

Residents receiving their entitlements

Arts & Culture Policy

Statement of Purpose

To enhance and promote the City of Christchurch as a centre of artistic and cultural activity and ensure that opportunities to participate are available to all. (This policy includes recognition of the unique place of Maori art and culture, and protecting the heritage features of the city).

Recreation & Sport Policy

Based on values including:

That participation in recreation and sport makes a significant contribution of the health, well being and quality of life of the people of Christchurch.

First Priority Services include:

Festivals

Programmes for children, youth, people with disabilities and people on limited incomes.

Use Options

Five comparative options have been identified for Avebury House.

1. Sale of building, clear site for park use
2. A commercial tenant
3. One community organisation as tenant
4. A general community resource with a management committee and an on site worker.
5. A private residential tenancy

The following scenarios include the cost estimates and some pros and cons of each option. These cost estimates were based on information obtained from the Community Advocate at the Linwood Service Centre. They are based on assumptions. The final option proceeded with will have to be professionally costed. The Property Projects Manager's comments on the estimates follow this section of the report.

1. Sale of Building, Clear Site for Park Use

Initial Cost to the Council

Removal of house. Landscaping to make good \$25,000

Ongoing Cost to the Council:

Maintenance of grounds only. (Additional costs) \$1,500

Advantages:

Lowest cost option to Council

No building to manage

Park maintenance only

Disadvantages:

No income from property

Possible public outcry at loss of heritage building (not listed)

Does not meet criteria for general community use as agreed by Board

Loss of an opportunity to become a general community resource to meet objectives of the Council's Arts and Culture, Recreation and Sport and Social Well Being Policies.

2. A Commercial Tenant

Initial Cost to the Council

Renovation over three years of building exterior and minimal interior upgrading \$365,000

Internal refurbishment dependant on negotiations with the tenant but the Council's costs could be: \$80,000

Ongoing Cost to the Council:

Expenditure: Internal building maintenance annually \$10,000

Income: Commercial rent (covers external maintenance) \$50,000 to \$75,000

(This could vary according to the contractual agreement with the tenant)

Advantages:

Heritage building retained and upgraded

Property earns income

Disadvantages:

High initial capital cost to Council

Neighbourhood not affluent, could be problems finding commercial tenant prepared to set up business in the area.

Public use of reserve area surrounding house could deter tenant.

Does not meet criteria to become general community resource as agreed by Board

Use of property unlikely to have local relevance

3. ***One Community Organisation as Tenant***

Initial Cost to the Council

Renovation of building over three years exterior and minimal interior upgrading	\$365,000
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Council likely to have to refurbish interior	\$80,000 to \$160,000
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Ongoing Cost to the Council:

Expenditure: Internal building operational costs annually	\$10,000
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Estimated internal rent to Property Unit	\$50,000
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Advantages

One tenant, straight forward arrangement

House has a community use (may not be 'general')

Under certain conditions meets social policy objectives

Disadvantages

Council has initial cost of refurbishing interior

No external rental revenue

Lower rental charged for non-commercial tenant

Unlikely to find one tenant willing to take on general community purpose. Most groups meet specific needs of specific groups

Community groups are under funding pressure and unlikely to take on the responsibility of an additional project.

4. *A General Community Resource With Developmental Goals, A Management Group (Representing Broad Community Interests) and an On-Site Worker*

Initial Cost to the Council

Renovation of building over three years exterior and minimal interior upgrading \$365,000

Council likely to have to refurbish interior \$80,000 to \$160,000

(Recommend a conservative approach initially so that refinements can be made as the centre develops)

Ongoing Cost

Expenditure: Internal building operational annually \$10,000

Estimated rent to Property Unit (internally funded) \$50,000

Worker salary \$35,000

Seeding grant first year \$10,000

Advantages

Purpose meets agreed criterion

House has general community use

Diverse membership of management group ensures range of perspectives contribute to development

Involvement from neighbourhood interest groups/organisation generates ownership

Relevant to neighbourhood

Meets Social Policy objectives

Disadvantages

More expensive than option 1 and 2 initially and ongoing

No external revenue

Will involve time of Community Services staff to assist management

5. *A Private Residential Tenancy*

Initial Cost to the Council

Renovation over 1-3 years depending on standard \$200,000 to \$300,000

Internal refurbishment dependent on type of accommodation (Family, student) \$50,000 to \$80,000

Ongoing Cost

Capital repairs, maintenance interior/exterior

Advantages

One tenant
External revenue
Full time occupancy

Disadvantages

Incompatible use with surrounding park
Does not meet criteria for general community use
Inefficient use of Council funds

The Property Projects Manager provides the following comments in respect of the financial assumptions provided in the options above:

Firstly the ability to even achieve a commercial tenant as suggested under (2) needs to be carefully considered and questioned. It must be noted that requests for proposals to find a use/tenant for the property was sought in October 1997. This process culminated in a poor response. Notably there were no commercial uses presented and the only two non-commercial proposals received did not gain any support. Secondly I seriously question the rental figures provided above. I am unable to comment on the refurbishment and maintenance expenses of each option. However, I certainly believe that the estimated income under option (2) \$50,000-\$75,000 is unachievable. There are two primary factors which lead me to this conclusion:

- (i) As evidenced above there has been no demand for the property.
- (ii) Comparison with comparable market evidence does not support this level of rental (eg the turnover tenancy arrangement at Mona Vale). Mona Vale is superior in its location and affords a better prospect in respect of generating commercial revenue. Therefore, it is my opinion that a commercial rent, if achievable for the subject property, is more likely to be in the vicinity of \$25,000 pa.

In considering the rental under options (3) and (4), which provide for differing forms of community based activities, I would again question the estimated rent of \$50,000. In my experience community groups are unlikely to pay any form of significant rent, let alone one that exceeds or is even equivalent to those derived from commercial uses.

Additionally it must also be considered that if the management group as proposed under option (4) were a Council operated initiative then the rental estimate is in fact merely an internal transfer. Therefore, it is not a net gain of revenue for the Council and thus not comparable to the other options.

Given the inability of this property to generate viable commercial interest and the fact that community groups are more than likely unable to pay significant rentals, I put forward the proposition that the highest and best use is more than likely residential accommodation and as such may generate income in the vicinity of \$13,000 pa for say a family or \$21,000 pa for students.

Community Board's Preferred Option

The preferred option by the Hagley Ferrymead Community Board is option four, based on the needs of the community for a place where diverse groups can express their own identity and pride. The research process has identified an interim steering group to work with the Council to develop the property if so desired. It is reiterated that the above costings are indicative only.

Asset Management

Up until recently the Parks Unit administered the building, which is now under the control of the Property Unit. The house is presently vacant except for a custodial tenant in the front caretaker's flat. The building is in need of substantial restoration/refurbishment although it is structurally sound. Funding is required to cover deferred maintenance items. The exact extent of these items has not been defined but before any upgrading work is undertaken a full Asset Management Plan will be established. The proposed use of the building will be factored into the Asset Management Plan.

Funding

Capital budget expenditure has been approved for the 1999/2000 year at \$115,000. The Property Unit has not however allowed in its operational budget any costs or income for the 1999/2000 financial year. In terms of standard Council policy the holding costs of owning property must be transparent to the extent that the Unit for which the property is held must meet the current market rental and operating expenses. Once the Council makes a decision on how the property is to be utilised the standard methodology of assessing/apportioning rental will be adopted from the date of that decision. If it is resolved that the building is to be used for a community activity, then it will be held in the Property Unit portfolio and leased internally to the Linwood Service Centre. The Service Centre would in turn enter into a management agreement with the Arts and Cultural Group, similar to the successful Linwood Community Arts Centre.

Community Board Responses

The Hagley/Ferrymead Community Board has resolved:

1. *“To support the preferred option (Option 4) recommended by the Avebury House Research Project for the use of Avebury House as a general community resource with developmental goals, a management group (representing broad community interests) and an on-site worker.*
2. *That the Board pass on this recommendation to the Projects and Property Committee.*
3. *That this report be referred to the Shirley/Papanui and Burwood/Pegasus Community Boards for consideration and involvement in the selection of future tenants and management structure.*
4. *That Sue Dewe be thanked for the research work done on this project.”*

The foregoing resolution is supported by the Burwood/Pegasus Community Board.

The Shirley/Papanui Community Board resolved to support option 4 in principle, and decided that it would give further consideration to this proposal when a request was received to meet any costs involved.

Parks Manager's Comments - Surrounding Park

“Avebury Park is made up of three parcels of land. To the north is the open grass garden area the legal description for which is Reserve 4836 of 3505m², DP 14735, this being recreation reserve (gazette 1956 p.584). The centre portion of the reserve on which Avebury House, public toilets, buildings of the Richmond Workingmen's Pigeon Club, and a garage are situated is held under the Local Government Act being Lot 153, DP 14735 of 1576m². The south area of the reserve on which the paddling pool and play equipment is situated is legally described as Reserve 4837 of 3814m² DP 14735 being recreation reserve (gazette 1956 p 584).

Officers of the Parks Unit believe that the central portion of the reserve on which the house and other buildings are situated should be gazetted as local purpose reserve for community buildings, so as to ensure that all the land presently making up Avebury Park is retained for reserve purposes in the future.

A recent legal opinion obtained concerning the use of local purpose reserves indicates that by classifying the land on which Avebury House is situated as local purpose reserve (community buildings), would not unduly limit the uses which the Council may wish to accommodate in Avebury House in the future.

With the proposed new use there may well be opportunities to enhance the present landscape around the house which the Parks Unit would be prepared to undertake together with the future maintenance of the site once the land is gazetted as local purpose reserve.”

SUMMARY/CONCLUSIONS

- The house has been vacant for some time apart from a resident caretaker.
- The building is in a remarkably original condition and contains heritage features worth preserving although significant cost would be involved in restoring and refurbishing the building.
- The investigations and consultation process to date have determined that there is a need for a community facility in this area of Christchurch.
- This report discusses a conceptual use for Avebury House in terms of the Council's brief to make recommendations on a suitable community use. The conclusions drawn are:

1. A community facility with a broad based Arts Culture focus will ensure the widest use by all sectors of the community ranging from pre-school to elderly.
2. This concept will enable a cross section of cultural groups interests and needs to be catered for.
3. If a community based use of Avebury House is to be pursued, significant capital funding by the Council will be required and the Council will need to be satisfied that this is the right investment.
4. At this stage it is a concept that is being promoted and not a detailed proposal.
5. Should the Council support the proposed community use, further detailed work would be necessary to establish:
 - (a) The management structure – representation conclusion and objectives.
 - (b) The surrounding reserve, its use restrictions and limitations. (Note: the Parks Manager recommends that the house and underlying land be classified as a Local Purpose Reserve (Community Buildings.)
 - (c) The necessary measures to preserve heritage features.
 - (d) Resource Management Act issues including traffic (access and parking).
 - (e) A timetable for implementing the project.

Having regard to these issues firm costings will need to be established for:

1. The funding of the activity.
2. Upgrading, refurbishment arising from a change of use.
3. Operating costs/salary of worker.
4. Recoveries.

Recommendation: That the Committee receive this progress report and recommends to the Council that the concept advocated by the Hagley/Ferrymead Community Board to develop Avebury House as a community arts and cultural facility be approved subject to:

1. The outcome of the study currently being undertaken on the needs for the development and upgrading of Community Centres city wide.
2. A detailed proposal covering management of the use concept, its funding and future revenue streams being reported back to the Projects and Property Committee for recommendation to the Council.

The Chairman comments:

This property was inspected by members of the Committee, other Councillors and some Community Board members on Monday 1 November. It is obvious that a significant amount of work is needed on the property, including reroofing, repainting, rewiring, replumbing and complete interior restoration and refurbishment. I consider that the outstanding work required is likely to require expenditure in the vicinity of \$500,000 or more. In view the large amount involved, I consider that the Council would be wise to defer any decision on the development of the property as a community arts and cultural facility until a comprehensive condition report has obtained giving an estimate for the cost of the upgrading work required.

Chairman's

Recommendation:

1. That the officers be requested to obtain a comprehensive condition report on the building, including an estimate of the cost of carrying out the upgrading and restoration work required, plus an estimate of the ongoing annual maintenance costs once such upgrading has been completed.
2. That the Council defer a decision on the possible development of Avebury House as a community arts and cultural facility until the foregoing report has been received and considered by the Council.